Republic of Malawi

Ministry of Local Government and Rural Development

in association with

Malawi German Programme for Democracy and Decentralisation (MGPDD)

and

the Royal Norwegian Embassy (RNE)

A Strategy for Capacity Development for Decentralisation in Malawi

March 2006
A Strategy for Capacity Development for Decentralisation in Malawi

Table of Contents

1. INTRODUCTION AND BACKGROUND ...........................................................................6
   INTRODUCTION ...............................................................................................................6
   OBJECTIVES, TERMS OF REFERENCE AND METHODOLOGY OF THE ASSIGNMENT ........6
   BACKGROUND .............................................................................................................8

2. THE CONCEPT OF CAPACITY AND CAPACITY DEVELOPMENT .....................................12
   INTRODUCTION ............................................................................................................12
   WHAT IS CAPACITY DEVELOPMENT .......................................................................12
   INSTITUTIONS AND ORGANISATIONS .....................................................................13
   IMPLICATIONS FOR CD STRATEGY .........................................................................14
   CAPACITIES FOR LOCAL GOVERNMENT IN THE MALAWIAN CONTEXT ................15
   WHOSE CAPACITIES? ...............................................................................................15
   WHAT CAPACITIES? .................................................................................................15

3. CAPACITY NEEDS ASSESSMENT – SUMMARY ..............................................................18
   INTRODUCTION ............................................................................................................18
   FINDINGS AND OBSERVATIONS .............................................................................18
   THE INSTITUTIONAL ENVIRONMENT .......................................................................18
   CAPACITIES OF NATIONAL LEVEL LOCAL GOVERNMENT SUPPORT ORGANISATIONS 19
   CAPACITIES OF DISTRICT ASSEMBLIES ...................................................................24
   CAPACITIES OF COMMUNITIES .............................................................................29
   CAPACITY ASSESSMENT OF TRAINING INSTITUTIONS .........................................30
   CONCLUDING THOUGHTS FROM CAPACITY ASSESSMENT .....................................33

4. THE STRATEGY – OBJECTIVES AND APPROACH .........................................................35
   INTRODUCTION ............................................................................................................35
   GOAL ............................................................................................................................35
   OBJECTIVES ................................................................................................................35
   OUTPUTS .....................................................................................................................36
   ACTIVITIES ................................................................................................................36
   APPROACH ................................................................................................................38
   INPUTS / COMPONENTS .............................................................................................46

5. OUTPUTS AND ACTIVITIES AT THE DISTRICT LEVEL .................................................53
   INTRODUCTION ............................................................................................................53
   OBJECTIVE ..................................................................................................................53
   OUTPUTS ....................................................................................................................53
   ACTIVITIES ................................................................................................................54

6. OUTPUTS AND ACTIVITIES AT THE COMMUNITY LEVEL ..........................................62
   INTRODUCTION ............................................................................................................62
   OBJECTIVE ..................................................................................................................62
   OUTPUTS ....................................................................................................................62
   ACTIVITIES ................................................................................................................62

7. OUTPUTS AND ACTIVITIES AT THE NATIONAL LEVEL .............................................67
   INTRODUCTION ............................................................................................................67
   OBJECTIVE ..................................................................................................................67
   OUTPUTS ....................................................................................................................67
   ACTIVITIES ................................................................................................................68

8. TRAINING INSTITUTIONS ...........................................................................................75
   INTRODUCTION ............................................................................................................75
Acronyms and abbreviations

ADB  African Development Bank
ADC  Area Development Committee
ADCs  Appointments and Disciplinary Committees (in Assemblies)
AEC  Area Executive Committee
AIP  Annual Investment Plan
CA  Capacity Assessment
CB  Capacity Building
CBNA  Capacity Building Needs Assessment
CD  Capacity Development
CDA  Community Development Assistants
CSO  Civil Society Organisation
CW  Community Work
DA  District Assembly
DC  District Commissioner
DDF  District Development Fund
DDP  District Development Plan
DDPF  District Development Planning Framework
DDPS  District Development Planning System
DEC  District Executive Committee
DED  German Development Service
DFID  Department for International Development
DHRMD  Department of Human Resources Management & Development – Office of the President & Cabinet (OPC)
DoF  Director of Finance
DS  Decentralisation Secretariat
EPA  Environmental Protection Area
EU  European Union
GoM  Government of Malawi
GTZ  German Agency for Technical Cooperation
HIV/AIDS  Human Immunodeficiency Virus/Acquired Immunity Deficiency Syndrome
HOD  Head of Department
HR  Human Resources
IEC  Information, Education and Communication
IFAD  International Fund for Agricultural Development
IFMIS  Integrated Financial Management Information System
IMTC  Inter-Ministerial Technical Committee
KS  Association of Norwegian Local and Regional Authorities
LASCOM  Local Government Service Commission
LG  Local Government
LGSA  Local Government Services Act
MALGA  Malawi Local Government Association
MASAF  Malawi Social Action Fund
MCA  Malawi College of Accountancy
MCTC  Magomero Community Training College
MEDI  Malawi Entrepreneurs Development Institute
M&E  Monitoring and Evaluation
MEPD  Ministry of Economic Planning and Development
1. INTRODUCTION AND BACKGROUND

Introduction

1.1 This Strategy Proposal is the second output of an overall exercise to formulate a Strategy for Capacity Development for Decentralisation in Malawi – the first output being The Capacity Assessment Report of December 2005. It should be regarded as a concept document, the first stage of a process for stimulating discussion and ultimate agreement of a CD Strategy.

1.2 The Capacity Assessment Report was circulated to key stakeholders with an interest in decentralisation and was used as the basis for a brainstorming workshop to formulate the strategy proposals held in Salima from 24th to 26th January 2006. The workshop involved senior representatives of MLG, MEPD, MoF, OPC, Sector Ministries, NLGFC, LASCOM, MALGA, UNDP, MGPDD, ADB, DED, UNCDF, NAC, NICE and Training Institutions. It was facilitated by a team of International and Malawian Consultants. After exploring the concept of Capacity Development and reviewing the strengths and weaknesses of the decentralisation actors presented in the Assessment Report, the participants brainstormed possible capacity development strategies applicable at District Assembly, Community and National Levels. They went on to derive the main components of an overall Strategy, its management arrangements and the implications for the Malawian Training Institutions. The Workshop Proceedings are attached as Appendix 1.

1.3 The outputs from the workshop have since been used as the basis for the proposals contained in this report. Following this introduction, Section 2 of the report reviews the concept of Capacity Development, how this applies to the local government context, the main actors involved and what capacities need to be developed. Section 3 presents a summary of the findings of the Capacity Assessment of these Local Government actors in terms of the desired capacities at each level. Section 4 goes on to present proposals for the goal, objectives and outputs of the CD Strategy – The Whats. This leads on to a discussion of the crucial issue of the Hows – the proposed Approach/Methodology and Component inputs. Sections 5, 6 and 7 then elaborate details of the outputs and activities for achieving the objectives at District, Community and National Levels. The implications of the methodology and activities for the Training Institutions are considered in Section 8. Finally section 9 explores possible management, coordination, implementation and funding arrangements before Section 10 presents suggestions on a Way Forward leading to initiation.

1.4 At the present time The Ministry of Local Government, as the driver of the exercise, intends that this Strategy Proposal be used as a basis of consultation with Permanent Secretaries, other senior technocrats, politicians, donors and the Assemblies themselves before a final version is agreed.

Objectives, Terms of Reference and Methodology of the Assignment

1.5 The review of the National Decentralisation Programme (NDP I) in 2004, highlighted the need for of a capacity building strategy as follows:

“A comprehensive capacity building strategy should be developed on the basis of the planned
needs analysis, for both District Assemblies and central Ministries/Departments involved in devolution. This should cover not only human resource development but other capacity deficiencies and factors. It should take into account relevant international experience (especially in Africa) in capacity building in support of decentralisation.

1.6 The Ministry of Local Government and Rural Development (MLGRD) responded by asking the Malawi German Programme for Democracy and Decentralisation (MGPDD) and the Capacity Building Needs Assessment (CBNA) Working Group to draw up appropriate Terms of Reference, which were discussed and refined during an exploratory visit by D. R. Mellors, the prospective Team Leader for the exercise in September 2005. It was decided to proceed with a Capacity Assessment as a sort of informative mapping exercise. The exercise was to utilise previous studies supplemented by additional fieldwork to provide an agreed basis for the most important component of the assignment – the Capacity Development Strategy formulation. The Assessment took a breadth rather than depth approach covering a wide range of institutions, organisations and actors with significant roles in the decentralisation process. It is assumed that more detailed assessments (if and when they are required) will be undertaken by the organisations themselves as part of their own strategic/corporate planning.

1.7 The objective of the Capacity Assessment was to provide an overview and analysis of the capacity weaknesses across all stakeholders in the decentralisation and capacity building process. The Assessment, as far as was practical and realistic, was to identify and analyse the main human capacity weaknesses (individual, organisational, institutional) and also highlight financial and physical asset deficiencies in the District Assemblies. It was to provide the basis for Phase 2 of the exercise - brainstorming, formulating and agreeing a new Capacity Building Strategy for Decentralisation at workshops to be held in January/February 2006. Full details of the TORs are appended as Appendix 2.

1.8 In carrying out the assignment, the consultancy team have been acting as agents of the MLGRD. As the co-ordinator of the Decentralisation Programme and the regulator of the Assemblies, the MLGRD has a particularly important role to play in both the Assessment and the Strategy Formulation. It was therefore important that the assignment be driven by the Ministry of Local Government from the highest levels. In particular the Ministry must clearly lead the Strategy formulation so that it can then lead the co-ordination and management of the ensuing capacity building programme.

1.9 The assessment involved the following organisations:

- A sample of Local Government Assemblies agreed with the Working Group – including aspects of staffing, structures, organisational systems, physical assets etc.
- Selected community leaders, Chiefs, MPs and ex Councillors in each of the sample Assembly areas,
- The Ministry of Local Government and Rural Development and the Decentralisation Secretariat at the National level,
- Other Supporting Agencies at the National Level – the Local Authorities Service Commission – LASCOM, the National Local Government Finance Committee – NLGFC, Malawi Association of Local Government Authorities - MALGA,
- The leading devolving Ministries in particular Health, Education, Agriculture, in terms of their capacities to promote sectoral devolution at District level,
- The Ministry of Economic Planning and Development, Ministries of Finance, and the Department of Human Resources Management and Development - OPC, in terms of
any role that affects the performance of District Assemblies,

- The nominated list of 8 Training Organisations and any other relevant supply side organisations, looking in particular at the relevance and quality of the training programmes offered and the capacities of the organisations to respond to the needs,
- Donor agencies/Programmes in terms of their views and intentions regarding support for decentralisation in Malawi.

1.10 The Capacity Assessment fieldwork was carried out between 9th and 29th November with follow up meetings and report writing in December 2005. It involved a team of 5 Malawi based members (Mr Darwin Pangani from MLG, Mr Jack Ngulube from the Decentralisation Secretariat, Ms Laura Schmidt from MGPDD, Mr Arthur Liwonga and Mr Hilarie Chimota from DHRMD), and three international consultants (Mr Rob Mellors – Team Leader, Mr Andrew Mlalazi – Zimbabwe, and Mr Kurt Ole Ugland from Norway). The team:

- conducted a literature review,
- designed and implemented survey questionnaires for meetings at National, District and Community Levels,
- undertook visits to 10 District Assemblies (Chiradzulu, Neno, Rumphi, Mzuzu City, Salima Town & District, Kasungu Town & District, Lilongwe City & District),
- held focus group meetings in 6 Districts with ex Councillors, Chiefs, MPs and a number of VDCs/ADCs,
- held semi-structured interviews with Sector Ministries and key stakeholders at National level and talked to relevant support organisations and donors.

1.11 All those consulted and interviewed are listed in the Final Draft Assessment Report.

1.12 An Interim Wrap Up Meeting was held on 28th November at which the Team presented a progress report, preliminary findings and a proposed Way Forward to the Ministry of Local Government & Rural Development, members of CBNA Working Group and key Stakeholders. The meeting discussed the presentation and endorsed the proposed Way Forward for Stage 2 the Strategy Formulation (see Part 3).

1.13 In carrying out this assignment, it was not the intention of the consultancy team to document every capacity weakness, list every vacant post etc. such activities should ultimately be the responsibilities of the District Assemblies and national organisations themselves. There is also wealth of information from reviews and previous work on various aspects of the decentralisation programme. Much of this is of a high calibre and remains relevant to the CD Strategy. The Capacity Assessment report drew on previous reviews and further analysed the capacity issues before presenting them in the context of a potential Capacity Development Framework which constituted the main deliberative agenda of the strategy formulation workshop described in paragraph 1.2.

Background

1.14 In 1998 The Malawi Government adopted a National Decentralisation Policy and passed a new Local Government Act based on the 1995 Constitution in which Local Government was enshrined. The Policy and the Act provide for the establishment of Local Assemblies as the key institutions to deliver social and economic services more efficiently. They describe a devolution model for decentralisation rather than one of deconcentration or delegation. The National Decentralisation Policy therefore seeks to devolve powers, functions, responsibilities, and resources to enable Local Governments perform their roles
adequately. This is expected to improve the delivery of public goods and services to people
at all levels as part of the Government’s Poverty Reduction Strategy 2002 - 2005.

1.15 The Government adopted an incremental implementation strategy to devolution
through a ten year National Decentralisation Programme (NDP). The implementation of the
National Decentralisation Policy is planned to cover a period of ten years divided into two
phases. The first phase was for a period of four years 2000/2001 to 2003/2004. The first
phase had 7 components:-

- Legal Reforms
- Institutional Development and Capacity Building
- Building a Democratic Culture
- Fiscal Decentralisation
- Accounting and Financial Management
- Sector Devolution
- Local Development Planning and Financing Mechanisms

1.16 NDP 1 included the building of capacity for the management of the program by
establishing relevant Local Government Support Institutions - the National Local
Government Finance Committee (NLGFC), Malawi Local Government Association
(MALGA); and strengthening of existing institutions like the Ministry of Local Government
and Rural Development. The programme further sought to support Training Institutions to
enable them run capacity programs in local government management. Other key activities
included support to ministries to prepare sector devolution plans and transfer of functions to
assemblies; recruitment and training of staff and systems development in areas of
development planning, fiscal devolution, financial management and accounting and human
resource management.

1.17 The programme was reviewed in 2004. The review concluded that whilst there was
encouraging will by some players especially at local level to put decentralization into
practice, and that significant progress had been made in implementing the programme, there
were also many implementation failures. It noted reluctance among some key central
ministries to devolve functions and a lack of popular understanding of and pressure for
decentralisation.

1.18 The Review made over 130 detailed recommendations but highlighted needs for:
- high level championship of decentralization,
- sustained socio-political transformation,
- legal reforms to amend the LG act and other sectoral legislation to remove
  ambiguities,
- MLGRD to drive the process and significantly improve management and
  coordination,
- the integration of the Decentralisation Secretariat members and activities into
  MLGRD and related organizations,
- increased momentum for Sector Devolution,
- improvements of the planning process to ensure greater local ownership and improved
  linkages with national plans,
- development of a Capacity Building Strategy,
- much more civic education to increase understanding of and pressure for
decentralization,
• gender and HIV/AIDS mainstreaming,
• increased donor support and co-ordination,
• improved monitoring and review arrangements.

1.19 The Review has also guided the preparation of the second phase of the NDP for the 2005-2009 period. Having set up the basic institutions at the centre and at district level, it is the wish of the government that these institutions under NDP II begin to function effectively. Thus the goal of NDP II is to further develop functional local governments, deepening the decentralisation process at the district and village levels and improving the management and service delivery capacities of assemblies.

1.20 NDP II will specifically focus on:
• Deepening the gains made during the implementation of NDP I to further participatory democracy and local governance, accountability, and transparency,
• Developing capacities in assemblies and below the assemblies for improved service,
• Improving the management of the programme, institutionalizing a more sustainable, effective coordination and implementation framework for the implementation of a decentralized democratic local governance system,
• Effecting a smooth and speedy but orderly Sector Devolution Process, entrenching the management of devolved functions in assemblies,
• Developing operational linkages between the Decentralisation Policy and other Strategic National Policy Frameworks,
• Establishing sound Monitoring and Evaluation Structures for development.

1.21 The programme has four components related to its objectives namely:

1. Sector Devolution - Functions and responsibilities have been successfully transferred to local governments,
2. Institutional Development and Capacity Building - Functional and effective institutions for management of the Decentralisation process established,
3. Fiscal Devolution and Financial Management - Local governments in a position to manage and account for resources transparently,
4. Local Development Planning and Financing Mechanisms - Increased capacity of local governments to promote economic, social, physical development planning and development.

1.22 Many of the outputs under each of these programmes are concerned with Capacity Building. In fact the whole of NDP2 should be viewed as a Decentralisation and Capacity Building Programme rather than Capacity Building being compartmentalised under one component.

1.23 Various capacity building initiatives relating to local government have been instigated over the past 15 years most notably since the UNDP Pilot District Focus for Development Programme. During the Assessment we were unable to find any authoritative listing of these initiatives let alone any sort of synthesis. This could be a useful exercise at least ‘for the record’.

1.24 Since the current National Decentralisation Programme was initiated in 2001, donors have supported various capacity development elements as shown in the following table.
### Table 1.1 NDP I: District and Components Distribution amongst Donors

<table>
<thead>
<tr>
<th>DONOR</th>
<th>Areas of Support</th>
<th>Districts</th>
<th>Amount US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNDP/UNCDF</td>
<td>Institutional and capacity development</td>
<td>Nkhata-Bay, Mzimba, Mchinji, Kasungu, Dedza, Ntcheu, Thyolo, Chiradzulu,</td>
<td>12 Million</td>
</tr>
<tr>
<td></td>
<td>Fiscal decentralisation</td>
<td>Mangochi, Machinga, Nsanje and Chikwawa</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Local development planning and financing</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Financial accounting and management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Norad</td>
<td>Local development planning and financing</td>
<td>Blantyre, Zomba, Dowa, Nkhota-kota, Ntchisi, Karonga Balaka, Rumphi and</td>
<td>4.5 Million</td>
</tr>
<tr>
<td></td>
<td>Institutional and capacity development</td>
<td>Likoma</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fiscal decentralisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Financial accounting and management</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Legal reforms</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sector devolution</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Building a democratic culture through civic education</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>National wide coverage</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ADB</td>
<td>Local development planning and financing (DDF)</td>
<td>Chitipa, Lilongwe, Salima, Mwanza, Phalombe, Neno and Mulanje</td>
<td>16.155 Million</td>
</tr>
<tr>
<td></td>
<td>Institutional and capacity development</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fiscal decentralisation</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Financial accounting and management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GTZ</td>
<td>Civic education for local governance</td>
<td>Country-wide</td>
<td>3.101 Million</td>
</tr>
<tr>
<td></td>
<td>Fiscal decentralisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Financial accounting and management</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Improved service delivery</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Local development planning</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1.25 Unfortunately little information on these various initiatives has been evaluated or systematically shared. There was no central actor taking stock of the initiatives and no ‘lessons learnt’ were established. The Malawi-German Programme for Democracy and Decentralisation (MGPDD) has put together an Inventory of Documentation Relating to the Decentralisation Process in Malawi (last update: August 2005) which brings together a large number of programme, review and evaluation documents inter alia from donor agencies. To establish which kind of capacity-building initiatives have taken place, these documents would have to be reviewed and discussions held with responsible officers.
2. THE CONCEPT OF CAPACITY AND CAPACITY DEVELOPMENT

Introduction

2.1 Crucial to the development of a Capacity Building Strategy for Decentralisation (The How) is a clear understanding of what capacity development is. This section suggests a definition of capacity development and describes a holistic model for its description and analysis in the Malawian local government context. The model provides the basis for developing the Capacity Development Strategy.

What is Capacity Development

2.2 There have been many attempts to define capacity development over recent years. The following composite elements represent a synthesised consensus view:

*Capacity development is a long term process which:*

- increases the level of social capital in a society or organisation – knowledge, skills, attitudes, the ability to establish productive relationships,
- is endogenous and involves learning,
- is broad and involves individuals, organisations and societies at different stages of development,
- involves a society/organisation changing its rules, institutions and standards of behaviour,
- enhances an individual or organisation’s ability to set and achieve objectives, perform functions, respond, solve problems, adapt and exert discipline on itself,
- develops the will, the vision, the structures and systems, cohesion and the values to make progress over time.

2.3 A commonly accepted short hand is: *the process by which individuals, institutions and societies develop abilities to perform functions, solve problems as well as set and achieve goals. It is premised on ownership, choices, and self-esteem.* Participants at the Salima workshop identified the qualities of a capacitinated Assembly as shown below.

**Table 2.1** Qualities of a Capacitated District Assembly

<table>
<thead>
<tr>
<th>Overall Heading</th>
<th>Qualities identified by workshop participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Has Resources</td>
<td>Financially autonomous or well resourced, able to manage and mobilise resources, adequate equipment and infrastructure.</td>
</tr>
<tr>
<td>2. Has a Sense of Identity</td>
<td>A clear and concise vision, well focused with priorities and plans</td>
</tr>
<tr>
<td>3. Has ability to plan, make informed choices, solve problems</td>
<td>Strategic, ability to plan and implement, able to envision</td>
</tr>
<tr>
<td>4. Can perform, technically and organisationally to achieve goals</td>
<td>Proper operating systems and procedures in place, good management structures, able to co-ordinate sectoral processes. Able to deliver good quality services, results oriented, efficient and effective use of resources</td>
</tr>
<tr>
<td>5. Has knowledgeable, skilled and motivated human resources</td>
<td>Well qualified, skilled and trained staff, transparent and accountable staff, appropriate number of personnel, capable councillors able to perform functions, accountable politicians. Capable, responsible and committed leadership, Team Spirit</td>
</tr>
<tr>
<td>6. Is adaptable and resilient, responds creatively to change</td>
<td>Able to withstand political influences, flexible in action, proactive</td>
</tr>
<tr>
<td>7. Self learning, reflective, self critical, learns by doing</td>
<td>Can evolve and learn from its experiences, able to monitor and evaluate itself.</td>
</tr>
<tr>
<td>-------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>8. Can establish effective relationships both within itself and with the outside world</td>
<td>Responsive to community needs and demands, able to support communities, good team spirit, able to educate and empower the public</td>
</tr>
<tr>
<td>9. Self Disciplined</td>
<td></td>
</tr>
</tbody>
</table>

### Institutions and Organisations

2.4 Capacity building in the 1970s was largely synonymous with training for **individuals** through scholarships, external and “on-the-job” training, and tools and equipment for people in key positions. In the 1980s however, it was becoming obvious that Capacity development was outgrowing its training focus which was now complemented by an increased **organisational** focus involving organisational audits, restructuring, advisory support, and help with the development of financial and HR systems. Yet again, however it was proved to be futile to pursue improved capacities at the organizational level through skill development and improved management techniques that run counter to the pattern of incentives held in place by the wider institutional environment. Thus in the 1990s many other non-technical factors were recognised - values, motivations, conflict, organizational heritage and culture – as affecting performance. In short an understanding of the wider **institutional** framework and the need to focus on overall outcomes was also required.

2.5 Effective capacity building thus requires attention to all three dimensions but if the institutional environment is non conducive, only limited sustainable gains can be achieved by addressing organizational and individual weaknesses.

2.6 The terms Institutions and Organisations now have quite precise meanings. Institutions are often referred to as ‘the rules of the game’. According to North\(^1\), they “…consist of formal rules, informal constraints-norms of behaviour, conventions, and self imposed codes of conduct - and their enforcement characteristics. The rules of the game shape the environment and incentives that drive behaviour and performance – the carrots, sticks and conditions. They may be formal - legal systems, property rights, enforcement mechanisms; or informal – customs, traditions. They may operate at different levels (e.g. laws, constitutions, political positions), social (e.g. norms of conduct), family (e.g. inheritance rules) or institutions of government.”

2.7 “As institutions are the ‘rules of the game’, organisations and individuals are the players of the game. Organisations are groups of players who come together for a common purpose or to achieve specific objectives. They adapt their structure and activities according to the external institutional environment - the rules of the game.”\(^2\) Examples of organisations include political parties or local governments, firms, businesses, churches and schools. They usually have discrete boundaries, a budget, and a structure. Organisations at one level can set the institutional rules for another level e.g. national ministries setting rules for local governments.

2.8 Overall capacity development requires an understanding of both organisational reform and the bigger institutional environment. Interventions are more likely to succeed if they

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2 DFID, 2003; Guidelines on Institutional Development.
promote improvements in wider institutional competencies as well as in organisational and individual technical competencies.

**Implications for CD Strategy**

2.9 Institutional development is typically a complex and slow process rather than a linear one. It has to address and build on local realities. The institutional environment is continuously changing sometimes creating new opportunities which need to be exploited by competent Capacity Development programmes. This presents a challenge to the traditional concept of deficiency analysis and gap filling with its linear approach of identification, design, appraisal, implementation, monitoring and evaluation. To take full account of the institutional environment, many CD interventions have to be informed by experience and developed as they go along. It usually requires:

- a long term approach,
- a process approach where, within agreed overall objectives for institutional change, outputs and the activities and inputs required to achieve them are reviewed and refined as development proceeds,
- particular attention to monitoring and review, to provide a framework for adapting interventions to take account of progress and of changing conditions.

2.10 Individual, technical or organisational interventions that leave unsatisfactory institutions intact will probably achieve nothing in the end. Successful institutional development is very dependent on real commitment from stakeholders, especially those at senior levels. Outsiders can support e.g. at the top end through advice, assistance to improve policy making capacity, public expenditure management, new incentive mechanisms etc, and from the ‘bottom up’ by promoting the voice and partnership of the people. They can also facilitate organisations and train individuals but it is usually not worth proceeding if high level commitment is not there.

2.11 Changing the rules of the game is inherently difficult and is likely to be resisted by those groups that benefit from the status quo – often the very groups who control the power of the state. It is thus crucial to understand the political context, and the limits and constraints on political capacity to implement policy priorities. These constraints are directly related to levels of political legitimacy and the strength of representative institutions. Institutional appraisal there requires identification of the institutional components and analysis of their various characteristics.

2.12 An important component of such an appraisal is a stakeholder analysis. Stakeholders include decision makers, intended beneficiaries and intermediaries. Such an analysis helps to ensure that interventions take account of local knowledge, make the interests of key stakeholders transparent and build ownership of a capacity building reform process. It also helps to gauge opposition to change, and to see whether there are ways of mitigating it.

2.13 In summary, institutional change is slow and difficult, and sometimes impossible. Whilst a Capacity Assessment can provide a map of what needs to change, it is important that the Strategy development exercise honestly assesses what is likely and possible. The gap will most likely define the more intractable institutional problems. If this is too great there is no point in proceeding.

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3 *Building Political capacity for Poverty Reduction*, Governance Department, DFID, 2002
Capacities for Local Government in the Malawian Context

2.14 Local Government, although sometimes viewed more as a sector from a national perspective, is in reality a complete level of government in its own right and hence requires a holistic strategy for capacity building. Figure 1 below presents a useful model or map for identifying the institutional, organisational and individual elements which need to be assessed in the development of such a strategy. The diagram provides a basis for understanding the factors which contribute to the outcomes we are trying to achieve e.g. improved services, infrastructure, empowered communities etc. It enables us to be clear about whose capacities we are really focusing on and what specific capacities we consider as crucial to achieve the desired outcomes.

Whose Capacities?

2.15 From the various elements in the diagram, the key organisations and players would include:

a) The community as a whole in terms of its role in local governance;

b) The District with particular reference to the Assembly Secretariat, Sector officials, the Councillors, the district line ministries, the Traditional Authorities, MPs and the sub-District structures;

c) At the National level: Government organisations (both politicians and officials) who are primarily responsible for District support and regulation, and for creating the enabling environment in which Districts operate. More specifically:
   • Political leaders who set the overall laws and policies re Local Government and decentralisation;
   • The Ministry of Local Government, other local government organisations (e.g., LASCOM, NLGFC) and individuals who effect the overarching decentralisation and local government policies and frameworks;
   • Sector Ministries who are devolving their functions to Local Assemblies;
   • Local Government capacity building, support and training organisations e.g. MALGA;
   • Donor supported programmes providing incentives through grants etc. e.g. MASAF, UNDP, NORAD, ADB, GTZ;
   • Public Sector training organisations;
   • Private Sector training or OD providers with interests in Local Government.

What Capacities?

2.16 The next question is to decide what specific organisational and institutional capacities each of the actors needs to develop if they are to play their complementary roles in a local government service delivery system. Table 1 presents the ideas on these ‘desired capacities’ for each level used as the basis for this assessment. In addition to the organisational and institutional capacities each involves developing the knowledge, skills, attitudes and behaviours of the individuals which make up these organisations.
Figure 2.1 A Local Government Institutional and Organisational Model

**Inputs**
- Resources e.g. Grants
- Taxes
- Equipment
- Buildings

**Historical Influences**
- Political Commitment to Decentralisation
  - Political Objectives and Party demands

**The Legal Framework**
- Constitution, Acts, Rules and Regulations

**Peace & Security**
- Donor programmes
  - MASAF, MGPDD etc

**The Institutional Environment**
- Incentives (NLGFC)
  - e.g. Capital Grants
  - Performance Grants

**THE ORGANISATION**

**A Local Assembly**

**Individual Human Resources**
- Councillors, Officers, Workers, Leaders
  - Their Knowledge, Skills and Attitudes

**Organisational Structures**
- Committees, Directorates, DEC, ADC, AEC, VDC

**Organisational Systems**
- for: Planning, Budgeting, Financial Management, HR Management, Corporate Management, Procurement & Project Management, Service Delivery, Participation etc

**Organisational Culture and Leadership**
- Council Policies & By Laws

**COMMUNITIES AND USERS**
- Downward accountability
  - Demands for service performance and accountability
  - Constituent Responsibilities

**Polices**
- Cabinet Committee, MEPD, DHRMD, MLGRD and Sector Ministry Guidelines, standards, Advice

**Audit and Supervision**
- Upward accountability to Auditor General, MLGRD, Sector Ministries

**Outcomes**
- Services
- Infrastructure
- Empowered Communities
- Conducive environment

**Capacity Building Support**
- Organisation Development Facilitation
- Training (MALGA etc Training Institutions, Sectors)
- Local Government Advice (MLG)
- Recruitment (LASCOM)
### Table 2.2 – Organisational and Institutional Capacities Required at Different Levels for effective Decentralised Service Delivery

<table>
<thead>
<tr>
<th>Community Level</th>
<th>District Level</th>
<th>National Level</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Communities with a capacity to:</strong></td>
<td><strong>District Assemblies with a capacity to establish and operate structures and systems and to:</strong></td>
<td>The Political establishment, MLG, MF, MEPD, DHRMD, LASCOM, NLGFC, Sector ministries, MALGA and donor supported programmes with a capacity to support local government through:</td>
</tr>
<tr>
<td>1. Understand their <strong>constitutional roles and responsibilities</strong> in a local government system.</td>
<td>1. Clearly understand the role of LG and the Assembly.</td>
<td>1. Preparation and committed implementation of a Constitution, LG Act and a National policy on decentralisation.</td>
</tr>
<tr>
<td>2. Be informed on <strong>development issues</strong> within their District.</td>
<td>2. To make By-Laws,</td>
<td>2. Provision of guidelines on the roles, functions and responsibilities of Districts and sub District Structures.</td>
</tr>
<tr>
<td>3. Organise themselves and advocate.</td>
<td>3. Promote development coordination</td>
<td>3. Establishment and management of systems for the financing of Assemblies.</td>
</tr>
<tr>
<td>4. Identify their development needs and communicate these through the <strong>District Planning system</strong>.</td>
<td>4. Promote increasing civic understanding, participation and democracy.</td>
<td>4. Provision of guidelines for the operation of District planning, budgeting, revenue and accounting systems.</td>
</tr>
<tr>
<td>5. <strong>Demand feedback</strong> on progress on their expressed needs.</td>
<td>5. Promote participatory development through District Development Planning</td>
<td>5. Preparation of Guidelines on District structures and staffing.</td>
</tr>
<tr>
<td>6. <strong>Demand transparency and accountability</strong> from their elected representatives and the District as a whole.</td>
<td>6. Plan, implement, monitor and evaluate development projects and programs.</td>
<td>5. Recruitment of staff on behalf on District Assemblies.</td>
</tr>
<tr>
<td>7. Participate where appropriate in the <strong>implementation, maintenance and operation of projects and programs</strong> in their area.</td>
<td>7. Procure contractors, equipments etc.</td>
<td>6. Preparation of background studies and Research.</td>
</tr>
<tr>
<td>8. <strong>Appreciate the importance of local revenue</strong> in financing District activities and services.</td>
<td>8. Prepare, manage and review an Annual Budget that services a Strategic Development Plan.</td>
<td>7. Provision of policy and technical guidelines and technical support re the operation of sectoral offices. (Zones)</td>
</tr>
<tr>
<td>9. <strong>Engage with support agencies</strong> operating in their areas.</td>
<td>9. Raise and manage the District’s financial resources.</td>
<td>8. Preparation of guidelines on minimum service standards</td>
</tr>
<tr>
<td><strong>The Political establishment, MLG, MF, MEPD, DHRMD, LASCOM, NLGFC, Sector ministries, MALGA and donor supported programmes with a capacity to support local government through:</strong></td>
<td>10. Improve their corporate performance in effective management of resources.</td>
<td>9. Co-ordination of government, donor and NGO funded initiatives related to District development. (Zones)</td>
</tr>
<tr>
<td><strong>Promote increasing local economic development.</strong></td>
<td>12. Manage capital assets.</td>
<td>11. Co-ordination and management of Decentralisation and Capacity Building Programmes.</td>
</tr>
<tr>
<td><strong>Support agencies</strong> operating in their areas.</td>
<td>13. Ensure (Plan, Manage and Monitor?) effective and efficient Service delivery in key sectors such as Health, Education, Agriculture, Roads, Water development.</td>
<td>12. Facilitation of responses to training needs for decentralisation including the establishment and operation of systems for the provision of District and Regional training and systems for the provision of District Assembly Organisational Development.</td>
</tr>
<tr>
<td><strong>Negotiation with donors re resource mobilisation and support for CB.</strong></td>
<td>14. Promote sustainable management of land and natural resources.</td>
<td>13. Negotiation with donors re resource mobilisation and support for CB.</td>
</tr>
<tr>
<td><strong>Procurement</strong> of CB inputs re consultancy, equipment etc.</td>
<td><strong>Facilitation of information sharing and capacity building experiences</strong> between Districts.</td>
<td>14. Procurement of CB inputs re consultancy, equipment etc.</td>
</tr>
<tr>
<td><strong>Monitoring and evaluation</strong> of decentralisation, capacity building and service delivery.</td>
<td></td>
<td>15. Monitoring and evaluation of decentralisation, capacity building and service delivery.</td>
</tr>
</tbody>
</table>
3. CAPACITY NEEDS ASSESSMENT – SUMMARY

Introduction
3.1 Using the institutional/organisational model presented in Figure 2.1 and Table 2.2, this section presents a summary of the findings of the Capacity Needs Assessment. It highlights the main issues contained in the First Draft Report of a Capacity Assessment/Mapping Exercise which was carried to facilitate the formulation of a Comprehensive Strategy for Capacity Development for Decentralisation in Malawi.

FINDINGS AND OBSERVATIONS

The Institutional Environment

Historical Background
3.2 With the coming of Multi-party democracy in 1994 and the 1998 Local Government Act, a somewhat hesitant move was made back towards democratic and representative District Councils now called District Assemblies. These new bodies are constituted by elected councillors from the Wards, but also include the Chiefs and MPs as ex officio non voting members. The VDCs and ADCs are retained as development structures coordinated by the DEC at District level. Whilst the new Assemblies, therefore, mark a transition back to democratic Councils, they retain elements of the original Chiefs Councils and the DDC based structures of the 1960s. In many Assemblies this mixture of structures has led to a constant trial of strength between the TAs, the MPs, the Sectors and the Councillors.

3.3 This tension is also reflected at National level. Whilst MLG has a vision of devolved local governments with elected Councillors in a dominant role, the OPC has preferred a gradual transition to devolution with a deconcentration phase first and MPs/TAs playing an active role in the District Assembly’s affairs.

Cultural and Social Factors

3.4 In cultures like Malawi’s, with a strong traditional influence, worthy values such as respect for elders, discipline and obligation are customary and important for social cohesion. Even in the context of rapid social change, these values are still evident. Leaders are accorded high levels of respect and assume widespread powers over people and resources, but abuse of modern day political power in a culture with few checks and balances can seriously undermine respect for the democratic system and weaken societal cohesion.

Legal Factors

3.5 The legal basis for the decentralisation programme is provided by the 1995 Constitution, the 1998 Local Government Act and the 1998 National Decentralisation Policy.

3.6 The Decentralisation Policy of 1998 intends devolution of administration and political authority to the district level, integration of government agencies at the district level, diversion of the centre of implementation responsibilities to the districts, assignment of functions and responsibilities to different level of government and promotion of popular participation in the governance and development of districts. The Assessment Team, yet, perceives limited implementation of these intentions.
Political Factors

3.7 The National Decentralisation Programme is being implemented in a multi-party political environment following the 1993 referendum. The political system is still maturing and according to MPRS is characterised by patronage and regionalism.

3.8 Some Public Servants including District Commissioners have also become politicised as have the Chiefs. The Chiefs are still contact points for government in rural areas.

3.9 The political environment for implementing decentralisation is further complicated by the dispute between the President and his original sponsoring Party UDF and a proposal for impeachment. The political uncertainties could also have significant implications for the holding and timing of Local Government elections.

Other Policies

3.10 It is also important to set decentralisation and capacity building in the context of the overarching policy environment and national planning systems. The main national policies that affect the decentralization implementation process include the Poverty Reduction Strategy, Malawi Economic Growth Strategy, the SWAps (sector wide approaches) and the Public Sector Investment Programme.

Malawi Poverty Reduction Strategy (MPRS) and Malawi Growth and Development Strategy

3.11 The MPRS acknowledges challenges to decentralization of sustaining the political will and technical commitment, accelerating capacity building programmes in the Assemblies and Districts, developing a sustainable financial base for the Assemblies, building a democratic culture and participatory institutions in the community and integrating gender and HIV/AIDS issues into training programmes at a district level.

3.12 Whist statements in the MPRS are all very clear in their support for decentralization it is unclear whether there is a driver of the MPRS, pushing to get these policies implemented.

Public Sector Reform

3.13 The Malawi Public Sector Reform Programme includes Civil Service Reform Program, Privatization Programme, the development and implementation of the Integrated Finance Management Information Systems, and the National Decentralisation Programme. Its aim is to improve the efficiency and effectiveness of the public sector in service delivery.

Influence of donors and external agencies

3.14 Donors and external support agencies in general, by their mode of operation, can either reinforce or undermine local government systems and structures.

3.15 It appears that some donor programmes are also seriously undermining fledgling local government systems. Some donor organisations are said to be discrediting the capacities of Assemblies deliberately to maintain a raison d’etre for their own staff jobs. It is, however, the responsibility of the Malawian Government (MLGRD, MEPD) to manage and co-ordinate these donor interventions such that they augment and strengthen government systems.

Capacities of National Level Local Government Support Organisations

3.16 The Cabinet Committee on Local Government and Rural Transformation is the
main policy making body whose terms of reference include local government, devolution and the administration of traditional authorities. It has met and approved the NDP2 and discussed the proposed amendments to the LG legislation. In the past the Cabinet Committee has suffered from frequent changes to membership and lack of continuity. Previous studies have questioned the absence of real political champions for the decentralisation policy.

3.17 **The Inter-ministerial Technical Committee** (IMTC) was set up to co-ordinate and to provide technical support to the development and implementation of decentralisation policy. One of its major problems is its size – over 60 members, too large for a management coordinative structure and it has tended to become an information exchange forum.

3.18 It is not clear if the IMTC will continue under NDP2. The NDP2 document suggests it will, however, others have suggested that its role will be incorporated into a new smaller higher level Committee of Principal Secretaries (the **Public Sector Reform Steering Committee**) thereby providing much needed linkage between the National Decentralisation Policy to other PRS policies.

**Ministry of Local Government and Rural Development (MLGRD)**

3.19 Prime responsibility for Decentralisation and Local Government was previously handled by the Department of Local Government in the Office of the President and Cabinet. In July 2004 the DLG was changed into a Ministry of Local Government and Rural Development (MLGRD) with the local government portfolio being combined somewhat inconsistently with a portfolio of Rural Development. The One Village One Product Programme was also transferred from the Ministry of Agriculture to MLGRD.

3.20 A functional review of the Ministry was carried out by DHRMD in May 2005 to create a new structure and work out how best it could absorb and reintegrate functions from the Decentralisation Secretariat which was phased out by December 2005. The Functional Review has created a rather complex and confusing hierarchy of Mission, purpose, functions and strategies for MLGRD.

3.21 MLGRD is responsible for the coordination and management of the whole decentralisation process. Under the new proposals MLGRD will have 4 Departments, the most crucial of which in terms of decentralisation is the Local Government Services Department. This Department will have 2 Divisions:

- The Local Government Management Division and
- The Decentralisation Management Division.

3.22 The LG Management Division will provide advisory services on policy, finance, service standards and by laws to District Assemblies. The Decentralisation Management Division will “take the lead for planning, coordination and facilitation of the implementation of the decentralization policy as well as facilitating and coordinating the process. Successive reviews (1997, 2001 and 2005) have pointed out that the Ministry has weak capacity to provide leadership as well as to co-ordinate and manage implementation of decentralisation due to lack of appropriately qualified personnel in key technical operational areas. Little seems to have changed. It would seem that changing the status of Local Government from a Department in OPC to a Ministry does not so far seem to have enhanced its authority vis a vis decentralisation.
Department of Human Resource Management and Development (DHRMD)
3.23 The Department of Human Resources Management and Development in OPC is responsible for the management of the Public Service. It provides human resource planning, development and management services and through the Staff Development Institute, training, research and consultancy to the Public Service.

3.24 In terms of the decentralisation policy it has been given the role of ensuring that there are sustainable functional structures in the districts, adequate human capacity and proper transfer of functions. DHRMD’s strategic plan identifies some of its own weaknesses as a general lack of strategic direction and innovation, weak institutional capacity, coordination and communication, outdated policies, regulations and practices and the lack of an appropriate HR Policy. Its strategic plan for 2005/08 intends to address these issues.

Ministry of Economic Planning and Development (MEPD) and MoF
3.25 MEPD has divisions for National Planning, Monitoring and Evaluation of National Policies and Development & PSIP. In conjunction with MLGRD, MEPD has developed a Road Map for Monitoring and Evaluation of the status of District Development and the implementation of development activities. MEPD and MoF in conjunction with MLGRD should co-ordinate donor support to the Assemblies and ensure that such support complies with GoM systems. All donors have to sign co-operation agreements at central level and it is important that central government ensures that local government capacities are enhanced.

3.26 The Ministry of Finance is now responsible for implementing financial transfers to District Assemblies. For three of the newly devolving sectors, Agriculture, Health and Education, transfers have been initiated for various operational expenses to newly created Assembly bank accounts. Signatories to these accounts include the district sector heads and the respective DCs. This arrangement ring fences the resources.

LASCOM
3.27 The Local Authorities Service Commission is established under section 147(4) of the Constitution and its operations are guided by the Local Government Services Act 1983. Proposed amendments to the LG Act would combine the LGSA and the LG Act but these have not been passed. There is presently a contradiction between the LASC Act and the LG Act, with the amended LG Act saying that LASCOM is empowered only to recruit staff down to Directorship. Assemblies complain about the performance and operations of LASCOM. It is said to be very slow and bureaucratic at recruiting people. It is also said to be affected by political interference with some people imposed on Assemblies.

National Local Government Finance Committee (NLGFC)
3.28 NLGFC was set up in 2001. The Committee advises on issues of local government finance, manages and monitors the financial transactions between central and local governments. It also provides financial management support to Local Assemblies.

3.29 NLGFC is understaffed. Despite being over-stretched, the staff are motivated and making a significant impact on the Assemblies through provision of advice, clear and timely budget ceilings and on the job support to struggling Financial Directorates. NLGFC’s work is appreciated by the Assemblies and is regarded as one of the most helpful support organisations. The NLGFC workload will be significantly increased when all sectoral
budgets are integrated. However, if and when the Local Development Fund proposal takes off, integrating all the transfers into one system will be a challenge.

MALGA

3.30 Originally formed in 1966, MALGA is an independent umbrella association representing all District Assemblies. MALGA’s financial base is quite weak. Its operating costs are largely met by members’ subscriptions. Major costs, including salaries and activities, have been financed by donors like NORAD/RNE.

3.31 MALGA’s effectiveness has been questioned in the past, especially its effectiveness as a lobbying agent. General meetings have often been dominated by trivial issues including lengthy debates on Councillors allowances. Assemblies also feel that the MALGA Secretariat was ‘busy with itself’. There is a tendency for Assemblies to view MALGA as the Secretariat rather than an organisation of themselves.

Audit Function - National Audit Office

3.32 There is legislative confusion with regard to the responsibility for auditing Assembly Accounts. The Constitution ascribes the function to the NLGFC whereas the Local Government Act (section 54 [1]) gives responsibility to the Auditor General or an auditor appointed by him. The Public Audit Act generally gives the Auditor General the mandate to audit public bodies and this seems more appropriate in terms of the Assemblies.

Devolving Functions

Integration Plans

3.33 The District Assemblies have not prepared plans to show how they propose to absorb and manage the functions devolved to them. For example, there are no plans to guide the integration of field staff in the three priority sectors that have devolved - Agriculture, Education and Health.

Staffing/ Transfer of staff

3.34 The amalgamation of staff from the former District Councils and District Commissioners’ offices has been completed. All the staff, therefore, except those under sectors are in theory Assembly Employees. This process has not extended to sector staff despite the OPC circular of 2003 which outlined the process of transfer of staff and stated that all sector staff would be reporting to the DCs.

Finances and Restructuring of budgets

3.35 The National Local Government Committee in conjunction with MLGRD and MoF prepared a budget integration strategy that would see Assemblies assume full planning and budgeting for the devolved functions after three years.

Review of legislation

3.36 The MLGRD reviewed all the 28 relevant laws and 17 were recommended for repeal or amendments as appropriate. However, to date only few laws have been amended. Health, Lands and Education are in the process of amending their laws. The delays in amending the laws are said to have been caused by financial limitations and capacity of the Law Commission to facilitate the legal review process.
Issues/Capacity Assessments

Attitudes
3.37 There is a strong expression of sector interest and commitment to proceed with the devolution plans. Sectors are generally positive about devolution. This commitment is matched by widespread support for designing and implementing a capacity building programme for District Assemblies. Much remains to be done, however, to translate intentions into a meaningful devolution programme.

3.38 Thus, there appears to be reluctance in some ministries to take further steps to transfer all responsibility and staff to District Assemblies. The resistance appears to come from middle levels of the ministries where staff are not sure about their future career development, job security, pensions and other conditions of service.

Orientation Workshops
3.39 The OPC and the Department of Local Government conducted orientation workshops for all the ministries. Financial support was also provided to the sectors to enable them to prepare their plans and guidelines. However, staff turn-over meant that those that were initially involved were either transferred to other ministries or resigned. There has also been a communications gap between the Task Force Members and management. In some cases the chairpersons of these Task Forces were not senior enough to influence the process within ministries.

Devolution plans
3.40 Most Sector Devolution Plans aim at a ‘big bang’ or single stroke delivery of devolution. Not all sectors can achieve this, especially those who have no presence at district level. Sectors need to ensure that District Assemblies are ready to absorb the functions that are being transferred to them.

Sector Guidelines
3.41 The Sector Guidelines are presently inadequate. They give standards of service provision but are silent on methodology, how the functions will be managed and on the manpower and financial resources needed to maintain the service.

Pace of Implementation
3.42 It had been Cabinet’s hope that capacity building programmes to help the new Assemblies establish efficient and effective administrative systems would have been implemented before or at the same time as sectoral functions were being transferred to the Assemblies. Unfortunately some sectors’ devolution plans are moving in advance of capacity building strategies being implemented.

Staffing
3.43 There is a tendency to focus on proposing devolved structures at District level that demand a huge labour force, office space and equipment. However, there has been less emphasis on describing the functions to be devolved and ways of performing them. Sectors are falling into the usual trap of allowing function to follow form, thus distorting the very logic of devolution which is more about function than form. Staff conditions of service have not been rationalised. The conditions of service differ in terms of allowances and pensions and the staff fall under different commissions – Civil Service Commission, Teaching Service Commission and Health Services Commission as well as LASCOM.
Ministry of Local Government and Rural Development

3.44 The Ministry of Local Government as the Ministry responsible for the technical advice on the decentralisation process has not always had sufficient technical advisors to attend to the problems faced by ministries when preparing sectoral devolution plans.

District Assemblies’ Devolution Task Forces

3.45 District Assemblies’ Devolution Task Forces were established and trained. Very few of these lived up to the challenge of developing their sector integration functions. The challenges included limited staffing levels, delayed communications from parent ministries on the process of devolution and high staff turnover.

Capacities of District Assemblies

3.46 The structure of Assemblies in their institutional context is shown in Figure 3.1 below. The national decentralisation programme aims at strengthening Assemblies so that they carry out their functions efficiently and effectively. During its sampling visits, the Assessment team observed numerous examples of determination and positive effort in the Assemblies and their communities. Councillors are expected to participate in the deliberations of all committees and take the issues for further deliberations at District Assembly. In the absence of councillors this work has been taken over by the members of the Area Executive Committees who pass the information through their offices at district level.

Understanding of Local Government – the perceptions of District Stakeholders

3.47 As a starting point for the Capacity Assessment at District level, the assessment team held informal meetings with a range of stakeholders at District level to get a sense of their individual views on the experience of decentralisation to date. Whilst this was in no way a statistically sound sample, the views represent a set of perceptions which should influence the Capacity Building Strategy. District Assemblies are presently being run unconstitutionally without political leadership namely the councillors. Even when they were present, the councillors were largely ineffective because of lack of awareness of their roles, their deliberate marginalisation by the Secretariats and officials, and by the structures of the planning and development system.

Views of the Secretariat and the DCs:

3.48 The Secretariats see Councillors as of too low a calibre, some describe them as ‘horrible’ – they believe that minimum qualifications of Form 4 should be applied. In some Assemblies the Councillors are also seen as ‘too political’ and threatening to Secretariat members. They tended to interfere in the day to day management of departments, leading to regular clashes between themselves and heads of departments.”
Figure 3.1 Institutional and Organisational Framework for Local Assemblies
Councillors:
3.49 Councillors see the Assembly as an organisation that brings development and services closer to the people. It is the mother organisation where people discuss development through a bottom up approach. Strangely there is a lack of identification with the Assembly amongst many Councillors. They see themselves bringing issues to the DC and the Secretariat i.e. the Assembly is the DC and the Secretariat rather than they themselves. They feel that MPs sometimes overpower them and that the MPs want to silence the councillors.

Chiefs:
3.50 Chiefs see their role as taking issues back to the people from the Assembly. Some Chiefs do see Councillors as the main players and that the people know everyone’s roles. However both Councillors and chiefs feel that the people do not miss the councillors, the Chief is now fulfilling their role.

MPs:
3.51 Some MPs think decentralisation is a good thing but the implementation is stalled and not coordinated. It is being held back by the centre because of greed to control resources, inefficiency and lack of understanding even among civil servants. MPs say their roles should be complimentary with those of the councillors.

Perception of the Centre from the Districts
3.52 There is a general feeling of inadequate support. The following were the views on some of the potential support providers.

3.53 Cabinet Committee: There is little knowledge of the work of this Committee even amongst DCs although they are aware of circulars which may emanate from it.

3.54 MLGRD: This is seen as being helpful in communicating with the Assemblies on decentralisation. The responsiveness, training and support provided by the Decentralisation Secretariat has also been appreciated. However, overall the Ministry is seen as understaffed, failing to run with, coordinate, monitor and evaluate the decentralisation programme. The staff in the DAs complain of feeling they don’t belong anywhere – that no-one is monitoring their progress. The Ministry is requested to do more to support the District Assemblies in managing change especially over the issue of sector devolution.

3.55 NLGFC: This organisation is appreciated by the districts although they believe its functions have now been taken over by Treasury.

3.56 LASCOM is perceived as ineffective. It has been very slow in processing appointments and settling disciplinary matters and releases its results very late. The conditions of service at District Assembly level are also seen as unattractive and LASCOM does not seem to have proposals about their improvement.

3.57 MALGA: MALGA is seen as concentrating on its own affairs and the allowances of the councillors rather than focusing on serious issues and the advice from DCs. There are many issues facing District Assemblies that remain unattended to.

3.58 Sector Ministries: Some sectors are seen as not willing to devolve. People are not
sure of what will happen next. There is little sharing of information from the Centre.

3.59 **Donors:** Most donors want to run their own programmes rather than genuinely build the capacity of the Districts. They want separate accounts, reports etc. and in some cases they want to protect their own roles and in so doing make the Assemblies look incapable.

3.60 **Government Ministers:** Some are perceived as not supporting decentralisation and not clear about the policy or their roles. MPs, Ministers dominate Assembly meetings to show off their powers.

**District development planning**

3.61 Almost all districts (except newly created ones like Neno) have standard plan documents including Socio Economic Profiles, District Development Planning Frameworks and 3 Year District Plans. These were all prepared and printed under a centrally driven programme in 2001/2.

3.62 Criticisms from the Districts include the fact that the plans were hastily done largely based on secondary data and did not really incorporate the views of the VDCs and ADCs as these structures were quite weak and ill informed at the time.

3.63 The main problem with these plans is that they are not really owned by the Districts especially by the Councillors and the Communities.

**Procurement**

3.64 Assembly Management Procurement Committees are said to be working reasonably well, but donors like the World Bank are very concerned about the involvement of the DoF and the DC whom they fear have undue influence. As happens with Bank projects, donors give complex and detailed guidelines on procurement which are overburdening and confusing many of the Assemblies.

**Budget preparation management and review**

3.65 Annual Budget preparation is an important function of the Assembly, however the LG Act (section 51) does not prescribe exactly how this should be carried out. Unfortunately Councillors have been largely marginalised in the budget preparation and monitoring processes.

**Revenue raising and transfers**

3.66 Most Assemblies like local governments everywhere complain of a lack of funding. Local Governments are however meant to receive 5% of national revenue through the GRF (excluding development grants) but the present level of funding is around 2%. There are no updated by laws on revenue. These are urgently needed but there is little experience on by laws. An additional source of revenues for Assemblies could be from Business licences.

**Financial management**

3.67 The Finance Committees are generally composed of higher calibre councillors. Their meetings are more regular and focused although in some Assemblies records are very poor – one had no minutes for over 3 years! Staff weaknesses in the Finance Directorates are
particularly limiting. Some sectors also use Assembly Finance Directorate for their work putting additional strain on the system.

**Auditing**

3.68 According to the LG Act, each Assembly should have and Internal Audit Department. Due to a lack of qualified personnel and resource constraints, most Assemblies in rural areas do not have internal auditors. In terms of final accounts audits, these are meant to be carried out by the National Audit Office (NAO). Unfortunately this process is way behind schedule with many Assemblies more than 3 years behind. Audits of donor funded programmes such as DDF and MASAF are up to date as these are done by the programmes themselves.

**Corporate issues**

3.69 Assemblies have not prepared their own strategic/corporate plans which incorporate their training plans as recommended by the Sector Devolution Guidelines Section 3.4 (e). In most Assemblies, vision or mission statements are not well articulated. Corporate structures have been decided centrally. Objectives and systems are also mainly handed down from above, giving little sense of a self motivated and self directed organisation on how best to organise itself to fulfil its purpose. There is limited sense of a District Team because Sector heads still belong to their sector ministries and look to them for appointments and salaries.

3.70 Councillors’ awareness of corporate issues is very limited. TORs for committees are not well articulated such that councillors have a minimal sense of what they are there to do.

**Administration**

3.71 There are basic administration systems in place but in some cases they are not operating effectively e.g. meeting agendas are constructed without involving the Chairpersons of Assembly Committees; sector ministry heads are often not invited.

**Meetings**

3.72 The frequency of full meetings of Assemblies varies from District to District. Some meet at least 4 times per year, others less frequently. Cities are much better organised and systematic with very good records of both full Assembly and committee meetings.

**Human resources management**

3.73 Most Assemblies are inadequately staffed in terms of their present structures let alone the expanded ones presented in the Functional Review.

**Training**

3.74 The District Assemblies rarely have their own training manpower development plans although they did submit their needs to the DS through a plan in 2003. Training is largely supply driven by Central Government agencies and donors.

**Capital asset management**

3.75 Potentially Assemblies should be managing buildings, vehicles, office equipment and as devolution proceeds they should also have responsibility for more complex equipment and facilities presently owned by the sectors. At the present time, Assemblies generally lack adequate vehicles and equipment. Visits to rural districts also suggest that asset management systems were weak.
Service delivery – the devolved sectors
3.76 Most of the basic services – health, social welfare, education, agriculture, veterinary, forestry etc. – are still provided by centrally run sector ministries through their offices at district level. The decentralisation programme envisages the majority of these services to be devolved to the Assemblies. Progress with devolution has been hesitant.

Understanding and Awareness at District level
3.77 There is no shared vision of what devolution entails and at what pace it should proceed. There is however, willingness and commitment to gain better understanding of what devolution means and to make it work. In the absence of information and assurances, most sector ministry staff remains insecure, especially about job security.

Reorganisation and preparedness
3.78 An OPC circular directed the District Assemblies to set up Task Forces/Committees that would oversee the devolution process. Such Committees were effectively formed in some districts in 2004 but did not perform as expected and generally lost momentum.

Offices and assets
3.79 Sector offices are often separate from Assembly offices. In some Districts this creates operational problems.

Fears
3.80 Numerous fears (often of the unknown) were expressed by the sector staff regarding devolution. Typical fears included victimisation by chiefs or councillors, discriminatory employment practises, loss of promotional opportunities, ignorance of councillors affecting rational planning and resource allocation and abuse of equipment and assets.

Promotion of economic development
3.81 Although this is a very important area, most Assemblies give it inadequate attention. It is the responsibility of the Development Committee and the Director of Planning and Development. In capacity terms, it is an area which requires pro-activity rather than passivity and dependency.

Promotion of sustainable natural resource & land management
3.82 As for economic development, this is a crucial area for most District Assemblies. Local Governments around the world traditionally get much of their revenue from land and natural resources. Whilst it is recognised that this is not presently the case for the District Assemblies in Malawi, it may well be crucial for them in the future.

Capacities of Communities
Participation, Planning and Development
3.83 Community planning systems and development have so far been promoted and sustained by donor and NGO programmes and support (e.g. UNCDF, MASAF, EU community projects, etc). Much practical learning has taken place amongst the officers and technocrats. Communities have been mobilised through their committees to identify and participate in the implementation of bankable projects. Yet, lower level structures lack the capacity to participate in the implementation, operation and maintenance of development projects and programmes.
Demand feedback and accountability

3.84 Accountability is the degree to which District Assemblies or relevant local level committees have to explain or justify what they have done or failed to do. Some Assemblies have used public meetings as a medium to inform citizens or feedback. However, in majority of cases there were no such meetings and the public remained ignorant of the projects and the workings of the Assembly.

Appreciation of Local Revenue

3.85 Officials and ex-councillors claim that many people resent paying levies and fees to Assemblies, cannot afford to pay as they are poor, etc and do not know how the money is spent. However, communities who are aware of the role of the Assemblies dispute this. They actually know that the money is meant to be spent on services and development and recognise that people should pay something. There is clear recognition that Assemblies cannot fulfil their mandate without adequate financial resources including local rates and user charges.

Capacity Assessment of Training Institutions

3.86 Several documents, reviews and reports have commented on the absence of a clear capacity building strategy under the decentralisation programme. The “drift” in the capacity building component experienced in NDP I and the undue focus on “training courses” instead of the more wide “capacity building,” should - according to the NDP I review team - be addressed in the future as a matter of urgency.

3.87 Most reviews have commented on the need to strengthen the professional training institutions. The Programme Road Map, September 2003, states that “Institutionalisation of training into training institutions will have to continue. The local training institutions to benefit in this programme include:

- Staff Development Institute, SDI
- Malawi College of Accountancy, MCA
- Magomero Community Training College, MCTC
- The Natural Resources College, NRC
- The Malawi Institute of Management, MIM”

Later three more institutes were added to the list (all under the umbrella of the University of Malawi):

- Bunda College
- Chancellor’s College
- The Polytechnic

and the final list included still two more institutes to make it a total of 10:

- Malawi Entrepreneurs Development Institute (MEDI)
- National College of Information Technology (NACIT)

Magomero College

3.88 Magomero is the only college in Malawi that trains students in social work (SW) and community work (CW). The institution has a capacity of about 80 full time students as well as

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4 For instance the DGP report for the first half of 2003, and The Programme Road Map, September 2003
facilities for short-term courses and workshops. Magomero has limited internet access, and there is a strong need to strengthen the College both technically and professionally.

**Malawian College of Accountancy (MCA)**

3.89 MCA is a Government training institution with a total number of about 2600 students, 1800 at the main campus in Blantyre and 800 in Lilongwe. The Blantyre campus is modern but already too small to meet the demand. The Lilongwe campus has even more limited physical capacity compared with the potential number of students. It has too few classrooms and a library with a limited amount of up-to-date literature. MCA is equipped to be a key training institution for capacity building in financial management for decentralisation.

**Malawi Entrepreneurs Development Institute (MEDI)**

3.90 MEDI is an incorporated trust promoted by the Ministry of Labour and Vocational Training with a campus about 60 km from Lilongwe. Its primary mandate is to create employment in the SME-sector in Malawi by offering entrepreneurship development programmes, and by strengthening the Malawian entrepreneurial culture.

3.91 The Institute has good accommodation facilities and a good library. It has excess capacity for its own activities and can thus offer accommodation and training for external groups and organisations as well. Technical training equipment for all sectors is obsolete and new investments are needed to equip the Institute to train students in using more modern equipment. Although the Institute is not directly working with decentralisation challenges, it strives to address an important part of the general development challenge in Malawi.

**Malawi Institute of Management**

3.92 Malawi Institute of Management (MIM) is situated just outside Lilongwe. Its campus and training facilities are modern and well equipped with hotel-standard accommodation facilities. MIM has a well-developed network with international universities. It has the professional and physical capacity to be engaged to a much larger extent in the decentralisation process for management training of key staff.

**National College of Information Technology (NACIT)**

3.93 NACIT was established in Blantyre in 1984 to train government personnel in administration and computer studies through short courses. It offers one-year diploma courses, two-years advanced diploma studies, and operates a third year honours degree in cooperation with London Metropolitan University in the UK. NACIT has no funds to support students. More than 70% of the students are from the private sector. Most of the students follow courses in Lilongwe. Shortage of funding and physical capacities are major obstacles for expansion at NACIT.

**Natural Resources College (NRC)**

3.94 NRC was built with financial and technical assistance from the Canadian Government between 1982 and 1985. The campus is impressive and well kept. It has a board-and-lodging facility for 680 students with large parts having recently been upgraded. The College is trying to utilize the extra capacity by hosting meetings, seminars and other arrangements.
Staff Development Institute (SDI)
3.95 SDI is situated about 20 km outside Blantyre. It was established in 1962 to train officers for the Malawi Civil Service. Specialised courses are offered in local languages for traditional leaders. Subjects are related to customary law, resource mobilisation, project management and human rights. Traditional leaders are key advocates of national HIV/AIDS policies, and represent an important contact point for public services. SDI is well equipped both physically and professionally to be more actively included in decentralized training.

University of Malawi: Bunda College, Agricultural Policy Research Unit
3.96 Bunda College is a part of the University of Malawi and has units for education and research in the agricultural and home economics sectors. There is a great need for qualified personnel at district levels to give technical support and advice to farmers. Bunda has a well-established network of international contacts, and has the necessary qualifications to support capacity building in the decentralisation process.

University of Malawi: Chancellor College
3.97 Chancellor College is situated in Zomba, and is the main campus of the University of Malawi. It has a well-kept campus that comprises university faculties in Natural Sciences, Law, Humanities, Education and Social Sciences. The Department runs BA programmes in Public Administration and Human Resource Management. In addition to the ordinary educational programmes, the Department of Political and Administrative Studies offers tailor-made courses for high ranking civil servants and MPs.

University of Malawi: The Polytechnic
3.98 Malawi Polytechnic, established in 1965, is the only college in Malawi (besides Bunda College) that offers engineering studies. The college collaborates with other training institutes in the country and with universities abroad.

Overview of Capacities of Malawian training institutions
3.99 Crucial elements that affect the capacity of training institutions include poor incentives and working conditions, lack of funds for professional development and lack of autonomy. Government has been passive in terms of support for infrastructural improvements. It has also done less than expected to involve the institutions in developing and implementing the capacity building programmes of the decentralisation process. Malawian training institutes in general lack the physical and professional resources that international institutes enjoy.

Technical capacity and facilities
3.100 There is a huge variation among the training institutions as regards the quality of technical facilities. Some institutes have received considerable amounts of donor support and have excellent facilities; others lack the most basic facilities. Despite these problems, the majority of the 10 institutes have adequate technical facilities to act as a resource for training of all levels of personnel under the decentralisation programme.

Institutional and organisational structures
3.101 The ownership structure (institutes are mostly government controlled) seems to be a hindrance for the management in meeting the market demands. In some cases the institutes
face delays in decision-making. Some are being turned into trusts with more independence. There is general need to give more freedom so they can meet the demands of the market.

**Financial and operational facilities**

3.102 Assessments of the financial situation of the training institutes has been impossible as none of them produced a financial statement for the team. All institutes have a mix of revenue from both government and from training fees. Most of the revenues come from self-generated funds, and most institutes struggle with an inadequate financial situation.

**Relations to the decentralisation activities**

3.103 Capacity Building is integrated in most NDP II project components yet most training institutions are not significantly involved. The lack of contact between the central level and the training institutes is not only government’s oversight, the institutes themselves have not been active enough in marketing their competence both towards relevant government ministries and to donors who could have lobbied on their behalf. There is need for a forum from government and the institutes to discuss closer collaboration.

**Concluding Thoughts from Capacity Assessment**

3.104 Following its 1990s experiments with a District Focus approach Malawi has made steady progress along the road to a devolved system of local government. Major landmarks have included:

- The entrenchment of local government in the Constitution,
- The passing of a new Local Government Act,
- The formulation of a National Decentralisation Programme and the establishment of a Decentralisation Secretariat to manage implementation of the programme,
- Attraction of donor support to the Programme,
- The establishment of interagency co-ordination structures such as the Cabinet Committee and the Inter-ministerial Technical Committee,
- The establishment of specific support agencies like the NLGFC,
- The entrenchment of the District Development Fund as a capital funding mechanism for districts,
- The formulation of a participative District Development Planning system,
- The revitalisation of MALGA,
- The initiation of sector devolution plans.

3.105 These initiatives all indicate a vision for devolution but whilst considerable progress has been made at the Centre, much less has been achieved at the level of the Assemblies themselves – a situation exemplified by the fact that there are presently no elected Assembly bodies in place. After 5 years of implementation of NDP I there has in fact been relatively little real devolution. The heavy hand of central government is inhibiting the chances for locally accountable and empowered Assemblies. Structures, systems, senior staff are all decided by the Centre. The elected councillors – the core of the local government system - are largely marginalised. They are unable to properly represent their constituencies, their senior staff are not accountable to them, the TAs retain the allegiance of the people, the MPs compete with them, they are sidelined in the planning and budgeting processes and some donor funded programmes promote either themselves or alternative community based structures at the expense of the councillors role. At the same time, Assemblies have few
competent staff to manage the complex activities brought about by decentralisation.

3.106 Overall the resulting system at District level is more akin to one of
deconcentration/delegation than devolution. Undoubtedly establishing an effective devolved
local government system in a country like Malawi is a major challenge and a long-term
process. The socio cultural traditions of hierarchy and popular deference, the history of
colonial subjugation, the authoritarian rule of the Banda era and continued political patronage
all mitigate against assertive communities and empowered local authorities.

3.107 Poverty at community level undermines the local revenue base for local Assemblies
and hence the development of accountability relationships between the people and their
Assemblies. Until recently the people have also been largely ignorant of decentralisation – a
situation now being addressed through civic awareness programmes.

3.108 There are also serious questions regarding the continued championship, co-ordination
and implementation capacity of the decentralisation programme at the Centre. MLGRD itself,
a central player, has limited intergovernmental authority and has capacity weaknesses of its
own. At the same time it is taking on many of the functions of the Decentralisation
Secretariat which is being disbanded.

3.109 The approach to Capacity Building has been one suited to deconcentration rather than
devolution. It has been based on supply driven training, especially focused on higher level
bureaucrats, administrators and technical personnel. Little attention has been given to
councillors. The local training institutes have only been marginally involved.

3.110 So despite all the achievements of the ‘centre’ in pushing forward with the
Decentralisation Programme, the lack of empowerment at the District level provokes
observers to ask: Is this due to caution, the sheer size of the task or a lack of real will? Does
government as a whole (Politicians and Senior Civil Servants) still want to pursue devolution
or would it be much more comfortable and expedient to stick with deconcentration? Are
outside donors in fact the main drivers of decentralisation through the power of their funds?

3.111 Overall it seems the Programme is at a potential turning point with the dissolution
of the DS, the NDP 2 document out on the table and new proposals for an LDF. There is now an
opportunity to inject new commitment, make a real choice between devolution and
deconcentration, elect new councillors, renew donor support, take some real gambles with
empowering Assemblies and focus MLG on its core business. A renewed drive for
devolution will require a radical change of Capacity Development approach – one which
moves away from supply driven training to an approach which empowers as well as trains
and which puts Assemblies and Councillors at the centre. Such an approach will require
Government to take more risks, to espouse the centrality of the elected Assembly, to trust and
give real responsibility to Assemblies (be it over a limited number of functions), and to give
more space for learning so that empowerment and capacity can grow.
4. THE STRATEGY – OBJECTIVES AND APPROACH

Introduction
4.1 This section describes the concept and overview of a Strategy for Capacity Development, based on the definitions of capacity development in Section 2 and the weaknesses observed during the Assessment. The elements of the Strategy were explored during the Strategy Formulation Workshop with government technocrats and further discussed with MLGRD and key stakeholders – see Appendix 1. Practical suggestions and options for implementing the Strategy are described in Section 9.

4.2 The section begins by presenting the ‘Whats’ of the proposal – the overall logic of goals, objectives and outputs. It then goes on to consider the ‘Hows’ – the approach and methodology – before ending with the proposed inputs or components. The practical considerations in providing these components are considered later in Section 9.

Goal
4.3 The 1995 Constitution provided for Local Governments to become key instruments for national development and good governance. In 1998, GoM further elaborated the National Decentralisation Policy and Local Government Act to consolidate democracy, by pursuing democratic decentralisation in the form of devolution. Local Governments in the form of District Assemblies have been assigned the responsibility for delivering basic services.

4.4 In 1999, GoM further developed a ten year National Decentralisation Programme (NDP) whose stated goal is “Functional Local Governments as provided for by the Legislation”. Since the Strategy for Capacity Development for decentralisation is essentially a Strategy to implement the National Decentralisation Programme, its goal is:

Functional local governments that are able to effectively and efficiently deliver public services in response to the needs of the people.

Objectives
4.5 To achieve the goal, the Strategy has three major objectives as shown below.

1. To develop the capacities of District Assemblies so that they can sustainably carry out their functions in accordance with the Local Government Act.

2. To empower and develop the capacities of local communities so that they can take responsibility and play appropriate roles in a representative local government system.

3. To enhance the capacity of relevant National Level Institutions and organisations to advise, respond to, support and monitor District Assemblies and manage the decentralisation process.
Outputs
4.6 The achievement of each of the objectives is defined by a set of more specific results or outputs. These are listed under the 3 objectives as follows:

**Objective 1: To develop the capacities of District Assemblies so that they can sustainably carry out their functions in accordance with the Local Government Act.**

**Outputs**

1. Councillors, Traditional Leaders and MPs and Staff understanding their roles and responsibilities;
2. District Assemblies able to make by-laws;
3. District Assemblies able to promote and co-ordinate development;
4. District Assemblies willing and able to promote increasing civic understanding, participation, accountability and democracy;
5. District Assemblies willing and able to promote participatory development through District Development Planning;
6. District Assemblies able to plan, implement, monitor and evaluate development projects and programs;
7. District Assemblies able to procure contractors, equipments etc.;
8. District Assemblies able to prepare, manage and review an Annual Budget that services a Strategic Development Plan;
9. District Assemblies able to raise and manage the District’s financial resources;
10. District Assemblies willing and able to improve their corporate performance in effective management of resources;
11. District Assemblies able to manage and develop the District’s human resources and manage capital assets;
12. District Assemblies able to ensure effective and efficient Service delivery in key sectors such as Health, Education, Agriculture, Roads, Water development;
13. District Assemblies able to promote increasing local economic development;
14. District Assemblies able to engage with support agencies operating in their areas.

**Objective 2: To empower and develop the capacities of local communities so that they can take responsibility and play appropriate roles in a representative local government system.**

**Outputs**

1. Communities understanding their constitutional roles and responsibilities in a local government system.
2. Communities informed on development issues within their District.
3. Communities allowed, wanting and able to organise themselves and advocate.
4. Communities wanting and able to identify their development needs and communicate these through the District Planning system.
5. Communities able to demand feedback on progress on their expressed needs.
6. Communities able to demand transparency and accountability from their elected representatives and the District as a whole.
7. Communities allowed and able to participate where appropriate in the implementation, maintenance and operation of projects and programs in their area.
8. Communities able to appreciate the importance of local revenue in financing District activities and services.
9. Communities able to engage with support agencies operating in their areas.

Objective 3: To enhance the capacity of relevant National Level Institutions and organisations to advise, respond to, support and monitor District Assemblies and manage the decentralisation process.

Outputs

1. Preparation and committed implementation of a Constitution, LG Act and National policy on decentralisation.
2. Provision of guidelines on the roles, functions and responsibilities of Districts and sub District Structures.
3. Establishment and management of systems for the financing of Assemblies.
4. Provision of guidelines for the operation of District planning, budgeting, revenue and accounting systems.
5. Revised Staffing Policy on behalf on District Assemblies and preparation of Guidelines for District structures and staffing.
6. Provision of Technical Assistance and responses to submissions from local governments.
7. Preparation of guidelines on minimum service standards
8. Co-ordination of government, donor and NGO funded initiatives related to District development.
10. Facilitation of responses to training needs for decentralisation
11. Negotiation with donors re resource mobilisation and support for Capacity Development.
12. Procurement of CB inputs re consultancy, buildings, equipment etc.
13. Monitoring and evaluation of decentralisation, capacity development and service delivery.
14. Promotion and Support of Civil Society Initiatives
15. Progress made in Gender Mainstreaming
16. Progress made in HIV/AIDS Mainstreaming

Activities

4.7 The Strategy Formulation Workshop brainstormed a wide range of activities through which the above outputs could be achieved. Some of these are already ongoing through various government and donor-supported programmes. The Activities associated with each output are described in Sections 5, 6 and 7. Before defining the various activities it is important to determine the overall approach or methodology through which the strategy will be implemented. In many respects the approach (the how) is the most crucial determinant of success or failure.
Approach

4.8 The search for effective Capacity Development methodologies is a key development issue of the day. Research programmes continue to try to gain more clarity on what works and what doesn’t. From an eclectic point of view a range of different methodologies is shown in Table 4.1. These are presented in two categories – organisational and institutional. Organisational methodologies are those that are applied to the internal workings of the organisation such as training of individuals or the refinement of systems and structures, whist institutional methodologies are ones which promote capacity development from outside the organisation – e.g. the incentives, pressures, sanctions, changes to the rules of the game.

4.9 None of these can be said to be wholly right or wrong, rather each has its own limitations and each can achieve some level of capacity enhancement if applied in the appropriate circumstances. Deciding what to do, when and where is much dependent on skilled facilitation, past experience and common sense. Box 4 also presents some lessons from other capacity development experiences in similar African contexts.
### Table 4.1 Capacity Building Methodologies for Local Government Development

<table>
<thead>
<tr>
<th>ORGANISATIONAL METHODOLOGIES</th>
<th>INSTITUTIONAL ENVIRONMENT METHODOLOGIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision of Basic Physical resources</td>
<td>Cultural and political promotion</td>
</tr>
<tr>
<td>Technical &amp; professional staff. Can kick start CB programs</td>
<td>Building the Capacity of the Capacity Supply side - Local Training Institutes and CB Organisations</td>
</tr>
<tr>
<td>Basic Skills Training</td>
<td>Community Participation &amp; Empowerment demanding accountability</td>
</tr>
<tr>
<td>Professional and technical courses. Local &amp; overseas</td>
<td>Incentives</td>
</tr>
<tr>
<td>Short courses – General purpose and Basic Skills Bulk Training with Manuals</td>
<td>Rules of the Game Clear definition of roles &amp; responsibilities</td>
</tr>
<tr>
<td>Specific purpose</td>
<td>Monitoring Regulation and Audit</td>
</tr>
<tr>
<td>Responsive Training</td>
<td></td>
</tr>
<tr>
<td>Experiential workshops</td>
<td></td>
</tr>
<tr>
<td>Study Tours Demonstration Visits Networking</td>
<td></td>
</tr>
<tr>
<td>TA Advisors filling key posts with Counterparts</td>
<td></td>
</tr>
<tr>
<td>TA Advisors – Hands Off</td>
<td></td>
</tr>
<tr>
<td>Facilitators and Consultants working with DAs and Ministries</td>
<td></td>
</tr>
</tbody>
</table>

#### ORGANISATIONAL METHODOLOGIES

- **Provision of Basic Physical resources**
  - Most basic approach. Provide funds, vehicles, buildings, equipment etc.
- **Staff Transfers Restructuring**
  - Technical & professional staff.
  - Can kick start CB programs
- **Long Term Training Local & Overseas (Include Distance Learning)**
  - Basic Skills Training
  - Professional and technical courses. Local & overseas
- **Short Term Training**
  - Short courses – General purpose and Basic Skills Bulk Training with Manuals
  - Specific purpose
  - Responsive Training
  - Experiential workshops
- **Demonstration and Learning by Doing**
  - Study Tours
  - Demonstration Visits
  - Networking
- **Technical Assistance Advisors**
  - TA Advisors filling key posts with Counterparts
  - TA Advisors – Hands Off
  - Facilitators and Consultants working with DAs and Ministries

#### INSTITUTIONAL ENVIRONMENT METHODOLOGIES

- **Cultural and political promotion**
  - Establishing clear political understanding and support.
  - Promoting change in socio cultural attitudes which undermine empowered local government.
  - Encouraging accountability.
- **Building the Capacity of the Capacity Supply side - Local Training Institutes and CB Organisations**
  - Involving local institutes in the development of CB Strategies.
  - Creating links between govt CB programmes and CB supply organisations.
  - Building capacities of local training institutes.
  - Building capacities of other non governmental Capacity Development ‘suppliers/facilitators’
- **Community Participation & Empowerment demanding accountability**
  - Organisation Development at community level.
  - Participatory Community Based Planning
  - Budget consultation
  - Building the role of traditional leadership in local government.
- **Incentives**
  - Unconditional Block Grants based on needs driven formulae.
  - Conditional – Performance driven Qualification criteria and or local contribution.
    - Use of formulae to increase the precision of the incentives.
    - Tied grants for specific sectors or for capacity building.
    - Matching grants.
- **Rules of the Game Clear definition of roles & responsibilities**
  - Local Government legislation
  - Policies
  - Prescribed staffing structures and systems
  - Prescribed service standards
  - Technical guidelines
- **Monitoring Regulation and Audit**
  - Regulating Ministry ensuring DA compliance with legislation.
  - Institutionalised annual budget reviews.
  - Audit systems.
Approaches and Methods used during NDP I

4.10 Although it has been stated that there was no formally agreed strategy for capacity development during NDP1, the strategy used in practice was based on an approach of central supply driven training accompanied by the handing down of centrally decided structures and systems for local governments. This type of approach is more suited to deconcentration rather than devolution – i.e. it is about setting up lower levels of administration and training for them to be effective and efficient in following rules and decisions from above. Its impact during NDP1 has not been evaluated but it is judged by most stakeholders to have been limited in terms of creating functional and responsive local governments.

4.11 There were also a number of initiatives either by different parts of government or by supporting donors which complemented the training. Examples of these are listed below under the categories in table, 4.1.

- Provision of Physical Resources. - This has been a continuing but under addressed need of the Assemblies. Most vehicles and equipment are not owned by Assemblies but remain with central government or donor agencies. Some Assemblies have received vehicles e.g. under the MASAF programme. Assemblies have also received ad hoc donations of computer equipment etc. There has been no comprehensive programme and this area is still a serious deficiency.

- Staff transfers – This has been attempted with all Director level staff of Assemblies being transferable by MLG. It has enabled each Assembly to have a skeleton staff, but there are still major deficiencies in terms of posts filled and this method has resulted in uncertainly and a lack of accountability to Councillors.

- Long term training – This method has been used at national level e.g. with various Ministry and Decentralisation Secretariat personnel receiving scholarships for training abroad etc. It has only been used to a very limited extent at district level. Previous training has made a significant contribution in developing the basic administrative, technical and financial skills of the technocrats and managers of the Assembly. In the case of long term training, most candidates leave the Assemblies on their return so impact has been very limited.

- Short term training – There has been a great deal of short term training especially for District level technocrats and communities based around issues of project planning.

In Uganda, a capacity building unit has been established within MoLG; it has facilitated the development of some 26 standardized modules for LG skills development; it works on Quality Assurance and the oversight of private and public sector training providers; and it guides the financing of LGs’ capacity building in the form of a discretionary LG capacity building grant that allows LGs to establish their own specific capacity building requirements on a demand-driven basis. In addition, Central Govt supports LGs with a few supply-driven training programmes, such as financial management, councillor induction training, support to development of HR functions, etc. Evidence to date suggest that the discretionary capacity building grant, in combination with the incentive structures of the capital grant transfers provide very effective mechanisms for capacity building of LGs in a manner that corresponds both to national standards and requirements as well as local needs and priorities. However, the system has also showed the need for a Central Govt coordination and Quality Assurance of the training materials and support to the establishment of strong HR functions within LGs to enable them to utilize the capacity building grants efficiently.

A COMPARATIVE ANALYSIS OF DECENTRALISATION IN KENYA, TANZANIA AND UGANDA
Jesper Steffensen, Per Tidemand, Emmanuel Ssewankambo
and implementation, finance etc. Donor agencies like MASAF, MGPDD, UNDP, EU, etc have given significant support to this. Training of councillors has been minimal however. Of late MALGA with MGPDD support has now developed a comprehensive training manual for new councillors. MGPDD has also supported the development of a number of manuals on a range of activities such as budgeting, by-laws, internal audit, accounts, conflict, property tax, urban planning and management, District planning, sector devolution, change management for leaders etc. These are due to be rolled out in 2006. MGPDD proposals for Capacity Development during the NDPII period are shown in Appendix 5.

- Short responsive experiential training – Has been undertaken by donor agencies mainly to enable officials and technocrats to understand project/programme manuals and procedures. Again, councillors have rarely been involved.
- Generally MLGRD complains of the number of donor driven workshops which are financially attractive to District staff but take them away from their posts for excessive time periods. This needs to be addressed within a more co-ordinated approach.
- Demonstrations and Study Tours. Co-ordinated/comprehensive examples of the approach have not been extensively used especially in the case of District personnel and councillors.
- Technical Assistance Advisors – These have been posted by donor agencies in a number of Districts usually focusing on planning or finance e.g. DED, UNDP, ADB personnel and UNVs. They have not played a generalist OD role and have carried out specific technical functions. They have had some impact in their technical field. These roles must be carefully monitored to avoid inducing dependency in the longer term interests of sustainability.
- Organisation Development – The 1990s District focus approach included specially trained District Training Managers who played the role of facilitators. Those involved with this programme report a high level of impact although the approach was lost when the pilot was scaled up in the late 90s. There are other sectoral facilitation experiences which have also been quite successful. MGPDD has provided similar advisory/facilitation support in Rumphi and Zomba following a process approach. At Community level numerous NGOs facilitate empowerment programmes which have had success at the sub district level. Most experiences with this methodology have been time bound in specific areas. There has been no wide scale and co-ordinated use of this methodology in the promotion of local government.
- Cultural & Political Promotion – There are no records of attempts to address this on a systematic basis.
- Building the Capacity of the Supply side of CD – The training institutions and supply side organisations are presently largely marginalised from the decentralisation programme. Whilst there have been limited initiatives at building the capacities of the Training Institutions, there has been no co-ordinated attempt to integrate supply and demand for local government CD and hence build their capacities in this area.
- Community empowerment approaches – This has been a major area of activity. Numerous donor funded projects have been undertaken by communities. Civic awareness programmes run by both government and NGOs have been very active. Community Development Assistants under MGCSSW are posted to each Chief’s Area though half the positions are vacant. The NDP has funded IEC strategies for decentralisation. Large programmes have been developed under NICE. All these initiatives are gradually making an impact.
• Incentives/Funds – Grants – These have been provided through DDF and other donor programmes like MASAF, however they have not been fully tailored to take advantage of their CD potential. Much experience has been gained by NLGFC in the administration and management of such grants. Assembly technocrats have gained significantly from learning by doing. The proposed LDF has a range of incentives and sanctions built into it and will provide real incentives. Control mechanisms and complexity have often limited the CD impact of existing funds. Councillors have largely been marginalised from these learning opportunities.

• Rules of the Game – Policies, laws etc. – Serious efforts have been made in exploring legislative contradictions, designing and sending down structures and systems, producing procedural manuals etc. Implementation has often lagged however e.g. in terms of legislative amendments. There has been an excess of ‘guidance’, structural design etc from the centre undermining potential for independent thinking at Assembly level.

• Monitoring and evaluation – M&E has largely been focused on donor programmes rather than the performance of assemblies as local governments. Government requires Assembly and District staff to produce monthly or quarterly reports but these are simply sent up to national level and filed rather than being used by the Assemblies themselves. The potential of this area has not been realised. There is little or no feedback to communities and little demand for accountability.

Some lessons from other CD Local Government Programmes

4.12 Capacity Development Programmes for Local Government have been run in several African countries over the past 2 decades. Some of the lessons from these are listed in Box 4 below.

<table>
<thead>
<tr>
<th>Box 4 Some methodological design lessons from Local Govt CD Programmes</th>
</tr>
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<tbody>
<tr>
<td>• Focus CD strategies on the concepts of adult learning. Recognise that adults learn best by doing. The challenge is to create a demand driven system of learning.</td>
</tr>
<tr>
<td>• Adopt a learning-by-doing process-approach to building capacity for improved governance.</td>
</tr>
<tr>
<td>• Such an approach should be flexible and incremental, starting from existing capacities and building from there.</td>
</tr>
<tr>
<td>• Do not underestimate the complexity of change involving paradigm shifts in organisational culture. The pace of change should be determined by the ability of institutions to absorb change and should be assessed annually around a budget performance review. There are no short cuts to progress in organisational learning. Issues affecting delivery performance have to perceived, analysed and understood if change is to be owned and institutionalised and this will only come about after several annual budgets have been implemented and reviewed.</td>
</tr>
<tr>
<td>• Only when the development goal and the means for achieving it are established as ‘wants’ by local governments can capacity development be effectively facilitated.</td>
</tr>
<tr>
<td>• Wants can be stimulated by incentives (such as capital grants) and pressures. They can be further facilitated by advocacy and awareness building.</td>
</tr>
<tr>
<td>• Ensure internal pressures (e.g. for performance, accountability, etc) are maintained to drive the learning process.</td>
</tr>
<tr>
<td>• Effective facilitation is essential to enhance learning in process projects. Success depends on following a clear logic that leads to understanding of how organisations can be developed so as to fulfill their functions.</td>
</tr>
<tr>
<td>• Facilitation entry points to Assemblies should centre around budgeted activities which achieve maximum involvement and are priority issues of the day.</td>
</tr>
<tr>
<td>• Facilitate specific capacities when appropriate through creating demand for responsive training or</td>
</tr>
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</table>
consultancies. Go on to facilitate implementation of the training lessons or consultancy recommendations.

- Separate facilitation roles from capital funding and the application of sanctions.
- The facilitation role is best played by ‘objective outsiders’, i.e. by those who have no stake in the formal bureaucratic hierarchy and are not constrained by local cultural factors.
- It is crucial to recruit competent facilitators, with the right skills, knowledge and attitudes. They should have (a) a level of expertise (both process and content) which is linked to establishing credibility with those being affected by change; (b) skill in the methods used to facilitate institutional change, and (c) personality characteristics which reflect the social skills required of a facilitator.
- Training should respond to particular needs emerging from the process and be immediately relevant to practice.
- Distinguish between genuine mistakes and ‘resistance’. Genuine mistakes should be seen as learning opportunities and used as entry points to facilitate joint analyses of causes and consequences. Crises and conflict should not be avoided, but seen as tests of commitment and reflected back in such terms.
- Provide support at different levels in the bureaucracy based on where de facto power lies.
- Promote self monitoring - develop a shared and owned institutional monitoring system which not only measures progress with in improving performance but which also sets future performance targets for all stakeholders within the next annual budget.
- Institutionalise regular (participatory) reviews and performance monitoring to assess responses to local needs and promote internal self learning and sustainability.
- Strengthening ownership and commitment is fundamental to the design and successful implementation of a capacity development programme. Ownership and commitment can be stimulated using advocacy, financial inducements or some other motivator. Ensure capacity development programmes are owned by both officials and politicians.
- Ownership and demand driven CD approaches can be promoted by making discretionary CD funds available to Districts.
- Ensure that technical assistance does not take responsibility away from local people and organizations.
- Maintain a low, relatively invisible central government and/or donor profile at local level.
- Beware excessive dependency on donors, and the risks of interventions causing organisational destruction. Programmes have more chance of being sustainable if they are based around locally raised revenue (financing participatory plans) rather than external funds.
- Do not allow the learning process to be driven according to donor timetables and donor needs to disburse funds as this will compromise local ownership.
- Try to follow timetables based on annual budget cycles.

Guiding principles for the new Approach

4.13 Given the weaknesses described in Section 3, the desired capacities described in Section 2 and experiences/lessons to date, there is need for an approach which embodies the following principles:

- Promotes empowerment and genuine devolution with specific emphasis on the role of the elected councillors. Devolution is not only a ‘means’ to the ‘end’ of improving development, but also as an ‘end’ in itself. It is advocated as enabling democracy by bringing decision making closer to the people and thus ensuring that people assume greater control over their affairs. This generates commitment, which shows itself in peoples’ participation and in the mobilisation of local resources. These in turn are considered to be preconditions for sustainability. It is thus the antithesis of the syndrome expressed as “people waiting for the next round of grass roots development to be imposed on them from above” - a state of unsustainable dependency that fails to realise local potential.
• **Is activity based and promotes sustained learning.** Adults, especially those not used to an academic discipline, learn most effectively by doing. An approach is required which generates action in all the spheres of Assembly activity and engages all stakeholders in the action reflection process. There should be an emphasis on methods which promote sustained learning after the initial inputs are withdrawn.

• **Which is responsive, flexible and follows a long term process approach.** Capacity Development is a long term process which cannot by ordered and delivered through a series of discrete top down inputs. Capacity develops in a non linear fashion with each organisation starting from a different point and going through the steps of a learning process in response to different stimuli in its own time. One can speed up the steps but rarely jump them.

• **Which is Demand driven by the Assemblies as far as possible.**

• **Is comprehensive – multi level encompassing the 3 objectives.** Change at one level stimulates change at other levels. A strategy which includes interventions at all levels can ensure that changes are mutually reinforcing.

• **Is equitable** covering all districts. Limited area based strategies significantly reduce management problems and can perhaps promote more rapid change in specific areas. However they may give rise to balkanised programmes with different approaches being used in different areas, undermining the learning achievable by a unified approach and creating inequalities between districts. Consideration should also be given to mechanisms for giving additional support to the weaker or more disadvantaged Assemblies.

• **Addresses the issue of gender mainstreaming.** Gender issues need to be exposed and analysed at all levels.

• **Which encompasses HIV/AIDS programmes.** There are major resources and activities being promoted by government and donors around HIV and AIDS. These are real issues for the Assemblies and need to be incorporated in CD programmes rather than being dealt with separately.

**Proposed Approach**

4.14 The Approach proposed which incorporates the above principles is a mixture of the methodologies described in table 4.1 above. It is suggested however that organisational development is made a central methodology especially at the District Assembly level, and that other methods are brought in to complement this at various stages in the capacity development process.

4.15 Organisation Development (OD) is a complex educational strategy for system improvement using reflective self-analytic methods. A synthesised definition of OD (French & Bell) is as follows:

> “**Organisation Development is a long term effort, led and supported by top management, to improve an organisation’s visioning, empowerment, learning and problem solving processes, through an on-going, collaborative management of organisation culture - with special emphasis on the culture of work teams - utilising the consultant facilitator role and the theory and practise of applied behavioural science, including action research.**”

4.16 This definition confirms that the CD Strategy must be clearly led by top management (especially those in MLGRD). Secondly District Assemblies, Communities and National level organisations (as work teams) will improve their visioning etc. and learn through
problem solving processes utilising the services of consultant facilitators. The term ‘action research’ infers learning-by-doing. Also inferred in the definition are such concepts as shared problem identification and decision making, shared ownership of problems and solutions, learning by self-examination both as individuals and organisations. Consistent with the philosophy of decentralisation, the approach is neither to impose nor to teach but to draw out and to draw on latent potentialities. This is the objective of facilitation.

4.17 Adults learn most effectively through a participative experiential process. This process can build on their existing knowledge and experience and provide solutions which are relevant, immediately applicable and owned. The OD methodology involves the participating organisations learning-by-doing, starting with the systems, structures, skills and attitudes they already possess. As experience grows, weaknesses become apparent and mistakes are made.

**The Organisation Development Process**

These can then be addressed by internal analysis, reorganisation, new systems, or by different training interventions such as on-the-job training, experiential workshops or technical training courses. There is no blueprint time-table rather each organisation must go through each step of the learning process in its own time. The change and learning process should involve all elements of the organisation so that it grows and develops as a whole.
Inputs / Components

4.18 To create this learning process, the following key inputs or components are proposed for the CD Strategy. These will need to be skilfully mixed and managed.

1. **Incentive Funds to District Assemblies and Communities** – capital and operational, acting as both the means of delivering tangible projects or services and as incentive fuel for the CD process,

2. **Equipment, vehicles etc. at district and national levels** enabling the organisations and providing CD opportunities,

3. **Staffing policy review and support for structural reviews at Assembly level.** Re-examination of the staffing policy for local governments plus support to Assemblies to enable greater autonomy over staffing and scope to take advantage of increased incentives,

4. **Facilitators at all three levels acting as catalysts** taking advantage of the stimuli of funds to create awareness and ownership of weaknesses and opportunities, to explore and implement solutions, to promote learning,

5. **Training and training funds at both district and national level** largely to enable responsive training options to locally identified needs,

6. **A regulated institutional environment** providing appropriate sanctions,

7. **A self monitoring and evaluation system.**

4.19 These inputs will act as both carrots, sticks and catalysts. They will generate various responses which will reinforce each other at all three levels and create a self driving capacity development process as shown in Figure 4. Each input is described in more detail below:

Incentive Funds

4.20 Funds not only provide the means of creating tangible infrastructure and services but they also provide an important stimulus for action which helps fuel the capacity development process. Funds are proposed as a stimulus at both District and Community level. There are already funding systems delivering grants to both these levels which are inducing learning by doing in the technocrats at District level and the project implementation committees at community level. Funds achieve most capacity development if used in conjunction with the other components such as the facilitators and enforced LG regulation.

4.21 To optimise capacity development potential the funding should:

- provide as much opportunity for local discretion as possible i.e. be unconditional forcing the organisation to make choices between capital, salaries, service provision, maintenance, operation etc.; different sectors; different areas or wards;
- be matched to the likely implementation and management capacity of the organisation, neither flooding it and inducing an ill planned spending spree nor being too little so as not to provide a significant challenge;
- have a performance element, rewarding the organisation for good performance or penalising it for bad;
- be predictable;
- have certain organisational qualification criteria which can be tightened as development proceeds e.g. key staff posts filled, accounts audited, district plans in place, projects completed etc. MLGRD should be responsible for ensuring that the project identification and appraisal criteria are met.
Figure 4 Inputs and Responses

Facilitation of
- Awareness of responsive policies, laws, regulation, monitoring, Programme management & co-ordination

Stimuli for Action
- Capital Funds
- Operational Funds
- HR/Training Funds
- Equipment/Vehicles
- Buildings

Creating demand for:
- Technical Advice/Guidelines
- Policy revision
- Improved Legislation
- Training – Responsive, Short and long term Consultancy

District Assembly
- Councillors Systems
- Structures
- Officers Assets

Delivering
- Services, infrastructure, dev. policies, programmes, enabling environment

Sending up
- Councillors Local revenue Planning Needs

Demanding
- Information Reviews, Performance Accountability Services

Communities

Facilitation of
- Awareness of roles & responsibilities, gender, Local needs, opportunities, plans, Demands for accountability.

In the context of a regulated environment
- LG Act (MLG)
- Other sectoral acts
- Audits

Response

National Level
- MLG, MEPD, MoF, Sector Mins, Training Institutions
Equipment and vehicles

4.22 Equipment, vehicles, office facilities etc. are basic requirements without which government organisations cannot effectively function. In themselves, however, these inputs will not build organisational capacity, rather they enable the organisation to utilise funds and engage in the learning process. This component is proposed mainly for the District Assembly level and certain organisations at National level.

4.23 The method by which these inputs are provided can also be capacity enhancing if it involves the organisations themselves making detailed assessments of their own needs, prioritising those needs, deciding on specifications/options and becoming actively involved in the procurement process. All too often, donors procure in bulk for their own reasons and simply deliver the various items, i.e. the provision of equipment is supply, rather than demand driven.

Staffing

4.24 Control of staff is one of the most fundamental instruments a District Assembly has in terms of improving its capacity to fulfil its functions. The CD Strategy proposed is driven by numerous incentives and sanctions forcing Assemblies to address weaknesses, improve their performance and take on new functions as genuine devolved organisations. Many of the demands created within the Assemblies will require adjustments in staffing, structure, systems etc. A major concern therefore is that the staff establishments, conditions and staff postings/transfers for all senior positions are controlled by the Centre thereby rendering the Assemblies impotent to address some of their most critical problems.

4.25 Already there is considerable disquiet because of a lack of accountability of staff to the Councillors. If this is compounded because inadequate staffing results in Assemblies failing to access incentive grants, it is likely that Assemblies will soon become very frustrated or disillusioned.

4.26 The Centre cannot avoid the issue of giving more control to the Assemblies over staff, one of their most basic resources. Thought must also be given to increasing the resources available for remuneration and to allowing Assemblies to adjust their establishments and prioritise their positions in line with affordability and function. It is suggested that a special task force including members of DHRMD and MLGRD be established under Objective three to re-examine the staffing policy, structure and staff incentive regime for the Assemblies. It may also be appropriate to create a funding window through which Assemblies can access resources to undertake and implement their own functional reviews.

Facilitators

4.27 Central to the approach at all levels is the use of Organisational Development Facilitators as external catalysts. Facilitation is concerned with promoting and supporting change from within by stimulating participative analyses and problem-solving, leading to greater personal initiative and creativity and a more positive commitment to the collective purpose of the organisation.

Roles of the facilitator

4.28 The facilitator should be able to play a range of roles from being very passive to being a directive advocate depending on the situation. These roles are illustrated in Figure 4.2 but
include being able to:
  • stay in touch with the current realities of the clients situation,
  • be helpful without taking over a clients ownership of a problem or activity,
  • diagnose institutional deficiencies be they knowledge, skill or attitudinal weaknesses,
  • take advantage of, or create appropriate opportunities where weaknesses can be addressed and pressures for change developed,
  • play the role of a 'sounding board' or 'hand holder' during the change process,
  • direct participants to appropriate sources of knowledge,
  • judge the appropriateness and timing of a particular role or intervention to take maximum advantage of a clients focus of attention at any given time,
  • be constructively opportunistic with confrontational interventions.

4.29 The facilitation role enables organisations to maximise the learning opportunities stimulated by the presence of the funds in the context of the requirements of the legislation. It is iterative and responsive by nature starting with the knowledge, skills and attitudes that people and organisations already possess and building from there. The key words here are ‘stimulate’, ‘analyse’ (actions and their consequences) and ‘respond’ (what to do as a result of the analysis). Facilitation enables individuals and the organisation to:
  • become aware of problems and opportunities,
  • own problems and opportunities,
  • analyse cause and effect,
  • generate new solution options,
  • identify priorities and make decisions,
  • implement solutions,
  • change attitudes,
  • gain confidence and skills,
  • improve their effectiveness and efficiency.

4.30 The facilitator must avoid inducing dependency or taking over responsibilities as a 'doer' or implementer. This would prevent the clients learning, by sapping individual initiative/experience and undermining public confidence in the organisation. It would also create 'hand over' situations from the outsider to the ‘counterpart’ which are invariably unsatisfactory. At the end of any facilitation process responsibility for taking forward changes and implementing improvements must remain with the client, not the facilitator.

4.31 The facilitation role is required at District Assembly level and also at community and national level. Interventions at all three levels should reinforce the learning and CD of the whole system. Facilitation at the community level should focus on building awareness of roles and responsibilities in the local government system, community understanding of development processes, the expression of needs, exploitation of local opportunities, community based plans, project planning and implementation, gender issues, demands for accountability, HIV/AIDS issues etc. Facilitation points at the national level are based around enhancing the support, response, training, policy, regulatory, supervision and technical advisory roles of the National level agencies with regard to Assemblies. They are also likely to be required for the management and co-ordination of the Decentralisation and CD programmes.
Observer, listener, analyser

Reflector


Facilitator

Gathers, organises, uses and presents data to stimulate client thinking, analysis and problem-solving.

Alternative identifier

Directly involved in analytical processes. Identifies potential resources and alternatives for clients. Helps clients to access resources, and to assess consequences of alternatives.

Collaborator in problem solving

Active support in solving problems. Suggests options, provides advice, guides decisions. Hand holder during implementation of change to build confidence.

Coach, Trainer

Identifies weaknesses that can be solved through training. Designs and runs learning interventions, training workshops. Coach clients.

Advocate

Directly advocates specific courses of action and provides guidance on how to implement. Persuades clients. Persuades clients. Pushes the problem solving process to specific conclusions.

Directive Adviser

Provides direct technical support and advice on specific problems. Builds networks of relevant technical support. Helps client to implement and monitor changes, improvements.

Client driven

Consultant Driven

Non-directive

Directive

Note: The above roles represent different types of activity that a facilitator might engage in at any one time, and it is up to the facilitator to judge which activity is appropriate and likely to be most effective in any particular setting. The continuum does not necessarily imply that, in the early stages of an intervention the involvement will be non-directive and will become increasingly directive as the engagement evolves.
4.32 A particular focus especially in the early stages will be to facilitate development wants and capacity development wants within the Assemblies and communities. The 3 main stakeholders in the Assemblies (Councillors, Officers and Communities) have a range of wants many of which are concerned with self interest. The presence of the development funds will stimulate all these wants but the stakeholders will each need to be facilitated towards their common interest of development as illustrated in the figure below.

The “Position” of the facilitator
4.33 The appropriate positioning of the facilitator in the change process is essential to success and there are a number of ‘golden rules’ which need to be closely observed:

- The first concerns the nature of the relationship between facilitator and organisation e.g. the District Assemblies. This should ideally be a voluntary relationship, and either party should be able to express any discomfort or dissatisfaction with the relationship openly and with confidence.
- It is also a temporary relationship, with facilitator-support falling away as the organisation grows in confidence and in its ability to define and solve its own problems.
- Finally, the facilitator should be outside the bureaucratic and hierarchical system of decision-making, to ensure the impartiality, objectivity and fair-mindedness of the assistance being provided.

Training and Training Funds
4.34 Training remains an important CD input, however, it should be demand driven wherever possible and should be immediately applicable in action. Training needs will be exposed by standard training needs analyses, strategic planning exercises by the Assemblies themselves and through the ‘action reflection learning by doing process’. These needs should be addressed by an appropriate combination of the following:

- Long Term Technical Training;
- Short Term Technical Training;
- Experiential workshops;
- On the job training;
- Study Tours and demonstration visits.

It is suggested that Assemblies and National level organisations be offered access to formulae driven, performance related training grants such that they have to prioritise their organisations training needs as part of a Strategic/HR plan. The training proposals are further elaborated in Section 9 and their implications for the training institutions are considered in Section 8.

**Policy and Legal Framework**

4.35 Clear legal frameworks, policies, regulations and standards are required to maximise the learning opportunities stimulated by the presence of funds and catalysed by facilitators. They become the basis for the ‘sticks’ in the system, with the carrots being the incentive grants etc. Without them Assemblies and or communities have no reference points or standards against which to regulate and monitor their activity.

**Monitoring and Evaluation**

4.36 Monitoring and evaluation represent the more formal aspects of reflection in an ‘action reflection learning process’ and are essential elements of a Capacity Development Strategy. Wherever possible M&E should be carried out by the organisation itself e.g. the District Assembly or the local Community. Stakeholders at national level with an interest in the performance of the Assemblies should try to take advantage of local M&E processes rather than create their own. This avoids duplication and promotes increased local learning. It may require some collaboration in the choice of indicators. At some point an Assembly should develop some sort of functional log frame which will provide a detailed basis for self monitoring.

4.37 Routine M&E can be built into the District Assembly systems in the form of standard Committee agendas, standard physical and financial reporting formats and through a District Annual Review where the key questions become, “have we achieved what we set out to achieve? If not why not? And what are we doing to improve our performance next time around?”

4.38 Another opportunity for routine monitoring may be provided by performance assessments used to establish entitlements to block grants. These types of monitoring would normally be externally driven.
5. OUTPUTS AND ACTIVITIES AT THE DISTRICT LEVEL

Introduction

5.1 In terms of the Constitution local governments (District Assemblies) are the key instruments for national development and good governance. District assemblies have been assigned the responsibility of delivery basic services. In terms of the Local Government act, some of the functions the District Assemblies have to perform include:

- Consolidate and promote local democratic institutions and participation
- Make policy decisions
- Promote infrastructure and economic development
- Mobilise resources
- Make by-laws
- Appoint, develop, promote and discipline staff

5.2 It is generally agreed that while there is considerable potential to perform these functions, there are capacity gaps that will need to be addressed and filled. The purpose of this chapter is to address those outputs and activities that will address these concerns. The following activities are based on participant contributions to the Strategy Workshop. Some of them are already on-going. This section illustrates how all the activities fit within the context of the overall Strategy.

Objective:

To develop the capacities of District Assemblies so that they can sustainably carry out their functions in accordance with the local government act.

Outputs

5.3 Outputs express the desired qualities of a capacitiated District Assembly. There are the intended results of the capacity development programme. They can also be easily used as milestones of what has been accomplished at various stages during the life of the programme. The outputs for this objective are suggested as follows:

15. Councillors, Traditional Leaders and MPs and Staff understanding their roles and responsibilities;
16. District Assemblies able to make by-laws;
17. District Assemblies able to promote and co-ordinate development;
18. District Assemblies willing and able to promote increasing civic understanding, participation, accountability and democracy;
19. District Assemblies willing and able to promote participatory development through District Development Planning;
20. District Assemblies able to plan, implement, monitor and evaluate development projects and programs;
21. District Assemblies able to procure contractors, equipments etc.;
22. District Assemblies able to prepare, manage and review an Annual Budget that services a Strategic Development Plan;
23. District Assemblies able to raise and manage the District’s financial resources;
24. District Assemblies willing and able to improve their corporate performance in
25. District Assemblies able to manage and develop the District’s human resources and manage capital assets;
26. District Assemblies able to ensure effective and efficient Service delivery in key sectors such as Health, Education, Agriculture, Roads, Water development;
27. District Assemblies able to promote increasing local economic development;
28. District Assemblies able to engage with support agencies operating in their areas.

Activities

5.4 Activities describe the actual tasks required to be done in order to produce the above outputs.

Councillors, Traditional Leaders, MPs and Staff understanding their roles and responsibilities

5.5 District Facilitators will combine institutional and organisational methodologies to encourage open discussions between councillors and staff, on the one hand, and councillors and other leadership, on the other, to enable the above actors understand their roles and responsibilities. Induction programmes for newly elected councillors should provide the first opportunity for this interaction. Later, district annual planning processes and reviews will become additional entry points for this discussion.

5.6 The strategic issues that need to be addressed and facilitated through this output include:

- Increased awareness of the decentralisation policy
- Understanding of the role of the District Assembly
- Understanding of the roles of, and removal of role conflict among, elected officials and staff of District Assemblies, traditional leaders and Members of Parliament
- Open/public debates on Assembly operations.

5.7 All newly elected councillors need to be inducted into their new roles and responsibilities as soon as they assume office after the local government elections. The induction programmes will, among other things, aim at promoting critical thinking and analysis among councillors. The programmes should assist the newly elected councillors not only to understand their roles and responsibilities but also expose them to a range of best council management practices (planning, budgeting and monitoring). In the past there was always confusion over the roles of councillors and staff in District Assemblies. Councillors found it difficult to draw a line between policy and operational issues. There was also difficulty over the roles played or to be played by MPs and traditional leaders. These also need to be clarified. At the end of the induction programmes councillors should be able to play a variety of roles at both full council and committee stages. Councillors will also be aware of the challenges they face vis a vis their roles in service delivery and community development, especially managing feed-back meetings. MLGRD has the responsibility to ensure that the induction programmes have been conducted. MALGA is reported to be ready to play this role but this should be as a compliment to the Ministry effort.

5.8 The induction programmes should be accompanied by the preparation and distribution management kits to all councillors. MALGA has already worked on this. The kits should contain information that relates to the structure and functions of Assemblies including the role of the elected members and the executive, resources and assistance available to the
Assemblies, etc. These packages will provide invaluable reference material to councillors and staff as well as devolving ministries and members of the public. These kits should be provided by the Ministry.

5.9 Efforts of the Ministry should be supplemented by inputs from other organisations, for example, MALGA as a membership organisation, Parliament. MALGA has a responsibility of running training programmes for its members to enable them to understand their roles and responsibilities. Parliament will run similar workshops for parliamentarians.

District Assemblies able to make by-laws

5.10 Section 103 of the Local Government Act allows the Assembly to make by-laws for the good governance of the district. Few Assemblies have been capable of passing and implementing by-laws to-date although all the 40 Assemblies have had their key personnel trained in the formulation of by-laws. District Facilitators will expose councillors to the procedures and effects of by-laws, particularly the provisions of Section 104 that the by-laws shall be open to public inspection free of charge and that all members of the public are entitled to purchase copies of that by-law. The exposure process will create a demand for the councillors to educate the public on the existence, scope and justification of those by-laws.

5.11 This process will be supported by circulars and demands from MLGRD. MLGRD should insist on by-laws being prepared and kept up-to-date. Copies of the by-laws should also be available to members of the public.

District Assemblies able to promote and co-ordinate development

5.12 Opportunities for promoting and co-ordinating development at Assembly level will be available through:

- the existing devolved sector funds to District Assemblies (Agriculture, Health and Education)
- the future Local Development Fund
- present implementation of donor funded programmes through the Assemblies e.g. MASAF, pending the establishment of the proposed LDF.

5.13 As shown below, each Assembly will be expected to plan for the use of these funds. The plan will thus provide an opportunity that there is integration in the choice of projects e.g. schools are built with a water supply, investments are not just on material/tangible things but also address outcomes like improved livelihoods, etc. Facilitators will be available to assist the planning committees and departments in the Assemblies.

District Assemblies willing and able to promote increasing civic understanding of local government, participation and democracy.

5.14 Formal channels for promoting civic participation are available through:

- The district planning system
- The budget formulation and implementation process
- Project implementation process
- Feedback meetings.
- CSO involvement and interventions
5.15 District Facilitators will combine the opportunities in each channel to stimulate the intensification of planning in the district, open avenues for direct involvement in the communities in the planning process and for vertical interactions between the Ministry and the District Assemblies.

5.16 Capital Development Grants like those to be provided by DFF and proposed through the LDF will further open opportunities for the Assemblies to involve communities in planning, budgeting and implementation. Councillors will be encouraged to hold meetings with their constituents in the selection of projects to be included in the plans. They will also be encouraged to mobilise communities for project implementation, including mobilisation of local revenue. Later communities will take part in the monitoring of progress through the councillor feedback meetings and discussion of Assembly reports undertaken by MLGRD.

5.17 In administering the funds, MLGRD should set up transparent criteria for rewarding well-performing Assemblies. There will be qualifications set which can be tightened as capacity development proceeds (staff posts filled, plans prepared, budgets and financial statements prepared, accounts audited, etc). Detailed appraisal systems for the performance of councils will be designed and strictly applied, with the appraisal results made public to the communities affected. This will act as sufficient pressure for the District Assemblies to perform as they will have to account for the failure to perform to their constituents, let alone to MLGRD.

5.18 MLGRD should also set up and enforce procedures for councillors to report back to their communities. An opportunity for meaningful report back meetings will have been created by the capital development grants that are released at district and community levels. GOM will inform in advance all Assemblies and in turn the Assemblies will inform communities of the amount of money each Assembly or community is entitled to receive the following financial year thereby facilitating accurate planning and budgeting. This approach will also allow local discretion so that Assemblies and communities can determine the type of projects and priorities they want to pursue. Planning will promote discussions on pertinent issues with community representatives (VDCs, ADCs, etc). The planning and implementation processes will expose the capacity deficiencies in both councillors and staff.

5.19 As part of this process, the District Assemblies will be facilitated to set up a code of conduct regarding their operations in the district. Where necessary, by-laws should be formulated to facilitate this process. MLGRD will also be requested to develop guidelines for facilitating interaction between NGOs/CSOs and local governance staff at district and sub-district levels.

District Assemblies willing and able to promote participatory development through District Development Planning

5.20 There is need to amend the District planning regulations and procedures to enable District Assemblies play their rightful role as local planning authorities and for the councillor to be central in the process. The Local Government Act gives inadequate emphasis on the role of the Assembly as a local planning authority. The current district planning procedures fail to promote the role of councillors in championing the cause of development in their constituencies. While the plan originates from the village and transmitted through the ADCs to the District Executive Committee (made up of technocrats), it-by passes the councillor and his structures at ward level. MLGRD should be facilitated to amend the procedures to enable
the process to become truly democratic. Plans should originate from the community where every interest group is allowed to participate in these processes. Thereafter the plans should be transmitted through the councillor and the committee system to the full Assembly for decisions and approvals.

5.21 The proposal to consolidate capital development funds at district and community levels through the Local Development Fund will also go a long way towards stimulating and making improvements in the planning process. As stated in the preceding paragraphs, funds not only provide the means of creating tangible infrastructure and services but they also provide an important stimulus for action which creates learning opportunities for the Assemblies. The tangible infrastructure encourages the councillor to want to do more for the ward or his constituents. District facilitators will make use of these funds and the resultant planning process to expose the weaknesses in the council systems and staff which can later be corrected through new decisions being taken by the Assemblies and training. Gradual improvements in the planning system will also reduce the tendency by donors and NGOs to want to set up parallel planning systems for the execution of their projects. The improved Assembly planning system will now able to provide a mechanism for co-ordinating all development and funding inputs in the district.

District Assemblies able to plan, implement, monitor and evaluate development projects and programs.

5.22 District Assemblies will be required to prepare detailed Implementation Plans for each project/programme to be funded through the capital development before funds are released from the MOF or NLGFC. This will provide an opportunity for facilitation project planning and implementation, an experience that is lacking in most Assemblies. Most Assemblies have in the past relied on sectors for this activity. This is not surprising because the projects have been funded and implemented by the very sectors funding them. All experience has therefore accumulated to these sectoral staff. Now that Assemblies will have a direct allocation of funds, it is important that they develop instruments for tracking the use of those funds. Proper project planning and implementation is important to avoid budget overruns and failure to complete projects.

5.23 The process of preparing the Implementation and Project plans should not be complicated. The Implementation Plans should include detailed cost estimates, an implementation schedule, in which the implementation process is broken down into discrete activities and, for each activity, a time schedule is provided and the individual and/or agency responsible for execution is indicated and specification of the individual and/or agency responsible for overseeing the implementation of the project as a whole. The District facilitators will assist in identification of the necessary technical advice from relevant sector officials or the private sector when preparing the Implementation Plans.

5.24 Each implementation plan must be approved by the relevant technical committee and Finance Committees of the Assembly before it is submitted to the full Assembly for approval. If it approves the plan, the Assembly should then pass a resolution authorising expenditure for those activities approved. This is the stage where the overall Assembly Development Plan begins to make much more sense to most councillors and their involvement is therefore an opportunity that should not be lost. The facilitators should therefore closely watch and guide the process. For projects which will be implemented entirely or largely by local community groups or organizations, the Implementation Plans
should be prepared by, or in consultation with, the organisations concerned.

5.25 By the end of this process therefore:
- Councillors and staff would have been given an opportunity to learn about project planning and development.
- Staff will be exposed to the Project Planning and Implementation Manuals prepared by MEPD and other manuals and
- Staff would have been trained and coached on how to use these manuals.
- Staff will be able to do costing and drawing up of implementation schedules.
- Councillors will have been exposed to the simple Gantt charts which they can later use for monitoring the implementation of the approved projects.
- This will be a delicate activity that the facilitators will have to pay great attention to. There is at the moment very little project planning and documentation activity in the Assemblies.

5.26 Accompanying the above exposure and training will be the need to modify and simplify the numerous project operational manuals that are in use at district level. Most donor projects have produced operational manuals which are proving difficult and complex for the Assembly staff and communities to use. MLGRD needs to assist the Assemblies by negotiating with participating agencies for the development of common approaches to project planning and implementation – as envisaged in the proposed LDF.

*District Assemblies able to procure contractors, equipments etc.*

5.27 The implementation of projects will provide another important entry point to facilitate the councillor involvement and transparency in Assembly operations. The Assembly will need to hire contractors for some of the projects or purchase materials where the Assembly will provide its own labour. The process of procuring of goods and contractors will lead to the setting up of tender systems and procedures and their eventual use. This is an opportunity to get councillors involved. It is also an opportunity to introduce transparent procedures in the procurement of goods and services. These tender systems and procedures can be crafted as simple instructions or translated into by-laws.

*District Assemblies able to prepare, manage and review an Annual Budget that services a Strategic Development Plan.*

5.28 Councillors will be assisted to get involved in the budgetary processes. At the moment budgets are largely prepared by the executive with some involvement of the Finance committee rather than emanating from the all the Assembly committees. As a result most councillors do not understand the budgets and are not able to monitor its performance. Budgets are also perceived to be approved nationally by NLGFC.

5.29 MLGRD has introduced activity budgeting system and this is actively being pursued by the Local Government Finance Committee. Activity budgeting makes it easier for the councillors to follow the process and explain it to their constituents. It links planning to budgeting as the activities to be funded are derived from the plans prepared. It also makes the resource allocation more transparent as money is tied to each activity. Unfortunately very little progress is being made on the ground because officers heading the finance departments are not familiar with the approach. MLGRD needs to make more resources available to train
officers in the finance departments on this approach.

5.30 District Assemblies will also be facilitated to monitor the performance of their budgets. This could be done on a quarterly basis through the preparation of quarterly finance statements or through the mid-year or annual monitoring reports or reviews. Either way performance reviews provide excellent opportunities for learning by councillors.

District Assemblies able to raise and manage the District’s financial resource

5.31 Most district assemblies depend on central government transfers for most of their revenues, weakening their position as semi-autonomous bodies. Local revenue and potential for it is very low. Local revenue could be raised from property taxes and business licences but there is no capacity for doing so. There will be an opportunity for building the capacity of the Assemblies staff in this area through the setting up of property registers and creating valuation rolls. New staff may need to be hired and trained for this purpose.

5.32 Collecting local revenue also offers opportunities for building the capacity of councillors and improving their communication links with their constituents. Councillors will get involved in promoting local revenue and ensuring that local revenue is spent on services it was intended for. Revenue collection and its related activities will be one of the most important entry points for the district facilitators posted to help build capacity of councillors.

5.33 There are serious capacity constraints in district assemblies for accounting and financial management. There is also a huge audit backlog of Assemblies and some have not been audited for 5 years. The devolution of sectoral budgets (agriculture, education and health) has exposed this major problem. This is despite all the efforts by the National Local Government Finance Commission to help Assemblies manage their budgets.

5.34 District assemblies should be assisted to clear the backlog – bring financial statements and audits up to date. It is recommended that a once off exercise funded by MLGRD should be undertaken to clear the back-log in both financial statements and audits. Thereafter District Assemblies should be expected to keep their books up to date. MLGRD should offer further help by filling all vacant posts in the Finance Directorates of the Assemblies.

5.35 Fiscal transfers like the DDF (and proposed through the LDF) also provide an opportunity for revamping the financial management systems and procedures in the assemblies. Assemblies will have an opportunity to build their recording and accounting systems. Training funds will also be available to send officers on short course to improve their skills.

District Assemblies willing and able to improve their corporate performance in effective management of resources.

5.36 Corporate issues will provide the facilitators with probably the most obvious entry point for engaging the District Assemblies. Almost all Assemblies have not prepared their own strategic/corporate plans as recommended by the Sector Devolution Guidelines. Some have prepared Vision statements but these statements are tucked away somewhere and are not used for guiding the preparation of Assembly plans and programmes. This will probably be the starting point for the programme, to facilitate the Assemblies develop their corporate plans and strategies.
5.37 The development of corporate plans and strategies will have implications to the draft Assembly corporate structures designed by DHRMD. Whilst central designs promote consistency and makes it easier to centrally manage the Assemblies, it proves to be a disadvantage to the Assemblies themselves as it reduces the level of ownership and accountability in the local authority. Internally prepared corporate plans provide incentives for innovative thinking, priority setting and improved efficiency. It will be easier for each Assembly to determine and understand the relationships it creates between its committees and staff as represented by the departments.

5.38 A corporate plan will also help the Assembly define its relationships with sub-district structures and traditional authorities. At the moment it is only the traditional structures that are active and feed into the Assembly planning system. The corporate plan will need to incorporate these and develop better working arrangements at ward level. The ward is the lowest working unit for the District Assembly. The plan should also help to reduce political patronage and clarify roles, including changing of mindsets among local politicians. The current tension between councillors, traditional authorities and members of parliament is disruptive to local development effort. Their roles in local politics must be clarified.

5.39 Finally, the preparation of corporate plans should open opportunities for other processes, including meetings’ schedules and frequencies, reporting systems, etc.

*District Assemblies able to manage and develop the District’s human resources and manage their capital assets.*

5.40 This is probably the hardest output the facilitators will face. The key Assembly staff are central government employees and Assemblies have no control over them. It is not possible for councils to set up high performance standards for the staff and be able to enforce them. The district facilitators will probably need to expose the effects of Assemblies working with borrowed staff. Together with national facilitators they could facilitate the review of Local Government staffing policy and the introduction of incentive schemes that would motivate Assembly staff.

5.50 In the short term the facilitators would have to assist councillors and existing staff to set up systems for the proper management of the Assemblies. Different motivation strategies will need to be tried to keep staff interested and in post. It is hoped that central government will continue to help by transferring competent and experienced staff to occupy strategic posts in the Assemblies.

*District Assemblies able to ensure effective and efficient Service delivery in key sectors such as Health, Education, Agriculture, Roads, Water development.*

5.51 The devolution of the Ministries of Education, Health and Agriculture and their budgets are more akin to deconcentration than devolution. The staff reporting systems and procedures for financial management remain the same and foreign to the District Assembly. It will be a difficult subject to facilitate from the district level. The problem should just be highlighted and referred to national level.

5.52 However an opportunity exists within the Assemblies. Through the devolution process each Assembly was asked to prepare integration plans to show how the Assembly intended to
absorb the devolved sector functions. Undoubtedly most Assemblies found this task difficult and have made very little progress on it. An opportunity exists, therefore, for the district facilitators to re-open the subject and assist in completing the process. This will also be an opportunity for the Assembly to comment on the practicality of the functional structures proposed by DHRMD for them. It should be possible through this exercise for the Assemblies to indicate their priorities for devolution and also for them to indicate their problem areas in absorbing devolved functions.

*District Assemblies able to promote increasing local economic development.*

5.53 Most Assemblies have given inadequate attention to local economic development despite the fact that most of them employ well qualified Directors of Planning. What is required is provocation of councillors to address what they consider to be pressing issues. Facilitators should attempt to link the Assemblies with the current planning national priorities – the growth strategy and poverty alleviation.

*Provision of Equipment and Office/Residential Accommodation*

5.54 A once off Equipment grant could be provided to the Assemblies for the provision of basic physical resources - buildings, vehicles, equipment, and communication facilities as well as office and housing accommodation. This would enable each Assembly have basic operating infrastructure and bring Assemblies to the same level.

5.55 Purchase of this equipment would also provide an opportunity for the District Assemblies to up-date their asset registers. It should be made a requirement that before the Assembly is given equipment it should up-date its asset register and thereafter keep it up to date. Facilitation inputs will also encourage Assemblies to develop maintenance policies for their assets.

*Improved Information Management Systems*

5.56 As the programme progresses, there will be a need of promoting a culture of documenting and publicizing successes and best practices in local government. This will become a useful reference for Assemblies to compare their progress with others.

*District Assemblies able to engage with support agencies operating in their areas.*

5.57 District Assemblies should be assisted to manage and co-ordinate donor interventions such that they augment and strengthen District Assemblies. District Assemblies, while appreciating the resources provided by donors, have complained that some donor programmes are seriously undermining their operations, especially their planning and development systems.
6. OUTPUTS AND ACTIVITIES AT THE COMMUNITY LEVEL

Introduction

6.1 One of the main aims of the Decentralisation programme is to create and consolidate the young democracy and allow the people to take active roles on issues of governance and development. The target is to strengthen institutions for governance and development at the local level with the hope that these institutions will facilitate the participation of the grassroots in decision making. Most Assemblies have not planned or implemented deliberate programmes of their own for making communities aware of the role of local government, individual/community rights and responsibilities or the service standards they should expect from the Assembly. There is also a weak political link between the Assembly and the communities. Councillors are not perceived as playing a strong representative role linking their constituents with the Assembly. The community needs to be aware, convinced and satisfied that the councillor is representing their views and proposals in the Assembly. The following activities are based on participant contributions to the Strategy Workshop. Some of them are already on-going. This section illustrates how all the activities fit within the context of the overall Strategy.

Objective:

To empower and develop the capacities of local communities so that they can take responsibility and play appropriate roles in a representative local government system

Outputs

6.2 Outputs express the desired characteristics of a capacitated community. There are the intended results of the capacity development programme. There can also be easily used as milestones of what has been accomplished at various stages during the life of the programme. The outputs for this objective are suggested as follows:

1. Communities understanding their constitutional roles and responsibilities in a local government system.
2. Communities informed on development issues within their District.
3. Communities allowed, wanting and able to organise themselves and advocate.
4. Communities wanting and able to identify their development needs and communicate these through the District Planning system.
5. Communities able to demand feedback on progress on their expressed needs.
6. Communities able to demand transparency and accountability from their elected representatives and the District as a whole.
7. Communities allowed and able to participate where appropriate in the implementation, maintenance and operation of projects and programs in their area.
8. Communities able to appreciate the importance of local revenue in financing District activities and services.
9. Communities able to engage with support agencies operating in their areas.
Activities

Communities understanding their constitutional roles and responsibilities in a local government system

6.3 There is need for MLGRD, preferably through the induction programmes for councillors and information pamphlets, to clarify the roles and responsibilities of MPs and traditional authorities (chiefs, etc) in local development. There has in the past been conflict of roles between councillors and these actors creating unnecessary tensions that are disruptive to the local development process. There is also need for MLGRD to make available materials on civic education. Progress in the preparation of civic education materials and the implementation of follow-up activities has on the whole been unsatisfactory partly because of the delays that occurred in the recruitment of the IEC officer and the establishment of IEC committees at district and local levels. The latter problems have since been overcome and the effort can now concentrate on clearing the backlog. The IEC committees should be used to distribute the civic education materials. There may be need, though, to strengthen their composition by ensuring that their composition has appropriate and equitable representation of technical staff and community members.

6.4 District Assemblies will need to be facilitated to strengthen the co-ordination and linkages between VDCs and community members. Instead of community plans and proposals being sent directly from the ADCs to the DEC, they will be need to be routed through the ward development committees representing the lowest planning unit in the District. Thereafter the councillor should be responsible for taking the plan to the Assembly, where the plan will be analysed with the help of the DEC. This will bring in transparency in the consolidation and integration process of community plans at Assembly level. DEC members will now be obliged to explain the criteria adopted and used in the process; councillors may even need to approve that criteria.

6.5 MLGRD needs to assist the District Assemblies in the reorganisation and alignment of boundaries of VDCs with those of wards in order to facilitate participatory and representative democracy at community level (e.g. VDC formed by wards and headed by ward councillor). This exercise may involve the re-organisation of the structures themselves together with a review of their powers and functions.

Communities informed on development issues within their District.

6.6 District Assemblies, working through NGOs and CSOs as well as traditional leaders, need to improve publicity and information dissemination on matters related to local government activities and the expected role of communities in those activities. Tools that can be explored and used for this include the use of Village Libraries, Guidebooks, Newsletters and fliers, Radio and TV programmes including village listening clubs, local drama, and any other social gathering that can be available and appropriate.

6.7 NGOs and CSOs will be encouraged to intensify their activities on Voter education. Activity in this area is also regulated by bodies outside MLGRD e.g. the Electoral Commission.
Communities allowed, wanting and able to organise themselves and advocate

6.8 MLGRD, working in conjunction with the Assemblies and NGOs/CSOs, needs to promote a spirit of self reflection and realisation of situations among community members and committees (VDC, ADC, etc). This is to enable them address the challenges they face in the development process and in their day to day lives

Communities wanting and able to identify their development needs and communicate these through the District planning system.

6.9 There is need for MLGRD and District Assemblies to rationalise community based planning approaches across the country. The concept may need to be introduced to communities that have hitherto not participated in the process. The benefits recorded so far for participating in community based planning are:

- Opportunities for promoting community empowerment and ownership in the development process.
- A reliable method for obtaining realistic and focused plans from village and ward level.
- Potential for integrating ward and District Assembly level plans.
- Harmonisation and integration of plans of various actors at ward and district level.
- Identification of additional sources of revenue for implementing local plans.
- Opportunities for capacity building for institutions operating at sub-district level.
- Transparency in the selection and prioritisation of projects at all levels.
- Opportunities for improved accountability during project and programme implementation.

6.10 MLGRD needs to make resources available to support community based planning. Resources are required to re-train community facilitators, purchase stationery, look and learn visits and community workshops.

6.11 As community based planning effort intensifies, there will be complementary steps that need to be undertaken, including:

- Simplify and rationalise fora for community planning so that all interest groups are allowed to participate in the exercise. The current fora tend to exclude other groups. It is important that an arrangement is made where all socio-economic groups in an area are given an opportunity to participate in the planning exercise. The Local Government Act makes no provision for sub-district planning structures to work together – wards, ADCs, etc. The ward should be legally defined as the unit for sub-District planning.
- Develop strong linkages between community level planning and the district planning system. Part of the link should be provided by the participation of the councillor in the planning process. The other link should be provided through the synchronization of the planning calendars so that the community plan feeds directly into the Assembly plan and influences the content of the budget for that planning period.
- Upgrade skills of community facilitators and trainers and expose them to best practices from elsewhere. The current practice is that community planning is facilitated by community development advisors and whichever technical officer is available in that community – from teachers and extension workers to NGO staff and UN and other volunteers. While these technocrats are providing a needed service, there is always danger that communities may get confused by different planning
approaches introduced and applied by these technocrats. There is also no evidence to suggest that there have been attempts by the same technocrats to democratise the planning process and link it to activities in the District Assembly Chamber.

6.12 The new district funding system will introduce an assured budget line in the district budget to support community development initiatives. This should go a long way towards encouraging further initiatives in the community, including development of implementation skills and desire to raise more local revenue. This will also enhance the capacity of local communities to manage development in their areas

Communities able to appreciate the importance of local revenue in financing District activities and services.

6.13 MLGRD, through the induction programmes and civic campaigns, needs to educate both councillors and members of the public on the importance of local revenue in financing local economic development. The commonly held view is that members of the public resent paying rates, levies and fees to the Assemblies either because they are very poor or they do not know how the money being raised will be spent. There are indications that while there is a strong basis for the poverty argument, there are also clear indications that people know that the money is meant for services and for their benefit but over the years they have been disillusioned by services that are never delivered by their Assemblies. The public campaigns and civic education should therefore aim at reconciling these positions. There is need to reach agreement between the Assembly and members of the community on the level of services to be provided and the required contribution from the community in order to meet that level of service.

6.14 MLGRD needs also to assist the District Assemblies to improve revenue collection methods and rates. At the moment the revenue collection procedures and systems are not fully complied with. As shown above, there is no incentive in the community to do so. As community grants filter through and communities begin to appreciate the change in their lives as a result of the implementation of these projects, there will be more co-operation regarding revenue collection, that is, communities will co-operate with authorities if they can see the benefits they will derive from the process.

Communities allowed and able to participate where appropriate in the implementation, maintenance and operation of projects and programs in their area.

6.15 MLGRD, through the LDF, needs to introduce windows for funding community initiatives. The funds should be held and managed by District Assemblies. MLG also needs to assist communities to appreciate the importance of local revenue in financing community initiatives, district development and for sustainability. At the moment the allocation of funds to lower structures is not based on any formula and is not divided equitably among the wards. Communities receive ad hoc funds from both government and NGOs including major projects like MASAF. Funding to lower structures is project based and does not take into account other factors like population size and levels of poverty. Communities have never felt they are part of the budget process.
Communities able to demand feedback, transparency and accountability from their elected representatives and the District as a whole.

6.16 Once communities begin contributing to the Assembly budget they will want to be kept informed about how their money is being spent thus opening opportunities for greater accountability among the councillors. Accountability is the degree to which the councillors have to explain or justify what they have done or failed to do. However, the public will need to demand such explanations. In the past there has been no demand for such explanations for many reasons – ignorance, lack of awareness about citizen rights, fear, etc. All these point to the urgency for civic education about operations of local government. MLG will thus need to take urgent steps that will lead to communities demanding their rights and privileges.

6.17 The District Assembly should make VDCs or any other community group fully accountable to the communities on development initiatives in their areas. Communities should be entitled to knowing what is purported to be done for them or the results of their sweat. Communities should be kept informed of what is happening around them - it could be report of progress of plan, spending of funds raised or money received. The local leaders need to be trained on the need to produce periodic reports.

6.18 NGOs should also help by training civil society organisations in budgeting, budget monitoring and tracking. In order to assist this process, MLGRD will need to enforce the publication of District budgets and encourage community participation in budget preparation.

Communities able to engage with support agencies operating in their areas.

6.19 MLGRD needs to assist Assemblies and communities in harmonising donor procedures and processes as part of the review of the planning and development system. Communities are at the moment comfortable dealing with donors, NGOs and other support agencies. Most activities and projects under implementation have been supported by these agencies and over time partnerships have developed between these funding agencies and communities. Communities are particularly comfortable with dealing with donors over financial matters. Communities have expressed satisfaction that donors consult them, are transparent in the use of resources and stick to schedules without money running out during implementation, something they do not get from the Assemblies. However what may escape the community and they need to be engaged on this issue is that these external initiatives while helping with funding of projects are actually undermining their local institutions, especially the District Assemblies. The support in real terms has not been giving the Assembly or the community an opportunity to create and manage their own planning and implementation systems. Each donor or NGO has its own planning and accounting system resulting in many systems being introduced, adopted and used by the Assemblies and communities. Some of the systems are very complex for the Assembly or the community to follow. Virtually all of them are abandoned once the donor or NGO pulls out.
7. OUTPUTS AND ACTIVITIES AT THE NATIONAL LEVEL

Introduction

7.1 This chapter considers the political, institutional, policy and regulatory support required to drive and manage the capacity development process. It identifies outputs and activities that address among other things:

- the ambiguities/constraints in local government especially traditional versus democratic systems conflict,
- transformation of civic attitudes regarding rights and responsibilities in local government,
- policies on decentralisation addressing slow progress on devolution at Assembly level
- harmonisation of legislation relating to decentralisation including local government and sectoral acts,
- confidence building especially for the Assemblies and devolving sectors
- capacity for administrative support for District Assemblies,
- effective planning and funding systems which give incentives for districts to plan and allocate funds accordingly.

Objective:

| To enhance the capacity of relevant national level institutions and organisations to advise, support and monitor District Assemblies and manage the decentralisation process |

Outputs

7.2 The outputs for this objective are suggested as follows:

1. Preparation and committed implementation of a Constitution, LG Act and National policy on decentralisation.
2. Provision of guidelines on the roles, functions and responsibilities of Districts and sub District Structures.
3. Establishment and management of systems for the financing of Assemblies.
4. Provision of guidelines for the operation of District planning, budgeting, revenue and accounting systems.
5. Revised Staffing Policy on behalf on District Assemblies and preparation of Guidelines for District structures and staffing.
6. Provision of Technical Assistance and responses to submissions from local governments.
7. Preparation of guidelines on minimum service standards.
8. Co-ordination of government, donor and NGO funded initiatives related to District development.
10. Facilitation of responses to training needs for decentralisation.
11. Negotiation with donors re resource mobilisation and support for Capacity Development.
12. Procurement of CB inputs re consultancy, buildings, equipment etc.
13. Monitoring and evaluation of decentralisation, capacity development and service
14. Promotion and Support of Civil Society Initiatives
15. Progress made in Gender Mainstreaming
16. Progress made in HIV/AIDS Mainstreaming

Activities

Preparation and committed implementation of a Constitution, Local Government Act and National Policy on decentralisation

7.3 Support will be provided to MLG and other relevant institutions to follow up the work already well advanced on amending the Local Government Act and in ensuring that the implications of the Act are reflected in other sectoral legislation. In particular efforts will be made to accelerate amendment of laws affecting revenue mobilisation in the Assemblies e.g. the introduction of mass valuation and the single business permit.

7.4 MLG with support from national facilitators, if necessary, will assist other sectors to complete their Devolution Plans as per the Cabinet directive. Thereafter, it will help publicise mandates, roles and responsibilities of national level institutions vis a vis their relationship with the district and sub-district institutions. Publicity will be through the electronic and print media as well as pamphlets and village dramas. While there is strong expression of sector interest and commitment to proceed with the devolution plans, there have been delays in developing some of the components of the plans. Other than the list functions to be devolved, it had been hoped that each of the sector devolution plans would show the legal, financial and staffing implications of the proposals together with proposals and timetables of how these constraints would be overcome. Unfortunately most devolution plans remain wish lists with no concrete proposals of how change is to be effected.

7.5 MLG through the OPC will be supported to facilitate retreats for members of the Cabinet Committee on Decentralisation and the Decentralisation Sub-committee of the Public Sector Reform Steering Committee as well as the IMTC so that members can own and fully understand the Capacity Development Strategy in the context of Decentralisation. The Capacity Development Strategy process should be championed and driven by the highest political leadership to ensure progress and reduce resistance to the process.

7.6 OPC will be assisted to:
- Establish and provide additional policies on Decentralisation addressing the question of lack of devolution at Assembly level
- Ensure the Public Sector Reform Steering Committee maintains the momentum of directing and guiding all Ministries in terms of the Decentralisation policy
- Maintain an effective IMTC for key sectors to participate in the decision making processes e.g. implementation of the Capacity Development Strategy
- Enhance the capacity of MLG to be efficient and effective in its secretarial role to the various committees on Decentralisation.
- Set up effective monitoring and evaluation system

Provision of guidelines on the roles, functions and responsibilities of Districts and sub-District Structures

7.7 MLG through the OPC will be supported to facilitate a policy review aimed at
clarifying the roles, functions and responsibilities of various actors at district and sub-district level. There is at present tension between councillors, traditional authorities and members of parliament and this tension is disruptive to local development. Their roles in local development must be clarified and made known to everyone. As noted in the Assessment, the political landscape is characterized by patronage and regionalism and there is excessive politicization of chiefs who, because of their cultural influence, have undermined the role of councillors. On a day to day basis the chiefs are seen to be working side by side with MPs and excluding the elected councillors. In this highly charged political landscape, therefore, there has been an apparent lack of political will among the councillors, chiefs and MPs to make and implement the hard development oriented decisions. Effective representative based devolution and development requires a level of political equality and a strong role for transparently elected councillors.

7.8 Support will be provided for MLG to facilitate DHRMD to run more orientation workshops for key staff involved and affected by devolution in order for them to appreciate their roles and also own the process. A number of key staff in ministries have relatively little appreciation of how local government functions and some may be genuinely scared of handing over power and responsibilities to institutions they do not understand. Orientation programmes will draw more actors into the devolution and capacity development processes.

7.9 MLG will facilitate the OPC to issue another circular to sectors on the need for the review and the harmonisation of the legal framework for the success of decentralisation and devolution and now capacity development. The full empowerment of the Assemblies to enable them to effectively carry out their functions has been hampered by delays in the comprehensive review of many pieces of legislation, including the Local Government Act. Sectors do not consider the review of laws a priority and very little progress has been made over the last five years. The inaction is also attributed to a lack of incentive on the part of the sectors, lack of resources to finance the legal reviews and the low capacity of the Law Commission to provide support.

**Establishment and management of systems for the financing of Assemblies**

7.10 There are already well functioning systems for the financing of District Assemblies. MLG will be assisted to complete the exercise of establishing a comprehensive system for financing District Assemblies and sub-district structures. Work has advanced on the creation of a Local Development Fund involving the rationalisation of existing funds – MASAF, the Roads Fund, etc. MLG will be further assisted to develop appropriate user friendly operational manuals.

7.11 In administering these funds, MLG in conjunction with NLGFC will set up transparent criteria for rewarding well-performing Assemblies. There will be qualifications set which can be tightened as capacity development proceeds (staff posts filled, plans prepared, budgets and financial statements prepared, accounts audited, etc). MLG could also be facilitated to prepare performance assessment systems for Assemblies, with the appraisal results made public to the communities affected. This will act as sufficient pressure for the District Assemblies to perform as they will have to account for the failure to perform to their constituents, let alone to MLG.
Provision of guidelines for the operation of District planning, budgeting, revenue and accounting systems

7.12 MLG will have access to support to amend the district planning system and procedures to enable District Assemblies play their rightful role as local planning authorities and for the councillor to be central in the process. The Local Government Act gives inadequate emphasis on the role of the Assembly as a local planning authority. The current district planning procedures fail to promote the role of councillors in championing the cause of development in their constituencies. While the plan originates from the village and is transmitted through the ADCs to the District Executive Committee (made up of technocrats), it by-passes the councillor and his/her structures at ward level. The Ministry should consider amending procedures to enable the process to become truly democratic and enable plans to be routed through the councillor.

7.13 NLGFC in conjunction with MLG will refine their planning and funding systems which give incentives for districts to plan and allocate funds accordingly.

7.14 MLG and LASCOM will assist Assemblies to fill all vacant posts in the Finance Directorates. Depending on the outcome of a staffing review, MLG may also recruit qualified accountants for the District Assemblies and encourage the use of Treasury cashiers for financial management.

7.15 The Accountant Generals’ Department will also be supported to take the lead in establishing appropriate linkages between the IFMIS at the centre and the IFMIS being implemented in District Assemblies.

Revised Staffing Policy on behalf of District Assemblies and preparation of Guidelines for District structures and staffing

7.16 Under the Staffing Component of the Strategy, MLG, DRHMD et al. will be supported to review all aspects of the staffing policy of local Assemblies with a view to giving Assemblies much more autonomy over their structures, recruitment and conditions. It has so far conducted Functional Reviews for District Assemblies. Unfortunately the reviews have created large potentially unaffordable proposals. DHRMD will be facilitated to design a more responsive bottom up approach to local authority needs.

7.17 GOM through all devolving ministries may provide or transfer professional and technical staff to the Assemblies to kick-start the process

7.18 In conjunction with 7.15, DHRMD will complete the task begun to review conditions of service for staff in Assemblies. Conditions of service within the Assemblies are generally poorer than those of central govt. Sector staff, generally are not prepared to be posted to the remote areas.

7.19 Treasury will improve funding to LASCOM (assuming it continues) to enable it to perform its role. Most of the District Assemblies complain that LASCOM takes too long to fill vacant posts and even longer to recruit staff for the posts.

7.20 LASCOM will also make efforts to streamline its recruitment process so as to reduce/eliminate red tape and unnecessary delays.
Provision of Technical Assistance and responses to submissions from local governments including the preparation of background studies and Research

7.21 MLG/DHRMD will approach donors for assistance in obtaining funds to hire facilitators to guide the capacity development process. As explained in the preceding paragraphs, facilitation is central to the capacity development process. Facilitation is concerned with promoting and supporting change from within by stimulating participative analyses and problem solving, leading to organizational growth and capability. The facilitation role will enable all the agencies and institutions participating in this process to maximise the learning opportunities stimulated by the presence of the funds in the context of the requirements of policy and legislation.

7.22 MLG (Dept of Local Government Services) will also be supported through national facilitators to improve its capacity to respond to the needs of the Assemblies in a timely manner e.g. re the approval of by-laws, requests for the declaration of rating areas.

Preparation of guidelines on minimum service standards

7.23 Devolving sectors will be supported to complete the guidelines for the take-over of management of devolved functions by District Assemblies. The draft sector guidelines to Assemblies are presently inadequate. They give standards of service provision but are silent on methodology, i.e. how the functions will be managed by the Assemblies especially the manpower and financial resources needed to maintain the service. Most Assemblies are finding it difficult to absorb these functions even after the devolution of budgets.

Co-ordination and management of Decentralisation and Capacity Building Programmes

7.24 MLG and DHRMD will have access to support to effectively plan and coordinate the sector devolution process. Institutional and co-ordination arrangements are generally appropriate but not properly used. Key policy decisions on the implementation of decentralization are not made in a timely manner. MLG should thus ensure that the meetings of the Cabinet Committee, Decentralisation sub-committee of the PSRSC and IMTC are included in its work plans. Meetings are due bi-annually and quarterly. There is need to ensure proper record keeping and follow up of issues on devolution and capacity development. Ministries will also be facilitated to designate specific senior level officers at the level of Director to attend IMTC meetings and ensure consistency in attendance.

7.25 The management and co-ordination of the CD Strategy will require major inputs in terms of establishing systems, recruiting and equipping additional staff etc. Resources and facilitation support will be made available through the Programme.

Facilitation of responses to training needs for decentralisation

7.26 The incentives and facilitation at Assembly level will provoke the need for a wide range of training support to be provided by the national level including the various training institutions, consultants etc. MLG and DHRMD will be facilitated to establish appropriate systems for co-ordinating and responding to these needs.

7.27 DHRMD is responsible for the human resource management requirements of the Public Service. Part of its task will cover:
• Development of a policy for public training institutions to enable them to deliver effectively local government programmes (including conditions of service, capacity building, funding and staffing),
• Promotion and strengthening of local training institutions to respond to the needs of the local government,
• Promotion of demand driven training programmes,
• Create/establish a forum where users and suppliers of training have a shared understanding with regard to training needs for the local government staff,
• Establishment of registration and prequalification requirements for potential suppliers,
• Development of standard training materials for basic functions etc.

Negotiation with donors re: resource mobilisation and support for Capacity Development

7.27 The Joint Donor/Government Technical Sub-committee is a useful forum for co-ordinating donor support for decentralisation. Unfortunately its meetings are infrequent and opportunities for a co-ordinated approach are lost. It is necessary to institutionalise this forum for regular dialogue, communication and co-ordination between the Government and its development partners on decentralization and capacity development.

7.28 MLG as well as MoF and MEPD will be assisted to establish clear policies, guidelines and enforcement on donor support and operations and assist District Assemblies to manage and co-ordinate donor interventions such that they augment and strengthen District Assemblies. District Assemblies while appreciating the resources provided by donors, have complained that some donor programmes are seriously undermining their operations, especially their planning and development systems. The Assemblies have complained of imposition of projects, complex manuals, parallel and usually demanding project planning systems, complex approval systems for projects, contracts, parallel funding, accounting and monitoring systems. Donor programmes are said to also stretch Assembly resources by making use of district personnel for appraisal, monitoring, etc of their programmes without payment of administration fees or adequate allowances and often taking staff away from district duties. Some programmes also undermine the role of councillors setting up systems that by-pass the councillor.

7.29 MLG, MEPD will be facilitated to design and manage appropriate guidelines for donor and NGO interventions which ensure that partners:
• Operate in terms of the Local Government Act
• Always consult District Assemblies and work with them
• Appreciate their potential to support or undermine local institutions and systems
• Respect locally driven systems and appreciate the importance of local ownership and sustainability
• Maintain simplicity
• Maintain a low profile, for example, avoid selling the donor agency at the expense of the District Assembly – tee-shirts, calendars, vehicle logos
• Minimise poaching essential local government staff
• Encourage local staff to support and facilitate rather than control
• Build common local monitoring systems rather than imposing external donor ones.
Procurement of CB inputs re: consultancy, equipment etc.

7.30 MLGRD, MEPD, NLGFC and other relevant organisations will mobilise resources and establish systems to channel Capacity Development resources to meet the basic requirements of District Assemblies for funds, equipment, buildings etc. so that all Assemblies have an opportunity to participate in the Capacity Development Programme. The systems should stimulate District Assemblies to make detailed prioritised assessments, including specifications, of their needs. This approach will create opportunities for the Assemblies to set up and up-date their assets registers. It will provide excellent facilitation entry points for building an asset maintenance programme for the Assemblies.

Monitoring and evaluation of decentralisation, capacity building and service delivery

7.31 MLGRD will be assisted to promote and establish a monitoring and evaluation system (of Assembly performance, Assembly capacity and CD inputs) that meets the needs of the Assemblies themselves and other stakeholders. The system should allow continuous review and consolidation of lessons learned on decentralisation and capacity building. There is no M & E system in place at the moment and valuable lessons in the decentralisation process are not being documented. As suggested above, the monitoring and evaluation should incorporate self monitoring by the organisations concerned such that it promotes internal organisational learning. The M&E systems should incorporate the specific requirements of HIV/AIDS and gender issues.

Promotion and Support of Civil Society Initiatives

7.32 Appropriate National level organisations will be assisted to enhance and /or refocus their programmes of support to Civil Society Organisations. It is hoped that this will enable them in turn to assist communities to play their roles in local government. The public awareness campaigns should target traditional authorities, farmers and church groups.

7.33 MLG will be assisted to prepare an institutional framework to guide the interaction between civil society organisations themselves and between civil society and central or local government and donors. This will help improve the engagement of CSOs which has so far been limited. Most CSOs have not been fully involved in the planning, implementation and monitoring of the civic education campaign.

7.34 MLG will be assisted to clear the backlog in the development and distribution of civic education materials. Progress in the preparation of civic education materials and implementation of planned activities has been limited partly due to delays in the recruitment of IEC officers and the establishment of IEC committees at district and local levels. These problems have since been overcome. The IEC committees should be meaningfully used in the development and distribution of civic education materials.

7.35 MLGRD will also be assisted to review the IEC strategy so that it addresses HIV/AIDS and gender issues.

7.36 A coordination mechanism to enhance the networking of CSOs, donors and MLGRD in planning, and monitoring the implementation of civic education should be established and spearheaded by the Ministry.
Progress made in Gender Mainstreaming

7.37 Facilitation and other forms of support will be made available to MLGRD and other relevant National level organisations to develop an effective gender focal point at headquarters and create the post of a Gender Co-ordinator within the Planning and Development Directorate of the district assemblies to spearhead the planning and implementation of gender responsive programs in accordance with the provisions of the national gender policy framework. It will also be assisted to prepare a Gender Strategy and guidelines for mainstreaming gender in local governance. Gender has not been mainstreamed into the decentralisation process as a planning tool and a means of ensuring equitable participation in development.

7.38 There is need to build capacity for gender analysis and mainstreaming at MLGRD, in the districts and at community level as part the effort of address existing inequalities between men and women. The Local Government Act will be reviewed for gender responsiveness and to provide positions for nominees to represent women in the District Assemblies. There is at present limited participation of women as councillors and members of staff at District level thereby limiting the extent to which women’s and children’s issues are tackled in the Assemblies. MLGRD will also be assisted to devise a programme to support and assist women councillors play their role effectively in the Assemblies.

Progress made in HIV/AIDS Mainstreaming

7.39 Facilitation support will be made available to ensure that all stakeholders in local government understand the full implications of HIV/AIDS for decentralisation. The impact of HIV/AIDS on the human resources in the Assemblies has been recognised but there are no work place programmes yet to address the issues. The dialogue between MLG and NAC will be strengthened to support the mainstreaming of HIV/AIDS in the decentralisation and capacity building process. HIV/AIDS is largely considered a function for the central government since NAC still maintains control over all activities and funds. Guidance will be provided to Assemblies on how best to address the issues of HIV/AIDS which may include the appointment of an HIV/AIDS Coordinator in the Planning and Development Directorate at district level. HIV/AIDS should be part of the TORs of the Development Service Committees in each Assembly.
8. TRAINING INSTITUTIONS

Introduction

8.1 The Capacity Assessment highlighted the weak linkages between the Decentralisation process and the Malawian Training Institutions. These Institutions have a crucial role to play in the overall CD Strategy, however they also have capacity limitations. This section makes proposals to increase the capacity of Malawian training institutions as active resources for the decentralisation process. The implementation of these proposals would largely fall under Objective 3 of the CD Strategy.

8.2 The importance of knowledge as an effective engine of development is undisputed. A major determinant is how the institutional regime is organised in order to provide incentives for the efficient use of existing and new knowledge, and how the innovation systems of research centres, universities, institutes and other organisations are able to tap into the growing stock of global knowledge and assimilate and adapt it to local needs. In this process the quality and capacity of training institutions becomes crucial.

8.3 A developmental state also builds its capacity as a result of a mixture of supply initiatives and demand pressures for services and participation. This mixture is important. Public sector management improves both from emerging demands from the public, and from new knowledge supplied by resource institutions. It learns from being informed of good practices elsewhere, but decides itself on appropriate sequencing of intervention rather than taking over blueprints. Good governance may be both a precondition and a result of effective capacity development in all areas of public administration.

8.4 In cases where governments have strengthened and expanded the formal institutions of domestic accountability, these institutions have continued to constrain poor management of the “rulers”. A World Bank report on tertiary education5 points to the crucial role tertiary education institutions can play in knowledge driven growth strategies. By generating new knowledge, and by building capacity to access existing global knowledge and adapting new knowledge to the relevant context, universities and training institutes need to be core institutions also in capacity building in the Malawian society.

8.5 The need for capacity building and spreading of new knowledge among Malawian District Assemblies is very large. This is not a unique Malawian concern. Most African countries that work with government reform programmes are exposed to the same challenge. In Tanzania it is estimated that as many as 80,000 of the 270,000 current civil servants will require re-training.

8.6 Existing capacity is often poorly documented and specified. The report “Training in 2004” issued by MLGRD in April 2005, underlines that training also modifies existing knowledge, attitude or skill behaviour of the individual to satisfy the current competence needs of the organisation. However, existing capacity and knowledge must be reckoned as a valuable basis for building new capacity.

8.7 The demand side of new competence is complex. Urban and rural cultures differ widely in how they take part in the realities of the modern day-to-day activities. To build – or

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5 “Constructing Knowledge Societies. New Challenges for tertiary education” 2002
rebuild – relevant services in the public sector is therefore a challenging matter and in many environments “training” has been the mantra to development. Capacity building is much more than supplying training courses. It is necessary to remind oneself of a statement made by the two professors Polidano and Hulme: “Training on its own is an utterly inadequate response to the problem of low capacity; but it is a conflict-free measure which is politically painless and easy to deliver”\(^6\). It is therefore necessary to underline over and over again that the concept of capacity building includes much more than traditional training activities.

8.8 A starting point in capacity development is to acknowledge that although past knowledge has been valuable, the approach used to support development in the past is unlikely to be sufficient for the future. During NDP I focus was kept on strengthening the central levels. NDP II and the present strategy document focus on devolution of power and the necessity to build the necessary – and relevant – capacity on the district and community levels. The emphasis on capacity building has in most contexts focused on skills development (teachers, health personnel etc.) and on building up the infrastructure of public sector training institutions with regard to computerisation, accommodation etc. For organisational development - and capacity building on the management level - Malawian institutions have only to a minor extent been used. This is well documented in the “Training Report 2004” which states that most of the budget was used for training courses abroad.

8.9 There are several problem areas that have led to this development. In general, the university/institute level has not been given the necessary resources to fill the function of building capacity among top management. The consequence has been that the sector has witnessed a brain drain of professionals that the institutes – and the country – badly needed. With this “drain” the Malawian institutes do not seem to have been the prioritised alternative when it has come to decisions of where capacity building should be carried out.

8.10 The role of incentives – monetary and non-monetary – is noted to be critical both in the district managements and in the training sector. “Capacity develops and takes root where incentives are favourable, and drains where they are poor. Incentives also sustain the supply, utilization and retention of national capacity” states a World Bank report\(^7\). The report then goes on to comment on the needs to build the necessary capacity to develop capacity by strengthening knowledge institutions and knowledge networks that produce the talent to meet increasingly complex demands – i.e. how the education system should be linked to the requirements of the development factors.

8.11 It is clear from the experience in several countries that the link between the public sector and the training institutes must be strengthened in order to see a sustainable development process. The need to support the knowledge industry both in terms of technical and non-technical capacities is extremely important.

8.12 The remainder of the section gives some proposals of how capacity building in training institutes should be designed in order for this sector to become a natural – and professionally relevant – partner for the public sector in their development process.

\(^6\) Charles Polidano and David Hulme: “Public Management Reform in Developing Countries” in Public Management Vol 1, issues 1 1999.

\(^7\) The contents of this chapter is based on the Report of the World Bank Task Force on Capacity Development in Africa p. 99
Proposed strategy:

It must be stated clearly (in the Strategy and NDP II) that capacity building in the public sector must go hand-in-hand with the necessary support to strengthen the competence and capacity of the training sector. Implementation plans and budgets must identify separate funds for institutional capacity building in the Malawian training sector. Reference is made to para 8.48 regarding the financial support one country already has indicated for that kind of institutional capacity building.

Political anchorage

8.13 Capacity building in the institute sector has not so far been identified as a major activity under the NDP-programs. NDP I concentrated on reforms on the central level, and the need to strengthen the capacity of the training institutes seemed to have remained outside the political interest. One attempt was made to link a group of Malawian institutes to a group of university level institutes in Norway. However, political developments and priorities did not prioritise the implementation of the project.

8.14 Also NDP II is weak on this point. There is still no strategy outlining the targets to be attained in the institute sector. The “Task Force for Institutional Development and Capacity Building” (where training institutions are represented) has not yet started its activities, and the proposed budget specifications of NDP II does not indicate that capacity building of the institute sector has been prioritised. If Malawian institutes are to play the role similar institutes do in other countries, then there must be a strong political signal to support the sector financially.

8.15 The capacity of the institutes must cover both central and decentralised activities. For that reason the proposal is to make the Task Force for Institutional Development and Capacity Building responsible for the coordination between the institutes and the government.

8.16 Political support must not be misused. Many institutes are heavily dependent on decisions made by directors on the ministerial level. The ownership structure (institutes are mostly government controlled) seems to be a hindrance for the management in meeting the market demands. In some cases the institutes face delays in decision-making e.g. for physical investments; in other cases the institutes are restricted by having to rigidly obey government regulations with regard to the number of staff and salary levels for key personnel. Some institutes are, however, already in the process of being turned into autonomous units and will have a more independent status. Creating autonomous institutions – still with political support – is a difficult exercise, but recent trends in Malawi indicate that this development has now gained momentum.

Proposed strategy:

1) There must be a clear political will to support the institute sector financially and politically. The support must not influence the independence of the institutes, but keep a clear professional focus. Co-ordination and contact between the government and the institutes must be done through the Task Force for Institutional Development and Capacity Building or other appropriate forum.

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8 From now on the report uses the term “Institute Sector” of all units that have been identified by the Malawian government as key training organisations under the NDP program.
2) The process of converting ministerial-governed institutes into more autonomous institutions should continue.

**National, regional and global networks**

8.17 The ongoing globalisation is to a large extent eradicating traditional boundaries between learning and application of new knowledge. Most development agencies stress the need to develop strong relations between regional and sub-regional bodies in order to encourage peer learning and coordination among the tertiary level of learning institutes.

8.18 Regional networks will continue to support and sustain national knowledge generation and absorption. These networks will according to the report provide access to a critical mass of professional knowledge not available at the national level.

8.19 Information technology is creating a platform for global knowledge and distance learning. Networks among training and research institutes are developing fast and give professionally weaker partners the necessary contact with institutes with more resources.

8.20 It is important that Malawian institutes get the necessary resources to become part of such networks.

**Proposed strategy:**
Malawian institutes must be encouraged – and given necessary resources – to enter into collaboration agreements with individual institutions – or with professional networks – abroad.

**Objectives of institutional capacity building in the institute sector**

8.21 Capacity building in the institute sector has two main objectives:

- To provide relevant and professional training to long terms students in general,
- To act as resource centres to the central and decentralised public sector in terms of professional knowledge, understanding reform processes, improving service delivery etc.

8.22 Although the basic (and traditional) certificate – diploma or graduate education levels are important, it is the second objective that needs the most immediate attention under NDP II.

8.23 Training institutes have so far not had the sufficient resources to develop intervention tools that focus on how and what can be done to increase resources in the public sector. The competence to develop relevant and point-specific curricula is one of the most urgent areas for capacity building in Malawian institutes.

**Curriculum development**

8.24 Curriculum development in the institute sector must work on several arenas:

- **Long term courses:** Long term courses must meet international standards. There is a

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clear tendency among African students that they request international documentation for their studies. However, it must be a goal for Malawian training institutes that they are able to provide diploma and graduate studies that have a professional quality on – or comparable to - the same level as international studies. For some studies the curriculum should be re-developed – if necessary in close collaboration with international institutes.

- **Short term courses:** This is an area with less focus on academic deepening, and where curriculum development is especially important. It is crucial that short term courses give participants access to recent development practices, the “good examples” and the “good practices”, and recommended activities in order to reach the project goals. A strong precondition for providing relevant short-courses is to have lecturers that can document in-depth knowledge of how the public sector function – or should function.

- **In-service training:** This form of training must be of high quality, properly organised and provided in a sufficient quantity to build up the potential of the participants to be able to the barriers of the old administrative mentality. It should aim to address capacity development as a governance challenge by striking the necessary balance between the “supply side” of district capacity and the “demand side” of the societal engagement. In some areas it is not only a matter of improving the knowledge of service delivery. In specific areas it is a matter of going from improved service to enabling social change. It is also a question of being able to link different activities to each other in order to see the interaction between different departments and activities. The combination of providing participants with the theoretical background and practical experience is one of the strongest marketing strategies of the institute sector. The institute sector should strive to develop and strengthen their knowledge advantage in this field.

- **Distance education:** Although the use of ITC is not very widely developed in Malawi, the use of distant education facilities, virtual education programmes etc. is coming fast also to this country. New technology may facilitate lectures by resource persons abroad under Malawian curricula. The alternatives this new technology gives could give Malawian institutes access to a wide range of international long-term or short-term courses.

8.25 In all fields it is important for the institute to concentrate on core activities, and to keep a pragmatic focus on developing the most relevant knowledge and curriculum for the course.

**Proposed strategy:**

1) Training institutes should carefully cultivate their core competence.
2) The capacity and competence to develop relevant and problem-specific curricula must have the strongest priority
3) Training institutes must follow a policy of continuously modifying long term courses in line with international curricula.
4) Establish links with relevant regional or international institutes to develop modern and problem-oriented curricula for long- and short term training.
Disseminate institutional knowledge

8.26 One of the most important functions of the institute sector is to serve as an active source of information for both the public and the private sectors. Dissemination of research findings, presentation of “best practices”, conducting open workshops to present and discuss current topics are only some of the activities institutes have a duty to implement. Institute personnel should also be encouraged to participate in public discussions of current issues.

Proposed strategy:
Dissemination of competence is a major function of the institute. The management should actively present the resources of the institute through dissemination activities related to current issues that are discussed in the society.

Publications

8.27 A major activity of resource organisations is to present findings in the form of publications. This is both of individual benefit to the author(s) as well as to the institute. Those institutes that want to be recognised regionally as centres of excellence must establish a clear policy with regard to publication. It is necessary that they find ways of collaborating closely with universities/institutes in the region or internationally in order to enhance absorption of produced research findings. As the need to focus on publication varies, no general strategy for this is proposed.

Consultancies

8.28 Studies and consultancy work provide today a major part of income for the institutes. Competition, however, is increasing, and staff members are often competing with their own institute in getting the order. Although it is probably unavoidable in the present context, it must be strictly controlled. Institute staff using the facilities and time of the institute must be obliged to reimburse the institute adequately.

8.29 In order to facilitate consultancy work, practical and logistical matters have to be assessed including the institutional framework for selecting relevant consultants, competence screening, remuneration and distribution of resources etc. It is important that quality work is the key to this activity given the competitive nature of consultancy work and the need to build a good image in order to survive in the market.

8.30 Unlike most other activities of an institute, consultancy is a money-making activity and should therefore be self-funding.

Proposed strategy:
Training institutes should be well equipped to carry out consultancy work, project studies and assessments for donors and the public sector management. This activity can become a major source of income for the institutes and should be pursued actively.

Financial resources

8.31 A major source of income has so far – and will continue to – come from own generated funds. This has led most institutes to become a “jack of most trades” and has had to accept to undertake activities where there has been a demand. Some institutes are fairly dependent on ministerial rules and regulations in relation to handling own generated income.
8.32 Funding constraints and government control seriously limit the ability of institutes to respond to investment opportunities even where these are likely to be financially beneficial. One institute e.g. said that given certain investments it could double its activity – and amortise the investment - within a short period of time. In general all institutes feel that they are restricted in their efforts to make useful investments. They have limited financial room and authority to develop new and relevant courses, and do not have the financial capacity to develop professional competence in necessary research activities.

**Proposed strategy:**
1) NDP II must allocate funds for the institute sector to develop core competence in their specific field.
2) Funds generated by the institute must be retained in the institute and decisions as to how to reinvest the funds in the best possible way must be taken by the institute.

**Human resources management**

8.33 Staff development is a key for development and sustainability of any institution. Well-developed staff equipped with relevant knowledge is central in the implementation of planned activities.

8.34 The brain drain from training institutes is serious. People leave for better positions abroad, or enter the private sector where pay is better and incentives more varied. This is especially the case for younger, foreign-educated personnel, leaving older personnel with less up-dated skills behind in the organisation.

8.35 These rigidities are undermining the competitiveness of the Government Institutes versus the private sector. The local management may feel restricted in its ability to prevent the brain drain, or may find “intelligent” solutions to solve the problem. There is a need to loosen government control and give more autonomy to the management of the institutes.

8.36 It is a challenge for Malawian training institutions to recruit, keep and inspire the most qualified people to work in their organisation. Successful training activities require complex and relevant skills. Training institutes must be given the full authority to negotiate salaries, recruit and dismiss people and establish the most relevant group compositions for the specific activity.

**Proposed strategy:**
1. The board and management must be given more freedom in adapting their employment conditions and facilities to meet the needs of the market.
2. Training institutes must provide the necessary facilities for exchange of resource personnel, visits, seminars or study tours abroad. These facilities must not be given based on seniority, but on the professional needs of the institute.
3. Peer learning and twinning arrangements for staff exchange should be encouraged.

**Facilities and infrastructure**

8.37 There is a huge difference in the standards of technical facilities among Malawian training institutions. Some have been able to secure funds for the most modern facilities; others are struggling with outdated or unreliable technical facilities.
8.38 Although the quality of accommodation facilities is important, a major part of the capacity building programme in the districts will have to carried out “in-house”, and for this type of capacity building accommodation is less important. For long term courses, however, accommodation is crucial – both in terms of quantity and quality.

8.39 The question of how much resources should be used for students’ facilities is complicated. We believe that each institution would be able to solve this if more autonomy were given to the board and the management of the institute. Our proposal for a strategy on this field follows this approach.

8.40 The technical infrastructure of the institutes must be improved. Computerisation, internet and the challenges of improving teaching through virtual learning programmes, distant learning activities etc. will require considerable investments in new technique for all institutes. This is an area where the government should find a balance between support funding and the opportunities the individual institute has to find funding on its own.

**Proposed strategy:**
Most of the necessary investments in technical facilities will have to come from resources generated by the institute – either from own activities or from donor funding.

**Marketing of institutional knowledge**

8.41 There has been a lack of contact between the central level and the training institutes during NDP I. The institutes themselves may not have been active enough in marketing their competence whether this should have been towards relevant government ministries or to donors who could have lobbied on their behalf. There is a need for the institutes to improve their marketing approach.

8.42 Marketing is an organisational matter. It is up to each institute to design their presentations, brochures, documentation of competence, their institutional CV etc., in the most representative way. There is no need to find common strategies for that.

**Professional co-operation with international institutes**

8.43 An attempt to establish professional relations with institutes abroad was made during 2002-2004 based on an initiative by the Norwegian Association of Local Government. A group of Malawian institutes developed professional relationships with Norwegian institutes with the objective of creating a strong resource network for the decentralisation process.

8.44 With funding through the Decentralisation Secretariat workshops were held both in Malawi and Norway in order to find a platform for the co-operations as well as finding the best matching partners. Unfortunately, political processes in Malawi disturbed the process, and funding was put on hold until the decentralisation process was back on track.

8.45 Whether Malawian institutes find Norwegian partners or other international co-operating institutes is of less importance. The main thing is to find relevant and strong partners for those Malawian institutes that want to strengthen their competence and capacity through international partnerships. The process should therefore be restarted as soon as the political policies are in place and funding is available.
Proposed strategy:
The process of establishing relevant and professional linkages to international institutes should be restarted.

Other supply organisations

8.46 Development makes use of a long range of organisations giving advise, support and control mechanisms for the public sector. Some of these are formal national institutions of accountability (audit and ombudsman institutions, anticorruption agencies etc.), others are semi-governmental or private institutions that represent the “public voice” (media, grass-root organisations etc), or provide services that are necessary for the public sector (communication networks, water – electricity etc.). Strategies for these organisations must be developed under the umbrella of their own functions in the public sector. Training institutes may be relevant resource centres for these organisations.

8.47 It is suggested that systems be established under the overall strategy – Objective 3 - to facilitate much greater involvement of these other supply side organisations especially in terms of responding to the support demands of the Assemblies and Communities. Such systems could include registration and prequalification for contracts, involvement in a Training Forum of Supply side organisations etc – See also Section 9.
9. MANAGEMENT CO-ORDINATION AND IMPLEMENTATION

Introduction

9.1 This section makes proposals on options for managing and coordinating the objectives /outputs and for providing the 7 components/inputs of the Strategy. The proposals are based on the following guiding principles:

9.2 Firstly, every effort should be made to use existing permanent management structures and to build their capacities rather than create autonomous project management units parallel to ministries and departments. Such units are likely to undermine government institutions. Management responsibilities for different functions should be allocated to the organisations or departments that would normally deal with them. Similarly the Strategy should build on existing NDP II co-ordination and financing arrangements wherever possible.

9.3 A distinction can be made between long and short term functions. In the case of the latter, temporary structures can be used to create a task focus but they should be disbanded once the task is complete. Overall however, a Local Government Capacity Development Programme is not a short term function but a continuing responsibility for MLG and government as a whole.

9.4 Secondly, a task rather than a bureaucratic mindset will enhance the delivery of the programme. This can be encouraged through activity based budgeting. Programme/Project management should be shown in the relevant Ministry budget as an activity of the department(s) whose terms of reference cover project objectives.

9.5 Thirdly, valuable Government personnel should be supported in their established posts rather than contracted out into temporary external donor units.

9.6 Fourthly, programme reviews and evaluations should be based on institutionalised government/ministry performance reviews (i.e. their own annual budget reviews that lead into the next annual budgeting exercise). In the case of donor funded programmes, individual donors should ensure they participate according to the government timetable and that ToRs are acceptable for their needs. Large programmes can be compromised by a succession of individual donor reviews and separate decision making processes.

Policy Making

9.7 Decentralisation and Capacity Development cut right across most agencies of government and as such require the attention of a high level interministerial policy making body. The existing policy making structures being used for NDP II – namely the Cabinet Committee on Decentralisation and Rural Transformation and the Public Sector Reform Committee of Permanent Secretaries - are suited to policy making for the Capacity Development Strategy. As the lead Ministry, MLG should be servicing the Committees by providing background information and tabling agenda/discussion items. The relationships between the various policy making and management structures proposed are illustrated in Figure 9.1.
Figure 9.1 Policy and Management Relationships for the Capacity Development Strategy
The Cabinet Committee on Local Government and Rural Transformation (CCLGRT)

9.8 The CCLGRT is the main policy making body whose terms of reference include local government, devolution and the administration of traditional authorities. The Committee has 11 members nominated by the President. Its Terms of Reference according to NDP II are to:
   a) Formulate and review policy on Local Government;
   b) Guide and review the implementation of the Decentralisation Process and Programmes;
   c) Develop legal and institutional framework to promote collaboration between Central and Local Government;
   d) Mobilize resources;
   e) Formulate and review polices, strategies, and set priority programmes for rural transformation;
   f) Promote balanced economic, political and social development between urban and rural areas;
   g) Promote rural transformation through: Empowerment through micro-finance, Rural Infrastructure, Investment in small-scale agro-processing industries and Local Economic Development;
   h) Develop strategies for promoting public and private partnerships to ensure sustainable and equitable investment in rural areas;
   i) Strengthen networking among stakeholders in rural development.

The Public Sector Reform Steering Committee (PSRSC)

9.9 The Government of Malawi has put in place an umbrella committee for all public reform programmes: the Public Sector Reform Steering Committee. Under the chairmanship of the Chief Secretary for the Public Service, the Committee is mandated with the responsibility of providing policy direction of all public reform programmes. The Public Sector Reform Steering Committee will also provide policy to the National Decentralisation Programme II (2005-2009) since Decentralisation is one of the public reform programmes. This arrangement will provide the much needed technical and administrative championship and also strengthen the required linkage of the National Decentralisation Policy to other policies.

9.10 The Committee will provide overall leadership to the Strategy with the following responsibilities:
   a) Responsible for overall policy direction for NDP II 2005-2009 and the CD Strategy;
   b) Approve Annual Program Work plans and budgets,
   c) Review and approve all Technical proposals,
   d) Make recommendations to the Cabinet Committee on Local Government and Rural Transformation.

9.11 A much smaller technical working sub-committee on Decentralisation is to be created to provide technical backstopping and make recommendations to the main Committee. This should be at the core of policy and management for the CD Strategy implementation thereby providing much needed linkage between the National Decentralisation Policy and other PSR policies. The Sub-Committee will comprise ten representatives of key government ministries and departments and two other members as detailed below: -
   • The Secretary to the Treasury (Chairperson)
   • The Secretary for Justice
   • The Secretary for Economic Planning and Development
9.12 It should be noted that the Secretariat role provided by MLG ensures additional authority for the MLGRD role as the de facto manager of NDP II and the CD Strategy.

**Inter-ministerial Co-ordination and Information**

**The Inter-ministerial Technical Committee (IMTC)**

9.13 The IMTC was set up to co-ordinate and provide technical support to the development and implementation of decentralisation policy. An important function of the Committee during NDP I was to guide the Decentralisation Secretariat, approve its work plans etc. It was originally intended to be a committee of Principal Secretaries but now comprises a mixture of PSs and some senior officials from key ministries with a stake in decentralisation and local government.

9.14 The Committee was most active in the early days of decentralisation but has since come to meet infrequently. One of its major problems has been its size – over 60 members. This is too large for a management coordinative structure and it has tended to become an information exchange.

9.15 The NDP II document suggests the Committee will continue as the main technical forum providing guidance to the PSCRSC on the NDP II, the CD Strategy and the LDF. MLGRD will provide the Chairperson and Secretariat services for the IMTC.

**Component Task Forces of IMTC**

9.16 According to NDP 2, the IMTC will have component task forces as follows:
- Sector Devolution – led by MLGRD
- Institutional Development and Capacity Building – led by DHRMD
- Fiscal Decentralisation and Financial Management – led by Treasury
- Local Development Planning and Financing Mechanisms – led by MLGRD

9.17 Although it could be argued that the CD Strategy should fall under the second of these task forces, it could equally be argued that the whole of NDP is in fact a Strategy for Capacity Development. Indeed the Strategy addresses the issues of all the Task Forces. It may therefore be necessary to realign the Component Task Forces so that they adequately address the needs of the NDP II, the CD Strategy Objectives and the LDF.
Organisations with Management and Coordination roles

9.18 The organisations listed below are important players in providing inputs or regulation for the District Assemblies. In line with the principle of running the CD strategy through existing organisations rather than creating new ‘units’, these organisations will play the following roles.

Ministry of Local Government and Rural Development

9.19 The Ministry of Local Government is responsible for providing the policy and legal framework for the efficient and effective operation of the Assemblies and to promote an effective system of local governance. It is also responsible for providing a link between central and local governments. Since it is also the Secretary to the Decentralisation Sub Committee of the PSRSC and chairperson of the IMTC, it is most naturally placed to be the lead agency in the implementation of a Capacity Development Strategy. MLG is also the executing agency of the NDP II Programme. It will be responsible for overall management and implementation and will be accountable to the Government for the production of outputs, the achievements of the programme purpose and the use of programme resources.

9.20 MLGRD is now in the process of reorganising itself to absorb many of the functions of the disbanded Decentralisation Secretariat. Given its centrality in the management of the proposed CD Strategy it may be necessary to look again at the proposals for reorganisation presented by the last MLGRD functional review of 2005 so as to provide for the most effective structure for the Ministry to implement all these management, coordination and monitoring functions. Existing Ministry responsibilities under NDP II include:

a) Prepare and consolidate work plans and budgets from the Component Thematic working Groups;
b) Provide secretariat to the Technical working sub-committee on decentralisation and will be the chair of the Inter-ministerial Technical Committee;
c) Coordinate the implementation of the NDP II through technical support to sectors in areas of devolution and local development planning;
d) Monitor implementation of the annual work plans and prepare quarterly and annual progress reports and submit to the PSRSC and Donors;
e) Coordinate implementation of the PSRSC resolutions;
f) Provide technical support to District Assemblies in the decentralisation and approve their projects and work plans to be funded under the programme;
g) Mobilise resources for the NDP II.

Ministry of Gender, Community Services and Social Welfare

9.21 This Ministry has been responsible for training and managing Community Development Assistants working with the various Chiefs Areas. This responsibility has now been devolved to the District Assemblies, however there may be an option for this Ministry to be involved in providing overall co-ordination of the CD outputs and activities in Objective 2. Further work and discussion is required to explore this option alongside the proposed alternative – management by the Rural Development Department of MLGRD.
Department for Human Resources Management and Development (DHRMD)

9.22 DHRMD in the Office of the President and Cabinet is responsible for management of the Public Service. Its mandates include:

- continuous review of public service related needs at various levels of government administration,
- periodic review of the extent of decentralisation and
- administration of public service conditions of service.

It provides human resource planning, development and management services and through the Staff Development Institute, training, research and consultancy to the Public Service.

9.23 In terms of the decentralisation policy it has been given the role of ensuring that there are sustainable functional structures in the districts, adequate human capacity and proper transfer of functions.

9.24 Given its over-arching human resources management and overall management responsibilities for the Public Service especially at national level, DHRMD could play a lead role in managing Objective 3 of the CD Strategy for Decentralisation. To maintain a local government focus however, DHRMD and MLGRD need to work in a coordinated manner to ensure the objectives of the CB are effectively achieved.

National Local Government Finance Committee (NLGFC)

9.25 The NLGFC as a key player in the management of the DDF and the proposed LDF has a crucial role to play in ensuring that the stimuli to the whole CD process provided by the grant funds is effective. The Committee advises on issues of local government finance, manages and monitors the financial transactions between central and local governments. It also provides financial management support to Local Assemblies. NLGFC’s present roles include:

a) receiving revenue estimates and budgets from all assemblies;

b) examining and supervising accounts of local government authorities in accordance with any Act of Parliament,

c) making recommendations relating to the distribution of funds allocated to local government authorities;

d) preparing a consolidated budget for all Local Government Authorities and estimates after consultation with the Treasury, which shall be presented to the National Assembly for information purposes before the commencement of each financial year;

e) making application to the Minister of Finance for supplementary funds where necessary.

9.26 Presently NLGFC falls under the responsibility of MLGRD and in such a position would be well placed to co-ordinate and liaise with the Co-ordinator of Objective 1 - the CD programme for the Assemblies. Under proposals for the operation of the LDF however, it is suggested that NLGFC become a Commission in its own right. It is hoped that this would not seriously affect the close co-ordination that would be required to ensure the LDF funds are used to maximum CD effect.
9.27 NLGFC is not responsible for significant amounts of training, neither is the LDF proposal suggesting that NLGFC should take on a CD role – rather it is suggested that this role be left to other players such as the NDP/CD Strategy and MASAF. Under the CD Strategy proposed here, the CD activities for LDF could be addressed through a combination of inputs largely under Objective 1 – some supply driven manual based training, some demand driven training financed from the Assemblies CD funds plus on the job support provided through the District Facilitators. Various incentives/sanctions could be attached to LDF access to induce the Assemblies to ensure their staff are adequately prepared to manage LDF.

MALGA

9.28 MALGA is an independent umbrella association representing all District Assemblies. Its objectives are:
   a) To secure a strong, coherent voice for local government at all levels,
   b) To be an effective link between local government and central government,
   c) To work collaboratively with other non-governmental organisations at all levels,
   d) To provide and extensive range of value added services to local authorities,
   e) To generate additional income from value added services to expand the work of the Association.

9.29 MALGA has a Board of Trustees with 4 members. Its supreme organ is the MALGA Council which has a Chairperson and one or two members from each Assembly. There is also an Executive Committee of 12 elected members which oversees the implementation of policies and programmes. MALGA has a Secretariat has 7 staff members, 6 professionals including a recently appointed CEO. It is currently restructuring itself to be more effective.

9.30 Whilst MLG has an overall oversight and responsibility for the capacity development of Assemblies including the councillors, MALGA has taken up - on behalf of its members - specific responsibility for providing the induction training of Councillors and has prepared a detailed training manual for this purpose. It will therefore be playing a key role under Objective 1 of the Strategy. The formal training provided through MALGA needs to be monitored under Objective 1 and integrated with the work of the proposed facilitators to ensure real invigoration of the Councillor role in the Assemblies.

District Assemblies

9.31 Whilst District Assemblies will be the prime client of the CD Strategy under Objective 1, they also have certain management roles and activities which fall under Objective 2 of the Strategy. These are likely to include:
   • managing the Community Grants including the minimum access conditions under LDF,
   • managing various programmes of civic awareness, IEC etc. through the Community Development Assistants,
   • training relevant community committees in project planning and management,
   • managing gender mainstreaming and HIV/AIDS programmes.

9.32 The relevant Assembly Committees in conjunction with the District Commissioners and
Chief Executives will be responsible for preparation of budgets and work plans for these activities, for overseeing their implementation and for preparing reports to Assemblies themselves and MLGRD. They will receive facilitation and training support for these functions under Objective 1 programmes.

**NGOs and the Private Sector**

9.33 The government recognizes the role of the non-governmental organizations and the private sector in promoting the objectives of the National Decentralisation Policy. NGOs could be significant players in managing facilitation and training activities for the communities under Objective 2. Both NGOs and the Private sector can provide of manage facilitation, consultancy and training services to all three objectives of the CD Strategy. Further elaboration of the roles, coordination and modalities of procurement for CD supply side organisations including the Malawi Training Institutions are described in Section 8.

**Co-ordination and management of the Three Objectives**

9.34 The CD Strategy has 3 main objectives – CD of the Assemblies themselves, CD of Communities to play an effective role in local government and CD of the national level organisations responsible for support and regulation of District Assemblies. It is suggested that each of these objectives has a co-ordinator – someone in an established relevant post in government or someone delegated to play the role. The scope of Objective 1 falls within the terms of reference of MLGRD and it is suggested that the co-ordination role for this objective should be placed appropriately in the MLGRD structure the Director of Local Government Services. The other two objectives involve significant MLGRD inputs. Further consideration of the Ministry role in these two will be presented later in this section. Possible terms of reference for all these objectives are also described in later parts of the section based on the outputs and activities contained in Sections 5, 6 and 7.

**Overall Management of the three Programme Components**

9.35 Since the goal of the Strategy is ‘Functional Local Governments’, it would seem that this responsibility most appropriately lies with the PS of MLGRD. As he is also Secretary to the Decentralisation Sub Committee of the PCRSC, the Co-ordinators of all three Objective programmes would be accountable to the PS MLGRD and through him to the PSCRSC. Specific Terms of Reference for this role would include:

- a) Overall responsibility for the implementation of the CD Strategy to the PSRSC through the Decentralisation Sub Committee;
- b) Chairing regular management/co-ordination meetings between the 3 co-ordinators to maintain an overview of the whole programme and ensure the synergy of the whole programme;
- c) Provision of Secretariat services to the PSRSC Technical working sub-committee on Decentralisation and management of the implementation of its resolutions;
- d) Mobilisation of resources for the Strategy;
- e) Reporting to the PSCSC and donors;
f) Reporting and tabling issues to the IMTC.

Co-ordination of Objective 1 – Outputs at the District Assembly Level

9.36 The management of support activities to Assemblies so as to achieve the outputs at the District level is a core function of MLG. It is therefore suggested that the Director of Local Government Services be the Co-ordinator of this objective in line with the structure of MLGRD presented by the recent functional review. The components falling under this portfolio include:
   a) overall responsibility for the District level facilitators,
   b) ensuring that the appropriate regulatory environment is in place and applied,
   c) co-ordination with the providers of capital development and operational funds (in particular NLGFC) to ensure they are managed and structured so as to optimise the capacity development process,
   d) provision of basic equipment, vehicles etc.,
   e) management and co-ordination of the training providers and training funds including MALGA and the training institutions,
   f) monitoring and evaluation of the capacity development of the Assemblies,
   g) liaison and coordination with the managers of the other two objectives,
   h) reporting and tabling issues to the IMTC,
   i) providing secretarial services to the IMTC.

9.37 In undertaking the above responsibilities, the co-ordinator will be expected to utilise and work with existing agencies or departments who would normally have responsibility for the respective functions. There is likely to be a need to recruit additional personnel into these departments to ensure adequate capacity to handle the increased workloads.

9.38 Support and facilitation in playing this role will be made available through the national level facilitators and CD activities.

Co-ordination of Objective 2 – Outputs at the Community Level

9.39 This is the most complex of the objectives in that much of the capacity development responsibility for communities should rest with the respective District Assemblies. At the same time, it is not entirely in the interests of the Assembly to have a critical and demanding community. It is therefore proposed that part of the management of this objective is devolved to each Assembly whilst part remains with a central actor.

9.40 A further question arises as to where to locate the overall responsibility at national level. Originally Community Development Workers were part of a Rural Development Section under the National Rural Development Council chaired by President Banda. District Community Development Officers were right hand men/women to the District Commissioners. The Rural Development Sections eventually became the Rural Development Department now allied with the Ministry of Local Government. Community Development Officers at the District level now fall under the District Planning and Development Directors who technically are advised be the
Rural Development Department of MLGRD. It, therefore, seems there is a strong argument to locate overall coordination of this objective with the Director of Rural Development in MLGRD. The other alternative would be Ministry of Gender, Community Services, and Social Welfare as mentioned earlier. In either case it may require some additional non established posts to be created to assist with management and co-ordination. The components falling under this component would include:

a) Preparation of activity based Budgets and workplans for activities concerned with CD of the Communities, Co-ordination of workplan implementation.

b) Co-ordination of programmes and agencies involved with local government at the community level, including community empowerment, civic awareness, gender and community capacity development programmes.

c) Establishment and management of systems to provide facilitation services to communities.

d) Liaison with and influence of community programmes providing project funds to communities e.g. MASAF, EU, DDF, LDF etc.

e) Development of appropriate community based training programmes, IEC strategies etc.

9.41 Again, support and facilitation in playing this role will be made available through the national level facilitators and CD activities.

Co-ordination of Objective 3 – Outputs at the National Level

9.42 The management of capacity development support activities at the National level requires a mandate or ability to interact with all Ministries and agencies who have interests in local government and decentralisation. The Public Sector Reform Steering Committee is responsible for pushing forward the decentralisation agenda and is chaired by the Chief Secretary to the Cabinet in OPC. As suggested above DHRMD as part of OPC, has a brief which most closely fits the requirements of this objective provided it ensures a good understanding of local government issues and it is therefore suggested that the PS of DHRMD be allocated this co-ordination responsibility. Ironically under the devolution process, MLGRD was given special responsibility to prepare sector devolution guidelines and was to review the arrangements proposed by each Ministry. It is therefore suggested that whilst DHRMD co-ordinates this objective it does so in close collaboration with the newly established Decentralisation Division in MLGRD. The components falling under this portfolio include:

a) Preparation of activity based Budgets and workplans for activities concerned with CD of the National level institutions, Co-ordination of workplan implementation;

b) Responsibility for co-ordination of all facilitation inputs but especially the National level facilitators who can interact and facilitate capacity development of national level agencies with a key role in local government. This would include MLG itself, NLGFC, LASCOM, MALGA and the sector ministries with regard to their devolution plans and activities;

c) Ensuring that the appropriate regulatory environment is in place and applied;

d) Co-ordination with the providers of capital development and operational funds (in
particular NLGFC) to ensure they are managed and structured so as to optimise the capacity development process;
e) Management of the training inputs and co-ordination of the training providers and training funds including MALGA and the training institutions;
f) Initiation and co-ordination of Assembly Staffing Policy revision;
g) Co-ordination of Capacity Development initiatives of the Training Institutions and other supply side agents;
h) Monitoring and evaluation of the capacity development issues re the national level organisations.
i) Liaison and coordination with the managers of the other two objectives

Proposals for the Provision of the 7 Components

9.43 Section 4 ended by describing 7 inputs or components through which the objectives and outputs will be achieved. The following sub-sections attempt to explore some of the practical implementation issues involved in providing these components or inputs. These need to be read in conjunction with the respective sub sections of Section 4.

1. Funds

9.44 The CD Strategy requires two main funding systems:
1. Incentive funds enabling the District Assemblies and communities to undertake development projects/programmes and run the affairs of their areas and,
2. Specific Capacity Development Funds for financing the other six components – namely the facilitation, equipment, training, staff policy revision, regulatory environment, monitoring and evaluation.

Incentive Funds

9.45 District Assemblies already have access to different funds (DDF, MASAF, General Resource Fund, local revenue etc See Table 9.2.). There is also an expectation of ceded revenues coming on stream in the near future plus a proposal to consolidate various funding sources into a single Local Development Fund (LDF). There will be need to assess these funding mechanisms and negotiate with their operators to try to maximise their capacity development potential as well as provide reasonable safeguards against inappropriate use. District Assemblies should be informed in advance of the amount of money they are entitled to receive in the forthcoming financial year thereby facilitating accurate planning and budgeting.

9.46 The existing channels of delivery and the management arrangements for these funds and the proposed LDF are adequate for providing incentives to the Assemblies.

Table 9.2 Present Funding Sources for Assemblies

<table>
<thead>
<tr>
<th>Source</th>
<th>Detail</th>
<th>% 2005 – 2006 Budgets</th>
</tr>
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<table>
<thead>
<tr>
<th>Central Government Transfers</th>
<th>General Resource Fund</th>
<th>Sector Funds</th>
<th>Chiefs Honoraria Funds</th>
<th>Salary Subsidy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Unconditional Formula Based Grant, 80% pop, 20% poverty)</td>
<td>(Newly devolved funds to specific district sector accounts, mainly for GRC)</td>
<td>(Payments to chiefs and headmen)</td>
<td>(for DCs, Directors etc. – LA employees on central payroll)</td>
</tr>
<tr>
<td></td>
<td>All Assemblies – 31%</td>
<td>District Assemblies – 41%</td>
<td>Town Assemblies – 7%</td>
<td>City Assemblies – 3%</td>
</tr>
<tr>
<td>Local Revenues</td>
<td>Property Rates</td>
<td>Other Fees and Charges</td>
<td>Property Rates</td>
<td>Other Fees and Charges</td>
</tr>
<tr>
<td></td>
<td>(Town, Municipal and City Authorities)</td>
<td>(Markets, businesses etc)</td>
<td>(Town, Municipal and City Authorities)</td>
<td>(Markets, businesses etc)</td>
</tr>
<tr>
<td></td>
<td>All Assemblies – 21%</td>
<td>District Assemblies – 3%</td>
<td>Town Assemblies – 33%</td>
<td>City Assemblies – 77%</td>
</tr>
<tr>
<td>Donor Funds</td>
<td>MASAF</td>
<td>DDF (ADB, UNCDF, NORAD)</td>
<td>MASAF</td>
<td>DDF (ADB, UNCDF, NORAD)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Formula Driven 50% population 50% poverty indicators</td>
<td></td>
<td>Formula Driven 50% population 50% poverty indicators</td>
</tr>
<tr>
<td></td>
<td>All Assemblies – 48%</td>
<td>District Assemblies – 56%</td>
<td>Town Assemblies – 60%</td>
<td>City Assemblies – 20%</td>
</tr>
</tbody>
</table>

9.47 The existing funding systems already include important capacity development incentives and sanctions e.g. the GRF is meant to be withheld if financial reports are not sent on time. The DDF is intended as an institutionalised unconditional block grant and has minimum access conditions e.g. on staffing there must be a minimum of a District planning Director, a works supervisor and 2 Accounts Clerks. There must also be an approved annual plan with 75 % of projects completed in the previous financial year. MASAF also incorporates various incentive and sanction mechanisms and includes additional capacity development support.

9.48 The proposed LDF has many positive elements in terms of promoting capacity development and learning at the Assembly level. Its goal and objectives have several elements in common with the Strategy proposals in this report. The principles on which its design is based include: predictability, discretionary, non-conditionality, wide scope, equity, transparency, flexibility, reward and sanction. Not least it would be a significant step forward in removing the unnecessary complexity, duplication and confusion of parallel funding systems which serve to overload and undermine local capacity.

9.49 What may further be required is discussion and agreement between the managers of the various funds on the key role their funds play in the capacity development strategy and
adjustments in various elements to maximise this role. The DDF and the proposed LDF are managed through the NLGFC (which presently falls under MLGRD) and draft operational manuals have already been produced. NLGFC would be responsible for allocation formulae and schedules based on a trenching system (which could be performance related).

9.50 The LDF proposal does not incorporate extensive CD activities but suggests that these can be taken on by other CD initiatives under NDP II. This approach is synergistic would fit well with the proposed CD strategy providing all agencies are willing to work together under an umbrella approach. The minimum access conditions proposed for LDF are tougher than those of the existing DDF. They incorporate an annual performance assessment to be undertaken by MLGRD. These requirements provide a major stimulus which can optimally be translated into capacity enhancement with the facilitation input.

Capacity Development Funds

9.51 It is suggested that funding for the other capacity development components could either be provided on a component by component basis most likely by individual donors or preferably through some type of basket fund mechanism. Each Objective Coordinator would be required to prepare consolidated activity based budgets based on the outputs for which he or she is responsible.

9.52 If a basket fund were agreed, it could be held by the Ministry of Finance and disbursed directly to the Assemblies and other key actors. Donors could provide either general or earmarked funding for the basket. Each Co-ordinator would be responsible for preparing and managing an annual activity based budget based on formula driven allocations to the Assemblies themselves and the other spending agents at national level. Once these budgets were agreed the funds could be disbursed as specific purpose grants directly to the spenders either as an Annual lump sum or in quarterly trenches based on statements of expenditure. Disbursement would be dependent on the applicants being able to meet relevant access conditions and on utilisation performance.

9.53 Such a system could mean that each Assembly would receive specific purpose grants for training, community facilitation activities, equipment, staff re-organisation and M&E activities. Some system involving a temporary holding account at District level may need to be devised such that funds could only be drawn down on an activity-by-activity basis against detailed CD proposals approved by the full Assembly. An important role for District facilitators would be to provoke optimum planning, budgeting and utilisation of these devolved grants by the Assemblies.

9.54 Monitoring the use and impact of these grants would become a major function of the 3 co-ordinators. After the first year, utilisation rates, implementation performance and need would assume increasing importance in the access rights of each district to the fund.

9.55 It is suggested that in the first instance the CD Fund be established separately from the LDF. The objectives of the two are quite different. LDF is also long term whereas the CDF may only have a limited lifespan. The LDF would be managed by NLGFC – a specialist in overseeing
the financing of service and infrastructure development. The CDF would be managed by the 3 Co-ordinators as specialists in overseeing capacity development. Both funds however could be held and disbursed by MOF.

9.56 A specific design study for the CD fund is required. Much useful experience with this type of fund has been gained in Uganda which could be of benefit of Malawi but there is also scope for more radical innovation.

2. **Equipment, Vehicles and Physical Resources**

9.57 It is suggested that one of the windows in the CD Fund under Objective 1 be allocated to the provision of basic equipment grants such that each District Assembly can procure a minimum set of vehicles, equipment, council chambers etc. These grants could be formula driven incorporating equity and need criteria. Access conditions should be structured in such a way as to encourage self assessment of needs and prioritisation by the Assemblies themselves. As far as is practical, Assemblies should also be involved in the procurement process so as to gain maximum learning by doing experience. Vehicle and equipment provision should be linked to the establishment of internal management, maintenance and replacement systems e.g. by establishing relevant cost centres. The contribution of the facilitators would again be critical, using the purchase of the equipment as a potential entry point to facilitate system design.

9.58 Some provision of equipment and vehicles will be required at National level to support programme management, facilitators, training activities etc. These items should also be procured through the CD Fund.

3. **Staffing**

9.59 Section 4 has already highlighted the critical importance of re-examining the policies on staffing and structures of District Assemblies. It is suggested that a special Task Force be set up as part of this component which should explore the scope for giving much greater autonomy to Assemblies to define their own structures, hire their own staff and set appropriate conditions of service. The Task force could be funded and managed under Objective 3. Implementation of Task Force recommendations may involve offering Assemblies special grants to finance their own individual restructuring assessments under Objective 1.

4. **The Facilitators**

9.60 The Strategy proposes the use of organisation development facilitators at all levels. The roles and desired qualities of the facilitators and the nature of their relationship with their client organisation(s) are described in Section 4. These inputs are temporary and should fall away after the first few years of the CD Programme as organisations increase their capacity for self learning.

*Qualities of the facilitator*

4.61 Facilitators are required to demonstrate a wide range of qualities as described below. It is likely that there will be a need for intensive training of facilitators and on going support to develop their capabilities for these roles.
4.62 Knowledge: Depending on the level at which the facilitator is operating, knowledge of some of the following subject areas is desirable:

- Organisation development
- Development planning
- Project planning, implementation
- Rural development
- Community development
- Local government public administration
- History/politics of Malawi
- Management
- Gender mainstreaming
- HIV/AIDS programmes
- Training Approaches Basic financial management and budgeting

4.63 Skills:

- Good conceptualisation diagnostic and analytical skills.
- Good interpersonal skills.
- Good communication skills - the ability to listen, reflect, advocate and write reports.
- The ability to inspire, facilitate, coach, support and develop others.
- Ability to establish trust and transparency with clients.
- Computer literacy and driving ability.

4.64 Attitudes:

- Maturity, confidence, patience, tolerance and in the case of district and community levels, a willingness to work with remote rural communities.
- Commitment to the concept of representative local government.
- Flexibility, resilience and ability to work in diverse situations with unpredictable working hours.
- A willingness to resolve problems jointly and to work in small teams with colleagues.

4.65 To enable the facilitators to work effectively it is crucial that they are managed in such a way that they retain a degree of freedom to provoke and follow difficult issues with their client organisations whilst at the same time being overall accountable to the Strategy management. Terms of reference and possible management options and proposals are considered below.

District Assembly Level Facilitators

9.66 Proposed terms of reference for the District facilitators are:

a) Facilitate the workings of the District Assemblies as per the LG Act.
b) Work closely with the District Commissioners in the ascribed Districts in facilitating clarity with regards to roles and responsibilities especially between Councillors and Officers. Give particular attention to the work of Councillors and the functioning of Assembly Committees.
c) Facilitate exposure and ownership of organizational weaknesses and support their analysis and resolution by the Assemblies.
d) Facilitate the ongoing development of planning, finance, co-ordination, management
including the establishment and operation of the LDF with its different funding windows.
e) Facilitate the Assemblies in their promotion of civic awareness and community participation and in their responses to Community demands.
f) Facilitate the development of Assembly Strategic and HR plans and their implementation.
g) Provide advice and support to Assemblies in preparation and implementation of their CD plans as a whole.
h) Provide advice, support and on the job training to Assembly officials and Councillors where appropriate.
i) Contribute to the design and implementation of responsive training workshops.
j) Facilitate linkages with other Assemblies, between central and local government and with other development agencies. In particular promote relationships with external agencies that respect and build local government and community involvement in development projects and programmes.
k) Facilitate practical and holistic Assembly self-monitoring systems. Contribute to the development of a local government institutional monitoring system.

9.67 The delivery mechanism for the District Facilitation must be cost effective, coordinated and practical. The following possible options are presented:

9.68 Recruitment and positioning:

<table>
<thead>
<tr>
<th>Options</th>
<th>Individually recruited by MLG under Objective 1 programme.</th>
<th>Individually recruited by District Assemblies</th>
<th>Recruited through group contract(s) with consultancy/NGO organisation</th>
</tr>
</thead>
</table>

The above table presents different recruitment options. Recruitment and training of facilitators is likely to be a challenging activity. Appropriate individuals are not easily found. There are advantages in making an external organisation accountable for the facilitation input as per Objective 3, however this may be more expensive. If the facilitation input is perceived as an Assembly responsibility, presumably LASCOM would be made responsible as a recruitment agent.

9.69 Accountability:

<table>
<thead>
<tr>
<th>Options</th>
<th>The Co-ordinator of Objective 1 - MLG</th>
<th>The DC/CEO in each District Assembly</th>
<th>The Co-ordinator of Objective 3 through facilitator team at national level.</th>
</tr>
</thead>
</table>

Classically OD facilitators should not be part of the organisation they are facilitating. Whilst they might have greater in depth knowledge and permanency if employed as insiders, their role would almost certainly be compromised through accountability to the DC (who may be a major cause of organisational weakness), resentment from their peers and through organisational politics etc.
9.70 Terms and conditions of employment:

| Options                        | Limited term contracts with incentive terms and conditions. | Standard Central Government terms and conditions. Short or long term contracts. | Long term permanent posts within the Assemblies on LG conditions |

To be effective, facilitators must have credibility with their clients and have a range of qualities as mentioned in Section 4. Such individuals are likely to be scarce but are thought to be available in the country. They would, however, need to be offered incentive terms and conditions. One drawback of this might be the attraction of existing Local Government staff although the qualifications, experience criteria and terms of service could be set such that few would be eligible or interested. It can also be argued that whilst it is possible to recruit young graduates into local government posts and train up a new cadre, it is impossible to recruit young graduates as facilitators.

9.71 Numbers and type:

| Options                        | One OD generalist facilitator per Assembly | One OD generalist OD facilitator between 2 Assemblies | A team of subject specialist facilitators available to groups of Assemblies. |

The effectiveness of facilitators depends very much on their knowledge of their client organisation and the quality of relationships they establish with its individuals. It is not the facilitators job to be a specialist trainer in every subject but rather someone who can help his/her clients understand and own their own problems and guide them to appropriate solutions and sustainable sources of specialist knowledge. For these reasons we would not advocate having a team of different specialists as facilitators visiting the assemblies in turn to push their specialist activities. Specialist knowledge can be bought in by the Assemblies through specific workshops of training courses.

9.72 Located and living:

| Options                        | Individually living in districts | In clusters of 4 to 5 Assemblies | Living between 2 Districts but attached to clusters for support. |

Whilst the workload for the facilitators may be very high in the first instance, there are arguments in favour of placing one facilitator between two Assemblies. These include cost, giving the Assemblies space on their own without the facilitator around them all the time, reducing the pressure or temptation of the facilitator to take on hands on roles. Facilitators living close to their clients have the advantage of getting to know all the non formal issues of the District which can significantly improve their effectiveness. At the same time they need external objectivity and will
need to spend half a certain amount of time with their fellow facilitators mentor etc. improving their own skills and approach.

9.73 Recommendations:
After considering the above options, arguments and lessons of experience it is recommended that District Assembly facilitators:

a) Be hired on special limited term contracts (3 years) by MLGRD under Objective 1 either individually or as a consultancy team. They should not however be used by MLG to carry out MLG regulatory functions or become Ministry watchdogs, but should be autonomous enough to respond effectively to the Assemblies needs.

b) Be deployed one between two districts living in one district and serving the two. They should have a small office separate from the Assembly.

c) Be offered incentive conditions and salaries such that mature and experienced practitioners are attracted from both the NGO/Private sector as well as government.

d) Be trained and developed by a small team of experienced mentors, one mentor per cluster team of 4 or 5 facilitators.

e) Be provided with independent management support services.

9.74 The facilitators will require a basic induction plus follow up support including opportunities to meet regularly to share experiences and develop best practises. The mentors will provide both formal training and provide on the job support.

9.75 As stated earlier ideally, the relationship between the facilitator and the Assembly should be voluntary but this may not be practicable or desirable in the first instance. The facilitators may be supplied as part of a package including access to the other capacity development components. Assemblies could possibly sign up for Capacity Development through participation agreements. With time it may be appropriate to offer the facilitation as a voluntary option to the Assemblies which could be funded through their CD Grant allocation either on a long or very short term basis. This may be particularly relevant to the more developed Assemblies especially the Urban ones.

Community Level Facilitators
9.76 The challenge of providing facilitators at the community level, such that each ward and VDC can be reached, is dominated by the scale of the exercise. There are a number of experiences which can be drawn upon in trying to formulate a means of facilitating the role of communities in Local Government.

9.77 Firstly, Community development has historically been promoted by the Community Development Assistants (one per Chief’s Area) employed initially through the Rural Development Section and then by the Ministry of Gender, Community Services and Social Welfare. There are presently approximately 200 – 300 CDAs in the field out of a possible establishment of 800. Responsibility for CDAs has recently been devolved from the MGCSSW to the District Assemblies. The CDAs are answerable to the Community Development Officer in the Assembly who falls under the Director of Planning and Development.
9.78 Secondly, in addition to the government CDAs, the staff of many NGOs have been working on community facilitation in most districts over recent years. The NGOs have largely focused on sectoral activities but they are uniquely placed to facilitate accountability demands by the Communities. Whilst the promotion of civic participation and local government below the level of the Assembly is a responsibility of the Assembly it is not necessarily in the interests of the Assemblies to create vociferous demanding communities. They may prefer the comfort of more passive dependent constituents. Past experience in Malawi suggests that many of these NGO activities are uncoordinated and not well known to government.

9.79 Thirdly, the District Focus programmes of the early 1990s created Community Training teams including local extension workers. These teams drew heavily on ‘Training for Transformation’ type materials empowering communities as well as training them to take up activities in planning and project implementation. This approach was considered successful.

9.80 Terms of Reference for the Facilitation of Community Capacities are proposed as follows. The facilitation of communities to:

a) Understand their constitutional roles and responsibilities in a local government system. This should include appreciation of the importance of local revenue in financing District activities and services.

b) Better understand of development issues within their District.

c) Analyse their situation, identify their development needs and communicate these through the District Planning system.

d) Set up their own organisations and be proactive and self help oriented in addressing their needs and advocating these to the Assemblies and central government.

e) Demand information and feedback from their Assemblies especially with regard to progress on plans, and services. This would include understanding concepts of Assembly budgets and annual reviews.

f) Demand transparency and accountability from their elected representatives and the Assembly as a whole.

g) Apply for Community Fund grants under the LDF and participate where appropriate in the planning, implementation, maintenance and operation of projects and programs in their area.

h) Establish linkages between each other so as to encourage learning and to engage with support agencies operating in their areas.

9.81 It is recommended that this objective and Terms of Reference are best served by a combination of two approaches as follows:

1. District Assemblies themselves through their Community Development Assistants and the District Training Teams could fulfil many of the ToRs utilising resources provided through District Grants from the proposed Capacity Development Fund. These grants could include access conditions which include performance incentives/sanctions which encourage the Assemblies and the CDAs to follow suggested curricula. The District
Facilitators would encourage and guide the Assemblies in the establishment and management of these programmes. Specific training courses will undoubtedly be required to provide the CDAs with additional facilitation skills and to develop the content of their work. As part of this training, all the staff of the Assemblies could be given basic training in facilitation approaches. The national level management and monitoring of the grants would be the responsibility of the Co-ordinator of Objective 2 in MLGRD.

2. Specific Community CD Facilitation contracts could be advertised to NGOs by the Co-ordinator of Objective 2 at national level. These contracts could include a specific emphasis on facilitating a more demanding culture amongst the communities in terms of their expectations of their Assemblies. A first step might be to document the various ongoing NGO initiatives (this may have already been done) and attempt to prequalify NGOs that might be eligible to bid for these contracts.

9.82 It may be necessary for the Co-ordinator of Community Capacity Development Strategy to engage additional staff in his/her department to assist in the management and monitoring of this programme.

National Level Facilitators

9.83 It is suggested that there be 3 or 4 National level facilitators answerable to the Co-ordinator of the third Objective – Capacity Development of National Organisations and Institutions in DHRMD. They will have a wide brief. They may be required to provide support to the coordinators of the 3 objectives. On some occasions they may be working to facilitate specific policy improvements, on others they may support system improvements and co-ordination amongst all national level agencies working with the District Assemblies including MLGRD itself, those agencies responsible for the management of Strategy components, e.g. NLGFC, MALGA, Training supply agencies etc. They may also facilitate Sector Ministries in the preparation and implementation of sector devolution plans. Given the complexity of activities at the National level, these facilitators may need specialist technical knowledge in key areas. e.g. sector devolution, LG Finance etc.

9.84 They should avoid however, being used in established positions but should have the flexibility to respond to the needs of key sectors as and when appropriate. At all times however they will agree their activities with the Co-ordinator and the PS Local Government as the overall manager of the Strategy. Possible terms of reference are as follows:

a) Support the Co-ordinators of the CD Strategy in establishing management and implementation arrangements for their respective programmes;

b) Facilitate co-ordination of the main components of the Strategy;

c) Facilitate the capacity development of key stakeholder agencies at national level especially MLGRD, NLGFC, DHRMD, MALGA in terms of their inputs to the programme;

d) Facilitate Sector Ministries in terms of their devolution plans and arrangements;

e) Support MLG in co-ordinating and monitoring the activities of District level facilitators;
f) Provide professional guidance to the District Assembly Facilitation Teams;
g) Support MLG in the preparation and presentation of project documents on the CD Strategy;
h) Facilitate MLG and other relevant agencies in terms of improving and clarifying the legislative environment for Assembly operations;
i) Facilitate the preparation of responsive training programmes for Assemblies and national organisations through appropriate training suppliers;
j) Support Coordinators in the monitoring of implementation progress and outcomes of the CD Strategy to identify critical issues emerging from the implementation of the programme.
k) Assist MLG in networking with NGOs, donors, and other interested agencies;
l) Support MLG and coordinators in the procurement of equipment, consultancy services etc in support of the programme;
m) Facilitate MLG and coordinators in the preparation of seminars and workshops on policy debates, dissemination of information and Annual Reviews.

5. Training

9.85 Training is required under all 3 Objectives. Arrangements for the management and supply of training should wherever possible be demand driven - procured and organised through the Assemblies themselves as part of their own HR programme and financed from a devolved training/HR grant. There will however also be need for some standard long term training (see Section 8) and specific more supply driven courses for basic technical skills. Some of the options are described below. Existing training initiatives presently being undertaken through agencies as MGPDD should be integrated into this component.

At District Level

1. Long term basic training courses, preferably at local training institutions, focusing on basic skills and knowledge e.g. administrative, accountancy and technical skills for employees of the Assemblies. These could either be supply driven from national windows into the CD Fund or be demand driven by the Assemblies as part of their allocations from the fund.

2. Short term basic training courses again addressing specific administrative, management or accountancy skill needs of employees. They should also be implemented through local training institutes and or the NG sector. Again they could be demand driven from District Assembly Training windows from the CD Fund under Objective 1.

3. Short term basic courses for councillors, initially guiding them on their roles and responsibilities but later providing them with specific information relevant to more complex functions required of them in their committees, e.g. planning, budgeting, sectoral information, monitoring. MALGA have already developed manuals for this. Provision could be through both supply and demand driven options under Objective 1.

4. Short term responsive experiential workshops for both councillors and officers often focusing on systems or structural development in the organisation and addressing specific needs identified through the action reflection process. These type of workshops are most appropriately run in the Local Assembly itself rather than at a training institute. They
would be demand driven from District Assembly Training windows from the CD Fund under Objective 1.

5. Exposure visits for both councillors and officers to learn best practise or explore new ideas from similar organisations or peers elsewhere. Both demand and supply driven.

9.86 Training will most likely be provided to the Assemblies through national training institutions, local training companies, NGOs, central and local government officers, the facilitators and consultants. This will demand oversight, quality assurance and coordination from the Managers of all three Objectives.

9.87 It is suggested that for some types of training, MLG and the sectors develop some standard training materials which can be used by the various providers – one means of ensuring quality control. Again some of this work has already been started through donor supported programmes. These will need to be integrated into the overall context of the CD strategy. It is also suggested that some system of prequalification and registration of both public and private sector providers be set up to facilitate procurement by both the Assemblies and national users.

9.88 Management of the demand and supply of training would be facilitated by the establishment of a LG Training Forum involving programme managers, representatives from training institutions and training users etc. This would meet on a regular basis and would serve as an information exchange, a forum for setting standards and overseeing/approving the prequalification process.

At Community Level

9.89 Training at community level is expected to be short term, experiential and held locally. It will focus mainly on promoting civic awareness, roles and responsibilities in local government, Gender, HIV/AIDS and on specific activities concerned with community managed development projects. Funding may be provided directly to the community, through the District Assembly or in some cases through national programmes. Wherever possible demand led training should be supported. These are not new activities and much work is already on going. What will be required is reference to the assessment as well as co-ordination and integration of these activities in the context of the Strategy. Many of the materials for these activities have already been produced through Government, donor and NGO initiatives.

At National Level

9.90 Training activities for National level actors are mainly expected to consist of short term technical courses, experiential workshops and exposure visits to address specific issues and needs arising in response to the demands of the capacity development programmes at District and Community levels. This type of training will almost entirely fall under Objective 3 and should involve national training institutions where possible.

9.91 Long term training needs for professionals and technocrats should be addressed through
National or Sector funded manpower development programmes which may be separate from a Local Government Capacity Development Programme.

6. Regulatory Environment

9.92 Management of activities concerned with establishing an appropriate regulatory environment and enforcing its application will fall mainly under Co-ordinators of Objectives 1 and 3. Whilst all ministries contribute to the creation of a regulatory environment, the MLGRD (including NLGFC and LASCOM) has a crucial role to play in ensuring Assemblies comply with the general provisions of the Local Government Act, the financial regulations attached to the various grants and the public service regulations involved in the employment of staff.

9.93 Sector Ministries also have crucial roles under Objective 3 in assuring standards are set and maintained in Service Delivery.

9.94 It is important that MLG and the sector ministries organise and locate themselves such that they can maintain regular contact with the Assemblies to inspect, ensure compliance with relevant legislation, monitor standards, provide technical advice and support when required.

7. Monitoring and Evaluation

9.95 M&E will be an important activity under all the Objectives and will require the investment of resources at all levels. As stated earlier M&E systems should wherever possible derive from the Assemblies themselves. Through the facilitators working to the Coordinator of Objective 1, MLGRD and the Sector Ministries should encourage Assemblies to develop and institutionalise appropriate self monitoring systems which operate through their standing committees, full Assemblies and an Annual Review. Sectors and donors should have an opportunity to influence the various indicators such that the monitoring system addresses most of their needs without having to install additional ad hoc systems. These monitoring arrangements may seriously challenge conventional donors’ reluctance to trust, and their needs for control. However if appropriately constructed these approaches can significantly enhance the capacity development effort rather than undermine it with endless donor driven reviews.

9.96 There will inevitably be a need for some form of external performance assessment of Assemblies to determine access to performance driven grants be they LDF and/or the suggested CDF. Such assessments have become institutionalised in some countries and are carried out by teams of national and/or regional officials. Experience suggests that the assessments can become over complex and over expensive. It is important that a limited number of commonly agreed indicators are chosen for the assessments and the Assemblies are fully aware of the scoring system. Managing these assessments will most likely be the responsibility of the Coordinator of Objective 1.
Conclusion

9.97 The overall management and co-ordination demands of a comprehensive capacity development strategy should not be underestimated. Whilst the principle of integrating programme management and co-ordination within existing government structures rather than creating separate Plus is desirable, it will be inevitable that a substantial number of personnel will need to be recruited especially into MLGRD to handle the greatly increased workload. A good number of these must be dedicated to the demands of the CD programme and the Ministries must be able to accommodate a task driven and well as a conventional bureaucratic culture.

9.98 Another major challenge will be to incorporate ongoing CD activities into the Strategy. Almost all of these will fit somewhere under one output and component or the other. Agencies undertaking these activities may have differing views as to how far the wish to integrate their activities under the umbrella of the strategy. At the very least however they should ensure maximum coordination. Difficulties will occur where the approach of some of these agencies is in serious conflict with that of the strategy (in extreme cases it may be undermining rather than strengthening local governments).

9.99 The overall approach described above is not linear and predictable. A full log frame should be developed which clearly outlines the risks and assumptions. To quote Peter Morgan a leading capacity building specialist, who is conducting a comprehensive ECPDM evaluation of capacity building initiatives?10

“Many participants in capacity building are concerned about clear objectives, accountability, and the achievement of agreed results, transparency and predictability and the meeting of contractual requirements. Yet the process of capacity development is inherently unpredictable and un-programmable. It depends critically on constant learning and adaptation to be effective. Detailed planning fails virtually in all cases. Managing the tension between achieving desired outcomes and maintaining an unpredictable learning process becomes one of the main challenges involved in achieving effective results.”

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10. THE WAY FORWARD

10.1 The contents of this document are derived from the Strategy Formulation Workshop and further meetings with MLGRD and various other stakeholders. They represent the first step in providing ideas for consultation in the process of working up a holistic Capacity Development Strategy for Decentralisation. The establishment of such a Strategy requires much further work and commitment especially from MLG and their partners who are the drivers of the Programme.

10.2 There is need during February, March and April for:
- Full digestion and understanding of the proposals in this document
- Further general consultation with stakeholders – technocrats, politicians, the Assemblies themselves and donors.
- Specific negotiation with key people and organisations proposed as actors or managers, those already implementing capacity development and training activities including the managers of the various funds, donor programmes, community development programmes, training institutes etc.
- Specific discussion of the document at the IMTC.

10.3 Once these consultations and discussions have been completed it is suggested that a workshop be called to develop the final log frame for a Capacity development Programme in late April early May. This should include the integration of the Strategy and NDP 2 to create one Programme linked closely with LDF. The log frame workshop will provide the basis for preparing a detailed programme implementation plan. The coasted programme should be available to present to donors by the end of June 2006.

10.4 During these processes it would be useful for key individuals responsible for driving the process to undertake study visits to other countries implementing similar strategies. It is also necessary that expert advice be sought regarding the detailed design of a Capacity Development Fund along the lines outlined in Section 9.
APPENDIX 1   SALIMA WORKSHOP REPORT

A Workshop to Initiate the Formulation of a Strategy for Capacity Development of Local Government
Crystal Waters Lodge, Salaam, 24th to 26th January

REPORT

DAY ONE

Session 1 – Opening (MLGRD; consultancy team)

- Workshop Opening (Luckie Sikwese)
- Prayer
- Self-introductions
- Background to decentralisation process and formulation of strategy

- Methodology of workshop, objectives & timetable (Rob Mellors)
- purpose of workshop: first stage of producing a strategy

- Logistics (Darwin Pangani)

Tea Break

Session 2 – What is Capacity and Capacity Development? (Rob Mellors)

- ‘Define capacity of a local assembly’ and ‘Define capacity development’ (Group work)

Capacity definitions suggested by groups:
- Financially autonomous, ability to mobilise and manage resources, adequate and sustainable finances, resourced, financially and materially well-equipped, ability to sustainably generate own revenue (adequate), a strong resource base, adequate and appropriate equipment and infrastructure, adequate materials, equipment, and infrastructure, infrastructure, equipment -responsive to demands or needs and ability to deliver, responsiveness to community needs and demands
- ability to deliver good quality services, potential for quality service delivery, results-oriented, efficient and effective use of resources
- proper operating systems in place, e.g. finances, information systems, human resource, etc., systems and procedures in place and easy to use and follow, management structures, ability to coordinate sectoral processes, effective support to communities, ability to work as a team
- ability to envision, visionary, a clear and concise vision and development plan
- a well-focused assembly with priorities and plans, ability to plan and implement, strategic
- one that can evolve and learn from its experiences, monitoring and evaluation ability
- proactive
-ability to withstand unnecessary political influences, flexible in action (adapter)
educated and empowered people (public)
communities knowledgeable of DAs responsibilities as well as their own, empowered
clear leadership, includes councillors, leadership that is accountable, responsible and committed leadership, leadership and team spirit
accountable and transparent staff, well-qualified and trained personnel, transparent and accountable staff (integrity), number of employees, accountable political, financial, adequate, skilled personnel, qualified and capable staff, adequate human resources, councillors that able to perform duties/ functions

Definitions of Capacity Development suggested by groups:
-Capacity development is a process through which organisations or people are empowered by appropriate training resources, and exposure to achieve and maintain efficient service delivery for development
-placing required skills, tools, goods, and structures for delivering public services in a sustainable way
-process which enhances abilities of individual organisations to perform or achieve objectives relative to the environment in which they operate
-capacity development is a process of assessing, learning and improving on critical resources (both human and material) requirements in order to continuously respond to the changing needs of the assembly and its citizenry
-enabling an institution to perform optimally by improving the quality of its systems, financial and human resources, materials, equipments, and infrastructure

➢ Input Capacity and Capacity Development – Some Definitions – handout No.1 (Rob Mellors)
-Q: Difference between capacity development and capacity building? A: Capacity “building” is understood as building capacity from scratch; however we are rather adding to existing capacity, i.e. capacity development is a better term.

➢ Definition of a capacitated organisation (Rob Mellors)
1. sense of identity
2. has resources
3. has knowledgeable, skilled, motivated HR
4. can perform, technically, organisationally to achieve goals
5. has ability to plan, solve problems, make informed choices
6. is adaptable and resilient, creative response to change
7. self learning, reflective, self-critical, learns by doing
8. can establish effective relationships within itself and with outsiders
9. disciplined

-how far are the current Local Assemblies from the above definitions?
Session 3 – Current Capacity Weaknesses (Andrew Mlalazi)

- **Presentation of input-output-model – handout No. 2 (Andrew Mlalazi)**
- **Capacity Issues – handout No. 3 (Group work)**
  - Institutional Development = Rules of the game
  - Organisational Development = Actors in the game

**Capacity issues in District Assemblies (presented by Groups 1 and 4)**
- **Institutional Framework**
  - weak inter-sectoral linkages
  - multiple recruitment bodies
  - lack of publicity regarding Assembly issues
  - inadequate integration of sectors at Assembly level
  - limited action and follow-up on recommendation to amend laws
  - separation/ splitting of sectoral functions at Assembly level has caused confusion
- **Organisational**
  - By Laws: outdated by-laws, weak enforcement, lack of relevant by-laws
  - Planning Projects and Procurement: multiple procurement bodies, inconsistent procurement procedures of MASAF, top down approach to projects, interference in roles of others (e.g. DCs and procurement)
- **Individual**
  - councillors undermined by Chiefs, MPs
  - Key positions are vacant
- **Resources**
  - Budgeting: conflicting budget ceilings (NLGFC and sectors), untimely provisions of budgeting guidelines, implementation inconsistent with plan
  - Revenue and Transfers: no communication when monthly cash transfers are cut/ reduced

**Capacity issues as regards the Institutional environment (presented by Groups 2 and 5)**
- lack of harmonisation of traditional powers and elected local governments
- Development committees need to be harmonised (LG, and sector ministries)
- need to empower communities to hold leaders accountable
- lack of community leaders
- need for legal provision to enforce accountability
- approximately 25 laws need to be amended to harmonise them with decentralisation policy
- vulnerability of councillors vis-à-vis MPs
- duality of roles of DCs, answerable to assembly or ministry?
- more awareness of rights and responsibilities of communities, more civic education
- need to address parallel structures (other implementing agencies) that undermine District Assemblies
- local ownership vs. donor participation, “don’t paint projects”; harmonisation between donor and GoM programmes
- attitude problem of district assemblies, colonial mentality (centralised system)
- literacy, people cannot grasp concept of decentralisation
- culture, people do not question authority
- political interference in the work of assemblies
- inadequate resources and revenue base

**Capacity issues in National structures and training institutions** *(presented by Groups 3 and 6)*

- Decentralisation coordination structures: little is known about these structures and their decisions, don’t consult stakeholders
- MLGRD: low status of MLGRD vis-à-vis sectors, lack of political will to give MLGRD important role, failure to deploy capable staff to local govt, capacity to coordinate decentralisation programme limited, doesn’t coordinate reform process well, role of officers not clear, what are core functions of ministry (RD?), decisions are made without elaborating the how
- DHRMD: development of LG staff not priority, lack of understanding of decentralisation and LG, lack of effective communication to stakeholders, no staff development policy to promote staff retention, no clear career paths
- MEPD: top-down, not bottom-up planning, lack of direct link between national and local planning, resistance to let-go (also because of personal benefit <-> common good)
- MoF: only ORT, not development funds, no decentralisation strategy
- NLGFC: transfer formula not always fair, clarification of roles between NLGFC and NAO needed, narrow-focused (clarification of roles vis-à-vis MoF)
- LASCOM: inadequate funding, political interference, inadequate staffing, delays in recruitment
- Audit: NAO inadequately staffed, overwhelmed with work, limited audit capacity at local level, local audit offices non-existent
- Devolving sectors: failure to appreciate importance of devolution, decentralisation, inadequate funding for service delivery, lack of adequate staff at local level, sectors at national level are not transforming accordingly, reluctance to transfer staff to the district
- MALGA: inadequate and unsustainable funding, biased towards representing councillors, not LA as a whole, narrow-focused
- Training institutions: inadequate funding, not independent from government, lack of coordination with MLGRD, ownership

See also **handout No. 4**: Summary of Capacity Issues highlighted during the Assessment

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**Session 4 – Capacities for what?** *(Andrew Mlalazi)*

- Devolution: political, transfer of power and resources, includes functions and responsibilities
- Deconcentration: administrative, delegation of authority

➢ **Where are we in terms of deconcentration/ devolution?** – **handout No. 5** *(Group Work)*
- **Group 1**: at assembly level, there is part dec., there is part dev. (50:50)
- **Group 4**: at assembly level, there is transition, but still receiving instructions from national level, on planning, resources, etc.
- **Group 2**: at community level, deconcentration rules; without elected councillors here is basically no involvement of communities in decision-making
- **Group 5**: at community level, deconcentration rules; communities are not well organised, not
empowered, not accountable

-Group 3: 2/5 devolution/ deconcentration
-Group 6: 1/3 devolution/ deconcentration

Tea Break

- Key Question 1: Adequate political will/ technical capacity for devolution? (plenary)
- Key Question 2: Low capacities of assemblies -> should services be devolved? (plenary)

-(Hastings) there is political will, problems arising emerge from technical side, highest levels need to dig out non-performers, technical side needs to develop interest in process
-(Humphrey) there is some political will, long way to go towards meeting the technical capacity; in medium term we should proceed with deconcentration and deliver better services, afterwards devolution
-(Mahara) there is no political will; you can bring a horse to the river, but you can’t force it to drink, concepts and structures are there, but have not been spread, implemented, nothing has been done, building capacity for deconcentration will also need political will, DC as a controlling officer is just a concept, they don’t fulfil the position, technical capacity could be there, but needs will to tick
-(Luckie) what are the benchmarks for political will?
-(Bodo) half-half situation is dangerous, right now there is a dysfunctional devolved system
-(Orison) measure political will by capacity of individual politicians taking the decisions, making statements (Minister of LG, President): walk the talk!
-(Chirwa) political will at local level is there, not at national level -> must understand grassroots are prepared for devolution
-(Bill) LGE very important indicator, no reason right now to change direction, there have been signs to show that we have come a long way (i.e. beginnings of devolution)
-(Rob) capacity-building for a concentrated system (follow orders, top-down) very different from cap-blg in a devolved system (empower the assemblies), half-way house? Don’t go from one extreme to the other, start slowly
-(Luckie) political will to be nurtured by technical side, give advice; go for full-house solution, but not within a few years; technical side to improve, politicians will walk the talk
-(Bill) current devolution strategy takes into account weak capacities, is a phased approach
-(Humphrey) political will does not start with ministers’ level, but much below; do MPs understand what they are passing?
-(Bodo) look at capacity we have! Lack of capacity is used to avoid making decisions. LG is made to believe that they have no capacity. Good experience with accounting from DAs.
-(Maha) don’t pretend it’s a either/ or situation. Way forward is to have a vision, and then to assess the reality.
-(Andrew) let’s go forward with devolution. Let’s build on positives.

See also handout No. 6: Devolution or Deconcentration and The Extent of Devolution, Some Conclusions from the Assessment Report

Session 5 – Capacities for What 2? (Rob Mellors)
Suggested adjustments to the goal:
- **Group 6**: Functional local governments that are able to effectively and efficiently deliver public services.
- **Group 4**: Functional local governments which respond to the needs and aspirations of the local people, or masses.
- **Group 5**: Functional local govt which are able to deliver quality services and are accountable.
- **Group 2**: An efficient local government system which effectively improves local services, and reduces poverty.

Suggested adjustments to the objectives:
- **Group 4**: Functions efficiently implemented by the LG, not only transferred/ Money mobilised and handled transparently/ Enhanced capacity for promotion of local governance at all levels
- **Group 2**: Community participation: to enable the local people to understand, appreciate and assume their proper roles in order to effectively participate in the poverty reduction process/ assembly members: have an assembly which is able to plan, mobilise, account for its resources in order to sustainably deliver high quality services/ national level: ensure that assemblies are empowered, supported technically, financially, and through policy, for efficient delivery of services
- **Group 3**: Powers, functions, resources and responsibilities successfully transferred to LG/ Objective 5: full community participation in governance and development issues at assembly level/ Objective 6: councillors fully empowered to fulfil their roles and responsibilities
- **Group 5**: Functional institutions for effective management of the decentralisation established/ Local govt in a position to mobilise, manage and account for resources transparently/ Increased capacity of local governments to promote economic, social and physical planning
- **Group 1**: physical planning and development
- **Group 6**: strengthen systems and institutions to efficiently manage the process

**DAY TWO**

**Session 6 – Capacity Development Strategies – The How of Capacity Development (Rob Mellors)**

**Presentation of Strategy Goal and Objectives – handout No. 8 and 9 (Rob Mellors)**

**Goal:** Functional local governments that are able to effectively and efficiently deliver public services in response to the needs of the people.

**Objective 1:** To develop the capacities of District Assemblies to that they can sustainably carry out their functions in accordance with the Local Government Act.

**Objective 2:** To empower and develop the capacities of local communities so that they can take responsibility and play appropriate roles in a representative local government system.
**Objective 3:** To enhance the capacity of relevant National Level Institutions and organisations to advise, support and monitor District Assemblies and manage the decentralisation process.

- **Presentation of organisational and institutional Capacity-building methodologies for local government development – handout No. 10 and 11 (Rob Mellors)**

- **Identify specific strategies (activities) for capacity development including who should be responsible for them and how they will be implemented (Group Work)**

**Tea Break**

**Strategies for District Assemblies (presented by Group One)**
- provide secretariats with adequate and qualified staff
- office and housing accommodation
- provide basic operating equipment, e.g. vehicles and computers
- broaden revenue base, proportionally share revenue generated by local institutions (e.g. of airports)
- provide block grants
- salary packages and incentives for LG staff to be improved
- recruitment procedures to be reviewed, faster replacement of empty positions
- participatory budgeting, not sectorally
- promote culture of documenting and publicising successes and best practices of the LG
- introduce and improve staff appraisal systems
- general staff meetings, not only mgt meetings
- review criteria (qualification, experience, age, property, etc.) and procedures for filling positions of councillors
- review honorarium and incentives for councillors and other officials
- attachments, exchange visits (study tours) e.g. North-South-partnerships
- promote discussions on pertinent issues with community representatives (VDCs, ADCs, etc.)
- establish clear career path for LG personnel
- human resource development plan for each assembly
- on the job training
- provide long-term training and the bonding system
- develop and design short-term training programmes
- encourage self-organised learning
- introduce and intensify experimental learning courses, e.g. TfT, PRA, Action Research, etc.
- minimum posting of three years, to allow officers to plan and implement activities (if all goes well)
- councillors need orientation course, a) general orientation in functions and roles, and specific orientations for service committees and chairpersons
- encourage open discussions between councillors and DA staff
- local and international study tours
- promote critical thinking and analysis among councillors

**Strategies for District Assemblies (presented by Group 5)**
-the provision of basic physical resources, buildings, vehicles, equipments, funds, communication facilities, etc.
-provision of human resources by transfer and recruitment
-technical assistance through volunteer and counterpart arrangements
-process of developing systems and carrying out an OD process
-reduction of political patronage, clarify roles, changing the mindset
-promote and strengthen local training institutions to respond to the needs of LG
-set up transparent criteria for rewarding well-performing communities
-DAs to be given autonomy to prescribe service standards and technical guidelines according to their capabilities
-establishment of internal mechanisms that promote accountability and transparency in service delivery
-review NDP to be harmonised with training needs of Assemblies
-establish training budgets for training staff, liaison between DAs and training institutions
-local learning by doing, through demonstration and sharing of experiences

Strategies for the National level (presented by Group 3)
- Decentralisation Coordination Structures: Cabinet Committee on LG, inter-ministerial technical committee:
  - need publicity, committees should be known to the public
  - adopt bottom-up approach to policy- and decision-making
  - local visits and study tours (orientation of committees) with guidance of facilitator for members to know what is going on locally, to ensure sharing of experiences/ cross-fertilisation of ideas, followed by workshops
  - retreat of cabinet members to own and fully understand decentralisation

- MLGRD:
  - embark on OD and annual reviews
  - follow-up on Mwandiwa report recommendations on legislation
  - staffing of vacant positions
  - adequate funding from treasury in line with added responsibilities
  - review of MLGRD structure, develop a HR plan
  - MLGRD to establish clear guidelines on donor support

- DHRMD:
  - adopt bottom-up, responsive approach to MLGRD/LG’s needs, not imposition
  - facilitate review of conditions of service for local assemblies

- MEPD:
  - need for exploration of its capacity development programme – whether or not it is consistent with our strategy
  - publicity of its activities to be improved

- LASCOM:
  - adequate funding from treasury to be able to operate
- staffing vacant positions
- streamline recruitment process to reduce/ eliminate red tape, unnecessary delays

- NLGFC:
  - adequate funding from treasury

- Training institutions:
  - forum created/ established where users and suppliers of training have a shared understanding with regard to training needs for the LG staff, to coordinate, for demand-driven programmes
  - affiliation with other training institutions
  - adequate funding, especially for public training institutions
  - orientation and study tours
  - adequate staffing
  - creation of demand-driven training programmes
  - development of a policy for public training institutions to enable them to deliver effectively LG programmes (incl. Conditions of service, capacity building, funding and staffing)

- MALGA:
  - training programme for MALGA members on the role of MALGA

- Audit:
  - audit units need to be staffed at local and national levels

- devolving sectors:
  - orientation of the key officers involved/ affected by the decentralisation process, and devolution, to appreciate and own the process

**Strategies for the National level** *(presented by Group 6)*
- review, redefine and publicise mandates, roles and responsibilities of national level institutions (rules of the game)
- provide funds, vehicles, equipment
- technical and professional staff to kick start CB programmes
- develop staff development policy for LG staff
- properly planned study tours with clear objectives
- networking (internally and externally)
- demonstration visits (relevant to LG)
- technical assistance (advisers)
- consultants
- learning by doing, web-based training, e-learning
- cultural and political promotion
- building the capacity of supply side
- incentives
- coordination, M&E, regulation, audit
- short-term training
Tea Break

Strategies for the Community level (presented by Group 2)
-information dissemination: libraries, guidebooks, newsletters, fliers; radio programmes, village listening clubs; public debates, community centres; local cinemas, drama; collaborate with: MGPDD, NICE, Democracy Consolidation Programme
-community dialogue
-community planning and development: make resources available to support community participation in planning; simplify and rationalise fora for community planning so that all interested groups are allowed to participate in the exercise; upgrade skills of community trainers and expose them to best practices; create an assured budget line in the district budget for the communities for developmental activities; collaborate with: DED, UNV, MASAF, MoA, MLGRD, NAC
-governance and accountability: train civil society organisation to participate in budgeting, budget monitoring and tracking; train local leaders on the need to produce periodic reports; enforce publication of budgets and community participation in budget preparation
-strategy summary: 1) outreach programme (publicity, information dissemination, voter education, cultural programmes); 2) skills development and training (extension workers, train community facilitators, train community leaders); 3) Strengthening community participation/development (how to prepare plans, budgets, implement of plans, M&E, feedback mechanisms)

Strategies for the Community level (presented by Group 4)
-raise awareness and understanding of roles and responsibilities of communities in a decentralised environment
-strengthen the coordination and linkages between VDCs and community members
-enhance capacity of local communities to manage the decentralisation process in their areas
-create an understanding of the decentralisation process with clear outline of roles and responsibilities for local/ traditional authorities (chiefs, TAs)
-promote a spirit of self-reflection and realisation of situations among the community members and committees to address their challenges in the development processes (VDC, ADC, etc.)
-reorganise the formulation of VDCs in order to facilitate participatory and representative democracy at community level (e.g. VDC, formed by wards and headed by ward councillor)
-making the VDC duly accountable to the communities on development initiatives on their areas in the decentralised system

- Presentation of three circles for Local Government Development, wants, allowed, capacities - handout No. 12 (Andrew Mlalazi)
-image of capacity development coming from the outside, e.g. MLGRD is uncomfortable about performance of LG and steps in
-are institutions, individuals we talked about allowed to develop their capacity? What do they want?
-capacity-development programme can be best driven by ‘want’ to increase ones capacity

- Brainstorming on strategies presented I (plenary)
-District Assemblies:
<table>
<thead>
<tr>
<th>Strategic Area</th>
<th>Key points</th>
<th>Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Block Grants</td>
<td>-Fuel for learning -services</td>
<td>Learning by doing</td>
</tr>
<tr>
<td>Equipment</td>
<td>To kick start programmes</td>
<td>Consultative</td>
</tr>
<tr>
<td>Technical Assistance</td>
<td>-Transfer of skills -To fill gaps -stimulate, engage, guide, NOT manage, demonstrate, provoke a process</td>
<td></td>
</tr>
<tr>
<td>Systems development</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(Councillors, Technical staff, development partners)</td>
<td></td>
</tr>
<tr>
<td>Qualification of councillors, staff retention</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reviews</td>
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</tbody>
</table>

-National institutions:

<table>
<thead>
<tr>
<th>Strategic Area</th>
<th>Key points</th>
<th>Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training</td>
<td></td>
<td></td>
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<tr>
<td>Responsive training</td>
<td>React to stimuli</td>
<td></td>
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<tr>
<td>Technical Assistance</td>
<td></td>
<td></td>
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<tr>
<td>Reviews</td>
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</tbody>
</table>

-Communities:

<table>
<thead>
<tr>
<th>Strategic Area</th>
<th>Key points</th>
<th>Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilitators</td>
<td>Self-reflection and realisation, stimulate demand for accountability</td>
<td>Joint analysis</td>
</tr>
<tr>
<td>Reviews</td>
<td></td>
<td></td>
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</tbody>
</table>

DAY THREE

Session 7 – Pulling together the Strategy – the Hows *(Andrew Mlalazi)*

> Brainstorming on strategies presented II *(plenary)*

<table>
<thead>
<tr>
<th></th>
<th>Ministries / Staff</th>
<th>Councillors / Staff</th>
<th>Residents, local leadership, ext. workers, voters, opinion leaders, CBOs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministries and other agencies Policies Enforcement</td>
<td>Organisational structure Operation systems Quality of services Learning Process</td>
<td>Participation, confidence, self-reliance, demanding accountability</td>
<td></td>
</tr>
</tbody>
</table>
- Councillors want... allowances, prestige, development
- Officers want... salary package, experience, status, development
- Communities want... a better life, better services, development
- How to get all these actors to work for their joint aim, development?
Table 1: Brainstorming on elements to make the engine run *(plenary)*

<table>
<thead>
<tr>
<th>Element</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assembly Councillors, Staff</td>
<td>Facilitation to stimulate, provoke, guide, engage, NOT manage</td>
</tr>
<tr>
<td>Equipment</td>
<td>Sanctions (law, central govt)</td>
</tr>
<tr>
<td>Information</td>
<td>Purpose</td>
</tr>
<tr>
<td>Feedback</td>
<td>Challenge</td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
</tr>
<tr>
<td>Funds</td>
<td></td>
</tr>
<tr>
<td>Autonomy</td>
<td></td>
</tr>
<tr>
<td>Action</td>
<td></td>
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<tr>
<td>Reflection</td>
<td></td>
</tr>
<tr>
<td>Learning/ Change/ Improvement</td>
<td></td>
</tr>
</tbody>
</table>
Table 2: Brainstorming on inputs/ outputs by different levels in the engine (plenary)
Tea Break

- **Brainstorming on qualities of a facilitator** *(plenary)*
  1. patient, tolerant, team player
  2. persuasive
  3. inspiring
  4. knowledgeable
  5. negotiation skills
  6. resilient, sober, persevere
  7. need to be mature
  8. external of assembly
  9. need good induction
  10. local, rather than international
  11. one per district
  12. clusters of people who can share experiences (if not enough qualified people)
  13. different skills at different times
  14. MLGRD to play a major role in management
  15. Sanctions and capacity to inspect and regulate all ministries

- Current support to local level varies between ministries, some set up different zones to concentrate technical people
- apart from facilitators, other hurdles, e.g. conditionalities could be introduced in order to make the Assembly perform
- Sanctions: DC is playing double role as CEO/ Ministry watchdog over the Assembly -> role needs to be clarified, Ministry to introduce a separate supervisory structure?

- **Peter Morgan (ECDPM) quotes on capacity development:**

  “*People everywhere can create amazing organisations if they have access to some resources, a protected operating space, some encouragement and the chance to create some meaning in their lives and those of others.*”

  “*Many participants in capacity building are concerned about clear objectives, accountability, the achievement of agreed results, transparency and predictability and the meeting of contractual requirements. Yet the process of capacity development is inherently unpredictable and un-programmable. It depends critically on constant learning and adaptation to be effective. Detailed planning fails virtually in all cases. Managing the tension between achieving desired outcomes and maintaining an unpredictable learning process becomes one of the main challenges in achieving effective results.*”

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**Session 8 – Who does what? Management, coordination and implementation arrangements for the proposed Strategy.** *(Andrew Mlalazi)*

- **Presentation and discussion on suggested NDP II implementation structure– handout No. 14** *(Alifeo Banda)*
-Component Task Force Institutional Development and Capacity Development: DHRMD (Lead), MLGRD, LASCOM, Training Institutions, MALGA, Service Commissions

-(Hastings) Capacity Building Strategy is a sub-set of NDP II
-(Stuart) CBS is the strategy for implementing NDP II (NDP II = policy, CBS is the act)
-(Alifeo) Make adjustments to the NDP II following the Strategy
-(Bill) time to reflect on what we have elaborated? Do more on role of NGOs, stretch strategy out to them
-(Andrew) who is in charge of the performance of the LG? Key role with Ministry of LG?
-(Stuart) Line ministries are in charge of overseeing, so they are responsible! MLGRD coordinating role
-(Rob) Key role for MLGRD in leading in the initial stages of the CBS, facilitate basic preconditions such as representative system, efficient administration, etc.
-(Andrew) MLGRD is facing a huge challenge
-(Stuart) NDP II management structure still dysfunctional, because document has not been officially launched yet; PS meeting on 7th February

Session 9 – Implications of Strategy Proposals for the Training Institutions and CD supply organisations (Kurt Ugland)

➢ Specific attributes of training institutions (Kurt Ugland)
- not only training institutions play a role in capacity-building but many actors
- training institutions have a learning cycle, need to be up to date with their programmes, otherwise they will be out of the market
- reciprocal relationship between political institutions and training institutions
- training institutions certify
- resource person of LG to link with training institutes
- training institutes need to cover their costs

➢ Three questions on training institutions (Group Work)

Q1: How can you involve training institutions in capacity-building programmes?
- by requesting them to design courses that address the needs of the decentralisation programme within their normal curricula
- tailor-made programmes on decentralisation
- involvement in needs assessment
- specific technical skills that relate to the work, rather than general programmes, in relation to decentralisation
- should be possible to involve them in policy-making, need to engage in policy research
- could act as consultants in their specific fields
- source of local technical advisors?
- we do go beyond just provision of training (MIM)

Q2: What roles do you want training institutions to play?
- Training institutions should play a much more proactive role in informing and marketing themselves
- go beyond boarders and source more knowledge
should not wait to see where donor funds are, but identify gaps and develop their own programmes
-training institutes need to screen people, need to be sure of the quality of graduates from courses
-be service-, not income-oriented
-conflicts of interest: employees of institutions represent themselves, or their institutions?
-evaluators of performance of their trainees serving in various capacities

-Q3: What needs to be done in your opinion to equip training institutions to play a sustainable role?
-more autonomous and independent
-help them by creating demand for them
-have training budgets at TA level
-realign mindsets, local governance does not feature highly
-integrity in the courses conducted by training institutions needs to be raised
-more involvement by TIs at the planning and policy development level
-TIs to attach their staff to other institutions for practical and up to date teaching
-closer contact between TIs and local governments

-(Jack) easier for TIs to respond to technical CB needs, rather than transformational courses
-TIs need to improve their services, in order to be attractive for local people (more attractive than international places)
-(Stuart) CBS should identify who should train whom at which level; should TIs go as far down as the VDC?
-(Alfred) SDI has delivered training even at community level
-(Sam) Don’t care about comfort of training institutions, but about delivery!
-(MoA rep.) Conditions are not attractive for Malawi staff to stay in their positions

Session 10 – The Way Forward for the Strategy and NDP II (Rob Mellors)

Review of the workshop (Rob Mellors)
-Issues discussed:
-Capacitated Organisation
-Capacity Gaps and Weaknesses
-Objectives (NDP II)
-Capacity Development Methodologies (Intro)
-Strategies (for Malawi)
-Implementation Strategy (systemic)
-Management Implications (NDP II)
-Training Implications (TIs)

Way forward (Andrew Mlalazi)

<table>
<thead>
<tr>
<th>Activity</th>
<th>Scope</th>
<th>Timing</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workshop Report</td>
<td>Separate document Limited circulation to participants</td>
<td>mid-next week (31st January)</td>
<td>Laura</td>
</tr>
</tbody>
</table>
Annex to outline

<table>
<thead>
<tr>
<th>Strategy Outline</th>
<th>Draft</th>
<th>Coming week</th>
<th>Consultant team, Task Force members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultations</td>
<td>Draft</td>
<td>Coming week Preliminary meeting with PS MLGRD (3rd Feb)</td>
<td>Consultant Team, Task Force members</td>
</tr>
<tr>
<td>Presentations</td>
<td>PS Committee Donors?</td>
<td>7th Feb 8th/9th Feb?</td>
<td>MLGRD</td>
</tr>
<tr>
<td>Further strategy developments</td>
<td></td>
<td></td>
<td>Consultant team, Task Force members</td>
</tr>
</tbody>
</table>

- **Closure (Stuart Likomega)**
  - Thanks to development partners, trainings institutions
  - We have come a long way, ToR have been designed one year ago
  - Dates to be fixed early next week, PS to chair PS’s meeting
  - Thanks to team, Ministry staff

- **Evaluation of the workshop – handout No. 14 (all participants)**

<table>
<thead>
<tr>
<th>General evaluation</th>
<th>Poor</th>
<th>Fair</th>
<th>Good</th>
<th>Very good</th>
<th>Excellent</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 The purpose and focus of the workshop</td>
<td>1</td>
<td>4</td>
<td>9</td>
<td>2</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>2 The relevance of topics covered</td>
<td>3</td>
<td>9</td>
<td>4</td>
<td>16</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 The Group Discussions</td>
<td>4</td>
<td>10</td>
<td>2</td>
<td>16</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 The facilitators of the workshop</td>
<td>3</td>
<td>10</td>
<td>3</td>
<td>16</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 The Venue</td>
<td>2</td>
<td>3</td>
<td>7</td>
<td>4</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>6 The Level of Participation</td>
<td>1</td>
<td>3</td>
<td>10</td>
<td>2</td>
<td>16</td>
<td></td>
</tr>
</tbody>
</table>

**Specific comments made**

1 The purpose and focus of the workshop
- It is good to get input from stakeholders
- A little vague at first but clearer in the end
- The second day was not well focused
- Well-organised

2 The relevance of topics
- Relevant topics for capacity-development
<table>
<thead>
<tr>
<th>covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 The Group Discussions</td>
</tr>
<tr>
<td>- Varied and good contributions came up to beef up the discussion</td>
</tr>
<tr>
<td>- Gender issue should seriously be looked into during next workshop</td>
</tr>
<tr>
<td>- Participation great on first day, waned on second day due to people leaving/ exhaustion</td>
</tr>
<tr>
<td>- Free discussion was encouraged, promoted by experienced facilitators</td>
</tr>
<tr>
<td>4 The facilitators of the workshop</td>
</tr>
<tr>
<td>- Handled the workshop maturely and professionally</td>
</tr>
<tr>
<td>- Step by step guidance towards the objective</td>
</tr>
<tr>
<td>- Experienced and skilled</td>
</tr>
<tr>
<td>5 The Venue</td>
</tr>
<tr>
<td>- Water in the rooms was unsafe for consumption</td>
</tr>
<tr>
<td>- The food was not nice enough</td>
</tr>
<tr>
<td>- Next time chose Livingstonia Grand Beach</td>
</tr>
<tr>
<td>- The room is supposed to be air-conditioned</td>
</tr>
<tr>
<td>- The restaurant has to improve on the preparation of meals</td>
</tr>
<tr>
<td>- Next time hold it here again</td>
</tr>
<tr>
<td>6 The Level of Participation</td>
</tr>
<tr>
<td>- Participants made constructive contributions</td>
</tr>
</tbody>
</table>
## List of participants

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Stuart Ligomeka</td>
<td>MLGRD</td>
</tr>
<tr>
<td>2</td>
<td>Luckie Sikwese</td>
<td>MLGRD</td>
</tr>
<tr>
<td>3</td>
<td>Darwin Pangani</td>
<td>MLGRD</td>
</tr>
<tr>
<td>4</td>
<td>Alifeyo Banda</td>
<td>ADB</td>
</tr>
<tr>
<td>5</td>
<td>Jack Ngulube</td>
<td>MLGRD</td>
</tr>
<tr>
<td>6</td>
<td>Henderson Njaka</td>
<td>MLGRD</td>
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<td>7</td>
<td>Hastings Botha</td>
<td>NLGRD</td>
</tr>
<tr>
<td>8</td>
<td>George Mwagupighu</td>
<td>LASCOM</td>
</tr>
<tr>
<td>9</td>
<td>R Macheso</td>
<td>MALGA</td>
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<td>Kurt Ugland</td>
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APPENDIX 2: TERMS OF REFERENCE

1. Introduction

1.1 Following the development of a Concept Paper on Capacity and Resources Needs Assessment by the MGPDD and the DS, and its subsequent approval by the MLGRD, the CBNA Working Group drew up Terms of Reference for a Capacity Building Needs Assessment including the preparation of a Capacity Building Strategy and Programme. The Terms of Reference responded to one of the main recommendations from the Review of the Malawi Government’s National Decentralisation Programme 1 – 2001 to 2005:

a) A comprehensive capacity building strategy should be developed on the basis of the planned needs analysis, for both District Assemblies and central Ministries/Departments involved in devolution. This should cover not only human resource development but other capacity deficiencies and factors. It should take into account relevant international experience (especially in Africa) in capacity building in support of decentralisation.

b) Systematic training needs analyses should be undertaken to form the basis for designing future training programmes. Such programmes should place more emphasis on training of personnel at local levels. In addition, Gender and HIV/AIDS should be an integral part of such training programmes.

c) As staffing levels are strengthened at Assembly levels, the assessment of training needs design and implementation of training programmes should be done by the Assemblies themselves with the centre providing support in the form of financial resources.”

1.2 In taking forward the Terms of Reference, the CBNA Working Group facilitated an exploratory visit by the possible Team Leader for the assignment, Mr. Rob Mellors. He spent one week in Malawi from 4th to 10th September 2005 during which time he met the PS MLGRUD and a range of the key players involved with the Decentralisation and Local Government. At the end of the visit he presented some ideas to the Working Group and facilitated a discussion on the main objectives of the exercise and the best means of achieving these. The following document presents a proposal based on those discussions.

2. Background

2.1 The Malawi Government in 1998 adopted a National Decentralisation Policy and a new Local Government Act based on the 1995 Constitution. The Policy and the Act provide for the establishment of Local Governments as the key institutions for that would deliver social and economic services more efficiently. The National Decentralisation Policy therefore seeks to devolve powers, functions, responsibilities, and resources to enable Local Governments perform their roles adequately.

2.2 The Government adopted an incremental implementation strategy to devolution. The implementation of the National Decentralisation Policy was planned to cover a period of ten years divided into two phases. The first phase was for a period of four years begun in the
2000/2001 fiscal year and ended was completed in the 2003/2004 financial year.

2.3 The second phase planned for the 2005-2009 period seeks to deepen the decentralisation process at the district and village levels and improve the management and service delivery capacities of assemblies.

2.4 The success of the decentralisation process in the country will depend on sustained political and technical will and the full support and cooperation of all stakeholders. The Government will continue to establish a broad understanding and consensus at each stage of the decentralisation implementation process.

2.5 Having set up the basic institutions at the centre and at district level, it is the wish of the government that these institutions began the real business for which they were created for, that is, service delivery in an efficient and effective manner. Thus, the focus of NDP II is to enhance the operational capacity of assemblies in service delivery.

2.6 The National Decentralization Programme Phase II [2005-2009] will specifically focus on:
   - Deepening the gains made during the implementation of NDP I to further participatory democracy and local governance, accountability, and transparency;
   - Develop capacities in assemblies and below the assemblies for improved service;
   - Institutionalizing a more sustainable, effective coordination and implementation framework for the implementation of a decentralized democratic local governance system;
   - Entrench the management of devolved functions in assemblies.

3. **Objectives of the Capacity Assessment and Strategy Development Exercise**

3.1 The prime objective of the assignment is to prepare an MLG driven Capacity Building Strategy for Decentralised Local Government in Malawi which can focus and co-ordinate the essential capacity building activities of Malawi’s National Decentralisation Programme. The Strategy will be developed on the basis of a capacity assessment.

3.2 The objective of the Capacity Assessment is to provide an overview and analysis of the capacity weaknesses across all stakeholders in the decentralisation and capacity building process including the Local Assemblies themselves, the main Training Institutions and the National level institutions which constitute the operating environment for the assemblies. The Assessment should in particular, as far as is practical and realistic, identify and analyse the main human capacity weaknesses (individual, organisational, institutional) and should highlight financial and physical asset deficiencies in the District Assemblies.

3.3 The assessment should also facilitate the development of a capacity monitoring system as it should identify specific capacity indicators which can be evaluated at agreed intervals.
4. **Approach**

4.1 Decentralisation is obviously a policy of the Government of Malawi as a whole and all Ministries and agencies involved at local assembly level have crucial roles to play to ensure the policy is successfully put into effect. The Ministry of Local Government (MLGRD) however has particularly important roles to play as both the co-ordinator of the Programme and as the Ministry responsible for the development, regulation and support of the Local Assemblies themselves.

4.2 Ideally it would be preferable for this exercise to be carried out by the Ministry itself. Accepting the need for consultancy support however, it is therefore essential that all the elements of this assignment are not only driven but seen to be driven by the Ministry of Local Government from the highest levels. In particular the Ministry must clearly be seen to lead the Strategy formulation such that it is then in a position to lead the co-ordination and management of the ensuing capacity building programme.

4.3 The Consultancy Team will therefore behave as an agent of the Ministry in carrying out the assignment and will expect to work closely with Ministry officials in all aspects. They will purposefully facilitate the Ministry’s role. In this context it is assumed that The Decentralisation Secretariat and the Malawi German Programme for Decentralisation and Democracy will similarly approach the assignment as part of the Ministry Team.

4.4 At the District Level, the team will assume that the District Commissioners will take a lead in driving the assessment, which will, in effect, be helping them to appraise their own organisations in the spirit of capacity building. The experience of the District Commissioners will be invaluable to the whole exercise.

5. **The Capacity and Training Needs Assessment**

**Output**

5.1 The principle output of the Capacity and Training Needs Assessment will be an assessment report organized under the main headings of Individual, Organisational, Institutional Environment Capacity analysis followed by an analysis of the capacities of the leading Training organisations to respond. The Assessment Report will be submitted to the Ministry and the Technical Working Group by the end of November 2005.

**Scope of Work**

5.2 It is important to be realistic about the purpose and level of effort for the exercise. In the time available the assessment, it cannot hope to produce and encyclopaedic list of all weaknesses nor attempt to detail every training need etc. rather it will analyse the main capacity issues and weaknesses and will present whatever quantitative data is available on staff and assets.

5.3 The assessment will therefore involve the following organisations:

- A sample of 8 Local Government Assemblies to be agreed with the Working Group. Both
the capacities of the individual Councillors and Officials will be covered plus an overview of assets and infrastructure. Most emphasis will be given to the organisational analysis in terms of structures, systems and linkages. Issues such as the HIV impact and Gender mainstreaming will be mentioned but detailed analysis of these will be left to the specialist organisations which deal with them,

- Selected community leaders in each of the sample Assembly areas,
- The Ministry of Local Government and the Decentralisation Secretariat at the National level,
- Other Supporting Agencies at the National Level – the Local Authorities Service Commission – LASCOM, the National Local Government Finance Committee – NLGFC, Malawi Association of Local Government Authorities MALGA,
- The leading 7 devolving Ministries in particular Health, Education, Agriculture, in terms of their capacities to support sectoral operations at District level,
- The Ministries of Finance, the Ministry of Economic Planning and Development and the Human Resources department of the Ministry of Public Service, in terms of any role that affects the performance of District Assemblies,
- The nominated list of 8 Training Organisations and any other relevant supply side organisations, looking in particular at the relevance and quality of the training programmes offered and the capacities of the organisations to respond to the needs,
- Donor agencies especially UNDP/UNCDF, NORAD, ADB, GTZ/DED, World Bank, CIDA…. Etc in terms of their views and intentions regarding support for decentralisation in Malawi.

Consultancy Team
5.4 The Assignment will be carried out by a core team of 4 consultants supported by Malawi Government Officials and the Malawi German Decentralisation and Democracy Programme. The proposed team is as follows:
Consultant 1: Governance – local government functions, structures and systems, Development Co-ordination, Development Planning – Team Leader
Consultant 2: Sector devolution and local government services, other institutional issues
Consultant 3: Training and training institutions
Consultant 4: Local background, political environment, traditional leadership, community roles and responsibilities, physical assets and staffing data.

5.5 Whilst each consultant will be responsible for their specific output areas, the team will work as a co-ordinated unit to ensure all the cross linkages are adequately addressed.

5.6 The consultants should all have University Qualifications preferably to Masters Degree level and most importantly should have 10 years relevant experience working in local government development, capacity building, local government training.

5.7 Since an extensive assessment of the financial capacities of local governments has been carried out by MASAF, it is assumed that the study will not replicate this work and will use the findings of the MASAF study. During the subsequent strategy formulation and programming
exercises it may be necessary to include an input from a Local Government Finance specialist.

5.8 As the lead agency, it is assumed that personnel from the Ministry of Local Government will support the exercise through:
   a) Facilitating the necessary introductions for all meetings and visits.
   b) Gathering basic data of Local Government staffing including Staff establishments, posts filled, qualifications and years of relevant experience of incumbents.
   c) Gathering basic data on Local Government Physical Assets including Offices, Transport and Office Equipment.

5.9 Logistical support will be provided by the Ministry of Local Government and the Malawi German Programm for Democracy and Decentralisation, especially in terms of transport, accommodation, office and library facilities. Particular inputs will be required to support the 4 workshops envisaged during the assignment. These will include arranging appropriate venues, catering, participant invitation and accommodation, stationery backup etc.

**Phasing and activities**

5.10 The Assessment will be carried out over a 6 week period (See Bar Chart 1) as follows:
   Week 1: Background preparations, outline framework development,
   Week 2: Literature Review, Team Co-ordination, Introductory stakeholder workshop.
   Week 3: Visits to 8 Local Governments – Rural and Urban as per the proposed list.
   Weeks 5 & 6: Report Writing.

5.11 It is anticipated that weeks 2, 3, and 4 will be field based in Malawi. At the end of week 4 there will be a debriefing meeting with the Ministry of Local Government and the Task Team. It is proposed that the background preparations during the week of October 10th with the team mobilising in Malawi on October 17th 2005. If there are time constraints this could slip back by one week or so.

5.12 The consultants will operate as teams of two accompanied by relevant MLG officials when visiting the Districts. At National level and when visiting the Training Institutions, the 2 person team approach will be continued although inevitably some interviews and meetings will be undertaken individually.

5.13 For the assessment of the training institutions it would be desirable that an appropriate independent local consultant with a strong training institution background be appointed to join the Training Consultant for 1 to 2 weeks.
6. The Capacity Building Strategy

Output
6.1 The key output of this part of the assignment will be achieving agreement, ownership and understanding amongst all stakeholders of an effective and practical strategy for building the capacity of the Local Assemblies.

Scope of Work and Activities
6.2 The Capacity Building Strategy will include an overall approach based on key principles developed from experience and best practice in developing countries over the past two decades. It will be based on the conclusions of the assessment exercise building on from the same analytical frameworks as the assessment, namely Figure 1 and Table 1.

6.3 To achieve the output the team is expected to carry out the following activities:
   a) Team brainstorming to develop a strategic approach and specific strategy options to address the main capacity weaknesses identified in the assessment;
   b) Preparation of options/modules for an expanded Working Group Workshop;
   c) Facilitation of a Workshop of an Expanded Working Group to review; design and recommend strategy options;
   d) Facilitation of Consultation Workshops with key stakeholders as follows:
      • Workshop of Politicians led by Minister of Local Government
      • Workshop of Technocrats led by PS Local Government
      • Workshop of support agents, NGOs and donors led by PS;
   e) Preparation of the Strategy based on Workshop Outputs.

6.4 Development of the strategy options under activity (a) and (b) would involve looking at individual, organisational and institutional environment weaknesses and proposing specific interventions to address them. The analyses and options would be the focus of an Expanded Working Group Workshop (c) – the Working Group being 30 to 40 key individuals from a range of the main stakeholder organisations representative of the different levels and sectors.

6.5 It is important to avoid presenting finalised cut and dried consultant solutions to the workshops. This would induce a passive critical attitude from the stakeholders rather than the creative active one, which comes from real ownership. The approach would therefore be to stimulate a degree of brainstorming and offer a range of remedial options.

6.6 The output from the Workshop (c) would be a Draft Capacity Building Strategy which would form the input to 3 Consultative workshops (d). These consultative workshops would engage 3 different sets of actors: the politicians with an emphasis on policy making and promotion; the technocrats with an emphasis on design and implementation and the donors, NGOs and support agencies with an emphasis on support methodologies, resources and facilitation.
6.7 Following the workshops the consultants would be responsible for the preparation of a final draft of the Capacity Building Strategy.

**Consultancy Team and Other Actors**

6.8 The same team of Consultants and supporting actors is envisaged for the Strategy Development as for the Capacity Assessment.

6.9 Even more important in this case is the need for the MLG to be the clear driver of the exercise. It would therefore be most appropriate for senior personnel from the Ministry to be involved in agreeing the content and planning of the 4 workshops envisaged and in leading the discussions.

6.10 As mentioned earlier however, it would be advantageous to also include a local government financial specialist during the strategy (and programming) phases of the assignment to assist with specific financial proposals and possibly the overall costing of the programme.

**Phasing**

6.11 Development of the Strategy is expected to be a 4 week exercise, two of which would be in Malawi running the various workshops. Given the need for an interval for the circulation and absorption of the Capacity Assessment and the likely disruptions of Christmas and New Year, it is considered most appropriate to undertake the exercise from mid January 2006.

6.12 The timetable of the activities is shown in Bar Chart 2 and a Summary of Consultancy and Accommodation inputs is shown in Table 2.

**7. Costed Programme**

7.1 Once a Capacity Building Strategy has been agreed there will be need to ensure it is consistent with the National Decentralisation Programme Phase 2. Until that point is reached it is difficult to predict exactly what detail will be required for the costing of a Capacity Building Programme. It may be that donors will commit to specific elements of the Strategy and then subsequently work out detailed costs with the Government. Alternatively they may prefer an overall outline costing exercise on the strategy before they commit to any component of it. It is suggested that approximately 3 to 4 weeks of total consultancy time be earmarked for a programming/cost exercise subject to the outcome of the Strategy Workshops.
## Summary of Consultancy and Accommodation Inputs

### Capacity and Training Needs Assessment and Strategy

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APPENDIX 3  Persons met in addition to workshop participants

W. Samute  Principal Secretary, MLGRD
S. Likomeka  Director LGS, MLGRD
Luckie Kanyamula Sikwese  Deputy Director, Planning and Development
Hastings Bota  Ag Deputy Director, Decentralisation
Frank Hartkopf  DED Planning Advisor
Francis Mwamadi  CAS
John H Kafera  Chief Human Resources Officer
H M Sauchi  P/A
Owens Chirambo  DFA
F D Mtayi-Sakala  SMEO
Nagwa Abdalla  UNV Planning Advisor
Elliot Khonje
E C Banda  Programme Accountant
Kadmiel Wekwete  UNCDF
Mungai Linneiye  World Bank
Alifeyo Banda  ADB
Bodo Immink  MGPDD
Dr P. Sikhosana  Advisor Ministry of Health
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APPENDIX 5

MGPDD PROGRAMME FOR CAPACITY BUILDING FOR MAKING LOCAL GOVERNMENTS WORK IN MALAWI – July 2005

1. Decentralisation in Malawi
In 1998, the Decentralisation Policy was formulated and the Local Government Act created, which became effective in early 1999. The first phase of the National Decentralisation Programme (NDP I) run from 2000 to 2004. A review process took place in 2004, which formed the basis for the second phase of the NDP to last from 2005 to 2009.

Currently, two somehow contradicting features characterize the decentralisation process:
- Progress has been made with reference to the devolution process: With the beginning of the new financial year, commencing in July 2005, the devolution of functions of sector ministries has been accelerated. To prepare for this development, District Commissioners and Chief Executives respectively, have been appointed Controlling Officers as from 1st of July 2005.
- The year 2000 saw the first local government elections. The democratic aspect of the decentralisation process has been hampered of late due to the fact that local government elections were not held in time and the local assemblies were dissolved. It is hoped that local government elections will be held within the new financial year to ensure local decision-making and control.

Based on the assumption, that local government elections will be held in due course, it can be stated that the decentralisation reform is a very crucial reform: Now, with devolution to take shape, it is a cross-sector reform aimed at consolidating democracy at local level and at improved service delivery expected to reduce poverty and hence to be in line with the MPRSP and the achievement of the MDGs!

2. Capacity Building and Decentralisation
In order to make the Decentralisation Reform a success, emphasis has to be placed on building the capacity at all levels concerned. Obviously, great attention has to be given to the building of capacity at assembly level, both to elected councillors as well as to assembly secretariat staff, including sector staff. In addition, support also has to be given to strengthening the capacity of the reform-driving institutions, e.g. MLGRD, NLGFC, LASCOM and MALGA to guarantee that support to assemblies can be provided in a sustainable manner.

During the first phase of the NDP, many capacity building activities were carried out. However, the review of NDP I recommended the following:11

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• A comprehensive capacity building strategy to be developed on the basis of the planned needs analysis.
• Future training programmes to place more emphasis on training of personnel at local level.
• Assemblies to be involved in design and implementation of training programmes.

The approach towards Capacity Building widely spread in Malawi is more equated to training: To send people abroad to academic courses or to have out-of-duty station training workshops is the usual approach taken. Other Capacity Building interventions, such as workplace interventions, organisational development consultancies, experience based learning, etc. are not very common and is reflected by the use of the word “training” in the second and third recommendation mentioned above.

3. NDP II and Capacity Building
In response to the mentioned review, NDP II has taken up these challenges. The programme itself can be regarded as a huge capacity building programme.

Differently from NDP I, the new arrangement does not foresee the allocation of certain development partners to certain districts, but envisages a country-wide approach, which will guarantee a country-wide coverage of NDP and complementarity of financial and technical assistance. However, this approach poses a challenge to the coordination of development partners:

Standardising Capacity Building
When developing and implementing Capacity Building interventions, the following aspects have to be taken into consideration:

• All interventions must respond to expressed capacity building needs.
• Capacity Building activities must be designed including the formulation of result oriented indicators to allow monitoring and evaluation.
• Capacity Building interventions must be designed in a way that they complement each other, e.g. institutional and personnel capacity building.
• Capacity Building interventions must guarantee that not only all assemblies are covered, but that the same quality standards are guaranteed. The certification of capacity building interventions by recognised institutions should be considered.
• Capacity building programmes must be institutionalised in Malawian Institutions to guarantee sustainability and to ensure that developed interventions can be replicated at any time for new staff or newly elected councillors.

Harmonising Capacity Building
To guarantee the standardisation of Capacity Building, there is need on the side of GoM and Development Partners to coordinate and cooperate more effectively than in the past. This can be achieved – among others – by the following:
• GoM approves the yet to be developed Capacity Building Strategy and Programme.
• All Development Partners agree to support only programmes, which are contained in these documents.
• Development Partners maximise efforts to make use of their comparative advantages in order to complement each other.
• Financing mechanisms are developed, which ensure the smooth implementation of the Capacity Building Strategy and Programme, e.g. co-financing arrangements and a basket mechanism.

4. German Development Cooperation and Support to Decentralisation in Malawi

GTZ, through the Malawi-German Programme for Democracy and Decentralisation (MGPDD), KfW, through the Secondary Centre Development Programme (SCDP) and DED have been involved in supporting the consolidation of democracy and the accompaniment of the decentralisation process in Malawi.

Following the reorientation of German’s bilateral development cooperation, the subsequent selection of “Democratic Decentralisation” as one of three focal areas and the joint formulation of a strategy paper with GoM, GTZ/MGPDD, KfW and DED focus since January 2003 on the support to strengthening local governance, both politically, financially and administratively.

5. GTZ/MGPDD and Capacity Building

The GTZ sees capacity development as a process of strengthening the abilities or capacities of individuals, organisations and societies to make effective and efficient use of resources, in order to achieve their own goals on a sustainable basis.

As mentioned above, the NDP II can be regarded as a huge Capacity Building Programme. In agreement with GoM, GTZ/MGPDD is tasked with the development and implementation of capacity building modules. Excerpts of the logical framework provide details on goals and indicators and are contained in Annex 1.

Capacity Building Needs Assessment

The review of NDP I recommended the elaboration of a Capacity Building Strategy. GTZ/MGPDD has been given a lead-facilitation role by MLGRD to conduct a Capacity Building Needs Assessment as a basis for the formulation of a responding strategy. Currently, the Terms of Reference are in the process of being finalised and consultants are being recruited. The exercise is expected to start in the near future.

14 The Capacity Building Needs Assessment will also take care of analysing the resource requirements of the assemblies, such as needs for office space, vehicles, office equipment, etc. This aspect is not handled here to keep the focus on Capacity Building.
15 The exercise will – among others – build upon the following documents: Word Bank: An Independent Review of
Whereas the Capacity Building Needs Assessment will provide a systematic analysis into the needs at local and national level, many capacity building needs are obvious and known. Therefore, GTZ/MGPDD has been working for some time now on capacity building to support the decentralisation reform. The approach takes the following aspects into consideration:

Country-wide Approach

Within a country-wide approach, GTZ/MGPDD will develop on a pilot basis various capacity building modules and replicate the modules in all assemblies.16

In addition, GTZ/MGPDD addresses capacity needs of central level institutions. However, these are interventions, which do not require replication.

Operation Centres

In order to respond to the expressed needs of the Assemblies, GTZ/MGPDD has opened two offices, which are based within the Assembly Secretariats of Rumphi District Assembly and Zomba Municipality Assembly. It is within the Assemblies where capacity deficiencies become evident when new reform steps are taken. At decentralised level Programme Officers analyse these needs and in partnership with staff of the Assemblies develop responding tailor made interventions. Due to the fact that needs in the Assemblies do not vary very much – except between rural and urban Assemblies, hence the need to have offices in an urban and a rural Assembly – these successfully tested modules will be replicated.

Institutionalising of Capacity Building

In the past, Capacity Building Interventions in Malawi relied a lot on external consultants and on sending staff to courses abroad. This approach has tended to be not in support of sustainability: Many Capacity Building interventions have to be offered more than once to cope with the high staff turn over or to train newly elected councillors. Therefore, all capacity building modules are developed with Malawian Training Institutions, such as MIM, SDI or Consultancy Firms. Initially, this has the effect that the delivery of capacity building modules takes longer, due to the fact that the capacity of local Training Institutions has to be developed first. In the long run, however, this approach will produce long-lasting results. In developing the capacity of Malawian institutions, GTZ/MGPDD works very closely with Norwegian Training Institutions, which have been given the task by GoM to develop the capacity of their Malawian counterpart institutions.

6. Capacity Building Module Matrix

Annex 2 contains a Capacity Building Module Matrix. The elaboration of this matrix has two major objectives:


16 Minutes of a Meeting at DLG (now MLGRD) on April 1, 2003 on the joint Malawi-German strategy for the focal area of democratic decentralization.
**Complementing financial and technical support**

GTZ as an implementing agency has started to work on the capacity development modules contained in the matrix. The matrix also contains some modules, which have been proposed by KfW. Once the on-going study into the financing instruments of decentralisation will be finalised and the future support of KfW will have been determined, other modules will be added.

All of the modules listed are part of NDP II as stated in the column on the very right. For the replication of some of the modules, project documents have already been elaborated. These project documents will be made available on request.

The resources at hand do not enable GTZ/MGPDD to replicate the capacity development modules in all Assemblies. It is envisaged that other development partners, such as Norway, ADB, World Bank and others consider the co-funding of the country-wide implementation of the modules.

**Standardising and Harmonising of Capacity Building**

The matrix can play an important role in standardising and harmonising Capacity Building to support the Decentralisation Reform in Malawi. Once the Capacity Building Needs Assessment is done and a responding Strategy developed and the study into the financing instruments of decentralization is concluded, the Module Matrix can be the starting point and basis for a comprehensive Capacity Building Programme, containing all interventions implemented by various stakeholders.

**7. The way forward**

The building of capacities, both at institutional and personnel level, is crucial for the success of the decentralization programme. The NDP II forms a very good basis for standardizing Capacity Building and for harmonizing the support. The first steps towards the development of a Capacity Building Strategy have been taken.

GTZ/MGPDD is inviting all Development Partners to comment on the Module Matrix, both as a tool to complement resources as co-financing is concerned and as a tool for standardizing and harmonizing of Capacity Building. Once comments have been received, preferably by 25th July 2005, the joint dialogue among Development Partners and between GoM and Development Partners can be continued on a more solid base as far as Capacity Building is concerned.

July 2005

<table>
<thead>
<tr>
<th>Programme</th>
<th>Support to Democratic Decentralisation</th>
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</thead>
<tbody>
<tr>
<td>Programme Goal</td>
<td>The democratically established Local Governments offer more demand-oriented and more efficient public services to the population.</td>
</tr>
</tbody>
</table>
| Programme Indicators | ✓ Local elections are held regularly as determined by the Constitution.  
✓ Regular financial transfers to Local Governments take place and Local Governments increase their self-generated income from taxes, duties and fees.  
✓ Local Governments increasingly take decisions on overall public spending in the areas of investment and implementation.  
✓ The share of the population that regards the services delivered by Local Governments as demand-oriented and efficient increases. (Programme indicators to be specified by the end of the first programme phase.) |

Component One | Political/ Civic Education and Local Governance

| Component Goal | The population in the area of intervention, and especially the disadvantaged female population, increasingly assumes its new roles, tasks and rights in the process of democratic decentralisation. |
| Component Indicators | ✓ The share of the population knowing the tasks and functions of Local Government, as well as the populations’ rights and duties within the framework of local governance increases from 46% to 55% on average. The difference between men and women decreases from 6.3% to 5%.  
✓ In 50% of the Assemblies, the full Assembly as well as the Committees of Finance, Health, Education and Development meet at least 4 times per year.  
✓ The number of contestants in the next Local Government Elections on the whole increases by 10%, women candidates increase by 15%. |

Component Two | Financial Management

| Component Goal | Local Governments in the area of intervention improve their financial situation and manage their finances more efficiently and in a transparent manner. |
| Component Indicators | ✓ The revenue generated by LG through taxes, duties and fees increases by 30% in all Local Governments.  
✓ 50% of the financial administrations of the LG produce the final budget within the legally binding timeframe and 30% make it accessible to the public.  
✓ The number of reported financial irregularities in the LG accounts decreases by 5% (comparison financial years 2005/2006 and 2006/2007). |
<table>
<thead>
<tr>
<th>Component Three</th>
<th>Service Delivery</th>
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</thead>
<tbody>
<tr>
<td>Component Goal</td>
<td>Local Governments in the area of intervention increasingly assume their role as development agents and become more demand-oriented.</td>
</tr>
</tbody>
</table>
| Component Indicators | - The share of the population which declares itself satisfied with local service delivery increases by 5%.
- The number of LG employees who know the essential legal texts as well as the methods and procedures necessary for their function increases by 50%.
- The share of District Development Plans elaborated on the basis of Socio Economic Profiles (SEPs) and Village Action Planning (VAP) increases by 50%. |

<table>
<thead>
<tr>
<th>Component Four</th>
<th>Decentralisation Management</th>
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<tbody>
<tr>
<td>Component Goal</td>
<td>Decision-makers in the decentralisation process elaborate, adjust and implement relevant strategies and policies.</td>
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<tr>
<td></td>
<td>- 75% of the national reform-steering institutions (MLGRD, NLGFC, MALGA, LASCOM) have consistent annual action plans which are in line with the National Decentralisation Policy.</td>
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<td></td>
<td>- The National Decentralisation Programme is adjusted annually following the recommendations of the 2004 Review Mission.</td>
</tr>
<tr>
<td></td>
<td>- The number of LGs satisfied with the services of MALGA increases from 43% to 60%.</td>
</tr>
</tbody>
</table>
### Annex 2: German Development Cooperation: Capacity-building interventions matrix 2003 and beyond (to be implemented by GTZ/MGPDD)

<table>
<thead>
<tr>
<th>Name of Module</th>
<th>Implementation status/ Strategy</th>
<th>Developed by</th>
<th>Replication financed by</th>
<th>Implemented in</th>
<th>Country-wide until</th>
<th>NDP II Logframe</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Target group: Elected Assembly</strong></td>
<td></td>
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<tr>
<td>Training for new councillors</td>
<td>Training Manual (10 modules) for trainers and handouts have been finalised, await pre-testing. Training to be implemented in all local assemblies once local elections have been held (probably second half 2006).</td>
<td>MALGA/ GTZ</td>
<td>Norway</td>
<td></td>
<td>End 2006</td>
<td>4.4</td>
</tr>
<tr>
<td><strong>Target group: Assembly Secretariat</strong></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Change Management training for District Commissioners and Chief Executives</td>
<td>Training programme in change management is already available; adaptation to local governance issues almost finalised. Exact implementation strategy to be discussed, most likely in three regional workshops.</td>
<td>MIM/ GTZ</td>
<td>GTZ + ?</td>
<td></td>
<td>End 2005</td>
<td>2.2</td>
</tr>
<tr>
<td>Improvement of property tax, market fee and business licence administration</td>
<td>Enhance capacity of four Assemblies first (Rumphi, Zomba, Luchenza, Nkhatambay); circulate lessons to all Assemblies and conduct national workshop. To be followed by Assembly-based workplace interventions on request.</td>
<td>GTZ/NLGFC</td>
<td>GTZ + ?</td>
<td>Rumphi, Zomba Municipality, Luchenza Town and Nkhatamba by February 2006</td>
<td>Mid 2006</td>
<td>3.2</td>
</tr>
<tr>
<td>Training of assembly staff on use of a budget manual</td>
<td>Support the NLGFC to develop the budget manual. Support regional workshops to train key assembly staff on the use of the manual. Encourage the NLGFC to mainstream annual workshops to strengthen capacities in assemblies to use the budget manual.</td>
<td>GTZ/NLGFC</td>
<td>GTZ + ?</td>
<td>All assemblies</td>
<td>End of 2006</td>
<td>3.3</td>
</tr>
<tr>
<td>Orienting of all assembly staff in internal audit</td>
<td>Using an internal audit guide prepared by NLGFC, GTZ will support the operationalisation of the guide in 4 assemblies in 2006, document lessons learnt and</td>
<td>NLGFC/GTZ</td>
<td>GTZ + ?</td>
<td>All assemblies</td>
<td>End of 2006</td>
<td>3.4</td>
</tr>
<tr>
<td>Name of Module</td>
<td>Implementation status/ Strategy</td>
<td>Developed by</td>
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<td>Country-wide until</td>
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<tr>
<td>control</td>
<td>share it with all the rest of local governments in a regional workshop end of 2006. GTZ will encourage the NLGFC to mainstream the lessons learnt in an annual local government auditing process.</td>
<td>GTZ/consultants</td>
<td>?</td>
<td>Mulanje, Rumphi, Salima in 2001 and 2002</td>
<td>End 2007</td>
<td>2.2</td>
</tr>
<tr>
<td>Target group: Local Assembly as a whole</td>
<td></td>
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<tr>
<td>Collaborative Management Training (CMT)/ Collaborative Leadership Training (CLT)</td>
<td>Project support document currently in finalisation stage, to be shared with possible co-funders. Planned: 2 workshops per district plus workshops for institutionalisation of capacity-building.</td>
<td>GTZ/consultants</td>
<td>?</td>
<td>Mulanje, Rumphi, Salima in 2001 and 2002</td>
<td>End 2007</td>
<td>2.2</td>
</tr>
<tr>
<td>Geographic Information System (GIS) Training for Local Governments</td>
<td>The training is to be offered by Mzuzu University. The 3-week training will involve both theory and practice. Modules have already been prepared. Three trainings envisaged.</td>
<td>Mzuzu University with assistance from DS</td>
<td>GTZ + ?</td>
<td>Mzuzu</td>
<td>2007</td>
<td>3.0</td>
</tr>
<tr>
<td>Dealing with role conflicts at Local Assemblies</td>
<td>Module has been revised after the first testing; further pre-testing to be done in two districts till end 2005.</td>
<td>GTZ Forum/GTZ MGPDD</td>
<td>GTZ + ?</td>
<td>Mulanje</td>
<td>End 2007</td>
<td>4.4</td>
</tr>
<tr>
<td>Capacity-building of local governments in by-law formulation and revision</td>
<td>Three regional workshops to be held where model by-laws are produced involving all assemblies. ToR currently developed. Building on experience of KfW/SCDP. To be followed by work-place interventions at Assembly level on request</td>
<td>Decentralisation Secretariat/ GTZ</td>
<td>GTZ + ?</td>
<td></td>
<td>End 2005</td>
<td>1.7</td>
</tr>
<tr>
<td>Orientation of Assembly staff on Sector Devolution</td>
<td>Training Manual is currently been consolidated.</td>
<td>Decentralisation Secretariat/ GTZ</td>
<td>GTZ + ?</td>
<td>Zomba</td>
<td>End 2006</td>
<td>2.2</td>
</tr>
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</table>

**Target group: Civil society**
<table>
<thead>
<tr>
<th>Name of Module</th>
<th>Implementation status/ Strategy</th>
<th>Developed by</th>
<th>Replication financed by</th>
<th>Implemented in</th>
<th>Country-wide until</th>
<th>NDP II Logframe</th>
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</thead>
<tbody>
<tr>
<td>Training Manual on Decentralisation and Local Governance for civil society</td>
<td>Training Manual currently finalised; first implementation stage: regional trainings of NICE civic education officers; second stage: training of other CSO partners.</td>
<td>GTZ</td>
<td>1&lt;sup&gt;st&lt;/sup&gt; stage: GTZ, 2&lt;sup&gt;nd&lt;/sup&gt; stage: co-financing with ?</td>
<td>End 2005</td>
<td></td>
<td>4.4</td>
</tr>
<tr>
<td>Training Manual on Women’s Participation in Local Elections for civil society</td>
<td>Manual used before in 2004 Presidential and Parliamentary Elections; Manual has been revised, first step: implementation in 16 constituencies, second step: replication country-wide through other organisations.</td>
<td>PACENET/ GTZ</td>
<td>1&lt;sup&gt;st&lt;/sup&gt; step: GTZ, 2&lt;sup&gt;nd&lt;/sup&gt; step: co-financing with CIDA (?) + ?</td>
<td>Mid-2006</td>
<td></td>
<td>4.4</td>
</tr>
</tbody>
</table>

**Target group: MPs**

| Regional briefings of MPs, DCs, Chief Executives, Majors, Senior Chiefs, Assembly Chairpersons on the state of decentralisation and their perspective roles | Collection of individual modules; five regional workshops were held. | MLGRD/ GTZ | GTZ | Mzuzu, Lilongwe (2), Blantyre (2) involving stakeholders from all Local Governments | End 2004 | 2.2 |
| Parliament Training Programme (PTP): Session on Decentralisation and Local Governance | One-day seminar outline has been submitted to Parliament. Training will be held in Zomba, and involve MPs from the whole country. | Parliament/ UNDP/ GTZ | UNDP | | End 2005 | 4.4 |