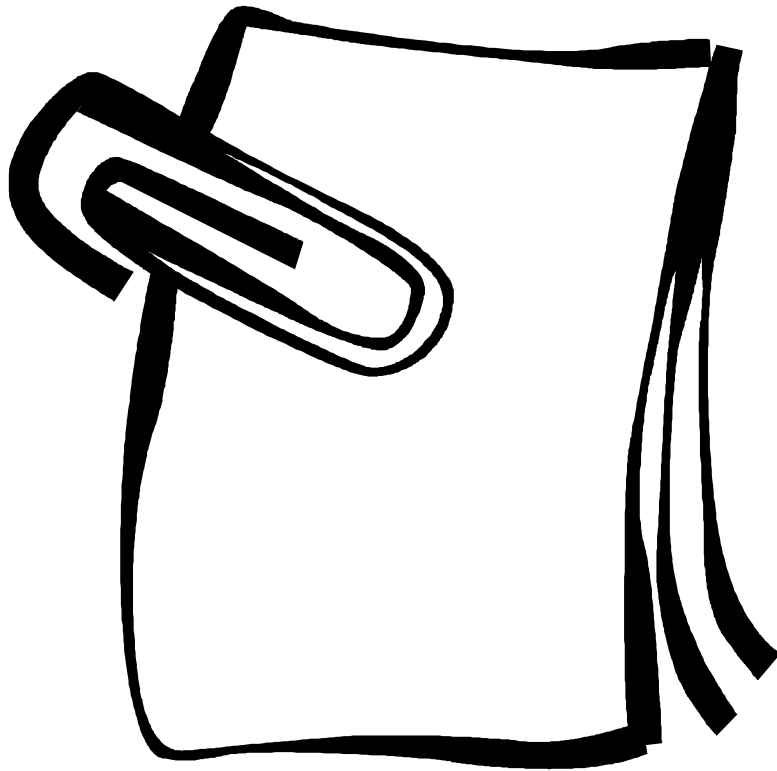


**Municipal International Cooperation**  
*A Framework for Mutual Capacity Building*

**Guidelines**



## Preamble

In international cooperation governance and decentralisation reform programmes transferring political, fiscal and administrative powers to districts and municipalities generally are channelled through central government. Such processes might take several forms. Our interest is, however, limited to issues of transfer of discretionary authority to legally constituted local self-government or *devolution*.

Poverty and exclusion are experienced locally. Services to fight poverty are best delivered locally. It is widely acknowledged that decentralisation contributes to poverty reduction. Decisions are more relevant and more appropriate the closer to the concerned citizens they are taken. Local solutions build on local knowledge and local priorities. Local self-government hones citizens' participation and decision-makers' accountability.

*"While they are part of the state structure, local authorities are much closer to the citizen than other public institutions and may offer significant expertise not only in terms of service delivery (education, health, water, transport etc.), building democratic institutions and effective administrations, but also as catalysts for change and confidence building between different parties. They can provide a long-term, country-wide vision on how to build inclusive societies as actors with the necessary political legitimacy and the capacity to mobilise other actors."*

Strategy Paper, Non-State Actors and Local Authorities, European Commission, 2007

Through decentralisation local governments often become responsible to provide for, and protect, citizens in line with provisions in international law and human rights instruments. Local governments are involved in service delivery in many areas of relevance to MDG<sup>1</sup> achievement and fulfilment of Human Rights.

Capacitated local governments can contribute substantially to achieving internationally agreed developments goals, but few development actors directly target local authorities. Local governments sometimes are supported through NGO (Non-government organisations) helping out in expanding service delivery in e.g. education or health. Such programmes, however, rarely support capacity building enabling local authorities to fully deliver on their mandate.

Funding and resources for capacity building in local government for efficient and effective production of services are often not provided in parallel with decentralisation. *The Municipal International Cooperation programme seeks to approach obligations with capacity in selected local governments in a limited number of countries.*

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<sup>1</sup> **The Millennium Development Goals**

Eradicate extreme poverty and hunger  
 Achieve universal primary education  
 Promote gender equality and empower women  
 Reduce child mortality  
 Improve maternal health  
 Combat HIV/AIDS, malaria and other diseases  
 Ensure environmental sustainability  
 Develop a global partnership for development

Norway has a well developed and efficient system of local self-government. Norwegian municipalities possess experience and knowledge of interest to municipalities in the developing world. KS – the Norwegian Association of Local and Regional Authorities – and its members seek to:

...contribute to capacity building in selected areas in a limited number of municipalities in a few developing countries in order for those to deliver better services to their citizens that in the longer term can lead to MDG attainment and poverty reduction.

The programme is funded through a grant from Norad. It complies with relevant Norwegian government policy and established monitoring and reporting requirements.

*"How can we expect to reach the MDGs, and advance on the wider development agenda, without making progress in areas such as education, hunger, health, water, sanitation and gender equality? Cities and local authorities have a critical role to play in all of these areas."*

Kofi Annan, UN Secretary General 2005

## Purpose and Use of Guidelines

KS' Municipal International Cooperation programme has continued to expand since 1997. It has undergone a number of reviews and evaluations which have provided learning and ground for improvement. Guidelines have been revised and rewritten to reflect learning, assure quality and produce results. These newly revised Guidelines – the fourth version – are a tool for participating municipalities to link Norwegian government policy as well as established monitoring and reporting requirements with specific partnership work.

KS is NORAD's legal programme partner who advises participating municipalities, coordinates interventions, monitors and reports on progress, holds responsibility for programme quality and results, and facilitates learning.

## General Principles

The Municipal International Cooperation programme provides a framework for mutual capacity building between Norwegian municipalities and a limited number of municipalities in a few developing countries. Each partnership must **identify prioritised areas of municipal tasks for capacity building intervention in line with programme goal and a limited number of programme purposes.**



- *Programme sustainability.* The results of the programme should continue to provide long-term input to partner municipality also after programme closure.
- *Coherence with plans of partner countries.* The project activities should be coordinated, and in line with, the partner countries' own plans for good governance and poverty alleviation at national and sub-national level.
- *Recipient responsibility.* The South partners should lead the prioritisation, planning and implementation of the co-operation activities and the partners should not enter into activities that may counteract national government strategies. The recipient responsibility implies that all applications and reports must be in a language understood by the South partner and not in Norwegian.
- *Support from other actors.* It is of utmost importance that the Norwegian municipality receives information regarding other bilateral and multilateral donors that support the local partner – and that the support is harmonized and coordinated
- *Local responsibility for implementation.* Although the Norwegian partners have the overall responsibility for the project, the Southern partner is responsible for the implementation on the ground.
- *National mobilisation.* The participating Norwegian municipalities should have a strategy for its activities in the South and should be able to mobilise its council, staff and citizens beyond that of providing financial support to the project. The partners are expected to inform and mobilise regarding development issues.
- *Utilise own competence.* The partners should make visible that there is a relationship between their own competence and capacity and the activities of the programme.

## Programme Goal

The overall strategic goal of the programme is capacity building in areas of prioritised municipal tasks. The expected longer term impact is the programme's contribution to decentralisation, in particular devolution. No direct impact on poverty reduction and MDG achievement is expected. Successful decentralisation will, however, contribute positively to MDG attainment.

International law as expressed in Human Rights Conventions establishes individual citizens' right to protection, participation and a series of social services. States' duties to provide primary health, education, participation, inclusion and protection have in many countries been partially or wholly delegated to local councils.

## Programme Purposes

A set of four programme purposes presumed contributing to attainment of the programme goal, have been established. **Each partnership should work with no more than two purposes:**

1. **Efficient local service delivery**
2. **Environmental concerns in local plans**
3. **Trust, representation and participation in local politics**
4. **Transparency and accountability in local government**

Good local governance and local democracy are key factors in fulfilling citizens' rights to participation and enabling individuals to influence their lives. Moreover, good local governance and local democracy are key elements in a political system appreciating individual, political, social, economic and cultural rights and accepting states' duties for fulfilling all human rights.

Duties and work of local councils directly influence achievements of MDGs. Poverty and exclusion are primarily local in nature and Municipal International Cooperation therefore focuses on how to build capacity for improved local governance with subsequent improved municipal service delivery as a way to fight poverty, promote development and fulfil rights to services such as education and health, to protection and inclusion, as well as to participation and expression of belief, opinion etc.

The MIC programme primarily contributes to enabling duty bearers or those with delegated responsibilities to do a better job through capacity building in municipal planning and service delivery or in improving local governance.

## Managing Results

The Logical Framework Approach has been a commonly used tool in development cooperation to illustrate logical connections between goals, activities, output and outcome. Earlier MIC partners are familiar with this thinking. Results Based Management (RBM) now replacing LFA builds on and simplifies this thinking. RBM is a more dynamic tool which allows tracking of effects and achievements. It simplifies reporting on outcome. RBM also analyses how the intervention might work in a given context and identifies external risk factors.

Donor and recipient government increasingly demand results from development interventions. Documented results legitimate programmes, indicate programme efficiency and make learning possible. Result management is a management strategy focusing on performance and achievement of output, outcomes and impact. It helps understand relations between ***what we have done and what we have achieved***.

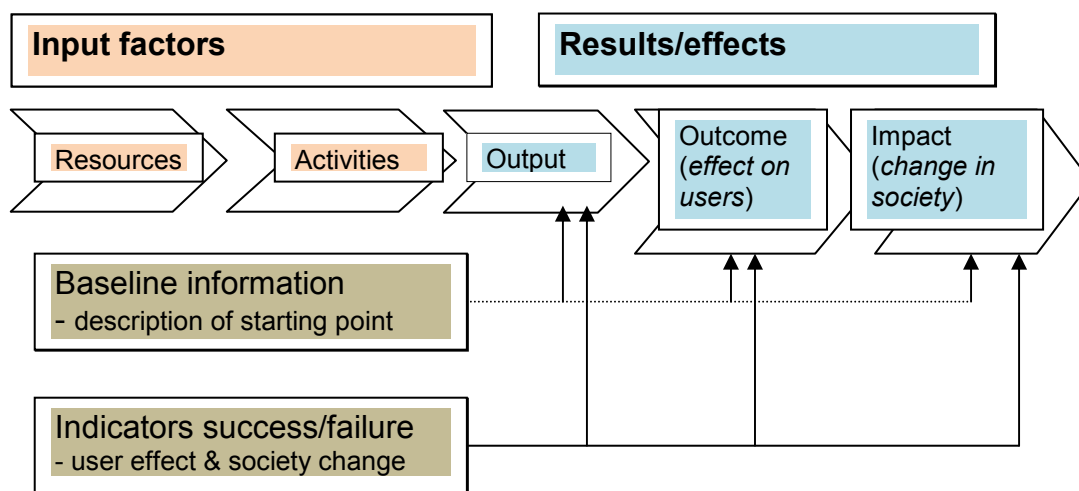
Annual reporting – typically – is against output, while final reporting must be against outcome. In order to make documentation of results possible, goals must be measurable using indicators and progress tracked from the initial situation described in benchmarks. Risks for failure must be identified, analysed and mitigated.

A project must have clear and realistic goals on all levels and proper **indicators** which are CREAM (clear, relevant, economic, adequate, and can be monitor). The project should contain a description of the **baseline**; identify, analyze, and respond to **risks**; and contain a **system for monitoring and evaluation**.

Objectives must be SMART (simple, measurable, achievable, relevant and time-bound). **Emphases will be on outcome or the planned effects on the users of the intervention**. There must be a cause-effect relation between the intervention and the observed results among the users. It should be possible to check for other relevant conditions that may have had an independent effect on outcome.

**Impact refers to observable change in society.** It is on a superior level, is often formulated in an abstract manner and it may take time before impact of the intervention can be observed. Annual reports are mostly limited to output while final reports, evaluations and reviews will address outcome.

If an intervention does not produce expected results there might be several explanations. It might not be suitable to reach the objective, it is not implemented in the right way or external circumstances have the opposite effect. Risks must always be seen together with objectives and necessary conditions for success must be identified during design of an intervention. Risk should be identified for each programme stage, the probability of unplanned events influencing results assessed and a risk management included in programme formulation. If high levels of risk exist, the programme could be redesigned, stopped or risks made explicit and accepted.



## Code of Ethics

It is in addition to producing results important to regulate how development programmes operate. How results are achieved is as important as results per se. We need to ensure attitudes and actions support human rights and democracy. Each MIC participant must develop a Code of Ethics to be submitted to KS when first applying to join the programme.

This Code of Ethics could be developed using KS' toolkit for members on ethics, corporate social responsibility and anti corruption work in municipalities. The tool kit gives an overview of relevant legislation, suggests a process for preparing Code of Ethics and discusses issues of integrity.

## Operational Issues

### - Council decision

It is recommended MIC programme participation be reflected in a municipal council decision, municipal strategy for international cooperation or otherwise properly anchored in municipal affairs. KS will request documentation of municipal

commitment when appraising MIC applications. Also, participating municipalities should adopt a Code of Ethics.

#### **- Partner contract**

Institutional cooperation like the MIC programme commits the partners involved. Many of the commitments will be known and are self-explanatory as part of the implementation and monitoring of tasks- and activities between the partners in accordance with the approved project application. It is, however, recommended that the partners at the start of the cooperation enter into a contract which specifies roles and commitments. KS can provide a generic contract.

#### **- Application, disbursement and reporting**

After establishing contacts with an eligible southern municipality, agreeing on partnering and collaborating on issues covered by this programme, the Norwegian municipality should submit an application to KS using the appropriate application form by 1 September. KS will assess the application against eligibility and requirements. We will recommend approval for inclusion in the programme, reject the application or suggest partners enter into a trial period through a pre-project.

Accepted applications along with pre-project proposals will be included in KS application to Norad to be submitted annually before 1 October. Norad will enter into a tri-annual agreement with KS for the programme period. Although a tentative budgetary envelope will be part of the programme agreement, KS will have to submit annual applications before 1 October.

Norad pays KS in two annual instalments after application approval in the first quarter and after approval of annual report in the third quarter. KS will also transfer grants in two yearly instalments to municipalities after receiving payments from Norad.

KS reports annually on progress and results to Norad by 31 May. Certified accounts are provided along with narrative reports. Norwegian municipalities will report progress using the appropriate form to KS one month earlier. Certified accounts from south and north partner must be submitted at the same time.

#### **- Annual programme cycle**

<b>Procedure</b>	<b>Date</b>	<b>Comments</b>
Annual application from partnerships to KS	1 September	Use KS application form
KS programme application to Norad	1 October	Norad's application form
Allocation of funds from KS to the partnerships	March & October	Depending on transfer to KS from Norad
Annual progress report with audited accounts from the partnerships to KS	30 April	Accounts in north and south municipalities must be audited. Funds cannot be transferred from one calendar year to the next
Network meeting(s) & other capacity building initiatives	To be determined	To be determined

### **- Combining different programmes**

Participation in the MIC programme can be an element in a municipality's international strategy in combination with other programmes such as e.g. :

- Friendship North/South (VNS) which seeks to create dialogue between communities in Norway and in the South through friendship linking. Friendship linking is defined as a direct, long-term, mutual contact and exchange of experiences between two equal partners in Norway and the South. Activities range from joint educational projects, handicrafts and cultural activities to environmental observations as well as collection and exchange of specific knowledge. More information can be found on [www.vennskap.no](http://www.vennskap.no)

- FK Norway facilitates exchanges of staff between organisations in Norway and developing countries. Such exchange can take place between municipalities and seeks to promote mutual exchange of knowledge, experiences and skills. Further information is available on [www.fredskorpset.no](http://www.fredskorpset.no)

### **- Phasing out**

MIC partnerships must have time bound measurable sustainable objectives. A phase out strategy emphasising ownership, replication and institutionalisation must be included in the cooperation agreement.

### **- Allowances**

KS has established a policy on which allowances to accept for participants in MIC programmes in order to harmonise practice. This policy is based on principals in the Norwegian Government allowance regime making no distinctions between staff and elected officials. It covers travel as well as trainings and other meetings.

## Reference Documents

Results Management in Norwegian Development Cooperation – A Practical Guide:  
<http://www.ks.no/PageFiles/11923/Results%20Management%20in%20Norwegian%20Development%20Cooperation1.pdf>

MIC Standard Partner Contract:  
[www.ks.no/MIC](http://www.ks.no/MIC)

Application Form:  
[www.ks.no/MIC](http://www.ks.no/MIC)

Reporting Form:  
[www.ks.no/MIC](http://www.ks.no/MIC)

Norad's Guidelines for Certified Accounts:  
[http://www.ks.no/PageFiles/3872/Guidelines%20for%20the%20audit%20of%20Norwegian%20and%20international%20organisations\\_0102101.pdf](http://www.ks.no/PageFiles/3872/Guidelines%20for%20the%20audit%20of%20Norwegian%20and%20international%20organisations_0102101.pdf)

KS policy on allowances in MIC programmes:  
[www.ks.no/MIC](http://www.ks.no/MIC)

## Further Reading

Norad's Rules for Support to Civil Society:  
[http://www.ks.no/PageFiles/11923/Regelverk%20for%20støtte%20til%20sivile%20samfunnsaktører%20\(engelsk\)1.pdf](http://www.ks.no/PageFiles/11923/Regelverk%20for%20støtte%20til%20sivile%20samfunnsaktører%20(engelsk)1.pdf)

Principles for Norad's Support to Civil Society in the South:  
<http://www.ks.no/PageFiles/11923/Principles%20for%20Norads%20Support%20to%20Civil%20Society%20in%20the%20South1.pdf>

Risk assessment:  
<http://www.norad.no/en/Tools+and+publications/Publications/Publication+Page?key=109620>

Code of Ethics:  
<http://www.ks.no/Global/Etikkveilederen.pdf>

