

REPUBLIC OF GUINEA
**Final Evaluation Of The Local
Development Programme In
Guinea (PDLG)**

Submitted To:
**United Nations
Capital Development Fund**

**Final
Evaluation Report**

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TABLE OF CONTENTS

1. PROJECT SUMMARY	1
2. PURPOSE OF THE EVALUATION	2
2.1 Purpose of the evaluation	2
2.2 Programme Cycle	3
3. EVALUATION METHODOLOGY	4
3.1 Methodology and tools used	4
3.2 Workplan	4
3.3 Methodology issues encountered	5
3.4 Team composition	6
4. PROGRAMME PROFILE	7
4.1 Institutional and Political context	7
4.2 Programme Summary	9
4.3 Programme Status	9
5. EVALUATION FINDINGS	11
5.1 Analysis of Results Achieved and Their Sustainability	11
5.2 Factors Affecting Successful Implementation & Results Achievement	23
5.2.1 External factors	23
5.2.2 Internal factors	24
5.3 Strategic Positioning of the UNCDF and Partnerships to be Developed	25
5.3.1 Distinctive abilities to be promoted	25
5.3.2 Local economic partnership to be boosted	25
6. LESSONS LEARNED	27
6.1 The Mobilization Of Resources	27
6.2 The Local Development Fund mechanism	27
6.3 The need for true local government	27
7. RECOMMENDATIONS	29
7.1 Raising tax revenues	29
7.2 Local development financing mechanism	29
7.3 Participatory planning and local government	31
7.4 Improve the delivery of socio-economic projects	31
7.5 Develop local economic potential	31
7.6 Developing partnerships	32

LIST OF TABLES

Table 1: Persons met during the appraisal mission	5
Table 2: PDLG withdrawal according to finance source and expenditure item	10
Table 3: Revenue of the prefectures of Siguiri and Kouroussa (2002-2005)	12
Table 4: Evolution in LDF financing and development by prefecture	13
Table 5: Total income in the prefectures of Siguiri and Kouroussa	14
Table 6: Local Councilors: distribution by gender, formal education and political	19
Table 7: Infrastructure or service projects by prefecture (2002-2006)	20

“The analysis and recommendations of this report do not necessarily reflect the view of the United Nations Capital Development Fund, its Executive Board or the United Nations Member States. This is an independent publication of UNCDF and reflects the views of its authors”

LIST OF ACRONYMS

ADF	African Development Fund
AFD	Agence française de développement (French Development Agency)
ALB	Annual Local Budget
BPW	Buildings and public works
CECI	Centre Canadien d'Étude et de Coopération Internationale (Canadian Centre for Studies and International Co-operation)
CENAFOD	Centre National pour la Formation et le Développement (the National Centre for Training and Development)
CLD	Contribution to Local Development
DDC	District Development Committee
EET	Economically Effective Territory
EU	European Union
EUPD	Entraide Universitaire Pour le Développement
GPC	General Population Census
IFA	Indicative Financial Allocation
IFAD	Investment Fund for Agricultural Development
IGA	Income generating activities
IRIF	Inter-RDC Investment Fund
LC	Local Council
LDC	Local Development Committee
LDF	Local Development Fund
LDP	Local Development Plan
LED	Local Economic Development
LFC	Local Financing Committee
LIF	Local Investment Fund
LIP	Local Investment Plan
LPP	Local Planning Process
MDG	Millennium Development Goals
MIS	Ministry of the Interior and Security
MIS	Management Information System
MLDT	Minimum Local Development Tax
MPAD	Ministry for Provincial Administration and Decentralization
NDD	National Department for Decentralization
NRM	Natural resource management
PA	Project Agreement
PDC	Prefecture Development Council
PDLG	Local Development Program in Guinea
RDC	Rural Development Council
SAFIC	Système d'analyse financière et institutionnelle des collectivités locales (System of financial and institutional analysis of local authorities)
SERACCO	Service Régional d'Appui aux Collectivités et de Coordination des ONG (Regional department providing support to local authorities and coordinating the NGOs)
SGCD	Secretary-general responsible for Decentralized Local Authorities
TD	Tender documents
TFP	Technical and financial partners
TSU	Technical Support Unit
TTF	Trust Fund Thematic Governance
UNCDF	United Nations Capital Development Fund
UNDP	United Nations Development Program
UNIDO	United Nations Industrial Development Organisation
UNOPS	United Nations Operations Services
VCSP	Village Community Support Program

VIF Village Investment Fund

1. PROJECT SUMMARY

Country:	Republic of Guinea
Programme Number:	GUI/99/C01 (UNCDF) GUI/2000/001 (UNDP)
Programme Title: Upper Guinea (PDLG)	Local Development Program for Central and
Executing Agency: Decentralization (MPAD)	Ministry for Provincial Administration and
Implementing Agencies: Volunteer Program	UNOPS, UNCDF, the United Nations
Programme approval date:	15 May 2000
Programme Start Date:	January 2001
Anticipated Duration:	Five Years
Original budget forecast:	Total: 7 761 335 USD
From:	UNCDF 6 350 550 USD
From:	UNDP 1 410 785 USD
Parallel Government contributions	199 454 USD
Approved Contribution as at 31 August 2006:	
From	UNCDF: 2 725 000 USD
From	UNDP: 1 610 000 USD
Mid-term appraisal date:	June 2003
Project amendment [*] :	December 2004

^{*} Tripartite meeting accepting the document proposed by the Regional Technical Adviser of the UNCDF, entitled "Strategy to continue the PDLG indefinitely ", which identifies the final 23 Rural Development Communities in the Prefectures of Kouroussa and Siguiri in Upper Guinea.

2. PURPOSE OF THE EVALUATION

2.1 Purpose of the evaluation

In the Terms of Reference given to the consultants, the final appraisal mission of the PDLG had the following objectives:

Assist the Government of Guinea, the local authorities, the UNCDF and the UNDP to demonstrate the effectiveness, efficiency and relevance of the PDLG in achieving the anticipated results and impact on the communities and institutions, and on the decentralization policy at local and national level, and the sustainability of the results;

Analyze the level of acceptance of the primary outcomes by the local authorities (the Rural Development Communities, or RDCs), the communities / civil society and the government structures involved in the program.

Analyze the scope, effectiveness, viability, relevance and consistency of the innovations introduced by the project, particularly the forums and the economic growth centre approach.

Evaluate the degree of satisfaction expressed by the beneficiaries of the project and their expectations concerning prospects for promoting the local economy and the anticipated role of the RDCs.

In addition, the mission was to:

Assist the managers and partners in the project to evaluate to what extent the feedback on activities conducted at local level can contribute to the emergence of a political environment conducive to decentralization in Guinea.

Assess the strategic positioning of the UNCDF in relation to the other key partners working in Guinea in the area of decentralization, the relevance of its partnerships and the lessons to be learned.

Describe the environment in terms of decentralization policy in Guinea, identifying the existing shortcomings and the challenges still to be faced when a new program is prepared.

Depending on the findings and the lessons learned, comment on the strategy for a new program as outlined in the Concept Document presented to the UNCDF Project Review Committee on June 27th 2006.

2.2 Programme Cycle

Although originally scheduled for the end of 2006², the final appraisal of the PDLG was carried out in April and May 2007, during the program's interim management phase that was expected to last until June 2007.

Program activities officially ended on December 31st 2006. The Technical Support Unit (TSU) was, however, able to finalise the various dossiers and the remainder of the budget during the first half of 2007, including the last Local Development Fund (LDF) withdrawals and any physical implementation that was incomplete.

This appraisal is published ahead of PNUD/UNCDF's second cycle support for decentralization and local development in Guinea, for which an initial strategic planning concept was prepared in June 2006. A new UNDP/UNCDF planning mission is scheduled for June 2007, as this report is being drafted.

²

The mission was postponed for various reasons, including the industrial action in Guinea that occurred in January/February 2007.

3. EVALUATION METHODOLOGY

3.1 Methodology and tools used

The mission was conducted between April 23rd and May 11th 2007, in Conakry and then in the two beneficiary prefectures of Kouroussa and Siguiiri. The methodology employed was developed from the following elements:

Review of the project planning and monitoring/evaluation documents: the project document, annual work plans, annual monitoring reports, end-of-project report, mid-term appraisal report, management information system database.

The review and analysis of the sectoral studies and reports prepared within the framework of the project.

Meetings with the assistant resident representative of the UNDP, the UNCDF program manager, and the PDLG's S/E expert in Conakry.

Meetings with the representatives of the Ministry of the Interior and Security (MIS) and the National Decentralization Board (NDB).

Meetings with the technical and financial partners and LED-project partners such as: the European Union, the French Development Agency (AFD), the African Development Fund (ADF), the Village Community Support Program (VCSP), and the PDS (social development program).

Workshops with the Technical Assistance Unit (TAU) in the field in the Kankan region.

Meetings with the prefecture authorities and the decentralized departments of the prefectures of Kouroussa and Siguiiri.

Participatory workshops and technical visits to seven (7) Rural Development Communities (RDCs) in the prefectures of Kouroussa and Siguiiri.

3.2 Workplan

The mission was conducted as follows:

From Monday 23 to Thursday 26 April

Meetings in Conakry with the UNDP and the UNCDF, the project's institutional partners (MIS, NDB) and a number of technical and financial partners.

From Friday 27 April to Saturday 5 May

Evaluation workshops and technical visits held in the RDCs of: Kiniero, Baro, Koumana, Kiniebakoura, Kintinian, Norassoba and Cissela. These workshops, held in the form of "focus groups", brought together the RDC councilors, members of the Local Development Committees (LDCs) and District Development Committees (DDCs), several groups and associations and some private operators (RDC service providers). These workshops brought together almost 250 people.

Table 1: Persons met during the appraisal mission

RDCs sampled	LC	LDC	Groups	Operators	TOTAL
Baro	7	10	25	1	43
Cissela	9	15	20	2	46
Kiniero	7	10	15	0	32
Kiniebakoura	11	5	10	0	26
Kintinian	15	10	20	2	47
Koumana	7	5	10	0	22
Norassoba	9	5	15	0	29
Total	65	60	1153	5	245

Sunday 6 to Tuesday 7 May	Preparation and presentation of a mission debriefing to the Regional Governor, the prefecture authorities and the TAU.
Wednesday 8 to Friday 11 May	Prepare PowerPoint presentation and debriefing session with UNDP and UNCDF officials.
Saturday 12 to Tuesday 15 May	Finalize PowerPoint presentation

3.3 Methodology issues encountered

The appraisal team was able to conduct its mission based on the methodology developed. Amongst other things, it had easy access to all the program monitoring data (the information system database) and monitoring reports.

The evaluation workshops were held in seven (7) RDCs, selected on the basis of a number of representative criteria: demographic size, poverty level, the energy and enthusiasm of the institutions and groups, location. This sample group was deemed relevant insofar as the RDCs selected were a good representation of the various situations experienced by the program over the past few years. It was not always possible to conduct the participatory workshops according to the original methodology⁴ given the time taken to hold the workshops, field constraints (heat, lack of premises, etc.) and cultural habits (formal meetings where all the community representatives are present). However, the mission feels that the information gathered was relevant.

Regarding the difficulties experienced, we should mention the disruptions which marked the last week of the mission (protests and mutiny by elements of the armed forces). This situation had the more significant effect of preventing the debriefing meeting with government authorities that was

³ Of which 50% are women

⁴ See interview template attached

scheduled for Friday 11 May. A meeting with the UNDP/UNCDF officials did however take place the day before.

3.4 Team composition

The appraisal team included the following people:

Richard Dion, Head of Mission, responsible for the participatory planning and local government component

Pape Touty Sow, International consultant / local economic development expert, responsible for the components dealing with the Local Development Fund, resource mobilization, partnerships and support for income generating activities

Balde Malifa, National consultant, responsible for the infrastructure and facilities component

We also record the participation of Mrs. Diallo, née Billy Sow, a gender expert, for the first week of the mission. Mrs. Diallo was not able to participate in the rest of the mission for personal reasons.

4. PROGRAMME PROFILE

4.1 Institutional and Political context

With an estimated population of 7 million inhabitants according to the 1996 population census (2 million of whom are nationals living abroad), the Republic of Guinea covers an area of 245,857 km², divided into 4 natural regions which are: Lower Guinea, Central Guinea (mainly the Fouta Djallon highlands), Upper Guinea and Forest Guinea. The population is distributed unequally between the regions and naturally there is a certain concentration around the urban centers and large rural towns.

At the political level, the country has been in a state of uncertainty over the past year and it is difficult to make any prediction about socio-economic development. Nonetheless, there seems to be a political thaw since the demonstrations in March 2007 which led to the appointment of a new Prime Minister and a new consensus government. While it remains fragile, this new dispensation holds out hope that concrete steps will be taken to restore basic infrastructure and revive the country's economy.

The poverty index for Guinea in 1994/1995 showed that 40.3% of the population still lived below the poverty line, estimated at the time to be about USD 300 per capita per annum. This situation does not appear to have improved since then. Over the past few years in fact, the overall performance of the economy has been unstable. Not only is this situation a serious handicap in combating poverty, but this performance remains below the country's natural and human potential and the expectations of its people. This is why, between 1996 and 1998, the Government drew up a National Development Plan entitled "*Guinea, vision 2010*", based on the principles of justice, responsibility, solidarity and participation. The ultimate objective was to improve people's living conditions. In Guinea, poverty is a multifaceted phenomenon that is distributed unequally amongst the socio-economic groups and between the country's different regions.

A poverty-gender analysis also shows major disparities to the detriment of women, despite the affirmation of gender equality in law. In terms of education, the primary school enrolment rate in 1996 was estimated to be 67.6% for boys, compared to just 39.9% for girls. As for the adult literacy rate (aged 15 or older), this was 15% for women and 37% for men (data from the 1996 population census). With regard to the living conditions of women (80% of poor people live in rural areas, 53.3% of whom are women) and their demographic importance (51% of the population), the poverty of Guinean women appears to be a phenomenon of society and not simply a gender phenomenon.

The design and implementation of an integrated approach to combat poverty was then essential. This is why, in 2002, the Government drafted a Poverty Alleviation Strategy Paper (PASP).

One of the determining factors for poverty in Guinea seems to be the lack of capacity in terms of service delivery, at both government and local level. There is also a weakness in terms of the tools and incentives to encourage and raise production effort on the part of the population, and institutional weakness in formulating and implementing development strategies.

On a geographical level, Guinea's poverty map shows that out of all the prefectures, those located in the north-west and north-east of the country, particularly in Upper and Central Guinea, are

poorer than those on the Atlantic coast and in the south of the country. This poverty belt is generally characterized by low urbanization, a lack of infrastructure and production and communication facilities, and a lower concentration of health, educational and agricultural services. The incidence of absolute poverty in Upper and Central Guinea was estimated to be 62% and 51% respectively. It was 42% in Lower Guinea, 33% in Guinea Forestière and 7% in Conakry.

For its part, the mission was conducted in a difficult socio-political climate. Since the end of 2006, Guinea has been going through a period of great instability marked by strikes, coercive action and the formation of a new government last March. This situation intensified during the last week of the mission (May 3rd to May 11th) with the actions of certain elements of the armed forces (mutiny and looting) which seriously affected people living in Conakry as well as those in provincial towns and which contributed towards the continuing climate of instability and political uncertainty.

At an institutional level, a number of recent events which affected or impacted the decentralization landscape and local development structures were recorded:

Local elections held in 2005, in the urban districts as well as in the Rural Development Councils (RDC). These elections established new terms of office in practically all the RDCs in the program's area of operation.

Following the formation of the new government, the transformation of the Ministry for Provincial Administration and Decentralization (MPAD) into the Ministry of the Interior and Security (MIS). Given that the final structure and purpose of the MIS was still not known when the mission was conducting its appraisal, it is difficult to assess the impact of this on the decentralization and devolution process.

The adoption in 2006 of the Local Authorities Act which more clearly defines the institutional architecture of decentralization and which describes the jurisdiction and resources of the local authorities. This Act is not yet fully applied in practice.

The launch announced for the beginning of 2008 of the 2nd phase of the Village Community Support Program (VCSP) with a budget of more than 50 million US\$. This new phase of the VCSP will eventually include all the RDCs and urban districts in Guinea.

The launch in 2007 of the Regional Development Program for Guinea Forestière financed by the European Union to the tune of 12 million Euros.

To conclude, in spite of the difficulties experienced by the country, there is a desire on the part of the government and the technical and financial partners to maintain progress towards decentralization (clearly demonstrated by the holding of local elections in 2005) and to promote and maintain support for local development. As far as decentralization is concerned, the provisions of the Local Authorities Act should rapidly be applied, particularly those relating to the effective transfer of a portion of State resources to the local authorities. Although the State's financial structure cannot permit this to happen at this stage, the new government must indicate a move in this direction in the coming months.

4.2 Programme Summary

The Local Development Program in Central and Upper Guinea (PDLG) is built around two fundamental objectives and five (5) outcomes or results found in the framework plan attached to this report. The immediate or end-of-program objective is defined as follows:

"Promote sustainable and participatory economic and social development managed by local decentralized structures (RDCs)."

Five sector-based outcomes or results are associated with this immediate objective. The target themes are:

- i. Capacity building in mobilizing local resources.
- ii. Managing a local financing process.
- iii. Introducing and institutionalizing a process of participatory planning and local government.
- iv. Improving the delivery of socio-economic services and infrastructure adapted to the needs of the people.

Developing local economic potential.

This program was implemented in Upper Guinea (23 LDCs in the prefectures of Kouroussa and Siguiri) following a decision taken during the tripartite review in 2004 not to extend the program to Central Guinea, primarily for financial reasons. This meeting was also the occasion to adopt the rewording of the program as outlined in the "Proposed strategy to continue the PDLG indefinitely". This strategy made it possible to overcome the shortcomings and difficulties experienced thus far (especially in terms of mobilizing resources and financing infrastructure) by defining a new method of program delivery based on community-based support to be provided to the RDCs and the devolved authorities through two offices set up in Kouroussa and Siguiri and the deployment of eight (8) technical secretaries in each of the two prefectures.

We then had a program that was delivered in two phases or episodes (2002-2004 and 2005-2006) which produced markedly different results. The first phase failed to produce any significant results in terms of mobilizing RDC income and financing socio-economic infrastructure or developing local economic potential. The period 2005-2006, however, produced far more convincing results, illustrated later in this report, with regard to local government, the mobilization of resources and the provision of socio-economic facilities and infrastructure. Given the results achieved, we are to some extent at the end of part one of phase two of the PDLG.

The program also aimed to influence national policies in terms of decentralization and to set up partnerships with the other players involved in local development, both in the project zone and at national level. As will be seen elsewhere in the report, this goal was only partially achieved.

4.3 Programme Status

The PDLG is in its final implementation phase since activities were officially concluded on December 31st 2006. As testified elsewhere in this report, the overall objectives and expected outcomes were achieved. At the financial level, the table below gives an overview of the draw-down, according to main budget headings and finance sources.

Table 2: PDLG withdrawal according to finance source and expenditure item

COMPONENTS	Budget* (US\$)	Actual (US\$)
Missions (preparation, technical supervision / evaluation, communications)	442 229	146 192.23
Finance from Local development fund	4 560 000	1 652 644.17
Sub contracts: studies, procédures manuals, tax system, audit	168 000	112 860.14
Sub contracts: training	753 500	153 071
Support for UNCDF programme (5%)	291 646	367 356.06
Miscellaneous and contingencies	135 175	38 080.69
GRAND TOTAL	6 350 550	2 470 224.29

*Data from the UNCDF budget, revision H, including projects planned in Central Guinea.

COMPONENTS	Budget* (US\$)	Actual
International consultant on local planning	110 829	193 843.59
Programme support staff (secretary, driver, etc.)	100 185	85 362.78
Missions (official trips and RDC)	216 932	109 817.49
Coordonnator, National experts	211 736	244 668.05
Equipment, furniture, supplies, PFM support	370 116	444 177.42
Other (reports and training)	73 775	131 470.41
UN volunteer experts/coordinators and supervisors	315 718	327 227.59
Audit	15 000	14 530.89
GRAND TOTAL	1 414 287	1 551 038.22

*This information comes from UNDP revised budget J from October 30th 2003 to December 31st 2006, as published in the annual IMF and ATLAS reports (project ID: 33202 and project ID: 12795).

These tables, however, must be considered in the light of the amendments made to the original budget following the 2004 program review and the additional budget set aside to continue PDLG activities in 2007. Thus, the total budget granted to the UNCDF amounts to USD 2 830 224, or USD 2 470 224 as at 31/12/2006, plus USD 360 000 for the extension to the 1st half of 2007. As far as the UNDP budget is concerned, this amounts to USD 1 701 038, or. USD 1 551 038 as at 31/12/2006, plus an amount of USD 150 000 for the 2007 activities.

It is the opinion of the mission that, by and large, budgetary control of the PDLG was in line with the budget review carried out in 2004 as the result of budget cuts in the UNCDF. It also considers that the additional appropriations set aside for the 1st half of 2007 are fully justified, given the performance of the program and the degree of success described in the next chapter.

Lastly, we note that several of the recommendations made in the June 2003 mid-term appraisal were taken into account when reworking the program in 2005. Most significant amongst these recommendations was the introduction of more coordinators to undertake local monitoring of the RDCs; a reduction in the RDC's share to the LDF; and a study to be undertaken on the local tax system. However, some of the recommendations, including those on strengthening the presence and influence of women in the consultative institutions were not taken into consideration on the ground.

5. EVALUATION FINDINGS

5.1 Analysis of Results Achieved and Their Sustainability

The following pages contain an analysis and the conclusions of the mission on the level of achievement and the sustainability of the results of the PDLG over the past five years. This analysis is based on four main outcomes (results) identified in the program's framework plan, a copy of which is attached to this report.

Before analyzing each of the four outcomes, the mission formulated a general comment on the performance of the PDLG compared with the immediate objective (end of program result) identified in the initial framework plan. This was expressed as follows:

"Promoting sustainable and participative economic and social development, managed by decentralized local structures (RDCs)".

As a general conclusion, the mission feels that the overall results achieved within the framework of the PDLG contribute in part to achieving this objective. The RDCs supported by the program were able to develop a culture of participative local government which allowed practical action to be taken towards promoting sustainable economic and social development in the two prefectures covered by the program. Hence, in terms of governance, conclusive results were recorded in terms of tax awareness and compliance and project management, which enabled infrastructure of a mainly social nature to be built. This benefited the population as a whole and helped to improve the level of service in the education and healthcare sectors.

The conclusions, however, are far less positive when it comes to the objectives of poverty alleviation, one of the central concerns of the UNCDF approach. The mission is forced to conclude, and this is borne out in the analyses, that despite a financial contribution in excess of 2,6 million US\$ over the last five years, the impact on poverty levels remains low. In reality, this investment went mainly to building infrastructure and facilities of a social nature (schools and health posts) which, apart from buying local services in the building industry sector, do not contribute directly to wealth creation and thus to reducing the level of economic poverty of the local population. Admittedly, building markets and supporting associations will have contributed, or will contribute, towards local development but, as the report shows, this support was aimed more at alleviating the onerous work of women rather than creating true wealth for the community.

Therefore, the mission questions the approach developed in the PDLG which placed particular emphasis on the building of infrastructure and facilities rather than on implementing a real strategy for economic development and the promotion of local entrepreneurship.

Finding 1: Capacity building to mobilize local resources and manage the local funding process

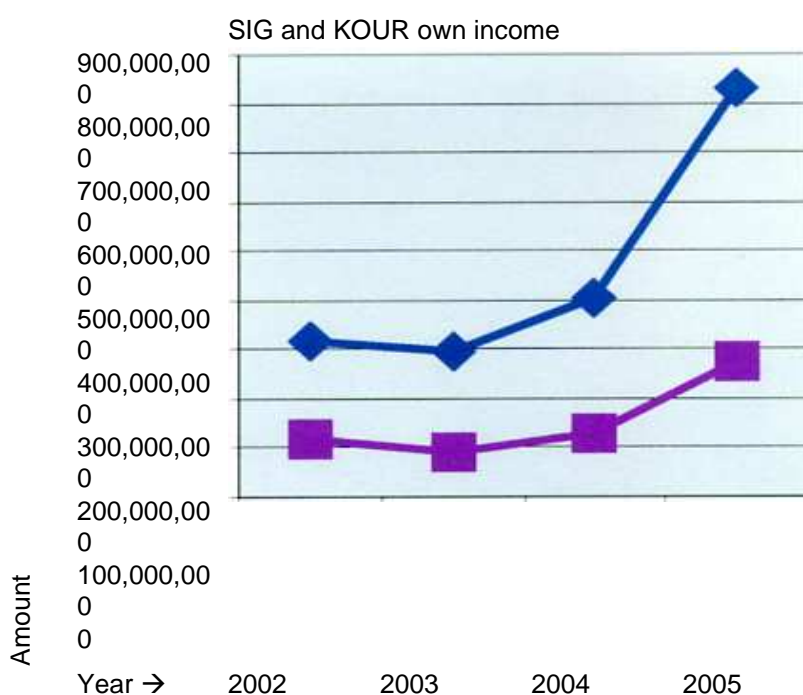
Improved capacity to secure local resources

The principal results show an increase in the income of the RDCs in the PDLG project zone: average revenue increased from 439m GNF in 2002 to 1,038m GNF in 2005.

This situation was favored by:

- i. the SAFIC exercise initiated by the UNCDF which, on a participatory basis, made local stakeholders aware of their tax potential;
- ii. the increase in the contribution to local development (CLD) from 2000 to 5000 GNF in 2004, which accounted for the remarkable recovery in resources in 2005 (see graph above);
- iii. major voluntary contributions, particularly those from nationals;
- iv. contributions from resident mining companies (0.04% of turnover), paid to the Prefecture Development Council, or occasionally directly to the RDC (Kintinian).

Table 3: Revenue of the prefectures of Sigiri and Kouroussa (2002-2005)



Improved budget control

In terms of budget control, the Community Councils have, by and large, demonstrated an ability to manage and control the participatory process of prioritizing development and investment activity within the framework of the Local Investment Fund (LIF) and the annual local budget (ALB). It is now understood that the RDCs must invest according to the priorities decided in the Local Development Plan and reflected in the Local Investment Plan and the Annual Local Budget. At the same time, the RDCs with the support actions of the PDLG have shown a new culture of good governance in terms of budget control and public accountability.

On the other hand, the techniques for dealing with the different budget documents and banking procedures are not yet fully mastered by the RDCs. Although the RDCs are not responsible for the delays encountered in the local budget approval process, the mission did note delays and inaccuracies in preparing local budgets which are indicative of the difficulties encountered in this

respect. Community-based technical assistance and more appropriate training of RDC members and local community secretaries will therefore be necessary for the foreseeable future.

Practical local financing mechanism

Convincing results

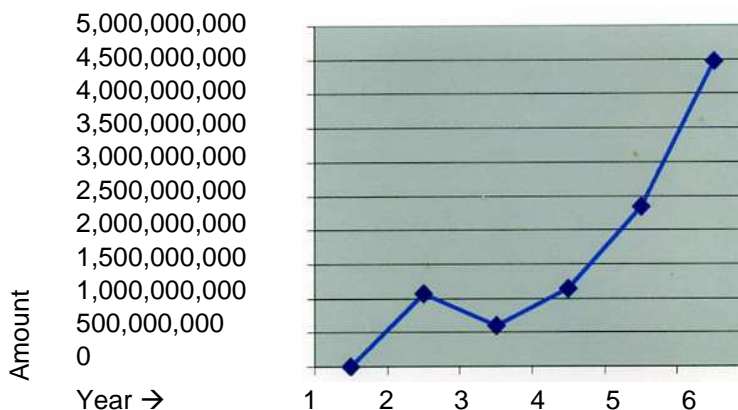
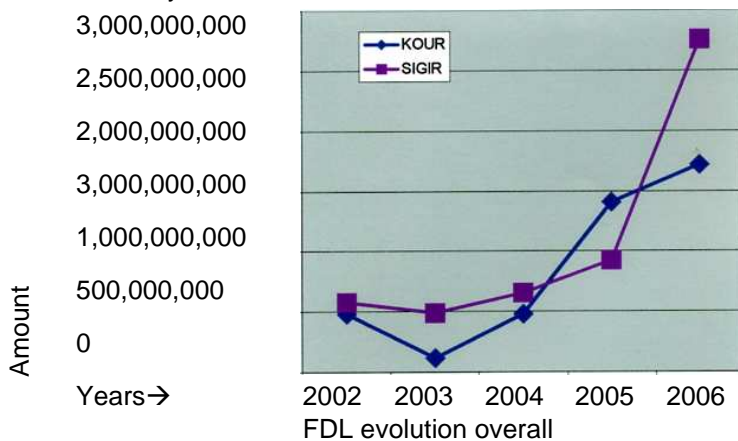
Thanks to the Local Development Fund (LDF), major financial resources have been injected into the PDLG zone with an allocation of \$4.5m. These resources were raised in various ways:

- i. the Local Investment Fund (LIF) that finances up to 70% of the RDC's internal investments, absorbed 75% of the funding;
- ii. the inter-RDC Investment Fund (IRIF) garnered 18% of the LDF's resources, whereas
- iii. the Village Investment Fund (VIF) intended for Income generating activities (IGAs) could take only 7% of the committed funds.

In any event, the total take of the allocated budgets amounts to 100% for the UNDP and 88% for the UNCDF.

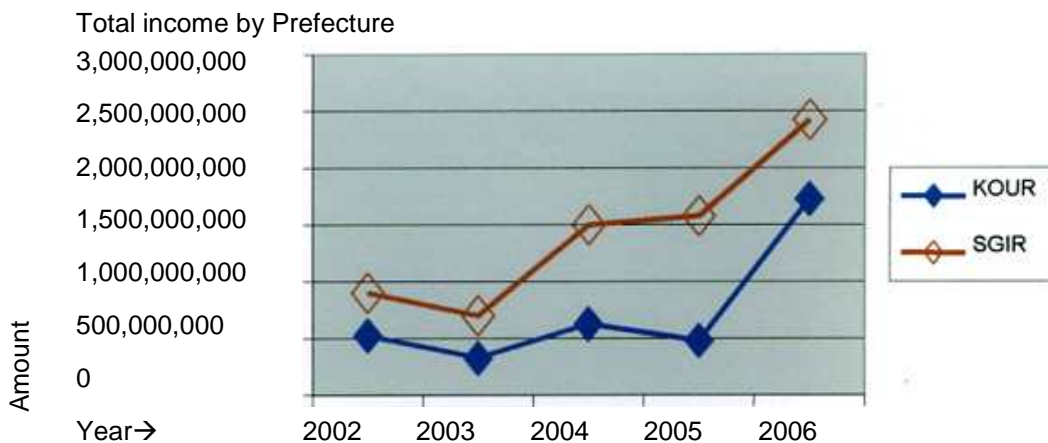
Table 4: Evolution in LDF financing and development by prefecture

FDL finance by Prefecture



The geographic distribution by prefecture shows that Kouroussa was only able to take 44% of its allocation, compared to 56% for Siguiri. The income between 2005 and 2006 shows a significant recovery for the two prefectures, as indicated in the graph below⁵.

Table 5: Total income in the prefectures of Siguiri and Kouroussa



The main problem area appears to be the late take up of funds by the Village Investment Fund (75 to 80% between 2005 and 2006) and also by the inter-RDC Investment Fund (IRIF) which, for the period 2002 and 2004, made virtually no withdrawals. Nevertheless, with its various areas of focus, the IRIF posted a very good take up rate (1,6 billion FG in 2 years).

In fact, the IRIF has proved to be a real tool for accelerating the take up capacity of the LDF:

- i. In the case of Siguiri: from less than GNF 900 million at the beginning, to GNF 1.5 billion with an annual average of GNF 1.171 billion.
- ii. For Kouroussa: despite many ups and downs, it went from GNF 529m to GNF 466m, with an annual average of around GNF 487m

Mid-way through the project and as the result of the tripartite meeting in 2004, it was decided to review the LDF access conditions. Thus the RDCs were exempt from VIF financing; now 30% is borne by the groups. Likewise, the RDCs' share in co-financing the LIF was reduced from 25% to 15% from 2004. The truth is that the program had overestimated the ability of the RDCs to pay at a

⁵

The income for 2006 does not include the own-income figures for the RDCs; these are not yet available.

time when the political and economic climate was marked by the slump in the cotton industry⁶ in the area and also by the disparities in the terms and conditions proposed by the VCSP partners (e.g.: the 20% share required by the World Bank). This change in the access rules, however, helped to raise the level of support provided by the partners.

Local fiscal enthusiasm but performance remains limited

This fiscal enthusiasm not only reflects the new tax-gathering capability of the elected RDC officials but is an indication of the positive perception of the relationship between paying tax and the provision of facilities that benefit the community. This situation is conducive to the emergence of a culture of civic mindedness and aptly reflects the metaphor used by a citizen at one of the focus groups organized by the appraisal mission: "*You can only help those who help themselves*".

Nevertheless, this new-found enthusiasm hides limited and contrasting performances between one prefecture and the other (between 2002 and 2005):

- In Siguiri: average tax collection increased from 67% to 85%,⁷
- In Kouroussa: average tax collection increased from 50.6% to 59.8%

Overall, the average collection rate in the project zone remained around 82 %. Current strategies to increase income in the RDCs are not really directed towards improving performance but rather towards developing new tax sources by creating commercial infrastructure (markets, bus stations, stock yards).

In conclusion, it can be said that there is increased efficiency on the part of local players in mobilizing resources and a greater tendency on the part of citizens to pay their taxes. However, continued progress could be thwarted by:

- i. the leveling off of contributions;
- ii. fiscal pressure, given the increase in the number of markets⁸, but no local accompanying economic boom;

⁶This crisis which led to the collapse of the cotton industry between 2001 and 2006 resulted in a significant loss of revenue from the income generated in the project zone (estimated at 7 MFG)

⁷The employment of decentralised services by the prefecture of Siguiri largely contributed to this performance.

⁸ Strong accent on markets (22 built in 2 years): a quick source of finance but unsustainable if there is no economic expansion as a result.

- iii. persistent risk of "bias";
- iv. a policy of revising downwards the RDCs' share in the Local Development Fund (LDF) which goes against the process of transferring responsibility.

An efficient mechanism to be more fully incorporated into the process of transferring financial responsibility to Local Councils

The method of provisional allocation of LDF financing (the indicative financial allocation) has proved to be particularly complex and practically unsuited to the financing needs and conditions of the RDCs. The recommendations contained in the mid-term appraisal were able to correct this.

But this mechanism did serve to:

- i. leverage local investment capacity in terms of infrastructure projects;
- ii. produce a multiplier effect in terms of the growth centre initiatives;
- iii. drive local entrepreneurship (in Siguirí 75% of the funds distributed through PDLG contracts were picked up by 70% of the contractors in the prefecture).

In addition, the Growth Centre is a powerful factor in stimulating inter-RDC partnerships and for creating synergy and economies of scale. It enables concerted planning and shared project management. The management method initiated by the PDLG has helped to grow the number of people who now have bank accounts and has contributed to the provision of facilities that improve community access to education and healthcare services.

Undeniably, the Growth Centre initiative introduces a new space for economic projects and planning, but the viability of this important PDLG innovation should be underpinned by a clear view of tax resources and local economic development.

Admittedly, the commercial infrastructure that has been built seems appropriate and will surely contribute to raising local tax revenue, not counting the new job opportunities that may be created. But given the large number of markets and stalls, not to mention the similarity of what is on offer, there could be a risk of creating a "souk" environment⁹. Dispersing the projects or even overlapping

⁹ "Soukisation" would be one of the adverse results of allowing the uncontrolled proliferation of markets, not supported by local economic development which generates added value. Few local products are on sale. Hence, the process of *informalising* a purely trade-based local economy would become more pronounced, whereas this phenomenon is explicitly denounced as "a deviation in terms of economic policy" in the Poverty Alleviation Strategy.

them could work against economies of scale if a development policy in a relevant economic area is not in place to optimize the facilities.

The downward correction of the RDCs' share in the financing however, justified by the circumstances described above, goes against:

- i. the process of handing over responsibility to the RDCs and their gradual autonomy;
- ii. emulating fiscal performance;
- iii. realism in the choice of LIP projects;
- iv. the ability to plan based on priorities that are contrary to a persisting aid mentality. This was aptly illustrated at one of the focus groups, quoting the proverb: "a hand held out will always picking up something eventually". This proverb seems to signify that the UNCDF has finally listened to their complaints but, above all, it is a request that the co-financing rate be reduced from 15% to 10%¹⁰.

Finding 2: Introducing and institutionalizing a participative process of planning and local government

A culture of participatory planning that is understood but poorly managed

The RDCs were able to show that they had incorporated the principles of participative planning in their management policies. The Local Development Plans (LDP) were implemented in the 23 RDCs in 2002 when the PDLG was launched. These exercises were all conducted using the methodology of active public participation by way of diagnostic workshops. The interviews conducted by the mission in the various RDCs confirmed that the needs expressed by the community as a whole had been taken into account in drafting the LDP.

As far as the efficiency and effectiveness of the process is concerned, the mission noted that, as indicated in the mid-term appraisal (June 2003), preparing the various technical documents (DP, LDP) has not been very efficient due primarily to the mediocre quality of the documents produced (lack of data, no proper strategic analysis, translation problems, etc.) and numerous delays in managing the PD and LDP exercises. This situation seemed to be a factor in preventing the speedy launch of development projects in many of the RDCs. This lack of capacity is largely due to the shortage of staff available to manage the process. Better supervision of this process should

¹⁰It is almost a challenge for the new teams on the re-elected RDCs to be able to take credit for obtaining another reduction in the RDC's share!!!

certainly be considered in the future. Nevertheless, the mission noted that the provision of coordinators in the RDCs had produced positive results.

Furthermore, after the 2005 elections when the new Local Councils were established, most RDCs were able to update their LDPs on a participatory basis, drawing input from both the Local and the District Development Committees. These updating exercises, although largely a repeat of the original LDP priorities, have nonetheless enabled the new local councilors to acquaint themselves with the content and spirit of the LDP.

All these factors lead one to believe that the Local Councils, in partnership with civil society through the Local and the District Development Committees, now employ a management style based on planning and prioritizing development action, as opposed to one that depends on ad hoc measures or favoritism. The mission did however note that women and young people are still largely marginalized in this process, given that they are not really involved in the operational management of the RDC. This situation is essentially the result of deep-rooted socio-political factors which see men reluctant to hand over to women or young people any of the political power to which they lay claim. Despite every effort over the past few years to break this mindset, in the project zone at least it is going to be difficult to get around them.

Although one can now talk of a culture of participative planning, the mission feels that several factors could weaken the process. These factors revolve around the technical nature of the process of preparing and developing the various planning tools (LDP, LIP, ALB) which are still poorly managed by the RDCs. The high rate of illiteracy amongst locally elected officials, the lack of human resources within the RDCs and the relative complexity of some of the tools are all factors that can weaken the progress that has been made and bring about the return to ways leading to favoritism and arbitrary action. Consequently, the mission feels that mechanisms to strengthen capacity ought to be established within the RDCs in order to prevent the technical aspect of the process from becoming a demotivating factor for them.

Emergence of a culture of good governance but women and young people remain on the sidelines

The integration of a participative planning method, strongly supported by the PDLG, has allowed a culture of good local governance to emerge in the RDCs. This has manifested itself in various ways:

- The establishment and normal functioning of the deliberating body, the Local Council. The mission noted that Local Council meetings were held at regular intervals and that an agenda and Minutes were prepared.
- Political pluralism exists in the Local Councils, as shown in Table 6 below. Not only are opposition parties strongly represented in all the RDCs but both political lines (opposition and presidential majority) are also present.
- The energy and enthusiasm of the Local and the District Development Committees acts as a spur in most of the RDCs, together with strong public participation in community life.
- The emergence, mentioned earlier, of a sense of public-spiritedness amongst taxpayers, underpinned by the relevance of what the PDLG has delivered.

Table 6: Local Councilors: distribution by gender, formal education and political

Prefectures	Male	Female	Total	Formal education	Presidential majority	Opposition
Kouroussa	78	5	83	5	27	56
Percentage	94%	6%	100%	6%	33%	67%
Siguir	121	0	121	9	58	63
Percentage	100%	0%	100%	7%	48%	52%
Total projet zone	199	5	204	14	85	119
Percentage	98%	2%	100%	7%	42%	58%

Maintaining and developing this new civic mindedness is however threatened by a number of social and institutional factors:

- shortage of financial and human resources in the RDCs which could cancel out the gains made with participative planning and better tax compliance;
- possible weakening of the collaborative and debating forums that the LDCs and the DDCs provide, with the risk that political governance of the RDCs could be derailed; the structure could be weakened by a number of factors: political struggles, the marginalization of women and young people, corruption and so on;
- pressure from community supervision (the sub-prefect) which may replace the RDC when it is shown to be too weak.

However, as indicated in the heading, the place of women and young people is in no way secured in the emergence of this new culture of governance. Although they would like to be full participants in public life, illustrated by the number and strength of the groups or associations that have been formed, women continue to remain absent from the local political scene. Table 6 shows that, in 2005, women represented just 2% of the councilors in the RDCs of the two prefectures, and actually there were none at all in the prefecture of Siguir.

This data is disconcerting and bears out the difficulties that women face in order to play a meaningful role, not only in the community but in local political life. In this context, it is worth mentioning that the current voting system (election based on party lists) strongly disadvantages women since their names are nearly always to be found at the bottom of the list and are therefore not selected to be amongst the number of local councilors allocated to each party. Steps will have to be taken at both national and local level to ensure their full participation in public life.

Finding 3: Improving the delivery of infrastructure and socio-economic services suited to the needs of the people

Mixed results over the two phases

Table 7 below illustrates the projects completed by the RDCs in the two prefectures over the two distinct periods, i.e. between 2002 and 2004, and 2005 and 2006. During the first period there was an emphasis on building educational and healthcare infrastructure: 35 schools out of 51, 21 health posts out of 26 and 19 public toilet facilities out of 19. The overall investment for this period amounts to 2.8 billion Guinean francs.

During phase two, investment was directed mainly at commercial infrastructure, with 21 markets constructed out of a total of 22; 1 bus station and 1 stock yard. The total investment for this period was 5.4 billion Guinean francs. In total, investment for the 2 phases amounts to 8 billion GF.

Significant factors

Although the total number of projects was slightly higher during phase one of the PDLG, more money was invested during phase two, up from 2,9 billion FG to 5,4 billion FG. As indicated earlier, this is explained by the type of investment but is also the result of two other significant factors: the RDCs' contribution is reduced from 25 to 15% and the effect of the "growth centre" approach.

Regarding the share, this initiative made it easier to secure funds in several RDCs which was a stimulating factor in the construction of commercial infrastructure requiring greater finance.

The growth centre approach also favored several RDCs since it enabled them to build infrastructure and not have to bear the entire cost of the project; the markets or bus stations for example. This engendered a spirit of solidarity, which in turn produced a mechanism to share financial resources that would make it easier to raise the funds to finance larger commercial projects. This approach, however, does present a potential pitfall if it is not seen through to the end because an RDC which until now has not benefited could be disadvantaged in the long run. This situation would be all the more difficult to manage if the principle of sharing the income generated by the infrastructure is not yet agreed between the RDCs.

Table 7: Infrastructure or service projects by prefecture (2002-2006)

Description of facility	Kouroussa			Siguir			Total (K+S)
	2002-4	2005-6	Total (K)	2002-4	2005-6	Total (S)	
Primary school	6	2	8	18	12	30	38
Secondary and High school	5	2	7	6	1	7	14
Health post	8	2	10	13	3	16	26
Public toilet	19	-	19	-	-	0	19
Cultural centre	2	1	3	0	2	2	05
NAFA centre	1	0	1	1	0	1	02
Market	0	10	10	1	11	12	22
Bus station	-	-	-	-	1	1	01
Stock yard	-	-	-	-	1	1	01
Total	41	17	58	39	31	70	128

To illustrate, in the Kintinian growth centre the Kintinian RDC invested 40% of the finance to benefit from 22% of the projects. The Nabou RDC on the other hand invested 25% and benefited from 46% of the projects developed. Likewise, the Franwalia RDC invested 35% of the finance to benefit from 32% of the projects.

A satisfactory level of appreciation overall

The projects financed within the framework of the LDF have generally been of benefit to the communities they serve. Those benefiting recognize that the infrastructure that has been built is in line with the priorities identified in the LDP that was based on the needs expressed in 2002.

Moreover, the projects made it possible to achieve significant coverage in terms of education and health. Consequently,

- there is a significant increase in the percentage of children in full-time education in those RDCs, especially at secondary school level which means that pupils, particularly the girls, do not have to be sent to school in the main centers;
- there is also better health coverage in the beneficiary RDCs.

As far as functionality is concerned, apart from some new commercial facilities still being completed, most of what has been built appears functional. Some RDCs have even taken steps to help run the health posts for example (putting in staff) when the State departments failed to respond to their appeals. Likewise, the necessary steps to maintain the infrastructure seem to have been taken in most RDCs. Maintenance committees are in place and are operational for the most part.

Finding 4: Local economic potential is poorly developed and economic partnerships need strengthening

Initiatives started late

The support initiative for Income Generating Activities (IGA) has provided assistance to 85 groups out of the 125 groups initially identified in the two prefectures. These groups or associations are generally made up of about 30 people, 63% of whom are women. Their activities focus on market gardening (40%), cereal crops (22%), grain warehouses especially in Siguiri and, to a lesser extent, reforestation and more recently, work with technical and financial partners (TFP). Activities with very low value added are intended for everyday domestic consumption, except for a few soap making plants. Groups in the zone are generally:

- i. not formalized since they have no official approval and no bank accounts;
- ii. have few technical tools and fund raising capacity;
- iii. made up mainly of women but who, compared to the men, are largely illiterate and lack technical skills.

The PDLG, through the RDCs, has offered the groups support in terms of administrative assistance (obtaining approvals, preparing funding requests) and above all financial resources, in the form of grants, which have led to accomplishments in the following areas:

- i. tools and implements resulting in increased production;
- ii. capitalization efforts in Sembako and Benkadi;
- iii. cashew plantations in Kinébacoura and Norassoba.

Action to support the groups was initiated in phase 2 of the project, beginning in 2005. This delay meant that little finance was raised for the groups; they accounted for just 7% of the funds withdrawn from the LDF (559 M). Over the first 3 years of the PDLG, only 25% of the Village Investment Fund (VIF) was spent. As an illustration, in the Baro growth centre, more than 90% of the finance was raised between 2005 and 2006. This means that most of the projects are still in the process of maturing and the results are therefore hard to gauge.

In the building and public works sector, the LDF put out tenders for more than 8 MFG. These contracts enabled local contractors to be involved in construction work: 75% of the value of the contracts awarded in Siguirí are 70% in the hands of local companies registered in the prefecture. Only 8% of the contracts were awarded to contractors outside of the project area. With the help of the project, these contractors have gradually learned how to prepare tender documents. In addition, these contracts had a knock-on effect on the local labor market and local intermediate inputs.

Thanks to a partnership with the Support Program, the Technical and Financial Partners (TFP) scheme was introduced as a social response to the onerous work done by women, but their level of efficiency is still low (breakdowns, supply difficulties, or inability to repair in good time).

Impact still hard to see

In the area of local economic development (LED), it must be said that the PDLG has not yet come up with a real action plan. Action that will turn community-based income generating activities (IGA) into real small or micro enterprises (SMEs) that could support and strengthen the local economy has not yet been undertaken. Neither have the sectors or potentially lucrative markets been identified that would underpin such entrepreneurial initiatives (apart from the ad hoc studies compiled by ADRA and SAFIC).

Any support for income generating activities has taken a purely community approach, with a strong social component:

- i. initial assistance to women's groups to obtain VIF finance in the form of annuities;
- ii. finance for community-based IGAs which excludes local private promoters/developers.
- iii. Building the economic skills of local stakeholders:
- iv. training in entrepreneurship;
- v. providing information on the technical and technological possibilities of enhancing the value of local resources;
- vi. creating permanent access to land ownership for women members;
- vii. transforming women's groups (survival or subsistence level IGAs) into dynamic micro enterprises able to conquer new markets has had limited success.

Where natural resource management (NRM) is concerned, safeguarding and carefully managing these resources, as well as enhancing their value, has yet to be defined and implemented in an integrated fashion. Environmental pollution by mining companies for instance, or the free rein to cut wood given to local carpenters by RDC officials, or the difficulties women experience in accessing energy sources (modern domestic fuel and power) are not yet covered in any government policy paper.

PDLG activities connected to local economic development (LED), plus the reserves raised from Local Economic Development (LED) strategies and approaches, are not yet firmly established. They were started late and are still being implemented. Neither do they yet provide an idea of the

sustainability of what the PDLG has achieved. The LED strategy of the PDLG has not yet proved its effectiveness on the ground.

5.2 Factors Affecting Successful Implementation & Results Achievement

5.2.1 External factors

The mission makes a number of comments on the external factors that might have had an impact on the project. Firstly, with regard to the policy of decentralization and devolution, the PDLG seems to have operated in a static environment with no significant evolution during the period the project was implemented. Indeed, despite the local elections held in 2005, Guinea has show no real desire to breathe new life into the decentralization and devolution process these past few years. Some progress has been recorded, such as the Local Authorities Act adopted in 2006, but to date the main provisions of this Act are not yet in force.

The main difficulties lie in the policy of transferring jurisdiction and resources to local government. None of the provisions of the Local Authorities Act in this respect have yet been applied, which leaves the local authorities with powers they cannot really exercise because they lack the necessary resources. The Act also stipulates numerous financial or budgetary provisions which are not applied and this affects the ability of the local authorities to develop their financial independence.

Furthermore, recent developments on the institutional front, with the Ministry of Regional Administration and Decentralization becoming the Ministry of the Interior and Security, seem to signal a return to the traditional role of the State as a centralized structure. This transformation is also associated with maintaining the supervisory structures such as the governorships, prefectures and sub-prefectures. Although possibly justified by the unrest which has shaken the country in the last few months, these decisions seem to go against a true policy of decentralization and the relaxing of administrative supervision.

With regard to local development policy, it is worth remembering that in the Republic of Guinea, poverty has a particular impact on the rural population – 60% compared to 20 to 26% in urban areas. Those in the project area live in extreme poverty; at 62%, the poverty index is well above the national average, despite its enormous economic potential: agriculture, horticulture, fishing and mining (gold, diamonds, iron, etc.). This situation is aggravated by the deterioration in the national economy. The average growth rate of around 4.5% per annum at national level in the 1990s fell to 2.5% between 2000 and 2004 while the target was about 10%.

Hence the national Poverty Alleviation Strategy (PAS) relies on two focal points:

- i. access to basic social services through the delivery of infrastructure and improved services;
- ii. increased economic growth as a priority, by strengthening the productive capacity of the poor who are able, according to the Poverty Alleviation Strategy, *"to create real added value and not (operate) in a purely commercial sector which is presently shrinking in economic terms"*.

The PAS therefore should lead to increased productivity by maximizing potential, introducing a more modern production and manufacturing system, more competitive access to markets and financial products that are better suited and more accessible to the small local entrepreneur.

Within this framework, the PDLG's aim of supporting sustainable improvement in the lives of the people of Upper Guinea, achieved with participatory economic and social development and managed by decentralized local structures, is entirely relevant and echoed both in the Poverty Alleviation Strategy and in the Millennium Development Goals.

5.2.2 Internal factors

With regard to the internal factors that have influenced the definition and management of the program, the mission also notes, as indicated in the results analysis, that the objectives and outcomes listed in the framework plan have proved appropriate by and large. It has been proved possible to strengthen the capacity of local structures (the RDCs and forums) as a means of encouraging participatory economic and social development. Whether or not this can be sustained over time, however, will depend on holding to the objectives which enabled it to flourish in the first place.

In this respect, we must mention that efforts made in terms of gender equality have not achieved the goals originally set. Despite adjustments along the way (the Trust Fund Thematic Governance approach), the PDLG was not able to make significant progress in advancing the participation of women in public life. More targeted efforts must be brought to bear to ensure more convincing progress in this direction, with the support of the UNDP and the UNCDF.

In addition, the establishment of the PDLG as an institution proved to be unsuitable. Only one meeting of the Steering Committee was held during the entire duration of the program. Although this situation can be put down to a number of economic factors, it nevertheless highlights the difficulty of including state structures in running and monitoring the program and consequently in growing and capitalizing on the gains.

The mission acknowledged as a positive feature the way in which the program was delivered and the decision to continue the program indefinitely after 2005. This community-support approach has proved successful in terms of governance and local development. It would certainly be worth copying this strategy in any future program based on the PDLG model.

Turning to what has been achieved, the mission also commends the quality and relevance of the monitoring instruments put in place by the PDLG. The management information system database (from the Ministry of the Interior) has proved relevant and will certainly be very useful to all decision-makers and managers involved in the decentralization process. In this connection, the PDLG monitoring / evaluation expert was put at the disposal of the National Department for Decentralization.

To conclude this section, the mission notes that the PDLG's approach yielded positive results in the area of support for local political and institutional structures and this enabled a culture of governance to develop. On the other hand, as indicated later in the report, this approach was not properly "fed back" to the national decentralization players. Despite some useful attempts to capitalize on their actions with the Ministry of the Interior and Security (ministry data base and

decentralization monitoring systems), the PDLG was not able to properly share the best practices it had developed in managing the program.

5.3 Strategic Positioning of the UNCDF and Partnerships to be Developed

The mission has a number of comments to make regarding the strategic positioning of the UNCDF within the framework of the PDLG and also in respect of the partnerships to be developed.

5.3.1 Distinctive abilities to be promoted

- Through the PDLG, the UNCDF has proved its distinct ability in terms of:
- bringing into play the local participative planning tools required;
- delivering infrastructure and services;
- operational mechanisms for the decentralized financing of public infrastructure.
- The promotion of growth centers appealed to the public. This speeded up the construction of facilities on an inter-RDC basis and had a striking effect on the RDCs involved.
- Undeniably, the PDLG experience, managed by the UNCDF, represents the benchmark for decentralization in Guinea and is a source of inspiration for the development partners involved in decentralization policy. This is the case with the Village Community Support Program (VCSP) which includes various partners such as the World Bank and the French Development Agency (the AFD). It is also the case with the European Union program in the forest area and last but not least, the tools and methodologies of the PDLG are contained in the new Local Authorities Act.

5.3.2 Local economic partnership to be boosted

5.3.2.1 A few promising initiatives

Strategic partnerships have been initiated, in particular with the VCSP. With the World Bank, a proposed Memorandum of Understanding for an operational partnership and co-financing arrangement in the prefectures of Lélouma and Gaoual in Central Guinea did not come to fruition due to the limitations imposed by the UNCDF's role in Upper Guinea.

With the EU, a strategic co-operation agreement was initiated within the framework of the EU program in Guinea Forestière, but this process has not result in a formal partnership.

The PDLG has mobilized service providers from within the NGO community (CECI/EUPD, ADRA, CENAFOD) to provide certain services, not to mention institutionalizing the NGO forum.

Finally, within the framework of the UN, a partnership arrangement targeting gender issues and women's associations has been concluded with TTF/UNDP.

Regarding companies, a partnership process has been initiated with SEMAFO in Kinièro to manage a local project (for a provisional figure of \$50,000) which would be entrusted to the Kouroussa branch of the PDLG.

However, with the decentralized financing system (DFS), the partnership has been almost non-existent which does not help to guarantee the sustainability of the financing mechanism for local operators.

As far as the RDCs are concerned, there have been decentralized partnerships in Baro between the RDC, the association of nationals and the Canadian Embassy to build a Cultural Centre, and in Kintinian to build a police station with the support of the resident mining company.

Partnership initiatives, however, have not always been carried through. Nevertheless, all the decentralization partners see the UNCDF, through the PDLG, as the lead player and pioneer with its ability to innovate and the tools it can bring to bear.

5.3.2.2 Untapped synergies

Decentralization offers enormous partnership opportunities but inter-program complementarity, particularly in terms of LED, is weak at national level. There is no harmonization framework or information shared regarding best practice.

At the operational level, an agreement signed between UNIDO, PCSDSP and the regional Technical and Financial Partners program (TFP) has enabled TFP units to be introduced. The results of this partnership have not been convincing. On the one hand, the PCSDSP, a signatory to the agreement, closed down its activities prematurely taking with it the focal point of the regional program, while on the other hand the TFPs did not produce the anticipated effect, due to lack of operational monitoring capacity and poor buy-in on the part of the stakeholders.

In the field, other partnerships have been initiated with sector-based programs such as PADER, AGIR, PADRAS and PSD. But these initiatives have not been able to produce the desired effect in terms of synergy in the target areas. In general, the principle of subsidizing (geographic proximity and skills) has not been applied with the aim of making the most of the individual abilities of the players.

In any event, the PDLG experience will have served to highlight the quality of the UNCDF's methodology and tools in the area of local government. These innovations, well documented by the UNCDF, are increasingly being incorporated into the programs and projects being prepared or implemented by the decentralization partners.

However, the experience of the Growth Centre initiative and the LED has not yet been put to use in the projects and programs of the other decentralization partners.

The local economic chapter ought to be considered in an integrated way (contractors, labor, providers and promoters of services to companies) in order to maximize the local value added chain which is still weak. At a more fundamental level, the promotion of local economic development means that planning, piloting and monitoring needs to be directed at economically effective territories.

6. LESSONS LEARNED

The principal lessons learned in implementing the PDLG are listed according to the major themes that were analyzed.

6.1 The Mobilization Of Resources

- The willingness of citizens to contribute towards building up local finances supposes that a clear link between their contributions and the provision of facilities has been established and that those facilities have been identified and planned with the participation of the community.
- In this sense, the SAFIC process seems not only a tool to identify underlying potential but also a way to foster public participation and empower elected officials.

6.2 The Local Development Fund mechanism

- The FDL mechanism proved an effective way to stimulate local investment capacity, managed in a participative and democratic manner (bottom up) by the local stakeholders. However, the link between public financing of infrastructure by the Local Investment Fund and the financing of private operations (income generating activities) through the Village Investment Fund, and these in the form of grants, seemed neither effective nor viable.
- Efforts to give autonomy and responsibility to the local councils in matters of investment impacts both control and management of the planning process, it also affects the gradual assumption of responsibility for their finance requirements. As a result, the level of support for projects should decline as the financial performance of the Local Council improves.
- The sustainability of the financing mechanisms will, in the long run, depend on the rate of growth of the local economy. In other words, it will depend on the capacity to exploit local economic potential.

6.3 The need for true local government

- The efforts made by the PDLG have highlighted the importance of setting up and supporting participative bodies that can really challenge the established authority, playing an oversight role to ensure healthy and sustainable local government.
- The PDLG also demonstrated that developing a civic-minded culture where people pay their taxes is the result of a joint effort by all concerned and that creating a culture of compliance and accountability is the only way to ensure public confidence in elected officials.
- Developing local economic capacity, by identifying and promoting the revenue-generating sectors and niche markets and by supporting the development of potential that will target, in an integrated manner, both the village-based groups, building contractors and artisans as well as semi-skilled and unskilled workers, not only by:
 - providing commercial facilities, but above all by

- offering a range of integrated services to local operators at micro level (individual modules), medium level (through networking) and macro level (partnerships with the structures and support programs for small enterprises);
- supporting subcontracting partnerships with the resident mining companies;
- establishing a system of credit that gives the financial institutions their proper place in the credit function by providing services that are tailored to the needs of local operators.

Local economic governance supposes:

- a good grasp of economic and commercial data to be used as an instrument for decision-making and the informed drafting of local policies as provided by SAFIC;
- the promotion of activities that deliver regular and sustainable income;
- an attractive business environment, in an area that is dynamic and offers marketing and supply channels, coupled with a technical and technological support system.

7. RECOMMENDATIONS

The mission's recommendations deal with the main themes identified. The discussion and implementation of these recommendations must be the result of a concerted effort on all sides. For this reason, the official state partners such as the Ministry of the Interior and Security (MIS) and the various sector ministries (education, health, economy and finance) must act as project owner in formulating the various recommendations put forward. The UNCDF and the UNDP as well as the other technical and financial partners could be called upon to support the government's efforts in implementing the recommendations, without however replacing the government's prerogative in this regard. For instance, they could contribute to the various technical studies required to formulate practical new policies in the area of local government and local economic development. It is important, therefore, that the most significant recommendations regarding political and economic governance be recorded in the official decentralization texts (Local Authorities Act).

7.1 Raising tax revenues

Strengthening the internal tax collection process should attempt to:

- Build on the progress made in collecting tax by strengthening the internal capacity of the RDC and the DDC (well maintained tax rolls, better tax collection methods (DDC / Council secretariat) and continuous public awareness campaigns.
- Properly identify non-resident nationals and formalize relations with them by introducing a plan aimed at increasing their voluntary contributions.
- Launch more decentralized co-operation initiatives with major local and international business interests, in terms of the provisions of the new Local Authorities Act, with the aim not only of raising finance for local projects but first and foremost to attract private-sector investment.
- Be realistic in adjusting and balancing the budget between available income and expenditure.
- Widen the tax base by strengthening local productive capacity: the markets should be used primarily to showcase and sell local products.

7.2 Local development financing mechanism

- Optimum consolidation of the Growth Centers in order to create a true Economically Effective Region (EER) and to ensure better linkage between the RDC and the rural towns, based on an effective strategy for local economic development.
- On this basis, the aim should be:
 - a wider product distribution area;
 - more efficient mobilization of decentralized services;
 - stronger economic partnerships with the resident industrial players, on a win-win basis. An example would be: Natural Resources Management in association with the mining

companies, as in Kintinian where the environment is particularly damaged. This should lead to integrated projects in the environmental, social and economic field (Cf. UN Global Alliance approach);

- develop negotiating skills within the framework of decentralized national and international co-operation.

- Ensure sustainability by achieving more financial autonomy at the local level by:
 - strengthening RDC contributions;
 - consolidating the Growth Centre initiatives;
 - diversifying partnerships with the local private sector;
 - decentralized co-operation;
 - appealing for the transfer of State funds;
 - increasing the contributions of local residents;
 - taking into account cases of force *majeure* linked to the economic and political climate;¹¹
 - harmonizing the financing procedures of the various partners.
- Explore the possibilities of raising loans to build infrastructure of a commercial nature (Cf. art. 440 of the Local Authorities Act). Investigate and make use of the possibility of raising additional loans to cover the financing of income-generating projects.
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- Provide LED grants from the RDCs that decrease over time, based on criteria related to:
 - demographics;
 - the realistic forecast of the updated Local Development Plan;
 - ability to raise finance;

¹¹The exceptionally large fluctuations in inflation have penalised both the RDCs and the entrepreneurs; the contribution from the mining companies (0.04%), through the Prefecture Development Councils, has in some cases allowed the loss of income in the RDCs, caused by these cases of force majeure, to be compensated for.

- local capacity to take over viable projects.
- Provide allocations to the RDCs by indexing them against clear and relevant criteria, e.g.: demographics, realistic estimate of needs (LDP) and performance in terms of generating income, economic initiatives and ability to take over projects.

7.3 Participatory planning and local government

Within the framework of a national approach (harmonizing the actions of the partners):

- Plan and rapidly install mechanisms aimed at making the RDCs autonomous (staff recruitment, budget support, do-it-yourself approach).
- Strengthen civil society involvement by continuing and institutionalizing the LDCs.
- Work with the political parties to promote the involvement of women and young people in local government institutions.

Within the framework of a local approach:

- Support the LDCs (training, community support).
- Maintain community technical support to the RDCs

7.4 Improve the delivery of socio-economic projects

- Continue to build educational facilities in order to extend school coverage;
- Institute measures that will tighten control at construction sites.

7.5 Develop local economic potential

- By means of a private – public dialogue, define the priority sectors and conditions for optimizing the local value chain; (e.g.: shea, mangoes¹², rice, etc.).
- Encourage co-operation between local entrepreneurs, suppliers and contractors (co-contracting) and promote private – public dialogue at local level.

¹²As far as mangoes are concerned, it is a pity that the project didn't look at ways to promote this product which floods the area and results in considerable waste.

- Rally young local workers and provide technical support so that they can be involved in the construction projects and perhaps even be promoted to a project management group (Cf. PMG UNCDF/Padmir/Senegal experience).
- Support the networking initiatives of local business groups and their promotion to the ranks of small and micro enterprises (SMEs) by facilitating their access to inputs and to lucrative commercial outlets.
- Record initiatives to secure project finance and support the promotion of micro finance products suited to the needs of local SMEs.
- Support local promoters of small service providers to accompany private initiatives and the public / private sector partnership. To ensure the sustainability of results in this sector, temporary corrective measures will be necessary, particularly in terms of:
 - assisting the RDCs to organize local contractors and artisans and to equip the local labor force, made up largely of unskilled young people, with some technical ability;
 - introducing economic commissions alongside the technical commissions established in the DDCs;
 - strengthening relations with the multidimensional pilot project to combat poverty with the aim of stimulating local small-scale enterprises (food processing, welding, battery recharging, etc.);
 - providing a more coordinated approach to projects and technical services (especially agriculture) aimed at women (PADRAS, ADRA, etc.);
 - supporting the provision of financial products that are adapted to the needs of the client;
 - eliminating illiteracy among women, particularly those who are members of associations.

7.6 Developing partnerships

- Continue the Growth Centre experiment and the LED to the end. Learn from the experience and capitalize on it.
- Create strategic partnerships with the decentralization programs and with the projects and structures responsible for promoting the SMEs.
- Renew relations with the technical and financial partners (TFP) within the framework of a new TFP-UNDP-PREP/UNOPS pilot project, so that the units already set up can be reactivated and new ones established.
- Mobilize the SFD partners so that entrepreneurs and developers can be put in touch with the financial institutions and a lasting proposal found for financial products that are tailored to local conditions.
- Broaden the opportunities offered by the presence of the mining companies (SAG in Kintinian, SMD in Siguiri, SEMAFO in Kinièro) in environmental, social and economic matters.

- On a national level, harmonies the share of the contribution of the RDCs to financing the partners.
- Develop economic partnerships between the local authorities and also at national and international level.

Apart from the recommendations made above, the mission also would like the UNDP and the UNCDF to look at possible short term action as part of an interim phase between the PDLG and a future program in the area. These actions would consist in:

- consolidating and developing the growth centre initiative;
- continuing to support local stakeholders by keeping the community support structure established in the RDCs;
- stimulating and encouraging the financial and non-financial services market to become more accessible to companies;
- promoting the local private sector;
- equipping local stakeholders with new skills in terms of marketing and negotiating with the private sector locally and elsewhere, in order to achieve true local economic governance and generate added value.

And lastly, rooting local economic development in the wealth creation component of the Poverty Alleviation Strategy should encourage the UNCDF to create stronger institutional ties with the ministries responsible for productive sectors such as agriculture, fishing, crafts or industry, and with those responsible for promoting small business development.