Programme Title: Stabilization Facility for Libya – towards recovery and peace

<table>
<thead>
<tr>
<th>Strategic Plan Outcomes</th>
<th>Outcome 6: Early recovery and rapid return to sustainable development pathways are achieved in post-conflict and post-disaster settings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Plan Outputs</td>
<td>Output 6.2: National and local authorities / institutions, enabled to lead community engagement, planning, coordination, delivery and monitoring of early recovery efforts. Output 6.4: Recovery processes reinforce social cohesion and trust and enable rapid return to sustainable development.</td>
</tr>
<tr>
<td>CPD Outcome</td>
<td>Outcome 2: Central and local government authorities are strengthened to provide better public services to citizens</td>
</tr>
<tr>
<td>Programme Outputs</td>
<td>Output 1: Light infrastructure destroyed by conflict rehabilitated and recovery of critical businesses supported Output 2: Immediate capacity boost to municipalities provided Output 3: Local conflict analysis, facilitation and mediation capacity strengthened</td>
</tr>
</tbody>
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Executing Entity: United Nations Development Programme (UNDP)
Implementing Agencies: UNDP

Brief Description

The Stabilization Facility for Libya (SFL) is an immediate stabilization initiative to support the Government of National Accord to build legitimacy among the Libyan population through providing quick rehabilitation of critical infrastructure, by enhancing the capacity of municipalities and the engagement between the central government and municipalities and supporting local authorities in taking a more active role in peacebuilding. The light infrastructure rehabilitation within the conflict affected areas will reverse the physical disruption caused by the conflict, and enable the reopening of key services at the municipal level. The quick recovery of businesses that are critical to the survival of whole communities will play a role in rebuilding confidence and reviving the economy. The capacity building of municipalities will enable municipalities to take leadership in local stabilization efforts as the legitimate local governance authorities. Finally, new partnerships will enhance the capacity of municipalities and local communities to mediate local conflicts and start promoting a culture of peaceful resolution of conflicts to counter the violent trend.

The Programme will be implemented by UNDP, in partnership with Libyan municipalities, key NGOs, other UN agencies, and other relevant stakeholders. Deployment of Libyan personnel to targeted municipalities will support more effective capacity development and local ownership. Civil society organizations will be able to benefit from grant scheme opportunities to contribute more effectively to local peacebuilding and recovery dynamics. Finally, the private sector will be expected to play a key role in the rehabilitation efforts.

<table>
<thead>
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<th>May 2016 - April 2018</th>
</tr>
</thead>
<tbody>
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<tr>
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<tr>
<td>- Italy</td>
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<tr>
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Agreed by (UNDP):
I. SITUATION ANALYSIS

Libya witnessed gradually deepening political conflict, insecurity and economic challenges since the revolution of 17 February 2011. The intensification of the conflict since July 2014 led to a significant loss of life and to the displacement of nearly 434,000 Libyans. Critical infrastructure has sustained significant damage at the time that the Central Bank is having to minimize spending due to significant declines in oil revenues. In the most affected areas, the delivery of basic social services is disrupted and the capacity of state institutions to maintain a safety net diminished. Water supply, sanitation and electricity services are also disrupted – though in an uneven manner across the country (with the West usually hit harder) due to direct infrastructure damages caused by the hostilities and the breakdown in operations and maintenance capacities of these state-run services.

The overall structure and functionality of the local governance system reflects the absence of a nationally-adopted framework that would define the nature, mission, mandates and functions of Libya’s system of local governance. The system remains centralized – but with a central government that been less capable of fulfilling its command, control and support roles as the conflict has intensified. On one hand, executive bodies of line ministries at the local level enjoy limited decentralized authority and continue organizing the delivery of most public services as per the modalities of a centralized state system. On the other hand, the newly-elected municipalities, with a stronger veneer of legitimacy, find themselves in direct contact to the population’s humanitarian and development needs but with limited responsibilities and resources devolved to them to actually organize an effective response. According to UNDP Rapid Diagnostic on the Situation of Local Governance and Local Development in Libya (November 2015), only one out of the ten municipalities involved in this Diagnostic considered that their relation with central government was beneficial, and only one in three municipalities self-assessed themselves as performing well their core functions.

The United Nations Support Mission to Libya (UNSMIL) facilitated political agreement comes at time of dire need for cessation of hostilities and stabilization of the country. On December 17, 2015, the participants of the political dialogue finally signed an agreement to form a Government of National Accord (GNA). Since then the House of Representatives has endorsed in principle the Libyan Political Agreement (LPA). Once the GNA is active, it will require international support and financing to be able to deliver the required rehabilitation of the destroyed infrastructure, and to develop a mutually supportive relationship with the local authorities, recognizing that the Libyan population needs to see concrete improvements on the ground to have confidence in the new central authority.

The UN Security Council Resolution (SCR) 2259 (December 2015) welcomed the signing of the LPA and recognized the importance of the continued inclusiveness of the LPA and encouraged all parties to engage in the LPA. The SCR highlighted the need for international assistance for the GNA and stressed the need to provide Libya with the means to maintain governance, promote stability and economic development; and a package to build the capacity of the GNA based on need and demand expressed by the GNA.

II. PROGRAMME STRATEGY

2.1. Programme justification

Stabilization in Libya requires the transition from the period of cessation of hostilities towards a stable and secure environment with local structures that are sufficiently accountable. Quick and tangible impacts (“peace dividends”) are critical in building trust and legitimacy for the political process and the Libyan Government of National Accord (“the government”). At least initially, the government will require substantial international support to address the needs of local communities and provide for a basic level of security. At the same time, it is imperative that the government takes ownership and is given the opportunity to prove itself as an inclusive

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1 Only few municipalities manage to effectively engage in all the mandated areas assigned to them by Law 59 and that include: (i) preserving local peace, security and social cohesion; (ii) coordinating and providing basic services; (iii) promoting local and regional development and sound natural resources management.

2 http://www.securitycouncilreport.org/atf/cf/%7B65BFCF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/s_res_2259.pdf
and capable governance actor, with strengthened links with the local governance structures that act in the interest of all Libyans.

2.2. Programme summary

The Stabilization Facility for Libya aims to bridge the critical period of transition from initial (humanitarian) relief towards mid- and long-term structural and sector-specific support. It will include time bound quick interventions at the municipality level that seek to enhance the legitimacy of the GNA within the Libyan population through provision of concrete improvements and peace dividends at the community level through rehabilitation of critical infrastructure, building the capacity of local authorities to address the needs of their population, and enhancing local mediation and conflict resolution capacities and processes. The Stabilization Facility will be Libyan led, with the GNA chairing the board jointly with UNDP, and the activities being implemented in cooperation with Libyan local authorities. The stabilization activities will be guided by quick needs assessments and consultations with local authorities and other relevant local stakeholders. All stabilization activities aim at supporting the political processes that leads to more inclusive and legitimate governance structures, thus laying the groundwork for lasting reconciliation as well as sustained reconstruction and development. The approach will be initially limited to specific localities depending on available funding, but must be scalable to encompass the entire state territory.

The objective is to support national and local actors in delivering peace dividends to the Libyan people, and linking them to the national political process, thereby increasing the legitimacy of the national authorities and their capability to lead Libya to sustained peace. Hence, political engagement is conditio sine qua non for the stabilization investments to reach their full impact. Political dialogue initiatives should guide stabilization encouraging government, communities and local authorities to jointly define and address root causes of conflict and identify solutions to go forward. The Stabilization Facility will also contribute towards a strengthened social contract between the local communities, local authorities and the government. Dialogue between the government, state institutions, municipalities and communities is the cornerstone of the stabilization efforts. Trust and dialogue between the central and local institutions needs to be re-established through strengthening civic engagement initiatives and supporting the local governance systems delivering basic services in line with priorities expressed by the local population and at the same time, under the umbrella of central government leadership.

Theory of change

At the overall objective level:

- *If* the government assumes leadership when it comes to defining the concept of stabilization, its approach, focus and operating structures; then Stabilization will truly Libyan-led and the process be legitimate and sustainable.
- *If* individuals (1) increasingly feel that the government is providing them with physical, institutional and livelihood security in an open, transparent, equitable, non-discriminatory manner; and (2) develop capacities to analyze conflicts and formulate solutions which are supported by the government; *then* they will progressively feel empowered to become agents of peaceful change and will start longer-term planning and investments in peace and livelihoods.
- *If* (1) communities and the government are in constant negotiation on the basis of which mutual responsibilities are established; and (2) state institutions are enabled to deliver the services demanded by the communities in an open, transparent, equitable, non-discriminatory manner; *then* trust will progressively emerge and the population will be less reliant on armed groups for protection, thus diminishing the mobilizing power of armed groups.
- *If* (1) a relationship of trust emerges between the government, municipalities and communities; and (2) capacities to peacefully manage conflict are built, *then* Libyan stakeholders will be empowered to take the lead in stabilization, and longer-term peacebuilding and development.

At the strategic level:

- *If* (1) the government and local authorities have the capacity to provide more and more relevant services through increased presence in stabilization zones; (2) the government and the local authorities are both increasingly recognized as the main service providers; *then* the government and the local authorities will be increasingly perceived as an enabling presence, the institutional insecurity endured
by the population will decrease, and they will not need to resort to parallel strategies for their protection and the pursuit of their interests.

2.3. Principles of engagement

The government must take ownership and assume leadership on the stabilization efforts, including assessing the areas and sectors to be targeted by stabilization. This entails designing a swift decision-making mechanism for the allocation of stabilization resources that requires a prior process leading to consensus between the government and local communities and stakeholders.

The SFL will focus exclusively on stabilization activities in defined geographic locations respecting legal demarcations and aiming for completion of action in each municipality within six to twelve months from the agreement between the GNA, municipality and UNDP on the exact activities. Large reconstruction activities do not fall within the mandate of the SFL and will be funded through other channels.

Any stabilization activities require a basic level of security, i.e. that local truce and cease-fire agreements prove sufficiently durable. At the same time, the very prospect of stabilization activities may serve as an incentive for some actors to honor such agreements and refrain from taking action aimed at spoiling the process.

The target locations will be selected jointly by the GNA, UNDP and the other board members of the SFL (see management arrangements section) in dialogue with the local authorities. Criteria for the selection of locations will include the following:

1. Geographic balance to cover areas from the East, South and West Libya;
2. Functioning local authority structure in place in the municipality;
3. Commitment by the local authority to peace and political process;
4. Area affected by and/or prone to conflict;
5. Identified needs can be addressed through quick-impact interventions;
6. Stable enough security situation for implementation of activities to take place;
7. Highest impact or catalytic value of the interventions.

During the rapid needs assessment phase the project will also identify the types of support that are already being provided by other actors in the municipalities selected to ensure that activities will be complementary, and any duplication is avoided. In places where NGOs are already supporting the municipality, UNDP will seek to work jointly with these organizations to build on the work already undertaken and to support the established civil society – municipality relations.

The international community will focus its activities on mentoring, training and advising to strengthen the capacities of local actors to achieve stabilization objectives as well as supporting the multi-donor financing facility (SFL). The Libyan government is also expected to contribute its own resources to the stabilization efforts as the situation allows.

2.4. Programme outputs

The programme will be organized around three outputs at the initial stage. All activities will be decided in agreement with the government represented by the Prime Minister Office and elected local authorities (Municipality level), based on priorities identified at the local level through the rapid needs assessments and local consultations. Given the sensitive nature of stabilization and the fragile conditions prevailing in some areas, concerns relating to human rights, protection, gender and inclusion will be taken into account during the prioritization and sequencing of activities. Additional outputs or activities can later be added to the programme based on demand and agreement by the board.

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3 See for more details management arrangements section below.
Output 1. Light infrastructure destroyed by conflict rehabilitated and recovery of critical businesses supported

The direct infrastructure damages caused by the conflict in Libya have led to destruction of water facilities, roads, police stations, clinics and schools in Libya, negatively affecting basic service delivery and in some instances causing a dire situation where no functioning school or hospital is available to citizens. Several municipalities have also experienced degradation of critical infrastructure and have not had the funds or the capability to maintain this infrastructure. The project will finance undertaking of light repairs of key public infrastructure including clinics, police stations, water facilities, power grids, government buildings and access roads. It will also be used to finance rubble removal and waste collection. The activities will include the rehabilitation of critical businesses that were destroyed by the conflict and have an impact on the whole community, such as bakeries in places where they were destroyed and communities are forced to bring bread from elsewhere. Finally, key equipment will be provided to municipalities and critical businesses to enable the proper recovery of the services (for example generators in cases of lack of power supply).

Activity results and activities

1.1. Support rehabilitation of light infrastructure in conflict affected municipalities

- Conduct needs assessments in selected municipalities to identify needs for rehabilitation;
- Agree with municipalities on priority infrastructure in need of rehabilitation based on the quick needs assessment;
- Undertake light repairs of key public infrastructure based on critical needs, such as clinics, police stations, water facilities, power grids, government buildings and access roads.

1.2. Support the recovery of critical businesses for the revival of the local economy

- Based on the needs identified by the rapid assessment, rehabilitate businesses that were destroyed by the conflict and are critical to community interests and provide them with the related assets/equipment needed;
- Provide critical and damaged equipment/asset replacement support to key businesses, such as stoves, ovens, generators or solar panels, ICT equipment etc.

Output 2. Immediate capacity boost to municipalities provided

The mounting needs for rehabilitation and recovery of critical infrastructure in the conflict affected areas of Libya, combined with the limited ability for municipalities to take charge of stabilization of their municipalities due to budgetary, human resource and other constraints, calls for immediate support to municipalities. This requires improved interaction between the central government and the Libyan municipalities and local authorities.

Recognizing that the provision of mid-to-longer term capacity building to municipalities is out of scope of the Stabilization Facility which focuses on quick impact interventions, this output will be used to finance short-term technical support to municipalities, boosting their capacity to cope with the challenges arising during stabilization period. The intention is to recruit and deploy technical experts to support local authorities with inclusive and participatory coordination, planning, budgeting, implementation, and monitoring functions as well as liaise with the relevant line ministries. It will be important to also provide communication support to the municipalities so that they can better communicate the expected results to the local population to clarify expectations, encourage positive interaction and to enhance visibility of the Facility and its objectives.

Activity results and activities

2.1. Enhance municipality capacity through deployment of technical experts

- Finalize the municipal capacity building plan in dialogue with GNA and municipalities, and based on the findings of the needs assessment conducted (output 1).
- Recruit and contract technical experts in the areas of engineering, inclusive and participatory coordination, planning, budgeting, implementation, monitoring and communication, as well as other areas requested by municipal authorities, and deploy them to work within the municipalities.
Facilitate dialogue between the local authorities and the GNA.

**Output 3. Local conflict analysis, facilitation and mediation capacity strengthened**

The conflict in Libya is having a destructive impact on social cohesion within the Libyan society, and the localized fighting is leading to an ever deepening disintegration of the society. At the time of transition, dialogue between the central government and local authorities will be crucial. In the past, conflict resolution in Libya was largely retroactive mitigation of escalation of conflicts by tribal and other traditional leaders. Moving towards a modern state, municipal and other local authorities will need to learn to play a key role in mediation and more preventative conflict resolution.

The activities under this output will contribute to the initial stabilization efforts at the community level and will start paving the way for a new culture wherein conflicts are negotiated more peacefully bringing together the new and old local authorities as well as civil society actors. Efforts to resolve conflicts at the local level will require locally led processes to undertake conflict analysis to better understand the causes of tension. The conflict analysis undertaken will help ensure the conflict sensitivity of the stabilization interventions.

Based on issues identified through the analysis, relevant short-term dialogue or mediation interventions that will help local leaders and community groups resolving conflicts can be supported. In some instances, this might require adopting an inter-municipal approach, as in several areas in Libya, conflict dynamics are affecting a particular cluster of municipalities. In addition, grants will be provided to key to civil society organizations to support reconciliation and peacebuilding activities, civic campaigns led by youth, as well as monitoring of local conflict dynamics, and progress towards social cohesion.

***Activity results and activities***

3.1. Monitor conflict dynamics and support local conflict resolution efforts:
- Provide a grant to an NGO to work with local stakeholders to undertake local conflict analysis, training and monitoring of conflict dynamics;
- Develop indicators for monitoring and undertake monitoring of impact of the project on perceptions of population;
- Hire a third party company to undertake programme monitoring both at the perception level as well at the activity level;
- Support locally led conflict resolution initiatives led by civil society organizations.

3.2. Develop municipal and community capacities and systems to manage local conflicts and promote peace:
- Build local pools of expertise in dialogue facilitation and mediation;
- Provide facilitation and mediation training to municipalities and other relevant local stakeholders;
- Support the establishment of inclusive local peace structures in pilot municipalities (to include municipalities, elders, tribal leaders, CSOs, local media, women & youth groups and other relevant groups);
- Assist key local stakeholders to design and implement conflict reduction plans to address main local conflict drivers in pilot municipalities;
- Provide specific capacity development support to selected women members of local peace and security committees.
- Ensure youth full engagement and suitable representation in all conflict resolution and community security committees and activities.

2.5. UNDP comparative advantage and lessons learnt

UNDP has a long history of working in Libya since the 1970s. A new era of collaboration started after the revolution in 2011. The Transitional Government of Libya requested UNDP at that time to tailor its programmes to the new governance and development challenges facing the country after 45 years of centralized authoritarian rule. UNDP’s substantive engagement was re-focused on providing technical and
advisory services to support a vast programme of reform in political and administrative governance systems and in nurturing the emergence of a democratic society. Since the onset of the current conflict in July 2014, UNDP maintained active its programmes and projects that had strong relevance to resolving the current political deadlock, despite international staff being located in Tunis.

Currently, UNDP Libya has a Country Office operational in Tripoli with twenty Libyan staff as well as an office with the management, other international staff and consultants based in Tunis. Four local governance and development advisors are currently being recruited, one to be based in the office in Tripoli and three regional advisors to be based in the East, West and South, to be located in Murzuq, Gheryan, and either Al Baida or Tobruk. These advisors will be in daily communication with the municipalities and local authorities where UNDP will be working and will have commenced their duties by the start of the project implementation.

UNDP has a strong global experience in leading and supporting stabilization efforts. One of the successful cases of UNDP support to stabilization is currently ongoing in the liberated areas in Iraq. UNDP Libya will utilize the lessons learnt from the Iraqi experience whilst tailoring the facility to the specific needs of Libyans, and will ensure that the lessons learnt will be integrated in the model in Libya. Some of these lessons learnt include ensuring that more robust monitoring system with external verification mechanisms, not just to measure the immediate project achievements, but also the wider impact of stabilization in newly liberated areas. Experience from elsewhere also highlights the importance of ensuring that the municipality and local stakeholders, supported by the central government when needed, agree to take over the management of the rehabilitated infrastructure, and ensure that the equipment provided stays in the hands of the intended party. UNDP Libya will develop a robust M&E mechanism for the facility, and sign MOUs with the beneficiaries (whether municipalities or businesses) of the rehabilitate infrastructure and equipment to safeguard the proper management continues.

2.6. Exit strategy and sustainability

The stabilization programme is a quick intervention to provide immediate rehabilitation of infrastructure and key businesses destroyed by conflict and accompanying capacity development support to the municipalities benefitting from the rehabilitation efforts. The Stabilization Facility cannot respond to all the capacity development needs at the municipal level, and those continue to be addressed by both other active development partners, and other UNDP projects. One of these interventions will be the three year UNDP Strengthening Local Capacities for Resilience and Recovery programme, which will continue the work from the initial stabilization project; will have a much heavier focus on municipal capacity building to further develop the capacities of municipalities to properly take on the responsibilities assigned to the municipalities based on their mandate. These currently include preserving local peace, security and social cohesion; (ii) coordinating and providing basic services; (iii) promoting local and regional development and sound natural resources management; but are subject to change by any amendment to law 59, or additional guidelines that will be issued following the finalization of the Libyan Constitution. Once the situation in the country stabilizes, UNDP will also support the GNA to strengthen the relevant core governance functions, and line ministries based on demand by the government.
### III. RESULTS AND RESOURCES FRAMEWORK

**Intended Outcome as stated in the Country Programme Results and Resource Framework:**
Outcome 2. Central and local government authorities are strengthened to provide better public services to citizens

**Applicable Key Result Area (from 2014-2017 Strategic Plan):**
Outcome 6: Early recovery and rapid return to sustainable development pathways are achieved in post-conflict and post-disaster settings

**Partnership Strategy:** The project will be implemented in close collaboration with the Government of Libya (GNA) and Libyan municipalities. Some of the activities will be implemented by local authorities, NGOs, or possibly other UN agencies depending on the needs identified by the rapid needs assessments. UNDP will rely on third-party contracting to deploy staff within the different regions in Libya, and some of the activities under output four will be led by NGOs, in collaboration with municipalities and the personnel deployed through the third party contracting mechanism.

**Project title and ID (ATLAS Award ID):** Stabilization Facility for Libya

<table>
<thead>
<tr>
<th>INTENDED OUTPUTS</th>
<th>OUTPUT TARGETS FOR (YEARS)</th>
<th>INDICATIVE ACTIVITIES</th>
<th>RESPONSIBLE PARTIES</th>
<th>INPUTS (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Output 1:</strong> Light infrastructure destroyed by conflict rehabilitated and recovery of critical businesses supported</td>
<td>Rapid needs assessment carried out in all municipalities where the project will be implemented 100% of agreed light infrastructure works completed in the selected municipalities (the exact number and nature of the works will be defined by the needs assessment) 100% of agreed MSMEs rehabilitated and 100% of the agreed equipment provided (the exact number and nature of the MSMEs and required equipment will be defined by the needs assessment)</td>
<td>1.1. Support rehabilitation of light infrastructure in conflict affected municipalities • Conduct needs assessments in selected municipalities to identify needs for rehabilitation; • Agree with municipalities on priority infrastructure in need of rehabilitation based on the quick needs assessment; • Undertake light repairs of key public infrastructure based on critical needs, such as clinics, police stations, water facilities, power grids, government buildings and access roads. 1.2. Support the recovery of critical businesses for the revival of the local economy • Based on needs identified by the rapid assessment, rehabilitate businesses that were destroyed by the conflict and are critical to community interests and provide them with the related assets/equipment needed; • Provide critical and damaged equipment/asset replacement support to key businesses, such as</td>
<td>UNDP</td>
<td>Contracts: $25,492,925  Consultants: $2,000,000  Workshops: $400,000  Travel: $1,000,000  Staff: $2,263,000  Direct project cost $310,000  Project operational cost $30,112  Total: $31,496,037</td>
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### INTENDED OUTPUTS

- Number of municipal needs assessments conducted
- Number of light infrastructure rehabilitated
- Number of equipment provided
- Number of critical businesses rehabilitated

### Output Targets for (Years)

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<th>INDICATIVE ACTIVITIES</th>
<th>RESPONSIBLE PARTIES</th>
<th>INPUTS (USD)</th>
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<tbody>
<tr>
<td>2.1. Enhance municipality capacity through deployment of technical experts</td>
<td>UNDP</td>
<td>Contracts: $876,888</td>
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<tr>
<td>• Finalize the municipal capacity building plan in dialogue with GNA and municipalities</td>
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<td>Consultants: $1,091,226</td>
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<tr>
<td>• Identify the areas of inclusive and participatory coordination, planning, budgeting</td>
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<td>Staff: $400,000</td>
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<td>• Recruit and contract technical experts in the areas of inclusive and participatory</td>
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<td>Travel: $253,000</td>
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<tr>
<td>• Facilitate dialogue between the local authorities and the GNA.</td>
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<td>Workshop: $320,000</td>
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<tr>
<td>• Implement and coordinate municipal strategic plans developed in all agreed locations</td>
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<td>Project direct cost $121,000</td>
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<tr>
<td>• Collect and coordinate information on the findings of the needs assessment conducted</td>
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<td>Project operational cost $14,774</td>
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<tr>
<td>• Work with UNDP to finalize the municipal capacity building plan in dialogue with</td>
<td></td>
<td>Total: $3,076,888</td>
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<tr>
<td>• Develop and coordinate municipal strategic plans developed in all agreed locations</td>
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### Output 2: Immediate capacity boost to municipalities provided

**Baseline:**
- Municipalities lack human resource and financial capacity to effective function in their role as local authorities.
- Traditional and weak bureaucratic systems in local institutions (municipalities and executive bodies)
- Current partnership building between local actors is ad hoc, externally driven, unstructured and reactive.
- Inadequate levels of financial transparency.
- Limited engagement with civil society and media.
- Marked decrease in access to and quality of basic services in certain areas and even more so for the 700,000 persons of concern (IDPs, refugees, migrants).

**Output indicators**
- Number of capacity assessments
<table>
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<tr>
<th>INTENDED OUTPUTS</th>
<th>OUTPUT TARGETS FOR (YEARS)</th>
<th>INDICATIVE ACTIVITIES</th>
<th>RESPONSIBLE PARTIES</th>
<th>INPUTS (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Number of technical experts deployed&lt;br&gt;- Number of local authorities with increased capacity</td>
<td>Strategic partnerships with four NGOs working in Libya initiated.&lt;br&gt;Localized conflict analysis completed in areas identified by the board.&lt;br&gt;Capacity of municipal and local leaders on conflict resolution enhanced&lt;br&gt;At least two civic engagement campaigns led by youth organizations.</td>
<td>3.1. Monitor conflict dynamics and support local conflict resolution efforts:&lt;br&gt;• Provide a grant to an NGO to work with local stakeholders to undertake local conflict analysis, training and monitoring of conflict dynamics;&lt;br&gt;• Develop indicators for monitoring and undertake monitoring of impact of the project on perceptions of population;&lt;br&gt;• Hire a third party company to undertake programme monitoring both at the perception level as well as at the activity level;&lt;br&gt;• Support locally led conflict resolution initiatives led by civil society organizations.&lt;br&gt;3.2. Develop municipal and community capacities and systems to manage local conflicts and promote peace:&lt;br&gt;• Build local pools of expertise in dialogue facilitation and mediation;&lt;br&gt;• Provide facilitation and mediation training to municipalities and other relevant local stakeholders;&lt;br&gt;• Support the establishment of inclusive local peace structures in pilot municipalities (to include municipalities, elders, tribal leaders, CSOs, local media, women &amp; youth groups and other relevant groups);&lt;br&gt;• Assist key local stakeholders to design and implement conflict reduction plans to address main local conflict drivers in pilot municipalities;</td>
<td>UNDP NGOs&lt;br&gt;Contracts $500,000&lt;br&gt;Grants $ 1,000,000 (for 3-6 NGOs)&lt;br&gt;Consultants: $300,000&lt;br&gt;Staff: $200,000&lt;br&gt;Workshops and training $320,000&lt;br&gt;Direct project cost $74,000&lt;br&gt;Operational cost $30,112&lt;br&gt;Total: $ 2,424,112</td>
<td>Contracts $500,000&lt;br&gt;Grants $ 1,000,000 (for 3-6 NGOs)&lt;br&gt;Consultants: $300,000&lt;br&gt;Staff: $200,000&lt;br&gt;Workshops and training $320,000&lt;br&gt;Direct project cost $74,000&lt;br&gt;Operational cost $30,112&lt;br&gt;Total: $ 2,424,112</td>
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<tr>
<td>INTENDED OUTPUTS</td>
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</table>
| - Number of municipalities trained and engaged in conflict resolution efforts | | • Provide specific capacity development support to selected women members of local peace and security committees.  
• Ensure youth full engagement and suitable representation in all conflict resolution and community security committees and activities. | | |

**Audit and Monitoring and Evaluation**

USD 2,962,963

**GENERAL OPERATING EXPENSE (8%)**

Total inputs required: $40,000,000
IV. MANAGEMENT ARRANGEMENTS

The Stabilization project will follow a Direct Implementation Modality (DIM) whereby UNDP takes entire responsibility for the implementation of programme activities but remains guided by the principles of national ownership. Programme implementation will follow UNDP’s rules and regulations. The overall accountability for programme management will also rest with UNDP Libya Country Director while day-to-day management of the activities will be with the UNDP Stabilization Manager reporting to the Country Director.

Programme Oversight Structure

The Project Board for the Stabilization Facility for Libya serves as the overall governance structure of the Facility. The Board provides strategic direction to and oversight of the Facility and ensures that the interventions funded through the Facility are in line with Government priorities.

The Project Board will be co-chaired by the Prime Minister or his representative and the Deputy Special Representative of the Secretary General (DSRSG) - UNDP Resident Representative. Other representatives of the Libyan Government may be invited by the Prime Minister or his delegate on an ad-hoc basis when needed. This may include the Supreme Council on Local Administration, Ministry of Planning, a line Ministry of concern or other relevant stakeholders. Municipalities can also be invited to attend when the Board meeting is held to discuss the Stabilization interventions in particular municipalities.4

Major fund-contributing partners will also be members of the Project Board, as agreed with the co-chairs. The voting members of the board will consist the two co-chairs and the donors contributing above the agreed threshold of $1,000,000. This means that the United Nations has one vote, the Libyan Government one vote, and each donor one vote. Smaller donors whose contributions fall below the threshold will jointly have one vote and will be requested to rotate their membership. Relevant UNDP and UNSMIL political/security section staff can also participate in the Board meetings, however, the vote of the UN remains with the co-chair. The composition of the Project Board may be adjusted upon the decision of the co-chairs.

Every effort will be made to seek consensus in the Board decision-making. In case consensus cannot be reached, decisions will be taken by majority vote of the attending Project Board members, and in case of any dispute, decisions will be guided by the co-chairs. All decisions shall require the agreement of both co-chairs.

Recognizing that each fund contributing partner has their own restrictions and requirements on the use of their funds, each donor will communicate these requirements and restrictions to the Project Board. The Project Board will ensure that any restrictions on how a particular donor’s funds are used shall be fully adhered to. Donors can earmark funds towards specific outputs. The Board will seek to receive a Libyan contribution to the Facility as Libyan funds become available, and will also encourage private sector contributions.

The Project Board will convene as often as required, in the beginning at least monthly and later on at least quarterly. Co-chairs can also call for an ad hoc meeting when needs arise. The Project Board is expected to play a facilitating role and serve as an agile mechanism providing timely guidance in rapidly changing contexts. The Project Board may also appoint a Libyan advisory group that will advise the Board but will not have decision-making authority.

UNDP will serve as secretariat to the Board and will present regular updates on assessments, contracting, implementation, results, and contributions. UNDP will also provide narrative and financial progress reports every six months and final reports to partners as per the standard contribution agreement/cost sharing agreement with each donor.

The responsibilities of the Project Board include:

4 Attendance to the Board does not equal board membership or voting rights. The Libyan Government has one vote, UN one vote and each major donor one vote.
• Endorsing proposed Stabilization Facility interventions, ensuring that these are in line with the strategic priorities of the Government and complementary to other efforts undertaken in areas of intervention. All interventions shall be selected on the basis of the criteria below:

1. Geographic balance to cover areas from the East, South and West Libya;
2. Functioning local authority structure in place in the municipality;
3. Commitment by the local authority to peace and political process;
4. Area affected by and/or prone to conflict;
5. Identified needs can be addressed through quick-impact interventions;
6. Stable enough security situation for implementation of activities to take place;
7. Highest impact or catalytic value of the interventions.

• Reviewing the feasibility, conflict sensitivity, gender sensitivity and appropriateness of Stabilization Facility interventions;
• Providing policy guidance where required;
• Identifying obstacles to implementation and impact and agreeing on steps to address these;
• Ensuring that minimum levels of funding are available through the Facility to have an impact in areas of intervention;
• Undertaking financial scrutiny of interventions, in particular to ensure their cost effectiveness;
• Reviewing periodic progress and financial reports;
• Reviewing risk mitigation measures (including in relation to financial management).

The Stabilization Facility will be audited annually by an internationally accredited auditing firm.

Coordination, complementarity with other initiatives and communication

The Stabilization Facility for Libya will coordinate action with other international partners working with the GNA and the Libyan municipalities. Recognizing that the Stabilization Facility is being set up at the time when the GNA is also establishing the national mechanisms for coordination of international assistance to Libya, the Deputy Special Representative of the Secretary General (DSRSG) as the chair of the Facility will be responsible for ensuring information flow between any structure that will be established at the national level and the Facility. In case there would be a need for additional dialogue on coordination between the various stakeholders, Germany has offered to facilitate such dialogues.

At the activity level, the Facility will ensure that mapping of existing interventions and discussions with other international partners working on similar or complementary activities will be undertaken as part of the quick needs assessment process to ensure synergy of international assistance and to maximise the use of partner funds for the benefit of all Libyans. UNDP will seek to work in a collaborative manner complementing efforts that are already on-going in Libya.

UNDP will support the GNA in communicating about the project to the Libyan population and facilitate contact between the GNA and municipalities to ensure that the project is communicated at the local level as the contribution of the GNA. A communications officer will be placed in Tripoli to be close to the GNA and will also be responsible for the project reporting.

Project team

The project will be managed by the Stabilization Manager who will report directly to the UNDP Libya Country Director. The Stabilization Manager will have the overall responsibility of the project implementation and delivery. S/he will be supported by a project team including a Stabilization Advisor seconded by the UK government, regional local governance specialists deployed in the different regions of Libya; engineers to be deployed in the regions to monitor the infrastructure works, and one engineer to be recruited to be based in Tunis and provide overall monitoring and quality control. The project team will also include a Reporting/Communications officer based in Libya, and will be supported by Monitoring and Evaluation specialist and the Programme Coordinator whose costs will be shared with another project, operations manager, procurement specialist and administrative/finance officer.
1. The first step will be for the board to agree on the initial target locations based on the selection criteria outlined above.
2. Once the board agrees with the locations, concerned local authorities are invited to discuss with the GNA on the stabilization needs. The facility will facilitate this dialogue between the GNA and the local authorities.
3. If there is an agreement to go ahead, rapid needs assessment missions are deployed to assess needs within the municipality, and to facilitate local prioritization exercises.
4. Assessment results are reviewed and prioritization is conducted in consultation with the local authority.
5. Implementation of the selected initiatives can start and should take no longer than six to twelve months.

The below graphic demonstrates the different steps required:
Implementation arrangements: there are four main elements that should be considered in the implementation arrangements:

- **Access**: The implementation of the light infrastructure rehabilitation window will be one of the most visible element of stabilization. The capacity of municipalities is also very low especially for implementing capital investment funds. Therefore, delivering these stability interventions will require contracting companies to undertake the works as well as independent engineers and technical experts on the ground. Given the constraints on movements and communications created by the conflict, UNDP will deploy technical capacity at the local level composed of engineers and technical experts for quick assessment followed by immediate delivery. National and International experts will be contracted through third-party arrangements which will allow the experts to work inside Libya and for greater operational flexibility at the local level. This means that instead of UNDP hiring staff, they will be hired by a third-party company but will report to UNDP. (The third party arrangement for the deployment of national and international experts inside Libya is already in place in UNDP and operational).

- **Speed**: The Stabilization Facility has an initial time line of 2016-2017 but each stabilization intervention should aim to be implemented within 6-12 months from the agreement with the local authority on the intervention (and depending on the nature of the activity). This implies the capacity to process procurement of equipment and contracting in a rapid manner. UNDP will manage an Operations team specifically dedicated to delivering the projects, and benefits from the fast track modality, and long-term agreements with specific companies to ensure that procurement of works and goods will take place fast.

- **Monitoring**: The monitoring of stabilization interventions on the ground will be undertaken by staff contracted through the third-party mechanism and will report to the Stabilization Advisor.

- **Risk-informed Decision-making**: To ensure a risk-informed and conflict sensitive programme implementation, the SFL will permanently assess the situation in the country and relate it to the actual programme implementation. The SFL will look at following critical risks: (1) political context and possible political leverage; (2) the security situation; (3) the programme risks (i.e. conflict sensitivity); and (4) the operational risks.
V. MONITORING FRAMEWORK AND EVALUATION

The Programme will be monitored and progress reported in accordance with UNDP standard procedures.

The Programme’s RRF provides performance and impact indicators for implementation and verification. On this basis, day-to-day monitoring will be the responsibility of the Project Manager who will utilize primary activity implementation data coming from field teams and implementation partners.

In accordance with the POPP, the Programme will be monitored through the following actions:

Within the annual cycle

- a Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events
- on a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in a Quality Management Table.
- Quarterly Progress Reports (QPR) will be submitted by the Project Manager to donors through UNDP Project Assurance, using the standard report format available in the POPP, as well as to the Programme Board and Local Boards.
- an Issue Log will be activated in Atlas and updated by the NPC to facilitate tracking and resolution of potential problems or requests for change.
- based on the initial risk analysis submitted (see Annex 1), a Risk Log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- a Lessons-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project

Annually

- Annual Review Report. An Annual Review Report shall be prepared by the Programme Team and shared with the Programme Board, the Local Boards and the Outcome Board in HQ. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPRs covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.

VI. LEGAL CONTEXT

This programme document shall be the instrument referred to as such in Article 1 of the SBAA between the Government of Libya and UNDP, signed on 20 May 1976.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the executing agency and its personnel and property, and of UNDP’s property in the executing agency’s custody, rests with the executing agency.

The executing agency shall:

a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;

b) Assume all risks and liabilities related to the executing agency’s security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The executing agency agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be
accessed via http://www.un.org/Docs/sc-committees/1267/1267ListEng.htm. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.