

Section 4, Annex A

Call-down Contract

Terms of Reference

Supporting Partnerships for Accountability and Civic Engagement (SPACE) in Burma: Management of Pyoe Pin

Introduction

Supporting Partnerships for Accountability and Civic Engagement is a new programme supported by DFID to improve engagement between government and the people in Burma/Myanmar. The funding will support civil society and local authorities to make public institutions more responsive to people's service delivery and economic needs.

SPACE is comprised of four components;

1. Fostering partnerships for reform: DFID will support Pyoe Pin for two years to strengthen partnerships around reforms that bring about tangible improvements in people's lives.
2. Building community capacity to engage with local government: DFID will build the capacity of citizens and local organisations in one state and one region¹ to become better at articulating what they want from local government, better at monitoring what it does, and better at holding it to account.
3. Building local government capacity to engage with communities: In the same state and region, DFID will fund the World Bank and UNDP to build the capacity of Township and Village Tract authorities to respond better to the needs of communities
4. Evidence and Learning: DFID will appoint a new team to learn as much as possible from the above initiatives in terms of what works and what doesn't in fostering a more productive relationship between local government and communities.

DFID will be issuing separate competitions (for components 1, 2 and 4). Component 3 is not being tendered.

Competitions for each component will be assessed independently on their own merit. Bidders should note that the evaluation of the component 4 bids will require for a robust degree of independence from management of other components to be demonstrated.

These terms of reference are for Component One: Managing Pyoe Pin.

¹ Myanmar's principal administrative sub-divisions comprise 7 Regions (the central Bamar area) and 7 States (the ethnic-minority dominated border areas).

Objective

1. The objective of Component One: Managing the Pyoe Pin Programme is to strengthen partnerships around issues of concern to people in Burma/Myanmar in order to promote more inclusive governance and improved development outcomes. This component of SPACE will build on nine years of DFID investment in the Pyoe Pin programme.
2. DFID is seeking the services of a supplier (the 'supplier') to manage the programme for a third phase, of twenty four months (April 2017- March 2019). Pyoe Pin will work alongside the other three components of SPACE, as set out in the business case.
3. In this third phase, DFID is seeking to build on the success of the issue based approach to inclusive institutional reform in ways that a) respond to Burma/Myanmar's fast changing context b) can be measured and communicated accessibly and c) supports long-term sustainability.

Background

4. The Pyoe Pin programme has supported inclusive governance in Burma since 2009. The approach aims to build locally led partnerships of interest around issues that are important to both people and broader processes of inclusive governance reform. The selection of issue based programmes (IBP) and the type of support provided are informed by political economy and institutional analysis. A small programme team provide direct facilitation support and grant financing to civil society organisations and networks to enable them to promote positive change.
5. To date, the programme has worked on a wide range of issues, including health (maternal, new born and child health, HIV/AIDS), natural resource management (land, forestry, fisheries), legal aid and garment sectors. The approach focuses on issues that directly affect people's lives, with the primary aim of fostering more inclusive institutions for the future.
6. Pyoe Pin has demonstrated how a policy 'issue' can be a means for civil society and other groups in Burma to engage with the government and other powerholders (including business elite and ethnic organisations) to ensure that reforms in institutions and laws respond to their needs. It is the approach itself, rather than specific successes within particular issues – positive as they have been – that forms a strong basis on which to continue supporting and strengthening civic engagement in Burma/Myanmar.
7. The operating space for Pyoe Pin has changed since the programme began. The range of policy reform areas, and spaces for engagement, have increased.

Funding for civil society and reform processes have diversified, if not increased. In the coming two years we will be testing the effectiveness of the Pyoe Pin approach to add value and achieve results in this new context as one component of SPACE. In addition, DFID is looking for innovation in terms of ensuring the sustainability of the approach through institutionalisation and diversification of funding sources.

Recipient

The recipient of this programme is DFID Burma, though ultimately the benefits of the programme will flow to citizens in Burma/Myanmar.

Scope of Work

8. The supplier will be required to apply and develop the issue based programme (IBP) approach to develop partnerships that support inclusive institutional change. It is expected that this will follow the successful model developed under phase 1 and 2 of Pyoe Pin, but offers scope for innovation. The key tasks will include:
 - a. Political and institutional analysis: drawing on a deep understanding of the transitional context in Burma/Myanmar and identifying options for IBP engagement to be supported. Further detailed analysis at the IBP level (exploring institutions, actors and incentives) to develop strategies for supporting positive change
 - b. Facilitation, technical support and capacity building: Strong capacity to engage with a wide range of actors (civil society, government, private sector, ethnic groups and political parties) and act as a neutral facilitator in support for partnership building and specific activities. Provision of responsive technical assistance, research and capacity development to local partners.
 - c. Responsive grant making: Developing systems to deliver responsive funding to change agents while ensuring robust systems of financial and technical assurance
 - d. Monitoring and communication of contribution to change: Ability to develop and apply innovative and effective systems to plan and measure contributions to change, and communicate the value of support (both to DFID and other actors)
 - e. Adaptive and strategic programming: ensuring that all activities are highly responsive to the changing local context with a clearly articulated strategic vision (to feed into 6 monthly strategy testing)

Requirements

9. Strategic focus: The provider will be required to establish at least 5 issues based programmes (IBPs). The selection of IBP should be closely aligned to DFID's

priority areas of work, as well as building on areas of work where Pyoe Pin has a comparative advantage. Priority areas of focus include:

- a. Natural resource governance (land, forestry and fisheries)
 - b. Basic Service Delivery (primary education and universal health)
 - c. Inclusion and accountability (right to information, gender equality and social inclusion)
10. Within these broad areas, providers will be define specific policy or institutional reform opportunities that demonstrate significant contribution towards developing more inclusive laws and institutions (rules of the game) with an emphasis on enabling improved development outcomes for groups that are marginalised or left behind. It will be the responsibility of the provider to suggest issue based programmes, or areas of work, but the final decision will be subject to agreement by the project steering committee (see para 28).
11. The supplier is expected to be a facilitator, not a direct implementer. Its role is to foster partnerships between key actors, and build vertical and horizontal linkages between civil society groups and individuals. Emphasis needs to be given to understanding what others are doing, where there are gaps and opportunities, and therefore how Pyoe Pin can add value. The success of the programme will be measured by the extent to which Burmese civil society groups and other actors are working effectively together, as a result of the programme, to influence policy and other changes that have a tangible positive impact on people's lives.
12. Given the increasing complexity of the reform process in Myanmar, a major emphasis of Pyoe Pin will be to understand what others are doing, forge linkages and identify gaps that can be addressed by the programme. This requires strong analysis, relationship building and adaptive ways of working to ensure that Pyoe Pin remains strategic and responsive.
13. Grant making and sub-contracting: At least 50% of DFID's funding to this component is expected to go to local partners to support activities around common issues, which may be pilot projects, policy-focused research, advocacy and dissemination. Effective grant management is an important part of the supplier's responsibilities.
14. Before funding any new civil society partner, the project manager should carry out due diligence checks to ensure that the partner has the governing structures and capacity to undertake the activities they are proposing. The supplier should also consider whether the organisation has connections with political or other groups, or is articulating views, that could prove a reputational risk to DFID and HMG. It is the responsibility of the supplier to consult with FCO and DFID if there

are any doubts in this regard. This assessment should be updated during implementation. Where a partner organisation is not working in a sufficiently accountable way, or is failing to achieve progress in forming effective partnerships for change, the supplier should consider ceasing funding to that organisation. DFID policies on anti-corruption and fraud, and assurances that no funds will be used to support terrorism, need to be reflected in all activities.

15. Funding agreements with partner organisations should clearly set out the scope of activities to be funded, the expected results, the budget and schedule of payments, and guidance on inventories and unspent funds. The supplier should run robust due diligence analysis on all sub-contractors to ensure the partner organisation's financial controls are working and that financial administration and procedures are sound.
16. The supplier should keep detailed records on each sub-grant, which will be available for inspection or auditing by DFID on request. Records should show the steps the supplier has taken to ensure that funds are spent on agreed activities.
17. The supplier will be required to ensure that they have local authorisation to implement this programme in Burma/Myanmar through registration and Memorandum's of Understanding as appropriate.

Performance Requirements

18. The programme's outcome will be defined in terms of the quality of joint working by civil society and other actors around issue based programmes, within and beyond the organisations supported by the project, to influence change. There are also secondary outcomes (e.g. improvements in service delivery, improved economic opportunities, and community access to the use of natural resources and the environment) resulting from the activities in issue-based programmes. Monitoring needs to focus primarily on processes of change, with a clear line of sign to tangible impacts on beneficiaries. The supplier will be required to propose a monitoring and results framework within 3 months of signing the contract. Feedback from partners and beneficiaries (where applicable) will be required as part of the monitoring process.

Reporting

19. Reports should be concise, evidence-based and focused primarily on processes of change, together with specific measurable outputs (where applicable) and activities.

20. Management meetings will take at least once a month, likely more frequent during the start-phase. The advisory board will be consulted at least once every 6 months and steering group at least once a year.
21. The supplier will be required to present periodic plans, including detail on context assessment, partnerships, expected results, and costings for approval in management meetings (with inputs from advisory and steering groups as required). Approval of the initial strategic plan will need to take place within three months of signing the contract, following which strategy meetings will take place at least every six months.
22. The Supplier is required to submit an inception report by 15th August and present this for review by DFID and the steering/advisory groups (as determined appropriate).
23. Monthly meetings with DFID will update on progress, risks and the delivery plans. The supplier is required to keep an updated risk register, asset register, value for money framework and quality assurance framework in line with DFID policies. The supplier would be expected to maintain an up-to-date fund-stream map, which enables DFID Burma to track quickly, transparently and accountably where DFID funds are flowing.

Timeframe

24. DFID expects the Pyoe Pin component of SPACE to be operational from May 2017 to April 2019.
25. The supplier is initially contracted for 3 months start-up phase only and progression to full implementation is dependent upon supplier performance, continued demonstration of VfM and the requisite DFID approval processes. Upon DFID's satisfaction of those this contract will be subsequently amended and the contract duration will be extended to April 2019.
26. During the start-up phase, the supplier will be required to scope out options (in consultation with DFID) and develop a detailed proposal on IBPs which are supported by political economy analysis and partnership assessments. The supplier will also be required to present an appropriate monitoring and evaluation framework and result framework (log frame) for review by the programme steering committee.
27. Start-up Phase activities are as follows:
 - Overall Monitoring and Learning Framework designed
 - Brief overall PEA produced
 - 6 month workplan produced
 - Minimum 5 IBPs developed including:

- Initial PEA for each IBP (enough to provide rationale and analysis – more detailed PEA to be undertaken during implementation)
- ToC
- Project Design
- MEL
- Partners (for first 6 months of implementation)
- Budget

28. DFID reserves the ability to either scale-up or scale-down the services being delivered at any time, subject to the outcome of the annual review. DFID will also have the right to terminate the contract at any point where it has strong justification that the programme is not delivering the intended results and/ or does not offer value for money to DFID.

29. The supplier should be prepared to amend its strategy, work plan and budgets should any circumstances arise in which DFID decides to scale the programme up or down and the supplier should be aware of the need for a contract amendment this being the case.

Budget

30. Financing mechanism: Suppliers are invited to propose a payment modality for consideration by DFID. A proportion of payments should be linked to achievement of milestones set out in the 6 monthly plans, on the understanding that these milestones will be redefined over time. The supplier will be responsible for relevant taxes (e.g. VAT, customs duties) included in the budget and all financial forecasts throughout the project, in accordance with DFID guidance.

DFID Coordination

31. The Pyoe Pin team will report directly to the DFID Senior Responsible Owner for SPACE and the DFID programme team through management meetings. An advisory board and steering committee for SPACE will review periodic plans, performance and input into strategy testing.

32. The supplier will be required to coordinate closely with other components of SPACE, including new civil society approaches in selected states and regions, investments in local development funds and local authority capacity development, and Evidence and Learning activities. This will include sharing strategic plans and partnership arrangements to ensure there is complementarity. Pyoe Pin is also required to work closely with other DFID supported programmes and, other HMG departments to share analysis and learning and support delivery of UK funded programmes.

Sustainability

33. DFID will actively encourage the programme to diversify the funding base during the initial two years, with a view to enabling longer term sustainability. Defining the nature of the programme going forward (as civil society facility or think tank) and the institutional basis that enables direct funding from other sources will be one important aspect of the innovation during this phase.

Duty of care

31. The Supplier is responsible for the safety and well-being of their Personnel and Third Parties affected by their activities under this contract, including appropriate security arrangements. They will also be responsible for the provision of suitable security arrangements for their domestic and business property. Further information for the expected DoC requirements are provided below and see the attached Annex 1.

DFID will share available information with the Supplier on security status and developments in-country where appropriate. DFID will provide the following:

All Supplier Personnel will be offered a security briefing by the British High Commission/DFID on arrival. All such Personnel must register with their respective Embassies to ensure that they are included in emergency procedures.

A copy of the DFID visitor notes (and a further copy each time these are updated), which the Supplier may use to brief their Personnel on arrival.

The Supplier is responsible for ensuring appropriate safety and security briefings for all of their Personnel working under this contract and ensuring that their Personnel register and receive briefing as outlined above. Travel advice is also available on the FCO website and the Supplier must ensure they (and their Personnel) are up to date with the latest position.

The Service Provider must develop their proposal on the basis of being fully responsible for Duty of Care in line with the details provided above and the initial risk assessment matrix developed by DFID (see Annex 1). They must confirm in their Tender that:

- They fully accept responsibility for Security and Duty of Care.
- They understand the potential risks and have the knowledge and experience to develop an effective risk plan.
- They have the capability to manage their Duty of Care responsibilities throughout the life of the contract.

Acceptance of responsibility must be supported with evidence of capability and DFID reserves the right to clarify any aspect of this evidence. In providing evidence Tenderers should consider the following questions:

- i. Have you completed an initial assessment of potential risks that demonstrates your knowledge and understanding, and are you satisfied that you understand the risk management implications (not solely relying on information provided by DFID)?

- ii. Have you prepared an outline plan that you consider appropriate to manage these risks at this stage (or will you do so if you are awarded the contract) and are you confident/comfortable that you can implement this effectively?
- iii. Have you ensured or will you ensure that your staff are appropriately trained (including specialist training where required) before they are deployed and will you ensure that on-going training is provided where necessary?
- iv. Have you an appropriate mechanism in place to monitor risk on a live / on-going basis (or will you put one in place if you are awarded the contract)?
- v. Have you ensured or will you ensure that your staff are provided with and have access to suitable equipment and will you ensure that this is reviewed and provided on an on-going basis?
- vi. Have you appropriate systems in place to manage an emergency / incident if one arises?

Transparency Requirement

DFID has transformed its approach to transparency, reshaping our own working practices and pressuring others across the world to do the same. DFID requires Suppliers receiving and managing funds, to release open data on how this money is spent, in a common, standard, re-usable format and to require this level of information from immediate sub-contractors, sub-agencies and partners

It is a contractual requirement for all Suppliers to comply with this, and to ensure they have the appropriate tools to enable routine financial reporting, publishing of accurate data and providing evidence of this DFID – further IATI information is available from;

<http://www.aidtransparency.net/>

Annex 1

Supporting Partnerships for Accountability and Civic Engagement (SPACE) in Burma

Programme Context

Political context: a fragile democratic transition

1. In November 2015, Aung San Suu Kyi's National League for Democracy (NLD) won control of the Union Parliament and all but one of Burma's 14 state and regional parliaments.² NLD's landslide victory marked a significant shift in the country's political context, as part of a broader – and ongoing – political transition. For the first time in six decades, Burma has the opportunity to consolidate peace, shift from a closed to an open economy, and move away from dictatorship to democracy.
2. Yet this so-called 'triple transition' is fragile, and will be tested in the next four years. Whilst the election results signify a high level of government legitimacy, the results mask multiple underlying political tensions that remain in Burma. The army retains control of 25% of seats in Parliament, and three key ministries: defence, home affairs and border affairs. The decades of military control leave a legacy of mistrust between citizens³ and most government activity. There are ongoing violent conflicts in four of Burma's seven border states. In order for Burma to consolidate the opportunity to transition away from dictatorship to democracy, government institutions will need to demonstrate they can and will respond to public expectations. This is by no means guaranteed.
3. Government capacity to deliver services to citizens is very weak. Under dictatorship, engagement between policy makers and citizens was limited to non-existent. As such, public officials are untrained in the role of government, in what a civil service can achieve, and in how to consult and agree on policy. This lack of effective governance has undermined poverty reduction. Although poverty levels have fallen in the last decade, Burma remains the poorest country in South East Asia; nearly 3 in 10 people lack access to water, and 1 in 4 lack access to sanitation.⁴
4. Similarly, ordinary citizens have had very little engagement with government for six decades. For most people, their only experience of government has been negative, frequently violent, and extractive. As such, there are only very low levels of trust; in government and more generally. A recent civic values survey found that 77% of respondents believed that most people cannot be trusted.⁵

² Burma is constitutionally divided into 7 ethnic 'states' and 7 Bamar 'regions'. Administrative arrangement in states and regions are the same.

³ Many of the poorest and most vulnerable in the country are not technically recognised as "citizens". SPACE will ensure that it reaches all people, especially the poor and vulnerable.

⁴ *Analysis of Poverty in Myanmar, 2016*, World Bank and Government of Myanmar Ministry of Planning and Finance

⁵ *Myanmar Civic Values Survey, 2014*, The Asia Foundation

Roughly two-thirds of people feel that their government is doing nothing to respond to their needs, and do not feel free to express their views on government in public.⁶ Only about a third of people have any knowledge of how government funds are spent in their location.⁷ Most people rely on village level leaders to solve their problems and provide information about government programmes. On both citizen and government sides, there is a strong legacy of mutual suspicion that will need to be broken down if Burma's political transition is to succeed.

5. The ongoing political transition presents many key opportunities to tackle these challenges, to address these underlying causes of poverty, and to support Burma to build an effective and more inclusive state. Major policy issues that affect the poor are currently being debated at the national level, including land policy, the rule of law, how services should be delivered, and natural resource management. Given NLD's strong links at the sub-national levels of government; state and regional parliaments are also emerging as new arenas for policy reform. The new government needs to balance the brokering of the national level peace agreement with responsiveness and tangible service delivery improvements at the local level.

The role of civil society in Burma's transition

6. Understanding people's needs and formulating inclusive policies and practices are critical to building stability in fragile states.⁸ Greater civic engagement in policy and decision-making can make the state more responsive and build the foundations for a stable democratic transition. The role of civil society in Burma changed fundamentally in the wake of Cyclone Nargis in 2008: for the first time in decades, the military government accepted assistance from outside. This opened the door for local civil society to engage on service delivery and to start engaging on policy advocacy. Whilst to date, this has largely meant civic engagement with government in the form of opposition, Burma's current context offers the chance for civil society to shift towards a more collaborative approach. The success of both civil society and government in adapting their approach to working together will be critical to ensure the continued positive political transition in Burma, more accountable government, and more inclusive service delivery.
7. Evidence suggests that these shifts in approach take time.⁹ Success usually depends on building partnerships between key stakeholders (civil society, the private sector, and – in the case of Burma – the military and ethnic groups). Bringing these stakeholders together around common issues can build trust and collaboratively lead to inclusive policy development. DFID has a track record of successfully supporting this type of civic engagement in Burma. The **Pyoe Pin** (Green Shoots) programme was established in 2007, under military rule. The

⁶ *State of Local Governance in Myanmar – Synthesis Report*, 2015, UNDP

⁷ *State of Local Governance in Myanmar – Synthesis Report*, 2015, UNDP

⁸ *Building Stability Framework*, 2016, DFID

⁹ *Conflict, Security and Development: The World Development Report*, 2011, World Bank

programme was established to identify 'issues' of common concern to multiple stakeholders and then bring them together to try and improve government policy. The programme was specifically designed to establish inclusive partnerships as an approach to civic engagement that could potentially be built on at such a time when Burma's political context began to open up. At the time, no one knew when any political shift might occur: the programme was therefore small and adaptive in its approach. Pyoe Pin was allowed to analyse issues for potential support and to try to establish partnerships in focused areas. The programme anticipated that not every partnership would necessarily succeed: it was designed to try multiple approaches and try new strategies along the way. This flexibility enabled Pyoe Pin to build the potential for strengthened civic engagement with government.

8. Over time, the programme was able to demonstrate many successful outcomes from this 'issue-based approach' that gave rise to new laws and ways of working. For example, its work on **fisheries policy in Rakhine state** is now recognised as one of the strongest such laws in South East Asia. By forming a small partnership amongst fishing communities, civic groups, government and the private sector, the Rakhine State government changed its policy. The law is now being replicated in other areas of Burma. As such, Pyoe Pin has demonstrated the potential to expand work on issue areas that are succeeding. Pyoe Pin has also curtailed a number of initiatives where opportunities to engage with government proved closed.
9. The policy 'issue' – in this case on fisheries – however, is less relevant in terms of programme success than the approach of the programme itself. The 'issue-based approach' – be that of fisheries, community forest management, land rights or other – proved to be a means for civil society and other groups in Burma to engage with their (military) government; something that few had succeeded in doing in two generations. It is the approach itself, rather than specific successes within particular issues – positive as they have been – that forms a strong basis on which to continue supporting and strengthening civic engagement in Burma. For examples of Pyoe Pin supporting shifts in government policy in order to make them more inclusive, see Box 1.

Box 1: Pyoe Pin – examples of successful support

Since May 2011 Pyoe Pin has supported **6,127,726 people** to have choice and control over their own development (3,047,489 male, 3,080,237 female). The main vehicle to achieve this has been support to 26 formal civil society networks plus other informal networks. Today this represents a reach to 766 organisations across Burma.

Notably, Pyoe Pin support has contributed to the following policy reforms:

The most progressive **Fresh Water Fisheries** legal framework in South East Asia, which was the product of over two years of consultation by a partnership that includes parliamentarians, local NGOs, the Department of Fisheries, lawyers, private sector and fisher communities of different ethnicities.

The HIV network leaders have been successful in working with MPs for the 2014 revision of the **Association Law**, and are now helping shape a new Right to Information Law. HIV networks are also working directly with MPs to improve the legal environment to enable vulnerable populations to access services. This approach is now being replicated to broker support from the village up to the highest government levels around the issue of **Universal Health Coverage**.

Establishment of the Myanmar Alliance for Transparency and Accountability (MATA) as a regional network to support the government's monitoring of public revenues derived from extractives sectors in line with the Extractive Industries Transparency Initiative (EITI). Building on this foundation, civil society engagement in EITI is now financed through DFID's partnership with the World Bank on public financial management.

Pyoe Pin supported the formation of the Yaung Zin Teacher Development Group to improve **non-state sector education for the poorest children** by training 2,500 teachers in 730 monastic, ethnic and community schools to a standard that supports integration between ethnic and government education systems.

Myanmar's first ever **Legal Aid Law**, which was passed in January 2016, was a result of evidence-led advocacy by the Myanmar Legal Aid Network (MLAW). Leveraging Pyoe Pin's multi-sector connections, MLAW consulted with over 500 representatives from civil society organisations (CSOs), bar associations, legal firms, unions and political parties alongside the Bill Committee.

10. Supporting this kind of partnership will remain important in the next few years as Burma consolidates its political transition. Nonetheless, now that the opportunities for civic engagement with government are beginning to expand, it is time to consider Pyoe Pin's issue-based approach, and test new approaches as well. Indeed, given the changed political context, there are now a growing number of initiatives on civic engagement in Burma. As yet, there is limited policy coherence or coordination between them.

Space to act: the need for policy coherence

11. DFID undertook a brief review of civic engagement activities in Burma during 2016.¹⁰ There are three principal types of activity currently being supported, in various parts of the country, by various international and national organisations: Participatory Governance, Sub-National Governance, and Civil Society Strengthening.

¹⁰ *Local Governance and Civil Society Stocktake*: QUEST number 5610786

- A. **Participatory Governance:** the Government of Myanmar is supporting locally-led community development programming through the World Bank in approximately 20% of the country's townships. The US\$ 550 million National Community-Driven Development Programme (NCDDP) is supporting citizens at village level in Burma to design and implement small-scale infrastructure programmes in their communities. In addition, various non-government organisations (NGOs) are implementing livelihood and basic service programmes across the country at village and township levels. This includes projects supported through DFID-backed multi-donor Livelihoods and Food Security Trust Fund (LIFT) and the multi-sector health fund, 3MDG. Finally, a number of international non-governmental organisations are also supporting village-level planning programmes in various parts of the country, often in conjunction with local NGOs.
- B. **Sub-National Governance:** UNDP is piloting a new approach to planning at township level,¹¹ focused on supporting government officials better to engage with citizens. The programme builds on UNDP's previous support to the government's General Administration Department (GAD) to establish 'one stop shops' (OSS) in all townships across the country. These are meant to enable citizens to go to one place to ask about and comment on any township level administrative service, for example applications for identity cards, recommendation letters for job or education applications, or tax payment certification. The World Bank is considering whether further to expand this programme as part of a broader programme of public sector reform across Burma. UNDP have also initiated a new programme to support village tract administrators to engage with citizens, and report priority concerns up to the township, districts and state/region levels of government. Activity began in June 2016 in two townships, one in Bago region and one in Mon state. The Swiss Development Cooperation (SDC) is planning to fund the expansion of this activity to ten townships in Mon state from 2017. In addition, DFID has supported The Asia Foundation (TAF) to undertake analysis of local government systems as part of its Public Financial Management and Planning support. In time, this programme will pilot new approaches to revenue raising at municipal level and support planning and budgeting reforms in up to four selected states or regions. The EU has a local government support programme in the Tanintharyi region which includes a focus on improving dialogue between civil society organisations and local authorities. Oxfam has recently launched a social accountability programme in conflict affected areas (Rakhine, Kachin) which builds on experience of supporting citizen forums in the Delta region.

¹¹ Governance in Burma has currently structured around 3 main levels of government: (i) Union (or National), (ii) State/Region, and (iii) Townships (of which there are 330). Townships are divided in to Village Tracts, Villages and Wards. The Village Tract Administrator is indirectly elected by leads of groups of 100 households, and is the main point of contact between communities and Township and higher authorities. Municipal authorities are under the management of state and regional governments, and are established in all Townships to oversee services (including some tax collection activities, all urban wards).

C. **Civil Society Strengthening:** USAID and the EU have both established civil society grant-making mechanisms around specific issues, including human rights, democracy, and vulnerability. A number of national non-governmental organisations, many of which have previously been supported by DFID through Pyoe Pin are now directly accessing funding through sector-specific programmes, for example extractives industry monitoring as part of the World Bank manage programme on Public Financial Management, gender policy advocacy through LIFT, or peace and communal harmony through the Peace Support Fund.

12. All the above examples demonstrate the current enthusiasm both on the part of civil society to engage with their new government structures, and on the part of the international community to provide support. Nonetheless, there remain various gaps in the support being provided and major opportunities to improve the coordination of implementation and policy support. The principal gaps in current civic engagement support in Burma relate to:

- Lack of evidence on what works. Given the fast-changing political context in Burma today, and the very recent shifts in how government operates, no one yet knows how best to support improved accountability in government processes in Burma's diverse social and geographical contexts. In addition, not all those involved in programming on the areas set out above are monitoring their impact. There are significant knowledge gaps amongst both the international community and Burma civil society that need to be addressed.
- Coordination and Policy Support: The strengths of testing new approaches, and seizing opportunities for learning, need to be balanced against the potential for fragmentation. There is an important opportunity in coming years to support the development of government policy making, including on the role of civic engagement, as well as the structures for departmental coordination and allocation of responsibilities to local levels of government. No one is currently providing this support to government and DFID can play an important role in supporting more coherence amongst international efforts to support local government reform and policy development.

13. As a result of this evolving picture, in 2015, DFID established and now co-leads (with UNDP) a donor working group on civic engagement and local governance. The group aims to improve coordination amongst stakeholders, and increase communication and knowledge sharing.

Why should the UK provide support?

14. The analysis above sets out that, with the political context having changed in Burma, there is both need and opportunity to support improved government

accountability in Burma. Providing such support is important for the continued positive political transition currently unfolding. There are opportunities to support approaches with both government and non-government stakeholders. Yet, much of the current support from the international community is uncoordinated and impact is not being monitored consistently.

15. The Pyoe Pin programme has demonstrated that an issue-based approach to civic engagement can achieve successful results in even the most constrained political environment. Now that Burma's political context has changed, it is time to consider that approach, and test out other opportunities currently being presented.

16. Having supported both Pyoe Pin, and the establishment of a donor working group, the UK has credibility in Burma to continue its support to civic engagement. The evidence suggests the Supporting Partnerships for Accountability and Civic Engagement in Burma programme (SPACE) should therefore potentially include up to four principal areas of activity:
 - I. **Pyoe Pin** on 'issue-based' approaches of working to strengthen civil society networks and partnerships with government and private sector actors, around inclusive policy reforms; but only for a limited timeframe (2 years)
 - II. **Civic Engagement Support Facility**: Testing new ways for civil society, government and other actors (including ethnic organisations and the private sector) to work together to achieve inclusive, effective and accountable governance in a selected state and region (use first 2 years to test; expand during years 3 and 4)
 - III. **Local Governance**: Providing technical advice, assistance and funding to local authorities to engage with citizens and enable them to respond better to the needs of communities in their areas (in the same state and region); the different approaches by the World Bank and UNDP offer initial good opportunities from which to learn and build evidence
 - IV. **Evidence and Monitoring**: Generating evidence of what works in the various approaches adopted in each of the other activity areas. An independent evaluator will (i) routinely test programme theories of change, strategies, and outcome achievements; (ii) share findings both with SPACE and other DFID Burma service delivery programming; and (iii) foster the uptake of these findings by service delivery stakeholders across Burma (government, civic groups, donors), notably through the donor working group on civic engagement and local governance.

Impact and outcome

17. We are looking to the programme to contribute to the following **impact**:

- Public institutions more responsive to people's service delivery and economic needs

The programme is intended to have the following outcome:

- Citizens are more able to engage with public institutions, so that (i) policies are more inclusive and (ii) access to services improves.

The specific **results** that we currently expect to produce, which will be further refined during implementation, are as follows:

- Civil society-led partnerships strengthened around at least five areas of constraint to poverty reduction in Burma (for instance natural resource governance; including land, fisheries, and forests; basic health and education services; and the right to information).
- Improved participation and transparency in public investment and service delivery decisions in one state and one region
- Improved local government capacity to identify and respond to people's needs in at least four townships, potentially reaching one million people
- Evidence of effective approaches to civil engagement generated and used by the full range of service delivery stakeholders in Burma (government, civil society and donors).

18. Specific results, as associated targets, will be defined and reviewed by the Programme Board every six months. This approach is required to enable delivery partners adapt activities that achieve the outcome level changes that SPACE has defined. The outline results framework will be developed into the programme log frame within six months of approval of the programme.

19. DFID will be focusing activities under the SPACE programme in one state and one region. This recognises the need to understand the granular detail of the local social and political context in order to foster accountability and civic engagement. The selection of the state and region will be decided by the Programme Board as soon as possible after the approval of the business case. This selection will take into account the potential to harness linkages with DFID's broader portfolio in Burma and the opportunity to maximising learning on implementation approaches that reflect the diversity of the country.

Gender equality

20. The programme will ensure all areas of activity are focused on equal provision of services and opportunities for men and women. All evidence data generated will be disaggregated by sex to identify disparities and monitor success. This may include specific support to women's organisations and networks to campaign on pressing issues, for example the prevention of violence against women and/or

non-governmental organisations to participate in reporting on the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW). SPACE will aim to contribute to addressing the significant gap in female leadership in Burma's political structures by promoting women's participation at local levels of government. Currently, women hold less than half a percent (<0.5%) of the country's 16,785 village administrator positions. Finally, we will encourage all donors in the working group to adopt gender equality strategies (if they do not already have them) and support all programme implementing partners also to put them in place. This will include partner staffing and training practices as well as codes of conduct.

Summary assessment on terrorism and financing

The terror threat in Burma is currently assessed as moderate. The risk of DFID funds being diverted from SPACE to terrorism activities or terrorist organisations is assessed as low. DFID will conduct Due Diligence on all partner organisations in SPACE followed up by rigorous monitoring of implementation to ensure no funds are diverted for terrorism purposes or the support thereof. DFID Burma staff will enquire with all partner organisations on this programme about their policies and procedures regarding aid diversion for terrorism. DFID Burma staff will remain aware and vigilant of the terror threat levels in Burma throughout the lifetime of this programme.

SPACE – Initial Risk Assessment

The overall risk level on this programme is assessed as MODERATE. The risk assessment will be updated throughout the programme.

Category	Key Risks	Mitigation Strategy	Post-Mitigation Assessment of Risk Level
External	Potential escalation of conflict undermines government focus on institutional reform and inter-ministerial coordination; natural disasters.	On-going context analysis and high level policy engagement (with HMG inputs)	Moderate
Delivery	Closer control of civil society activities by government, politicisation or polarisation of civil society; lack of donor coordination	Robust due diligence for all downstream partners, donor coordination activities, targeted advocacy with FCO on government policy towards civil society and civic engagement	Major
Safeguards	Exclusion (actual or perceived) of marginalised groups from programme benefits;	Positive targeting of disadvantaged groups, concurrent grievance redressal and	Moderate

	potential negative environmental impacts of sub-projects	beneficiary feedback.	
Operational	Delayed approval of local governance engagement based on government and partner negotiations, weak implementation capacity undermined delivery of agreed plans.	Realistic work plans, capacity development support, clear approval process agreed prior to implementation and monitored over implementation	Moderate
Fiduciary	Downstream grants to civil society partners and management of local development funds carry risks of fraud.	Communication over zero tolerance of fraud, fraud checking and assurance systems in place (whistle-blower policies and independent monitoring)	Moderate
Reputational	State/region selection, and/or consultations on programme, not seen as transparent or non-partisan, HMG/DFID strategy of balanced engage with Government and non-government actors scrutinised.	Clear transparency standards set and enforced; concurrent consultation with key stakeholders held; communication plan development and implemented.	Moderate