

Document of  
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Report No: ICR00004807

IMPLEMENTATION COMPLETION AND RESULTS REPORT

(IBRD-80030)

ON A

LOAN

IN THE AMOUNT OF US\$ 26.9 MILLION

TO THE

GOVERNMENT OF ESWATINI

FOR THE

Swaziland Local Government Project (SLGP)

December 20, 2019

Urban, Resilience And Land Global Practice  
Africa Region

## CURRENCY EQUIVALENTS

(Exchange Rate Effective Nov 30, 2019)

Currency Unit  
US\$1.00 = SDR 0.73

FISCAL YEAR  
July 1 - June 30

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## TABLE OF CONTENTS

<b>DATA SHEET .....</b>	<b>1</b>
<b>I. PROJECT CONTEXT AND DEVELOPMENT OBJECTIVES.....</b>	<b>5</b>
<b>A. CONTEXT AT APPRAISAL .....</b>	<b>5</b>
<b>B. SIGNIFICANT CHANGES DURING IMPLEMENTATION (IF APPLICABLE) .....</b>	<b>12</b>
<b>II. OUTCOME .....</b>	<b>13</b>
<b>A. RELEVANCE OF PDOs .....</b>	<b>13</b>
<b>B. ACHIEVEMENT OF PDOs (EFFICACY) .....</b>	<b>14</b>
<b>C. EFFICIENCY .....</b>	<b>18</b>
<b>D. JUSTIFICATION OF OVERALL OUTCOME RATING .....</b>	<b>19</b>
<b>E. OTHER OUTCOMES AND IMPACTS (IF ANY).....</b>	<b>20</b>
<b>III. KEY FACTORS THAT AFFECTED IMPLEMENTATION AND OUTCOME.....</b>	<b>22</b>
<b>A. KEY FACTORS DURING PREPARATION .....</b>	<b>22</b>
<b>B. KEY FACTORS DURING IMPLEMENTATION .....</b>	<b>22</b>
<b>IV. BANK PERFORMANCE, COMPLIANCE ISSUES, AND RISK TO DEVELOPMENT OUTCOME ..</b>	<b>23</b>
<b>A. QUALITY OF MONITORING AND EVALUATION (M&amp;E) .....</b>	<b>23</b>
<b>B. ENVIRONMENTAL, SOCIAL, AND FIDUCIARY COMPLIANCE .....</b>	<b>25</b>
<b>C. BANK PERFORMANCE .....</b>	<b>26</b>
<b>D. RISK TO DEVELOPMENT OUTCOME .....</b>	<b>27</b>
<b>V. LESSONS AND RECOMMENDATIONS .....</b>	<b>29</b>
<b>ANNEX 1. RESULTS FRAMEWORK AND KEY OUTPUTS.....</b>	<b>31</b>
<b>ANNEX 2. BANK LENDING AND IMPLEMENTATION SUPPORT/SUPERVISION.....</b>	<b>39</b>
<b>ANNEX 3. PROJECT COST BY COMPONENT .....</b>	<b>41</b>
<b>ANNEX 4. EFFICIENCY ANALYSIS.....</b>	<b>42</b>
<b>ANNEX 5. BORROWER, CO-FINANCIER AND OTHER PARTNER/STAKEHOLDER COMMENTS ...</b>	<b>49</b>
<b>ANNEX 6. SUPPORTING DOCUMENTS (IF ANY) .....</b>	<b>50</b>



**DATA SHEET**

**BASIC INFORMATION**

**Product Information**

Project ID	Project Name
P095232	Local Government Project (SLGP)
Country	Financing Instrument
Eswatini	Investment Project Financing
Original EA Category	Revised EA Category
Partial Assessment (B)	Partial Assessment (B)

**Organizations**

Borrower	Implementing Agency
Ministry of Housing and Urban Development	Project Support Team - SLGP

**Project Development Objective (PDO)**

Original PDO

The project development objective is assist the Kingdom of Swaziland to develop institutionally strengthened rural local governments (Tinkhundla) and urban local governments.

Revised PDO

The new PDO is to assist the Borrower to develop institutionally strengthened rural local governments (Tinkhundla), ULGs, and to improve the Borrower's capacity to respond promptly and effectively to an Eligible Crisis or Emergency.

## FINANCING

	Original Amount (US\$)	Revised Amount (US\$)	Actual Disbursed (US\$)
<b>World Bank Financing</b>			
IBRD-80030	26,900,000	26,900,000	26,543,917
<b>Total</b>	<b>26,900,000</b>	<b>26,900,000</b>	<b>26,543,917</b>
<b>Non-World Bank Financing</b>			
Borrower/Recipient	4,000,000	0	0
Local Communities	660,000	0	0
Local Govts. (Prov., District, City) of Borrowing Country	2,200,000	0	0
<b>Total</b>	<b>6,860,000</b>	<b>0</b>	<b>0</b>
<b>Total Project Cost</b>	<b>33,760,000</b>	<b>26,900,000</b>	<b>26,543,917</b>

## KEY DATES

Approval	Effectiveness	MTR Review	Original Closing	Actual Closing
20-Jan-2011	12-Mar-2012	02-Jun-2015	30-Jun-2017	30-Jun-2019

## RESTRUCTURING AND/OR ADDITIONAL FINANCING

Date(s)	Amount Disbursed (US\$M)	Key Revisions
29-Nov-2016	16.91	Change in Project Development Objectives Change in Results Framework Change in Components and Cost Change in Loan Closing Date(s) Change in Disbursements Arrangements Change in Implementation Schedule
05-Oct-2017	23.55	Reallocation between Disbursement Categories

## KEY RATINGS

Outcome	Bank Performance	M&E Quality
Satisfactory	Satisfactory	Substantial

## RATINGS OF PROJECT PERFORMANCE IN ISRs

No.	Date ISR Archived	DO Rating	IP Rating	Actual Disbursements (US\$M)
01	05-Jul-2011	Satisfactory	Satisfactory	0
02	27-Oct-2011	Satisfactory	Moderately Unsatisfactory	0
03	12-May-2012	Satisfactory	Satisfactory	0
04	01-Dec-2012	Satisfactory	Satisfactory	.40
05	22-Jun-2013	Satisfactory	Moderately Satisfactory	1.05
06	22-Dec-2013	Satisfactory	Moderately Satisfactory	3.04
07	12-Jul-2014	Satisfactory	Moderately Satisfactory	3.90
08	06-Feb-2015	Satisfactory	Satisfactory	11.94
09	11-Sep-2015	Satisfactory	Satisfactory	11.94
10	12-May-2016	Satisfactory	Satisfactory	14.27
11	27-Dec-2016	Satisfactory	Satisfactory	17.20
12	29-Jun-2017	Satisfactory	Satisfactory	21.95
13	21-Dec-2017	Satisfactory	Satisfactory	26.07
14	26-Jun-2018	Satisfactory	Satisfactory	26.48
15	01-Dec-2018	Satisfactory	Satisfactory	26.48
16	14-Jun-2019	Satisfactory	Satisfactory	26.48

## SECTORS AND THEMES

### Sectors

Major Sector/Sector	(%)
<b>Public Administration</b>	<b>61</b>
Sub-National Government	59
Other Public Administration	2



<b>Transportation</b>	<b>29</b>
Urban Transport	27
Other Transportation	2
<b>Water, Sanitation and Waste Management</b>	<b>10</b>
Other Water Supply, Sanitation and Waste Management	10
<b>Themes</b>	
Major Theme/ Theme (Level 2)/ Theme (Level 3)	(%)
<b>Public Sector Management</b>	<b>16</b>
Public Administration	16
Administrative and Civil Service Reform	5
Municipal Institution Building	11
<b>Urban and Rural Development</b>	<b>85</b>
Urban Development	85
Urban Infrastructure and Service Delivery	54
Services and Housing for the Poor	16
Municipal Finance	15

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## I. PROJECT CONTEXT AND DEVELOPMENT OBJECTIVES

### A. CONTEXT AT APPRAISAL

#### Context

1. **Country Context**<sup>1</sup>. Eswatini is a landlocked, small open economy with a population of approximately 1.2million. The country is largely mountainous with 75.8% of the population living in rural areas. It borders Mozambique and South Africa. Based on the international poverty lines of \$1.9 and \$3.2 a day, it is estimated that 38 percent of the Swazi population lives in extreme poverty and a total of 60.3 percent is poor overall. High levels of poverty and inequality are linked to a high unemployment rate at 23 percent in 2018. Income inequality is also high, with an estimated Gini coefficient of 0.51 in 2009/10. Poverty remains predominantly a rural phenomenon, with 88 percent of those below the national poverty line living in rural areas. An estimated 26% of adults are infected with HIV and AIDS, and 130,000 children are orphans or otherwise vulnerable children. A quarter of the population is dependent on food aid.

2. **Economic Context**. With a Gross Domestic Product (GDP) per capita of about US\$3,500, Eswatini is classified as a lower middle-income country. Eswatini's economy has faced a series of challenges in recent years, including drought in the early years of the decade. The global economic downturn of the last several years have had a negative impact and both manufacturing for export and revenues from the Southern Africa Customs Union have declined. The GOE has little flexibility to respond to the economic downturn due to the resultant decline in government revenues and the high percentage (45%) of the government budget dedicated to the civil service wage bill. External reserves are also under pressure. The country is facing the fundamental policy challenges of maintaining macroeconomic stability and addressing governance and structural impediments to higher and broader economic growth.

3. **National Government Context**. The country defines itself as a “monarchical democracy”, where both parliamentary and traditional systems of governance run concurrently. The King as Head of State holds supreme executive, legislative and judicial powers. He appoints the Prime Minister, 10 of the 76 members of the House of Assembly (the lower house of parliament) and 20 of the 31 members of the Senate. The most recent parliamentary elections were held in September 2018.

4. **Local Government Context**. The country has two categories of local government, namely Urban Local Governments (ULG) and Rural Local Governments, known as *Tinkhundla*. Urban Local Governments are mostly long-established and with a generally supportive legislative environment. Formally, there are two City Councils (Manzini and Mbabane), five Town Councils and six Town Boards (five part of the Project), each with their own elected councils. The two City Councils are facing conditions of severe fiscal distress, characterized by weak revenue performance, high fixed operating costs, and ongoing deterioration in the quality of service delivery. Other Councils and Boards remain heavily reliant on central transfers to finance their expenditures and on central agencies for the provision of infrastructure for local services. There is a total of 55 Tinkhundla or rural local governments in the

<sup>1</sup> Source: World Bank Learning Review – Swaziland Country Partnership Strategy (2015 – 2018)



country. These are mostly in embryonic form having historically focused on relatively simple administrative issues such as the recording and registration of births and deaths rather than basic local service delivery.

5. **Urbanization Context.** About a quarter of Swaziland's population lives in urban areas, and the urbanization rate in the country is approximately 5-6% per annum. Migration to peri-urban areas around the two largest cities (Mbabane and Manzini), which hold 70% of the total urban population, the secondary towns of Matsapha, Ezulwini, Nhlanguano, Siteki and Piggs Peak, and several traditionally administered centers has been accelerating in recent years. This has placed growing pressure on local government structures to scale-up the delivery of basic services for both residents and businesses. Peri-urban growth on traditionally managed Swazi Nation Land (SNL) is uncoordinated and basic services are limited. The Government has struggled to identify and implement effective interventions to improve service delivery in rapidly growing rural or peri-urban settlements. In the absence of formal revenue streams and professional administrators, these areas are dependent upon sporadic service delivery support from central agencies.

6. **Country Priorities.** The 2005 Constitution began to address the problems of local government through the provisions of Chapter 13, which emphasizes a policy of decentralization and mandates the establishment of a single country-wide system of local government. In late 2008, the Government briefly established a unified Ministry of Local Government with a mandate to implement the provisions of Chapter 13, but resistance from traditional leaders resulted in almost immediate disestablishment of that ministry, reestablishment of the MHUD, and creation of a new ministry, namely the Ministry of *Tinkhundla* Administration and Development (MTAD). There are thus two ministries charged with supporting local administrations in Eswatini, one for formal urban areas and a second for rural areas located on Swazi National Land.

7. **Project Context.** The Urban Development Project (UDP), which concluded in March 2005, was the first phase of the Bank's support to the GOE's long-term local governance development program. UDP was aimed at increasing the delivery and improving the management of basic services and improving living conditions of low-income urban household in the two main cities of Eswatini. Following formal requests from the Government of Eswatini (GOE)<sup>2</sup> in 2003 and 2005 a loan of USD 26.9-million was advanced to support the implementation of the Swaziland Local Government Project (SLGP). SLGP built upon achievements and lessons learned from the UDP<sup>3</sup> and expanded implementation to all 12 Urban Local Governments (ULGs). The Project also included 8 targeted *Tinkhundla* (out of a total of 55) with a view of testing a new capacity building system and fiscal structure that can be expanded to all *Tinkhundla* later on. The loan became effective on March 12, 2012 and was officially launched on June 15, 2012 by His Majesty, King Mswati III (see **Annex 6** for additional notes on the time period from concept to effectiveness).

8. The Ministry of Housing and Urban Development (MHUD) was the lead implementing agency, which oversaw the project through the dedicated Project Support Team (PST). The PST comprised of various specialist seconded government officials, led by the Project Coordinator. Close coordination and joint implementation took place with the Ministry of *Tinkhundla* Administration and Development (MTAD) as well as the Ministry for Economic Planning's

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<sup>2</sup> The Kingdom of Swaziland announced an official name change to the Kingdom of Eswatini in 2018. The project is officially named Swaziland Local Government Project and where applicable older policies also retains this naming. Reference to the country has been updated to Eswatini.

<sup>3</sup> Source: Aide Memoire, June 1, 2006



Micro Project Program Team (MPP). A high-level Project Steering Committee (PSC) at ministerial level provided general oversight of the project and met annually.

9. **Project Rationale and Relevance.** The purpose of the SLGP was to improve human, institutional and fiscal capacity for sustainable service delivery for the country's population. The project focused on the delivery of basic services in growth points, informal settlements in the peri-urban areas and in the secondary towns where the incidence of poverty and HIV/AIDS is most pronounced. A fundamental criterion for local governments to access investment funds under the project was for them to demonstrate, against pre-agreed, measurable criteria, that their development proposals responded to local priorities elicited through transparent consultative processes particularly inclusive of the poor. Performance based grants were used to incentivize improvements in performance measures. The SLGP supported the decentralization agenda pursued by GOE as described in the Swaziland Constitution of 2005, which proclaims decentralization as a key principle to improve effectiveness and efficiency at the local level and bring services closer to the population. The Project contributed directly to the Poverty Reduction Strategy and Action Plan (2010) by improving local services and its impact on growth and poverty, as well as on the first Swaziland Country Partnership Framework (CPF) (FY15-18), specially Pillar II on Strengthening State Capacity.

#### **Theory of Change (Results Chain)**

10. The Project Appraisal Document (PAD) did not include a project specific Theory of Change. However, the PAD did set out certain core components of the Results Chain such as Outcomes, Interim Outcomes and Indicators, and as such a Theory of Change could be construed for the purpose of the ICR Report. The Results Chain is indicated in Figure 1 below.



## Swaziland Local Government Project Results Chain

**Project Development Objective:** To assist the Borrower to develop institutionally strengthened rural local governments (Tinkhundla) and urban local governments

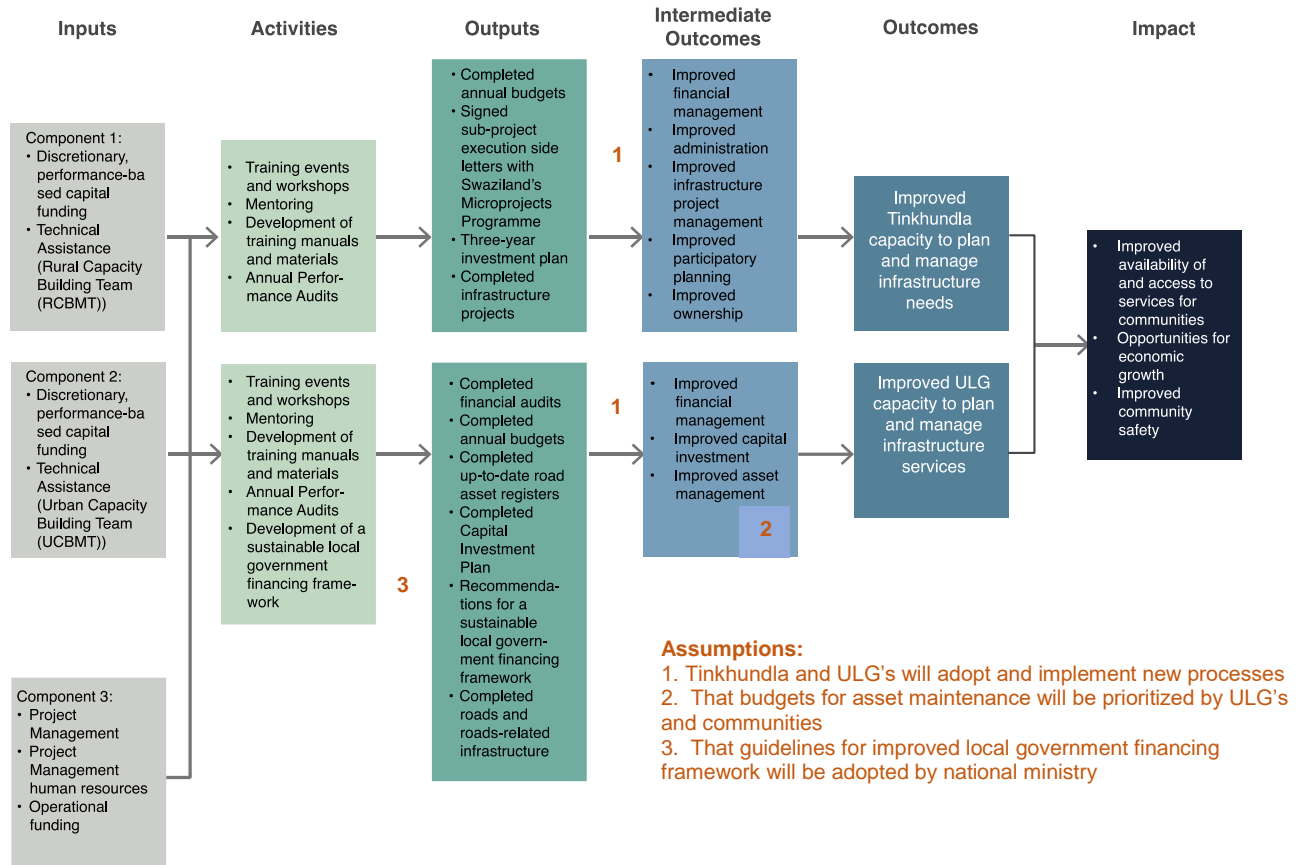


Figure 1: SLGP Results Chain

11. The results chain is based on the premise that achievement of the PDO would ultimately lead to enhanced governance and government performance at the local level and that these improvements would positively affect the services received by the poor. It would also, through expanding both the level and efficiency of public sector investment, have positive impacts on the business environment of these areas. The development of a fiscal framework would further allow predictable resource transfers to rural and urban local governments. The long-term vision was that processes initiated and tested under the SLGP would translate into structures, systems and processes that would be mainstreamed into practice at local government level and the national fiscal system for local governments.



12. The project design focused on improving the ability of participating local governments to (i) choose appropriate investments among competing demands; (ii) ensure these reflect community priorities; and (iii) take account of their operating and maintenance requirements. The project had two main dimensions, namely:

- Financial aid in the form of performance-based financial resources for capital projects (from a limited menu of investments) that served as incentives for local governments to take part in the primary activity of the project, and
- Capacity building support to build institutional capacity in the *Tinkhundla* and ULGs to plan, implement, and manage their capital investment needs.

13. The capital investment projects were therefore used as mechanisms to mentor local governments in the planning, implementation and management of infrastructure projects (refer to Figure 2). The components were implemented differently across ULG's and Tinkhundla due to the large variations in capacity. ULG's could only invest in roads and related infrastructure owing to the assignment of functions within the local government system and had to make a 20% co-contribution to the total project value (changed at restructuring). Tinkhundla could invest in a menu of small-scale infrastructure based on sets of standard designs from MPP, with a 10% in-kind contribution by way of labour or material contributions by local communities.

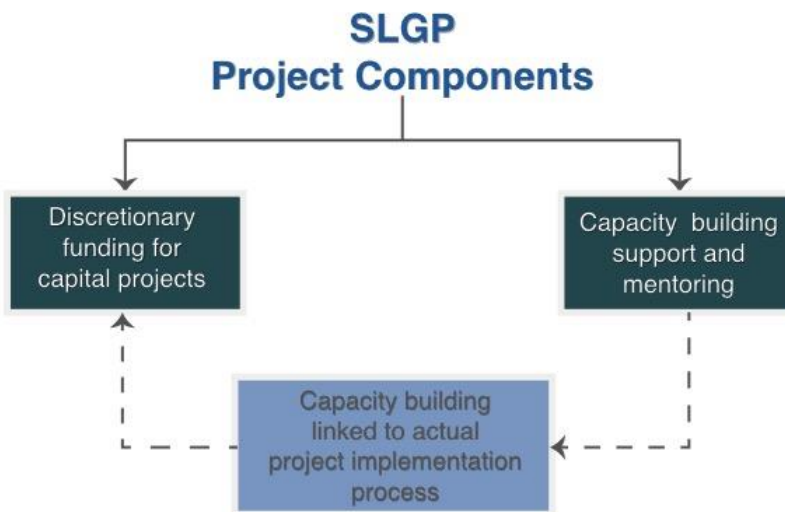


Figure 2: Project Design/Components

**Project Development Objectives (PDOs)**

14. The original PDO in the SLGP Loan Agreement was *“To assist the Borrower to develop institutionally strengthened rural local governments (Tinkhundla) and urban local governments (ULGs).”*

### Key Expected Outcomes and Outcome Indicators

15. The PDO can be broken down into the following two (2) Outcomes:

- Outcome 1: Improved Tinkhundla capacity to plan and manage infrastructure
- Outcome 2: Improved ULG capacity to plan and manage infrastructure services

16. Achievement of the Outcomes and Intermediate Outcomes were measured in terms of the following Indicators:

PDO Indicators	Outcome Indicators	
	Outcome 1 <b>Tinkhundla Infrastructure and Capacity Building Support</b>	Outcome 2 <b>Urban Infrastructure and Capacity Building Support</b>
<ul style="list-style-type: none"> <li>• A minimum of 75 percent of the eight targeted Tinkhundla under the project receive a score of 80 or above on their final performance assessments</li> <li>• A minimum of 75 percent of ULGs receive a score of 80 or above on their final performance assessments</li> <li>• Direct project beneficiaries, of which percent female.</li> <li>• Number of beneficiaries benefiting from emergency response and recovery activities</li> </ul>	<ul style="list-style-type: none"> <li>• 75 percent of targeted Tinkhundla completing annual budgets on time for submission to MTAD</li> <li>• 75 percent of targeted Tinkhundla signing sub-project execution side letters with MPP</li> </ul>	<ul style="list-style-type: none"> <li>• 75 percent of ULGs having annual financial audits completed within six months of the end of the financial year and neither adverse nor disclaimed.</li> <li>• Capital expenditures to total revenue</li> <li>• 75 percent of ULGs have completed up-to-date road asset registries.</li> <li>• Roads rehabilitated, non-rural</li> <li>• Minimum percentage of operating budget allocated to asset management</li> <li>• Development of recommendations for a sustainable local government financing framework</li> <li>• Number of people provided with access to all-season roads within a 500-meter range under the project</li> </ul>



## Components

The project comprised of the following four (4) components:

### 17. Component 1 – Tinkhundla Infrastructure and Capacity Building Support (US\$7.76 million – IBRD)

**Objective:** The objective of this component was to strengthen the institutional capacity of eight targeted Tinkhundla to deliver and manage basic local public services in their jurisdictions.

Institutional capacity was strengthened through providing performance-based resources for infrastructure investment in a manner that: (a) allowed local control over the allocation of these resources in line with local needs and priorities; (b) encouraged the take-up of capacity support services; and (c) delivered visible infrastructure improvements while building the basic elements of the public expenditure management system, in order to build the credibility of the *Tinkhundla* as a service provider. Technical project implementation was contracted to the Micro Projects Programme (MPP).

Sub-component 1(a) provided annual funds for infrastructure, conditional on compliance with specified minimum conditions related to good public expenditure management practices and adoption of prescribed expenditure execution arrangements. This not only supported development of meaningful local decision-making processes but was also designed to create demand for capacity support provided under sub-component 1(b), which was provided through a mobile mentoring team.

### 18. Component 2 – Urban Infrastructure Grants and Capacity Building Support (US\$18.55 million – IBRD)

**Objective:** Component 2 was designed to strengthen the institutional capacity of all 12 urban local governments (ULGs) to plan, budget, implement, and sustain the delivery of local services. It responded to their varying contexts and capacities and aimed to produce visible infrastructure improvements through a focus on the urban roads sector.

Component 2 comprised two inter-dependent sub-components: (a) a performance-based conditional grant; and (b) capacity building assistance. The conditional access to the Urban Infrastructure Grants under Sub-component 2(a) was intended to serve as an incentive for the urban local authorities to improve performance, with complementary capacity building support (through mentorship) provided under Sub-component 2(b).

### 19. Component 3 - Project Management and Technical Assistance (US\$7.18 million - IBRD)

**Objective:** This component supported project implementation, and included the following subcomponents:

- Sub-component 3(a): Project Management
- Sub-component 3(b): Formal training/capacity building
- Sub-component 3(c): Technical Assistance for Local Government Borrowing
- Sub-component 3(d): Performance Assessments, Program Evaluations, and Studies
- Sub-component 3(e): MHUD and MTAD local government monitoring systems



## 20. **Component 4: Contingent Emergency Response Component (US\$0)**

**Objective:** This contingent emergency response component was included for projects in situations of urgent need of assistance or capacity constraint. The component was added when the Project was restructured in 2016 as a response to the ongoing drought situation. It was, however, never triggered.

## **B. SIGNIFICANT CHANGES DURING IMPLEMENTATION (IF APPLICABLE)**

### **Revised PDOs and Outcome Targets**

21. The original PDO was revised in 2016 as part of a Project Restructuring. The Project Development Objective was revised to incorporate the Contingency Emergency Response Component (CERC), and thereafter read as follows:

“to assist the Borrower to develop institutionally strengthened rural local governments (Tinkhundla)”, Urban Local Governments (ULGs), and to improve the Borrower’s capacity to respond promptly and effectively to an Eligible Crisis or Emergency.”

### **Revised PDO Indicators**

22. The inclusion of the CERC also required the inclusion of a new indicator that could be used to track progress and number of beneficiaries benefiting from emergency response and recovery activities. The additional indicator was: *“number of beneficiaries benefiting from emergency response and recovery activities”*

### **Revised Components**

23. A Contingent Emergency Response Component (CERC) was added as a fourth component

### **Other Changes**

24. Following slow disbursement till April 2016 and based on the findings of mid-term review, the Project was restructured in 2017 with following key changes:

- The extension of the project closing date by two years up to June 30, 2019, which resulted in an extension of the Implementation Schedule for two additional years.
- Removal of the additional 20 percent counterpart funding requirements so the government provision for Project Support Team funding becomes its main counterpart fund for the project;
- Increase the disbursement ceiling to at least US\$12 million to allow for the bigger works being proposed by ULGs and Tinkhundlas as they all qualify for support having successfully satisfied all performance criteria during the 2015 performance review process; and
- Include a Contingent Emergency Response Component (CERC) in the project to enable rapid reallocation of funding between project components following an emergency, which would facilitate providing potential drought support to the Kingdom of Swaziland.





## Rationale for Changes and Their Implication on the Original Theory of Change

25. There was no significant implication for the original Theory of Change/Results Framework other than the addition of the CERC indicator. The rationale for the changes indicated above were:

- The extension of the closing date was necessary to make up for the significant delay in project start (effective on March 12, 2012 against target date of April 2011). Once the project became effective, it took time to establish PST, mobile support team, and conduct the first baseline performance assessments. The disbursement rate remained very low for an extensive period, in part contributing to a moderately satisfactory rating over the period 2013 – 2014.
- The removal of the required counterpart funding aimed to both support quicker implementation and help reduce the counterpart funding burden limited government resources urgently required at the time for a drought emergency response. This further supported efficiency enhancements as projects could progress quicker, whilst the project deliverables remained within budget. After restructuring, disbursement improved from 54% in July 2016 to 81% in June 2017.

## II. OUTCOME

### A. RELEVANCE OF PDOs

#### Assessment of Relevance of PDOs and Rating

##### **Relevance Rating: High**

26. The project was highly relevant to country priorities and aligned very well with WBG implementation priorities in the country at design and over the lifetime of the project. The SLGP is fully consistent with the Interim Strategy Note (ISN) for the period 2008-2010, which was agreed with the GOE and was approved by the Board in March 2008. The ISN includes in its outcomes improved management in local authorities and identifies the SLGP as a key initial intervention for scaled-up Bank support. The project is also relevant in terms of the Country Partnership Strategy (CPS) for the Kingdom of Swaziland for the Period 2015–2018 (extended) that has as its primary goal “to support the country’s efforts to reduce poverty and inequality and promote shared prosperity in a sustainable manner.” The CPS has a two-pillar strategic approach namely: (i) Promoting growth and job creation and (ii) Strengthening state capabilities. The primary objective of the SLGP relates to the “strengthening state capabilities”, with indirect benefits for the “promoting growth and job creation” pillar. See paragraph 9 for further details on relevance.

27. The PDO was revised at restructuring to reflect the CERC component, the essence and intention of the PDO however remained unchanged and project objectives remained consistent. A split evaluation was therefore not carried out, as is permitted under the ICR guidelines.<sup>4</sup>

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<sup>4</sup> World Bank. 2018. *Guidance Note on Implementation and Completion Report for Investment Project Finance Operations*, pg. 17.

## B. ACHIEVEMENT OF PDOs (EFFICACY)

### Assessment of Achievement of Each Objective/Outcome

#### *Project Development Objectives*

28. The Project met all its targets as measured against the PDO Indicators, as set out in Table 1 below. Over time, the project has helped improve local governments' performance as measured through performance assessments. 91% of participating urban local governments and 87% rural local governments are now scoring 80 or above on their final performance assessments with significant progress in their ability to complete budgets and audits on time. The annual performance assessments were conducted as rigorous audits which verified documentary evidence of performance and progress, conducted site visits and consultations (including to individual Chiefdoms within Tinkhundla to verify reported results) as well as debrief and clarification meetings in which ongoing recommendations for improvement were made. **Annex 6** details the methodology and shows a clear progression in scores over time. It should be noted that minimum target scores were gradually increased in each assessment period.

29. The performance-based grants have directly contributed to improved efficiency, transparency, and accountability based on improved Financial Management and budgeting, planning, safeguards, community consultation and accountability and implementation capacity including improved capacity on procurement, asset management and maintenance<sup>5</sup>, which will have direct benefits for improving growth and reducing poverty in the medium to long term. The performance assessment for ULGs progressively increased minimum score requirements from 50% to 80% on above mentioned areas, and over time more than 90% of all ULGs were able meet minimum score requirement, showing improved capacity on all targeted measures. Scores are outlined in Annex 6, and to highlight just one example Ngwenya scored 65.6% in the first year of assessment and was able to score consistently above 80% for the remaining of the assessment periods.

30. Even though there is currently no follow up project or mainstreaming of the performance based local government fiscal transfer system<sup>6</sup> in the national government system due to tight fiscal situation and as the decentralization agenda has not moved forward (which was beyond the scope of the Project), there are indications of improved institutional practices embedded in ULGs and Tinkhundla systems and activities<sup>7</sup>. For example, consultations with the MHUD revealed that ULGs are submitting their narrative and financial reports on time after the close of the Project, and three City Councils have continued the use of independent auditors to assist in financial management. ULGs have also continued with community consultations and improved safeguards practices. The Project has been successful in strengthening the capacity of Tinkhundla in documentation, keeping proper record, filling systems (evident in the quality of report submitted to MTAD). Some Tinkhundla have continued the use of community consultation and prioritizations process adapted under SLGP.

Table 1: PDO Achieved

Indicator Name	Unit of Measure	Baseline	Original Target	Actual Achieved at Completion
----------------	-----------------	----------	-----------------	-------------------------------

<sup>5</sup> SLGP Performance Assessments 2016/2017 Consolidated Report (produced by externally contracted service provider)

<sup>6</sup> The Project supported a study on mainstreaming local government performance based fiscal transfer system

<sup>7</sup> Interviews conducted by ICR team in preparation of this review as well as observations in final performance assessment and closing studies.



Percent of Tinkhundla receiving a score of 80 or above on their final performance assessments.	Percentage	0.00	75.00	87.50
Percent of ULGs receiving a score of 80 or above on their final performance assessments	Percentage	0.00	75.00	91.67

**Impact**

31. In terms of the Impact of the Project, the reported estimated number of direct beneficiaries under all SLGP projects is 110,710 (refer to Table 2) of which 58% were females. This includes the number of people provided with access to all-season roads within a 500-meter range under the project estimated at 25,504. 86% of respondents in the 2019 Beneficiary Survey are satisfied with the Projects.<sup>8</sup> The beneficiary numbers were obtained from the final project beneficiary survey conducted as one of the closing studies. The methodology utilized was to count as beneficiaries for ULG projects those individual's resident adjacent to registered properties along upgraded roads (data provided by town engineers) as well as direct users of public facilities (schools, churches, etc.) serviced by upgraded roads.

32. The beneficiary survey conducted after the Project found extremely positive social and business impacts of the projects implemented under the SLGP. For example, findings reflect positive business impact with improved access and business performance where road construction was undertaken under the SLGP. Similar positive social impacts are seen in improved access to services and access to education by children of school going age. Community members in Tinkhundla areas where bridges have been constructed, indicated that they are now able to have medical emergency service vehicles come to their homes, during all seasons and at any hour of the day. Students' rate of absenteeism from school reduced drastically with noted improvements in enrolment rates and ensuring lower dropout rates. Similarly, provision of houses for teachers has also improved educational outcomes. Most importantly, the community prioritized projects such as orphanage and community kitchen have a high social or public goods value.

*Table 2: Impact Achieved*

Indicator Name	Unit of Measure	Baseline	Original Target	Actual Achieved at Completion
Direct project beneficiaries	Number	0.00	14,000.00	110,710
Female beneficiaries	Percentage	0.00	51.00	58.00
Number of beneficiaries benefiting from emergency response and recovery activities.		0		0

**Outcome 1: Improved Tinkhundla capacity to plan and manage infrastructure**


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<sup>8</sup> Project Beneficiary Survey, May 2019

33. In respect of Outcome 1, 100 percent of all targets were met, as indicated in Table 3. Despite some challenges encountered at the start of the capacity building interventions, the rural local government representatives indicated their appreciation on the coaching and mentoring provided and mutual understanding developed with the capacity building team during the Project, which all contributed in improving the operational effectiveness of the work they do.<sup>9</sup> *Tinkhundla* secretaries who received training and mentorship can now prepare comprehensive CIPs, registers and follow objective process in project identification, prioritization and selection. While they may not fully utilize the computers, each benefiting *Inkhundla* now has capacity to save electronic information that can be circulated when needed through electronic means.<sup>10</sup>

34. The activities on the part of *Tinkhundla* reflected in the indicators were the focus of the capacity building intervention under the Project and was verified annually through an independent performance assessment. The assessment reviewed a set of mandatory minimum requirements, the participatory planning and budgetary practices as well as the administrative effectiveness, reporting and disclosure practices and sustainability of improved practices of the *Tinkhundla* (whilst only two key outcome indicators were selected for Project level reporting). During the years when capacity building was ongoing the performance of the mobile training team was also assessed. Results were presented in detailed assessments per *Inkhundla* and in a consolidated overall report. Excellent progress and improvements in practice were noted over the lifetime of the Project.

Table 3: Outcome 1 Indicator Results

Indicator Name	Unit of Measure	Baseline	Original Target	Actual Achieved at Completion
Percent of targeted <i>Tinkhundla</i> signing annual sub-project execution side letters with MP	Percentage	0.00	75.00	100.00
Percent of targeted <i>Tinkhundla</i> completing annual budgets on time for submission to MTAD	Percentage	0.00	75.00	100.00

### **Outcome 2: Improved ULG capacity to plan and manage infrastructure services**

35. In respect of Outcome 2, 100 percent of all targets were met, as indicated in Table 4. All ULGs have improved in their management of projects. While all produced working planning tools, most of them require ongoing updating and some ULGs set funds aside for comprehensive planning studies. Roads in the ULGs had fairly good quality of workmanship on most completed projects. Only two projects (both in Vuvulane and under Defect Liabilities period at writing of this report) were noted to have serious concerns that would require support from experienced infrastructure project managers to rectify.<sup>11</sup>

36. Performance assessments as outlined in paragraphs 28 and 29 above were also conducted for ULG's. The assessment included a minimum requirement review (used to determine eligibility for grants), financial stability and good governance, administrative efficiency, project execution and service delivery as well as transparency, accountability and participation assessment. Of concern is that in the final assessment (2016/2017 and not directly

<sup>9</sup> Training Evaluation and Impact Assessment Report, May 2019

<sup>10</sup> Final Service Delivery Evaluation Report, May 2019

<sup>11</sup> Final Service Delivery Evaluation Report, May 2019

impacting grant allocations) only eight (8) out of the 12 ULGs (67%) met all the minimum conditions (not affecting the results against indicators below), this is down from eleven (92%) in FY 2015/16. The assessors highlighted that some slippage might be occurring as capacity building has come to an end and no further institutionalization of capacity support for ULG's had taken place within a ministry. This points to the value that the mentoring and ongoing hand holding added during the lifetime of the Project, but also points to concerns regarding sustainability beyond the closing of the project. Only one outcome indicator, minimum percentage of operating budget to asset maintenance, was not met. This indicator does not however reflect other significant qualitative improvements such as the preparation of maintenance plans and maintenance estimates for all new infrastructure<sup>12</sup>.

Table 4: Outcome 2 Indicator Results

Indicator Name	Unit of Measure	Baseline	Original Target	Actual Achieved at Completion
Roads rehabilitated, Non-rural	Kilometers	0.00	40.00	40.62
Percent of ULGs with completed, up-to-date road asset registries	Percentage	0.00	75.00	92.00
Minimum percentage of operating budget allocated to asset maintenance	Percentage	5.00	15.00	7.00
Percent of ULGs having annual financial audits completed within six months of the end of the financial year and neither adverse nor disclaimed	Percentage	25.00	75.00	92.00
Development of recommendations for a sustainable local government financing framework	Text	no	yes	yes
Number of people provided with access to all-season roads within a 500-meter range under the project	Number	0.00	5425.00	25 504
Capital expenditures to total revenue	Percentage	5.00	25.00	28.00

### Justification of Overall Efficacy Rating

37. The project met targets for all the PDO indicators, met and exceeded all but one Outcome indicator. The indicators measuring outcomes and achievement of the PDO are comprised of relatively simple aggregates (score in assessment) but the robust and detailed assessments, measuring many more aspects than officially reported as indicators, as well as the clear progression in performance over time contribute significantly to the rating. The overall efficacy of the SLGP is rated as **“Substantial”**.

<sup>12</sup> SLGP Performance Assessments 2016/2017 Consolidated Report (produced by externally contracted service provider)

## C. EFFICIENCY

### Assessment of Efficiency and Rating

38. The majority of projects were successfully completed within the allocated budget and on-time. In terms of the efficiency indicator results, 96% of sub-projects were carried out as a percentage of sub-projects in agreed annual budgets. 141 projects were implemented in both urban (53 projects) and rural (88 projects) local authorities during the lifetime of the project. Out of the Loan allocation of USD 26,900.00 million, USD 26,543.00 million is disbursed at closing.

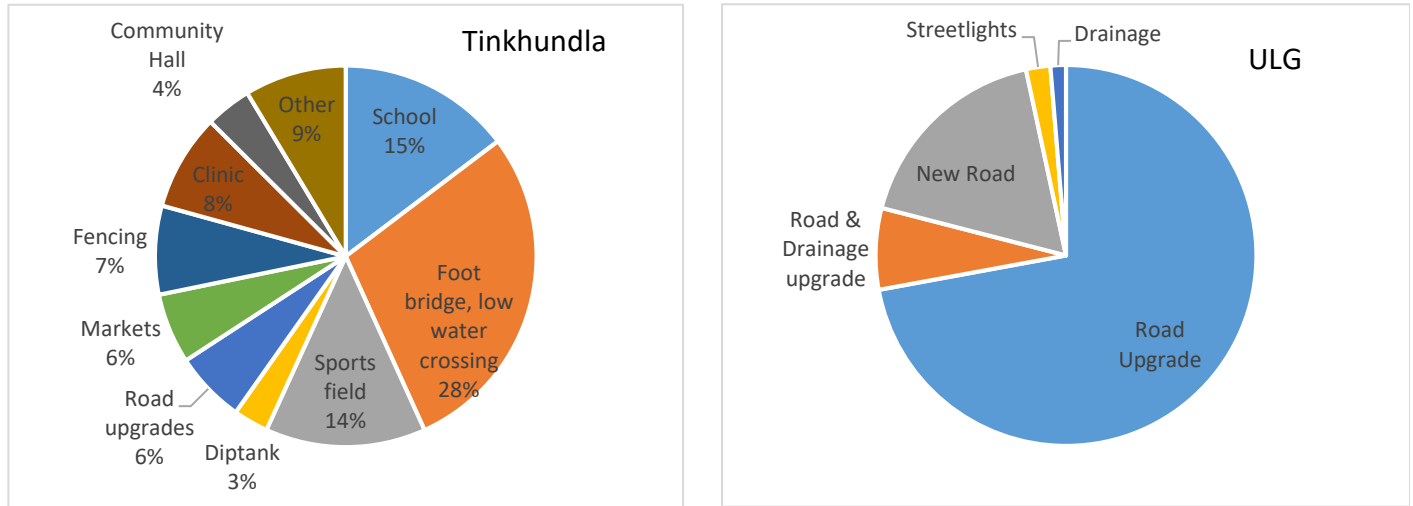
Indicator Name	Unit of Measure	Baseline	Original Target	Actual Achieved at Completion
Sub-projects carried out as a percent of sub-projects in agreed annual budgets (planned vs. actual)	Percentage	0.00	85.00	96.00

Table 5: Efficiency Indicator Results

39. No economic analysis was conducted during project design, as the types, localities and number of infrastructure projects were unknown at the time. At closing, only a rudimentary economic analysis was conducted (see **Annex 4**), mainly focused on efficiency through the average cost per unit of infrastructure over the lifetime of the Project. The analysis did not consider variations in design, site conditions or material used. For *Tinkhundla* projects MPP did use standard designs for most infrastructure, with evidence of limited adaptation resulting in some on-site and construction challenges. Limited sets of infrastructures (notably sports fields and foot bridges) significantly exceeded budgeted costs due to limited technical capacity with MPP that underestimated initial budget, but these were at least noted during tendering and is not a result of cost increases during the lifetime of the project. Over subsequent performance grants, there was learning from experience and sports fields were not prioritized. In some instances, multiple procurement attempts, and re-designs brought costs down. Ultimately, any individual project cost overruns were accommodated in the overall budget envelope due to savings realized elsewhere. Other examples of learning during project implementation includes a shift towards more road upgrades, which were easier to implement than new road builds, towards the latter part of the project.



Figure 1 : Expenditure on types of Tinkhundla and ULG projects implemented



40. The Project was essentially focused on capacity building, utilizing a grant-based approach to incentivize participation and the infrastructure selection, design and implementation process as learning activities. These additional benefits and results from the Project were not quantified in a cost-benefit analysis, but the Project’s infrastructure outputs have been delivered in an economically efficient manner and within budget. The Efficiency Rating of the SLGP is therefore **Modest**.

**D. JUSTIFICATION OF OVERALL OUTCOME RATING**

The overall Outcome Rating is **Moderately Satisfactory**.

41. The Project has met all its targets as measures against the overall and interim results indicators in terms of the capacity building components. Capacity building projects were completed and have improved systems and procedures within local governments and communities.

42. The project has contributed to improved efficiency, transparency, and accountability in the participating *Tinkhundla* and ULGs, which has direct implications on improving growth and reducing poverty. The project has helped improve local governments’ performance, with most of them now able to complete budget and audits on time. There have also been significant advances in the understanding and practice of environmental and social safeguards.

43. The 88 micro projects in *Tinkhundla* and 53 roads projects in ULGs have contributed to improving conditions for local communities, local economy and businesses. The project has brought ULG’s closer to residents (through improvements in safeguards and community consultation procedures) and given them higher visibility and acceptance from community members. ULG’s further showed innovation and progression in capacity through combining different funding sources and enlarging projects in order to reduce the cost per kilometer (in particular, for one large project in Mbabane, short term commercial finance was used to compliment grant funds over multiple grant periods in order to complete larger projects). The prioritization of small-scale infrastructure by rural



communities is a particularly positive outcome, resulting in community ownership which should result over the longer term in maintenance contributions and high levels of usage of infrastructure<sup>13</sup>.

## **E. OTHER OUTCOMES AND IMPACTS (IF ANY)**

### **Gender**

44. 58% of the direct beneficiaries of sub-projects were female.<sup>14</sup> Small-scale infrastructure projects in the *Tinkhundla* such as Neighbourhood Care Points (NCPs) and markets directly benefit women as they provide day-care services and local economic development opportunities. Footbridges and low-water bridges in rural areas have also made travelling between homesteads, health care facilities, markets and schools much easier for women. The fencing of grazing areas has also significantly reduced the burden on women in communities, traditionally tasked with carrying out this activity.

45. In many cases, community representatives in the *Tinkhundla* were women, which meant that they were directly involved in and benefitted from the capacity building support and mentoring. In some of these, women were re-elected to the *Tinkhundla* which means that they are able to further disseminate skills to newly elected members.

### **Institutional Strengthening**

46. The primary objective and expected outcome of the SLGP was institutionally strengthened rural and urban local governments. Feedback obtained from beneficiaries indicates that communities (in the case of *Tinkhundla*) and staff members of ULGs benefited from the capacity support and acquired new skills. In some cases, local governments have indicated that they have already embedded the new processes into their operations.

### **Mobilizing Private Sector Financing**

47. The project did not directly involve the mobilization of private sector financing. This is one of the issues that has been identified as a shortcoming of the project and has been included in the Lessons and Recommendations.

### **Poverty Reduction and Shared Prosperity<sup>15</sup>**

#### ***Urban Local Governments:***

48. The construction of roads and roads-related infrastructure in urban areas promotes shared prosperity insofar as it improves overall accessibility and access to economic and social opportunities. The improvement of roads has a positive impact on economic development, which in turn contributes to poverty reduction. Citizens involved in business activities throughout the ULGs where road construction was undertaken have noted an improvement in business performance once accessibility improved. Capital investment in urban areas also served as an economic injection into the construction sector, with various town clerks noting increased numbers of local construction workers employed for project delivery. The installation of street lights has in some towns contributed to extended

<sup>13</sup> SLGP Performance Assessments 2016/2017 Consolidated Report (produced by externally contracted service provider)

<sup>14</sup> Project Beneficiary Survey, May 2019

<sup>15</sup> Extracted from Project Beneficiary Survey and Final Service Delivery evaluation, May 2019





trading hours for local businesses, and residents have noted an increase informal economic activity in areas with improved sidewalks.

***Tinkhundla:***

49. The infrastructure projects in the *Tinkhundla* were, for the most part small, community-based projects that helped alleviate specific challenges in communities that affected quality of life. These projects were identified and prioritized by the communities themselves. While the Project overall did not target poverty reduction explicitly, improvements in quality of life due to the nature of local projects aimed at addressing key local challenges were significant. The construction of markets in some *Tinkhundla* promote business development which in turn contribute to opportunities for local economic development. Low water bridges connected previously disconnected communities to greater economic opportunities (work, trading, etc.).

50. A substantial impact of the Project is that it created a foundation for *Tinkhundla* from which to carry out more infrastructure projects as and when funding become available. The Project has created a demonstration effect as basis for communities to conceive and implement more ambitious projects in future. Whilst there is some variability across the 8 participant *Tinkhundla*, there is evidence that asset management and basic capital planning activities have been entrenched in local practice. As example, it was found that public posting of the three-year capital development plan and the annual capital development budget at the council offices notice boards are now common practice in the participating *Tinkhundla*.

51. The actual aim of the Project was knowledge and capacity-building, rather than the small-scale infrastructure projects themselves, and this capacity- building should have long-term benefits for economic growth and shared prosperity in the rural areas. An example of how participatory planning and ownership of projects has found traction is seen in Motshane, where communities were concerned about possible vandalism of infrastructure. The Inner Council has set fines and penalties for different offences which include absence from development meetings and vandalism of community assets. These fines are known by all residents and are effective in minimizing crime and bad behavior in the area.

**Other Unintended Outcomes and Impacts**

52. A significant outcome of the SLGP in *Tinkhundla* was the strengthening and empowerment of local communities to conceive, plan and implement projects. As communities had to take ownership of the small-scale infrastructure projects and are collectively responsible for the maintenance of these projects, the projects have improved community cohesion and participation. A key challenge noted in the closing study was the need for ongoing training and support as Chieftaincy disputes are rife in communities (across several issues in daily life, not only relating to infrastructure investments) and communication between councils and secretaries as well as councils and residents could still be improved further.

53. Positive social impacts are seen in improved access to services and access to education by school-age children. Community members in *Tinkhundla* where bridges were constructed under SLGP, indicated that their children have fewer absences from school, and they are now able to have medical emergency service vehicles come to their homes, during all seasons and at any hour of the day. Another key social impact raised by respondents was the impact the construction of teachers' houses had on the individual lives of the teachers as employees. They have been provided



with adequate and decent accommodation and a suitable living environment, which has resulted in better education for children.

### III. KEY FACTORS THAT AFFECTED IMPLEMENTATION AND OUTCOME

#### A. KEY FACTORS DURING PREPARATION

The following were key factors that affected the preparation of the project<sup>16</sup>:

54. Progress on legislation intended to implement the Constitutional provisions regarding decentralization was slower than expected at the outset of the project, and it also became evident in January 2010 that the prospects for private sector lending were substantially diminished, as was the creditworthiness of the municipalities. These situational changes required some re-structuring of the proposed project components which in turn resulted in delays in the finalization of the PAD (which was finalized in December 2010). Further delays resulted as clarification was sought around whether the Bank could lend against the capital program of sub-national entities, rather than against specific sub-projects. Ultimately it became clear that the originally-intended local government sub-borrowers were generally not in a position to take on the amount and kind of debt that was anticipated. Delays on the Government side were caused by a reorganization of the responsible Ministry, first merging *Tinkhundla* and urban development and then separating them again.

55. Initial implementation delays were caused by the time required to set up the PST, setting up the Project Financial Management system, procurement of the Mobile Support Teams, adoption of the Project Implementation Manual (PIM), and signing of Project Participating Agreements (PPAs) by all 20 participating LGs. These were foundational steps without which the project would not have succeeded, although it took longer than expected.

#### B. KEY FACTORS DURING IMPLEMENTATION

The following factors affected the implementation of the SLGP:

56. Project management on the ground in certain of the *Tinkhundla* projects was challenging due to capacity constraints within the Microprojects (MPP) team. Early supervision of the design consultant was weak leading to delays in the construction of some projects such as footbridges. Contractors were also not adequately supervised leading to poor workmanship on some structures, discovered at an advanced stage of construction. Towards the end of the project, whilst facing severe time pressure to complete the projects, many ongoing *Tinkhundla* projects were also halted due to a stocktaking of materials at MPP project sites around the country and a reallocation or moving of materials from completed sites to ongoing works. Even with these delays all ongoing works were however concluded by project closing date.

57. The performance of the two mobile teams was not fully satisfactory, noted through the quality and timing of their deliverables. Following concerns that were raised by the local governments regarding the quality and appropriateness of the capacity building, the contract for the first RCBMT service provider was not renewed in 2015

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<sup>16</sup> Further details on delays during preparation outlined in Annexure 6



but was instead replaced by individual consultants/consultancy firms. Some communities felt that the change in service providers was unfortunate, as there was a loss of continuity in the training and capacity building, but training deliverables were ultimately improved through this change.

58. The Project did not map the geographic location of the projects and had no access to a GIS based information system. This made locating some of the sites challenging for external service providers (i.e. capacity building teams, researchers) in some cases and restricted the creation of a proper geo-spatial database of projects, project status and project outcomes. Project site information was collated in project lists, held by the PST, and project locations were known to the PST and MPP team members which could assist and accompany service providers when necessary.

59. Several projects were stalled as the communities were not able to effectively meet their contribution obligations (in terms of manual labor, material and funds). Inadequate community mobilization could be attributed to (i) inadequate facilitation of duty bearers (i.e. Community project development committees, *Inkhundla* staff and Council) to effectively mobilize the local communities; (ii) Rural poverty, food insecurity and existence of vulnerable groups (elderly, orphans and vulnerable children, and child-headed families) constrained the process of contributing the mandatory 10% household contribution to infrastructure projects; and (iii) inadequate capacity assessment of the community to deliver its contribution obligations. During Project restructuring in 2016, the 20% ULG counterpart funding requirement was removed primarily to encourage the use of limited government resources for other urgent things such as such as drought emergency response. In addition, the Restructuring allowed the disbursement ceiling to be increased to US\$12 million to allow for the bigger works being proposed by ULGs and *Tinkhundla* having successfully satisfied all performance criteria during the 2015 performance review process. These two actions helped improve the speed of project implementation, although challenges in timely documentation of expenditure remained.

## IV. BANK PERFORMANCE, COMPLIANCE ISSUES, AND RISK TO DEVELOPMENT OUTCOME

### A. QUALITY OF MONITORING AND EVALUATION (M&E)

#### M&E Design

60. The PAD included (i) a Results Framework focusing on Outcome Indicators for the achievement of the PDO, and (ii) Performance Indicators to measure the performance of participating local governments for the purpose of accessing the performance-linked annual capital funds for infrastructure investment. The Performance Indicators fed into the Outcome Indicators and was linked to the PDO.

61. The objectives and intended outcomes were clearly specified in the results framework with specific, measurable and achievable indicators. Baseline and targets were set for all the indicators. For component 1, the baseline study assessed the access, quality, and reliability of targeted services, while for component 2, the baseline study assessed the capacity of the various entities. In hindsight, some of the outcome indicators could have been expanded to measure sub-components of the outcomes, in particular capacity building, in more detail (for example setting targets



for number of officials, office bearers and community members trained, consistency in training attendees over the lifetime of the project and even baseline skills assessments of key staff). The final independent performance assessment<sup>17</sup> of participating ULG's and *Tinkhundla* included a review of the performance indicators used in the assessments. Minor changes to indicators were suggested but most indicators were found to be relevant and appropriate. Overall the indicators did measure (i) results of capacity building by way of performance assessments of local governments and (ii) the completion of infrastructure projects, which were the two main outcomes of the project.

### **M&E Implementation**

62. The PST was responsible for the monitoring and evaluation of the project, including reporting and discussions with the Bank. The monitoring and evaluation of project progress involved the following:

- PST reported to the World Bank through semi-annual progress reports and quarterly financial management reports;
- Both *Tinkhundla* and ULGs provided the PST with a semi-annual report on actual progress against planned physical outputs under their capital budget, as well as progress with other key performance targets. In addition, there was formal mid-term and final evaluations. Separate independent reviews were also commissioned to examine overall impacts on local government institutional performance, service delivery and governance issues and training; and
- Annual, independent Performance Assessments were conducted in each of the participating local governments to evaluate performance in terms of the set criteria, and these results were communicated to the PST and the Bank.

63. Based on the semi-annual progress reports prepared by the PST, MHUD was then to undertake necessary corrective actions to sustain or improve progress. The Bank team also monitored and evaluated progress and achievement of intended outcomes at least once annually and intensively during the midterm review. However, at times, some reports had various shortcomings (as found in more detailed reviews of project lists towards the latter part of the project). The Bank identified significant shortcomings in the initial Project Status Reports and advised PST that these were inadequate to address issues and inform all stakeholders on the status of the project. The reports produced by the Urban Mobile team were too activity focused and did not fully address progress, issues, challenges and how they are being addressed. Progress reporting therefore required improvement and action early in the project. This improved by the end of the project and outcomes were fully vetted by the time of the final supervision missions.

### **M&E Utilization**

64. The indicators that were included in the Results Framework were measured and included in the ISRs, which clearly reflected progress with the project. Some important indicators such as gender inclusion and number of community beneficiaries were only measured through mid-term and completion studies, with no requirements from ULG's or MPP to report on these during project implementation. This meant that corrective action was virtually impossibly

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<sup>17</sup> Annual Performance Assessment Report for 2016/2017



(although ultimately not required as both indicators as examples exceeded targets). Monitoring of the SLGP during the lifespan of the project was complicated due to the lack of a consolidated M&E system, with reporting done in several different ways, by different role players and manually collated at certain points. This complicated the collection, interpretation and dissemination of information to monitor and evaluate project progress. Challenges were further experienced with safeguards related information and collating electronic data due to IT infrastructure constraints in PST office.

#### Justification of Overall Rating of Quality of M&E

The Overall rating of quality of M&E is **Modest**

65. The M&E Framework contained adequate indicators to measure outcomes but were lacking on indicators and targets for activities and outputs. There were also several different reporting systems and approaches that were not consolidated into a single M&E Framework.

## B. ENVIRONMENTAL, SOCIAL, AND FIDUCIARY COMPLIANCE

66. Overall, the safeguards performance for the project is deemed to be **Satisfactory**. Over the duration of the Project, there has been a growing appreciation within the PST, ULGs and *Tinkhundla* of the need to incorporate environmental and social safeguards in Project implementation.

67. **Social:** At project appraisal a Resettlement Policy Framework (RPF) was prepared to guide screening of resettlement impact on all sites. A checklist was utilized during scoping to avoid potential resettlement impact. Implementation of safeguards on a day-to-day basis is handled by the implementing agencies (Micro-Project team or urban local government) with supervision by the PST. This two-level structure affirms adequate management of risk and impact. During the project PST received three complaints related to potential resettlement impact. All cases were quickly investigated following established procedures, and the outcomes were timely documented. In all cases, it was found that claimants sought opportunistic compensation for land that had either been compensated adequately prior to the Project or in cases where claimants sought standing but had no rightful claim for the land in question.

68. The Project supported enhanced citizen engagement. In both *Tinkhundla* and ULGs, the selection of priority investments was discussed in public meetings. The related documentation related to consultations were retained in the PST filing system. Furthermore, throughout the Project, engagement of local workers has been prioritized to focus on the associated development benefits and minimize risks associated with potential labor influx.

69. **Environmental:** In accordance with the World Bank's OP 4.01, an ESMF was prepared in 2010 to guide the Project in terms of environmental and social safeguards compliance. Based on the ESMF, environmental and social screening was done with support from the Urban Capacity Building Mobile Team (UCBMT), and Comprehensive Mitigation Plans (CMPs) prepared for all ULG subprojects. The contractors then prepared Construction Environmental Management Plans based on Annex 6 of the ESMF. These were monitored by environmental officers in the ULGs as well as on the contractors' teams. *Tinkhundla* subprojects were expected to be Category C projects requiring no CMPs, so Mitigation and Monitoring Reports (MMPs) were prepared by the Rural Capacity Building Mobile Team (RCBMT) to guide the *Tinkhundla* to manage environmental risks and impacts. However, as the



Project progressed, some of the rural subprojects became more complex (namely footbridges, market centers and sports fields), and therefore also required ESIA and CMPs to be prepared and submitted to the Eswatini Environmental Authority (EsEA) for approval. The MPP, who managed the projects on behalf of the *Tinkhundla*, does not have environmental officers, so community development officers were tasked with both environmental and social monitoring but found environmental monitoring difficult as they had little background in environmental management. For the more complex rural projects, the MPP relied on the Consultant Engineer to monitor and report on environmental safeguards.

70. The main environmental concerns during sub-project construction related to occupational health and safety, community health and safety, drainage, spoil management and construction debris. One of the main challenges has been the capacity to prepare safeguards documents of acceptable standard, and to supervise and monitor incorporation of environmental safeguards, especially for rural projects. One training workshop was carried out targeted at PST, ULGs, *Tinkhundla* and Micro Projects to understand the ESMF and its requirements. However, the follow up training which aimed to build capacity of the ULGs in the application of World Bank safeguard policies in report preparation and during implementation and monitoring ESMPs did not take place. This would have contributed to improving the quality of monitoring, supervision and reporting.

71. **Financial:** The Financial Management arrangements for the project were reviewed and noted as adequate. Overall the Financial Management arrangements of the project maintained a Satisfactory rating. The project received an unqualified audit opinion for the year ending 31 March 2019 and the same for a final audit conducted up to the closing date. Procurement of works, goods and services funded under the project followed Bank procurement procedures. The project financial management functions were handled by the PST. A suitable qualified accountant was seconded from the office of the Accountant General to the PST, and the official remained with the project until it was closed. The Accountant had overall responsibility for financial management of the project. The Auditor General carried out annual audits of the project financial statements at the end of each fiscal year.

## C. BANK PERFORMANCE

### Quality at Entry

The quality of the Bank's performance at entry is rated as ***Moderately Satisfactory***.

72. **Project Design and Relevance:** The Bank team prepared a comprehensive and detailed project design with a particular focus: namely improving capacity within urban and rural local governments to improve service delivery. The project design responded to a real need to capacitate local governments following the decentralization mandate from the Constitution. The objectives and anticipated outcomes of the project were clearly articulated from the start. The Bank also worked closely with country counterparts during the design of the project to ensure that the project objective was relevant and realistic, and extensive consultations confirmed that the basic design was relevant and appropriate. The Project design also built on the lessons-learned from the earlier UDP.

73. **Client Engagement:** The Bank conducted a number of missions during project conception and design to work closely with the various Ministries that would be involved in the implementation of the SLGP. The Bank was involved in a previous local government project in GOE, and as such has already established certain relationships that aided with the initiation of the project. The Bank successfully engaged with the GOE to develop the project and to set up



and/or activate structures and mechanisms in-country for the implementation of the project.

74. **Implementation Arrangements:** The Bank set clear implementation and monitoring arrangements to ensure the viability, feasibility and sustainability of subprojects. To increase sustainability, responsibility for operation and maintenance of any subproject would be explicitly assumed by a responsible entity before any project is approved for construction. The PST would in turn be responsible for ensuring the design and construction of approved projects and will ensure that this is done in close collaboration with the community. Recognizing that community ownership contributes greatly to the success and sustainability of the sub-projects, community participation was launched early in the design process and continued throughout construction and commissioning.

75. **Safeguards and Compliance:** The PAD incorporated specific measures to ensure safeguards and compliance, with extensive efforts to prepare an ESMF, Resettlement Framework and mitigation plans.

### Quality of Supervision

The quality of the Bank's supervision is rated as **Moderately Satisfactory**.

76. The World Bank team was actively involved for the lifespan of the project, carrying out regular Implementation Support missions. The Bank also worked closely with the PST to ensure that progress was monitored, and potential issues identified and addressed in a timely manner. ISRs were regularly updated and action items noted and pursued when issues were identified.

77. The Bank identified where additional support was required and responded by assigning resources where possible. The Bank held several workshops with country partners on matters such as procurement plans, procurement responsibilities, the drafting of Expressions of Interest and Terms of Reference for the appointment of contractors, technical specialists, and the Project Auditor. The Bank also assisted the PST to develop a contract register to be used for contract management. The Bank responded by means of a restructuring to assist with speed of implementation (through removal of 20% co-contribution for ULG's), although this might have been identified earlier as a bottleneck to implementation.

78. The Bank provided awareness training on the GOE and Bank environmental and social policies and procedures, including the safeguard tools developed for the project. One aspect identified as a shortcoming was ongoing and timely supervision of environmental safeguards and a lack of ongoing training on this topic during the lifetime of the project. It was also noted that environmental management measures were mentioned in contract documents but were generally not itemized in the Bills of Quantities, limiting the PST and MPP's ability to ensure that contractors physically implemented these measures.

### Justification of Overall Rating of Bank Performance

79. Given the fact that the Quality at Entry is rated as Satisfactory and Quality of Supervision rated as Moderately Satisfactory, the overall rating for the Bank's performance is **Moderately Satisfactory**.

## D. RISK TO DEVELOPMENT OUTCOME

The following long-term risks for development outcomes have been identified:

80. Turn-over of staff at local governments pose a risk for the sustainability of the development outcomes. If staff



members that benefited from the capacity support resign or retire without transferring knowledge and skills to new staff members, the benefits of the capacity training cannot be sustained over the long term. The same risk also applies to the community representatives at *Tinkhundla* who are re-elected every five years. If community members who formed part of the capacity support are not re-elected, and the knowledge is not transferred, the *Tinkhundla* will lose the capacity.

81. A significant risk for the completed infrastructure projects is the ongoing maintenance of the infrastructure. Access to the financial resources, capacity, maintenance plans and management to do the necessary upkeep on the infrastructure is a challenge. There has been no action on the part of GOE to move towards a more stable fiscal transfer system and mainstreaming of performance-based grants (as recommended by reports produced by this project), and own source revenue in ULGs and *Tinkundla* remain very low.

82. The project was undertaken in an environment where key institutional and fiscal policy issues remained unresolved. For example, Chapter 13 of the 2006 Constitution mandates the establishment of a single country-wide system of local government within five years. Legislation to implement that constitutional mandate were not yet introduced, and the arrangements for the proposed new local governments were still to be determined.





## V. LESSONS AND RECOMMENDATIONS

The following section sets out lessons from the SLGP, for projects involving local governments with limited technical and financial capacity, as well as recommendations for longer-term aspects of the project:

### ***Lessons:***

83. Improved Data Management is critical for effective monitoring and evaluation. A central server is required to set up an archiving system that could serve as a repository for all reports and documents for easy access by all stakeholders.

84. To broaden the impact of the project and improve sustainability, it would have been beneficial if ways were considered to also include and mobilize private sector funding in partnership with local governments to strengthen their capacity to deliver services, in particular in ULGs.

85. Although the participation of communities in the projects have shown considerable improvement when measured against the baseline, ways should be found to further improve community responsibility in implementation, operation and maintenance of projects. Inadequate community mobilization could be partly attributed to inadequate facilitation of duty bearers and partly to inadequate capacity assessment of the community to deliver its contribution obligations at the outset of the project. Even with a community driven process to select and prioritize investments, more guidance over the type of infrastructure, the societal benefit and use potential of various options could have been useful. Sports fields were technically difficult to deliver and has limited usage value in terms of actual numbers of community members. Similarly, the occupancy of market stalls remains relatively low, although having significantly improved conditions for the limited number of traders (mostly female) who utilize them.

86. The quality of implemented projects in rural areas is highly susceptible to the experience exhibited by the local contractor and to the oversight by the authorities. Overall, the quality is noted as acceptable from the functionality perspective; however, at the detail level, there were variations. *Tinkhundla* authorities were not equipped from a personnel perspective to carry out effective project management and design of more complicated projects, and the MPP capacity that aimed to address this was not technically proficient enough. Standardized designs were conceived to mitigate some of the technical challenges, but in some instances, sites were not suitable to the designs, resulting in changes being required on site and during construction. Closer supervision focused on adherence to construction quality, building standards, and timelines would have been ideal.

87. While project design was heavily influenced by the country context and ambitions towards decentralization at the time, this means that much of the longer-term sustainability of the project results were rooted in national government system reforms. The changing macro environment could not have been foreseen, but the challenges and delays encountered in design and effectiveness periods could have acted as early red flags. This could have informed a more explicit consideration to how to better ensure sustainability of capacity building interventions at local level. One example might have been the compilation of training manuals into a handbook to serve as reference materials for the local governments, and to share and mainstream this into the local tertiary education and government training systems. One further downside to sustainability was the lack of an ongoing program in the sector with the Bank.

### ***Recommendations:***



88. Performance-based grants clearly resulted in stimulating changes in behavior and performance within the local government systems and mainstreaming this approach into the broader government system and into the approach to inter-governmental fiscal transfers would be beneficial. The ongoing standardization of reporting requirements from local government as well as mechanisms to institutionalize performance assessments would form important elements of a more performance- oriented local government system.

89. The World Bank identified during initial missions the need for a "real growth point" analysis that objectively evaluates the emerging centers of economic activity in the country. This analysis would have been useful to identify capital investments that could underpin productive growth. In the absence of this prioritization, investment decisions by some ULGs were not necessarily maximizing or enabling economic growth. In general, improving economic justification for projects, better regional and local land use planning and management, improved land management, equitable and inclusive planning (housing and support for low-income families, preparedness to disasters and climate impacts) could all be included in future projects now that capacity has improved in local governments. Similarly, a broader menu of investments (beyond limiting it to roads only) could be considered for support in ULGs in the future.



**ANNEX 1. RESULTS FRAMEWORK AND KEY OUTPUTS**

**A. RESULTS INDICATORS**

**A.1 PDO Indicators**

**Objective/Outcome:** Direct Project Beneficiaries

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Direct project beneficiaries	Number	0.00 31-Dec-2010	12800.00 12-Mar-2012		110710.00 28-Jun-2019
Female beneficiaries	Percentage	0.00	51.00 15-Oct-2018		58.00
<b>Comments (achievements against targets):</b>					

**Objective/Outcome:** Percent of Tinkhundla receiving a score of 80 or above on their final performance assessments.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Percent of Tinkhundla	Percentage	0.00	75.00		87.50



receiving a score of 80 or above on their final performance assessments.		31-Dec-2010	12-Mar-2012		28-Jun-2019
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Comments (achievements against targets):

**Objective/Outcome:** Percent of ULGs receiving a score of 80 or above on their final performance assessments

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Percent of ULGs receiving a score of 80 or above on their final performance assessments	Percentage	0.00 31-Dec-2010	75.00 12-Mar-2012		91.67 28-Jun-2019

Comments (achievements against targets):

**Objective/Outcome:** Number of beneficiaries benefiting from emergency response and recovery activities.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Number of beneficiaries benefiting from emergency response and recovery activities.	Text	0 28-Nov-2016	0 28-Nov-2016		0 28-Jun-2019

Comments (achievements against targets):



**A.2 Intermediate Results Indicators**

**Component: TINKHUNDLA INFRASTRUCTURE AND CAPACITY BUILDING SUPPORT**

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Percent of targeted Tinkhundla signing annual sub-project execution side letters with MP	Percentage	0.00 31-Dec-2010	75.00 12-Mar-2012		100.00 30-Jun-2019

Comments (achievements against targets):

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Percent of targeted Tinkhundla completing annual budgets on time for submission to MTAD	Percentage	0.00 31-Dec-2010	75.00 12-Mar-2012		100.00 30-Jun-2019

Comments (achievements against targets):

**Component: URBAN INFRASTRUCTURE GRANTS AND CAPACITY BUILDING SUPPORT**



Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Roads rehabilitated, Non-rural	Kilometers	0.00	40.62		37.53
		31-Dec-2010	12-Mar-2012		30-Jun-2019
<b>Comments (achievements against targets):</b>					

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Percent of ULGs with completed, up-to-date road asset registries	Percentage	0.00	75.00		92.00
		31-Dec-2010	12-Mar-2012		30-Jun-2019
<b>Comments (achievements against targets):</b>					

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Minimum percentage of operating budget allocated to asset maintenance	Percentage	5.00	15.00		7.00
		31-Dec-2010	12-Mar-2012		30-Jun-2019
<b>Comments (achievements against targets):</b>					



Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Percent of ULGs having annual financial audits completed within six months of the end of the financial year and neither adverse nor disclaimed	Percentage	25.00	75.00		92.00
		31-Dec-2010	12-Mar-2012		30-Jun-2019

Comments (achievements against targets):

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Development of recommendations for a sustainable local government financing framework	Text	no	yes		yes
		31-Dec-2010	12-Mar-2012		30-Jun-2019

Comments (achievements against targets):

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Number of people provided with access to all-season roads within a 500-meter	Number	0.00	7200.00		25504.00
		31-Dec-2010	12-Mar-2012		30-Jun-2019



range under the project

Comments (achievements against targets):

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Capital expenditures to total revenue	Percentage	5.00 31-Dec-2010	25.00 12-Mar-2012		28.00 30-Jun-2019

Comments (achievements against targets):

**Component: PROJECT MANAGEMENT AND TECHNICAL ASSISTANCE**

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Sub-projects carried out as a percent of sub-projects in agreed annual budgets (planned vs.actual)	Percentage	0.00 31-Dec-2010	85.00 12-Mar-2012		96.00 30-Jun-2019

Comments (achievements against targets):





**B. KEY OUTPUTS BY COMPONENT**

Objective/Outcome 1: Improved Tinkhundla capacity to plan and manage infrastructure needs	
Outcome Indicators	<ol style="list-style-type: none"> <li>1. A minimum of 75 percent of the eight targeted Tinkhundla under the project receive a score of 80 or above on their final performance assessments</li> <li>2. Direct project beneficiaries, of which percent female.</li> <li>3. Number of beneficiaries benefiting from emergency response and recovery activities</li> </ol>
Intermediate Results Indicators	<ol style="list-style-type: none"> <li>1. 75 percent of targeted Tinkhundla completing annual budgets on time for submission to MTAD</li> <li>2. 75 percent of targeted Tinkhundla signing sub-project execution side letters with MP</li> <li>3. Sub-projects carried out as a percentage of sub-projects in agreed annual budgets. (planned vs. actual)</li> </ol>
Key Outputs by Component (linked to the achievement of the Objective/Outcome 1)	<ol style="list-style-type: none"> <li>1. Completed annual budgets</li> <li>2. Signed sub-project execution side letters with Swaziland’s Microprojects Programme</li> <li>3. Three-year investment plans</li> <li>4. Community engagement sessions and community capacity building</li> <li>5. Mentorship to <i>Tinkhundla</i> secretaries</li> <li>6. Training manuals and related materials</li> <li>7. Completed infrastructure projects</li> </ol>



<b>Objective/Outcome 2: Improved ULG capacity to plan and manage infrastructure services</b>	
Outcome Indicators	<ol style="list-style-type: none"> <li>1. A minimum of 75 percent of ULGs receive a score of 80 or above on their final performance assessments</li> <li>2. Direct project beneficiaries, of which percent female.</li> <li>3. Number of beneficiaries benefiting from emergency response and recovery activities</li> </ol>
Intermediate Results Indicators	<ol style="list-style-type: none"> <li>1. 75 percent of ULGs having annual financial audits completed within six months of the end of the financial year and neither adverse nor disclaimed.</li> <li>2. Capital expenditures to total revenue</li> <li>3. 75 percent of ULGs have completed up-to-date road asset registries.</li> <li>4. Roads rehabilitated, non-rural</li> <li>5. Minimum percentage of operating budget allocated to asset management</li> <li>6. Development of recommendations for sustainable local government financing framework</li> <li>7. Number of people provided with access to all-season roads within a 500-meter range under the project</li> </ol>
Key Outputs by Component (linked to the achievement of the Objective/Outcome 2)	<ol style="list-style-type: none"> <li>1. Completed financial audits</li> <li>2. Completed annual budgets</li> <li>3. Completed up-to-date road asset registers</li> <li>4. Training manuals and related materials</li> <li>5. Mentorship and ongoing support to local government officials</li> <li>6. Completed Capital Investment Plans (with community inputs)</li> <li>7. Completed roads and roads-related infrastructure</li> <li>8. Study of Local Government Finance Mobilization and Review of Grants Allocation System to Sub-National Governments in Eswatini</li> <li>9. Report on the Oversight, Facilitation &amp; Monitoring Systems for Urban and Tinkhundla Local Government</li> </ol>

## ANNEX 2. BANK LENDING AND IMPLEMENTATION SUPPORT/SUPERVISION

### A. TASK TEAM MEMBERS

Name	Role
<b>Preparation</b>	
<b>Supervision/ICR</b>	
Asmita Tiwari	Task Team Leader(s)
George Daniel, Chitambala John Sikazwe	Procurement Specialist(s)
Joao Tinga	Financial Management Specialist
Tandile Gugu Zizile Msiwa	Financial Management Specialist
Rildo Santos	Team Member
Kisa Mfalila	Environmental Specialist
Majbritt Fiil-Flynn	Social Specialist
Carli Bunding-Venter	Team Member

### B. STAFF TIME AND COST

Stage of Project Cycle	Staff Time and Cost	
	No. of staff weeks	US\$ (including travel and consultant costs)
<b>Preparation</b>		
FY06	3.650	21,219.39
FY07	20.900	113,383.48
FY08	41.980	137,869.20
FY09	42.885	78,862.09
FY10	28.346	255,757.49
FY11	26.727	106,886.81
FY12	0	0.00
FY16	0	3,515.56



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<b>Total</b>	<b>164.49</b>	<b>717,494.02</b>
<b>Supervision/ICR</b>		
FY11	8.317	57,156.23
FY12	15.725	106,821.16
FY13	20.930	132,487.54
FY14	18.324	108,562.54
FY15	19.222	91,590.63
FY16	18.655	122,375.37
FY17	17.020	107,713.48
FY18	12.722	92,247.43
FY19	20.522	148,831.32
FY20	9.821	55,694.28
<b>Total</b>	<b>161.26</b>	<b>1,023,479.98</b>

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**ANNEX 3. PROJECT COST BY COMPONENT**

<b>Components</b>	<b>Amount at Approval (US\$M)</b>	<b>Actual at Project Closing (US\$M)</b>	<b>Percentage of Approval (US\$M)</b>
TINKHUNDLA INFRASTRUCTURE AND CAPACITY BUILDING SUPPORT	0	7.76	0
URBAN INFRASTRUCTURE GRANTS AND CAPACITY BUILDING SUPPORT	0	18.55	0
PROJECT MANAGEMENT AND TECHNICAL ASSISTANCE	0	7.18	0
Contingent Emergency Response Component	0	.01	0
<b>Total</b>	<b>0.00</b>	<b>33.50</b>	<b>0.00</b>



## ANNEX 4. EFFICIENCY ANALYSIS

No economic analysis was conducted at Appraisal stage due to both the micro projects in *Tinkhundla* and the exact road investments being unknown at the time. Whilst road projects were often selected from existing master plans in towns, it was not possible to know what budget allocations would be per ULG nor the exact roads that would be constructed or upgraded. In *Tinkhundla* projects were only selected following a community engagement and prioritization process, well into the commencement of the overall Project.

For the purposes of the ICR several options were considered to reflect on the cost effectiveness and other elements of the actual infrastructure delivered. Essentially an economic analysis could consider equity, efficiency and quality. The overall report is supported by detailed closing studies on the quality of infrastructure delivered, the results and quality of capacity building as well as a full beneficiary assessment. What remains therefore is a focus on efficiency – which in this case focus on unit costs, cost comparisons and actual expenditure vs. budgets between and across different types of investments.

### Tinkhundla

A total of 88 micro projects were completed across four grant windows, split as outlined below across the windows. There was a clear acceleration in delivery through the different years, although the heavy project load in the final year ultimately stretched the capacity of contractors to implement and MPP and PST to supervise. Projects which experienced delays were also concentrated in the final year, some of this attributed to an MPP procurement rule that did not allow for multiple projects to be awarded to the same contractor (a limit of 2 projects per contractor was imposed). Whilst this contributed to equity in the work allocation to construction companies it meant when the more challenging engineering projects such as were allocated in the final year, many of the most experienced contractors were no longer eligible to bid for work from the project.

**Table 1: Grant windows and types of projects**

Year	School house or office	Market	Toilet	Foot bridge, low water crossing	Fencing	Dip-tank	Sports field	<sup>18</sup> Road upgrades	Water project, donga	Clinic	Soup Kitchen	Pit latrine	Community hall	Total
2013/14	3	2	1	1	1	1		1						<b>10</b>
2014/15	3	1	1	5	1	1	3				1			<b>16</b>
2015/16	4	2	2		3	2	1	3		2	1			<b>20</b>
2016/17	5	2	2	8	11	3		1	2	5		2	1	<b>42</b>
<b>Total</b>	<b>15</b>	<b>7</b>	<b>6</b>	<b>14</b>	<b>18</b>	<b>7</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>7</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>88</b>

When considering the total cost vs. the number of projects, clearly the more engineering intensive projects required larger budgets (i.e. Foot bridges). Out of all the types of projects, footbridges and low water crossings however potentially benefit the most members of a community – often connecting previously disconnected communities to amenities and children to schools. School infrastructure (teacher houses, administration blocks

<sup>18</sup> Road upgrades in Thinkundla were for the re-gravelling of existing gravel roads.



and classrooms) seems to have been cost effective investments, delivering 15 individual projects, at a cost well below that of bridges, and with significant results and high levels of satisfaction attributed by community members.

Figure 1 & 2: Tinkhundla total expenditure by infrastructure type over the duration of the Project

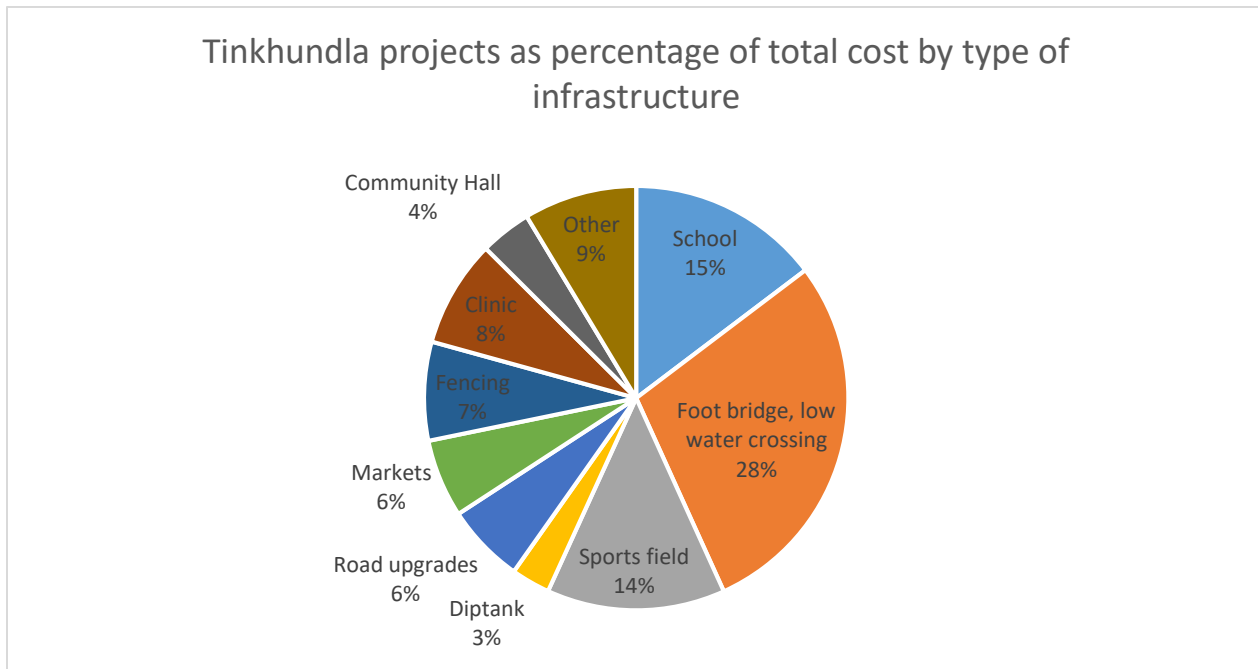
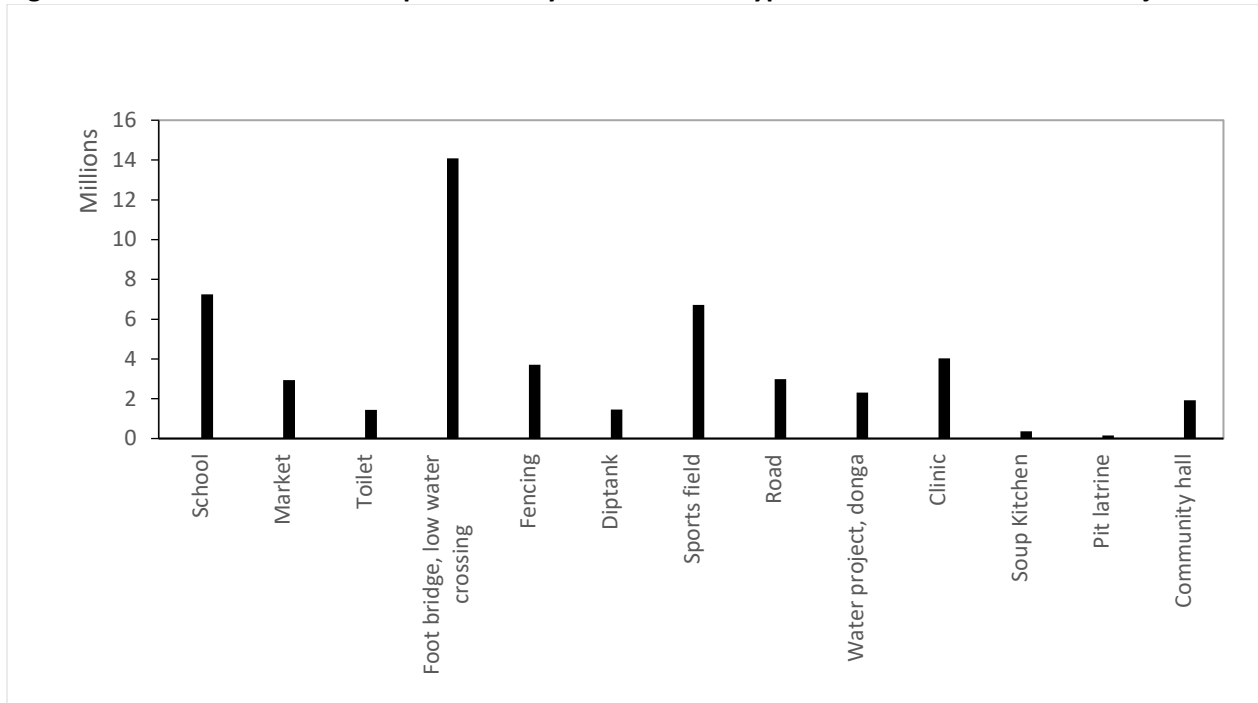
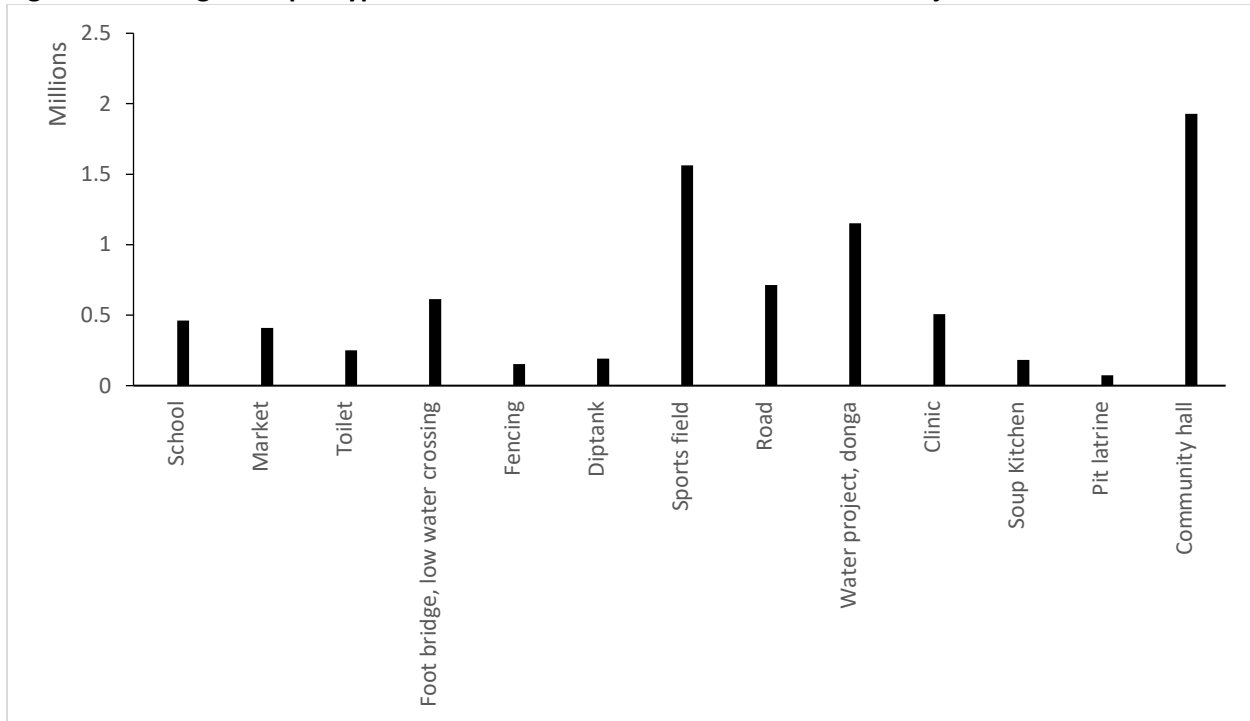




Figure 3: Average cost per type of infrastructure over the lifetime of the Project



In terms of budget vs. actual cost the micro projects fared satisfactory, with an exception in the sports field construction in the 2014/2015 grant window. Three sports fields were planned, with a standard cost of E149,399.92 budgeted or allocated per project. Each of the three projects were tendered at significantly higher rates (E1,257,449; E1,625,135 and E2,499,500). Against a total budget of around E450,000 for the three projects, they were delivered for a cost of E5,3 Million. The single sport field in the following year was allocated a much higher budget (E900,000) but still exceeded it at a cost of E1,333,000. These sport fields involved extensive excavation and heavy machinery to level a playing field, in some instances also involving cuttings in slopes and extensive rain water run-off and erosion mitigation actions. There was some learning in the system in that no further sports fields were accepted as projects into the later years of the Project.

The only other category of projects with budget vs. actual expenditure challenges are footbridges and low-water bridges. Eight (8) bridge projects were planned for the final grant window at a total budget of just over E6 Million. The projected expenditure at the time of data analysis (a few weeks prior to the final close of the project) was at around E10 Million. Some of the challenges in these projects were captured in the final supervision Aide Memoires included a lack of appropriate engineering oversight (from design to implementation) and particularly some challenges with adapting standard plans to site specific conditions (slopes and angels) resulting in significant augmentation works required to ensure alignment and ease of use.

### Urban Local Governments

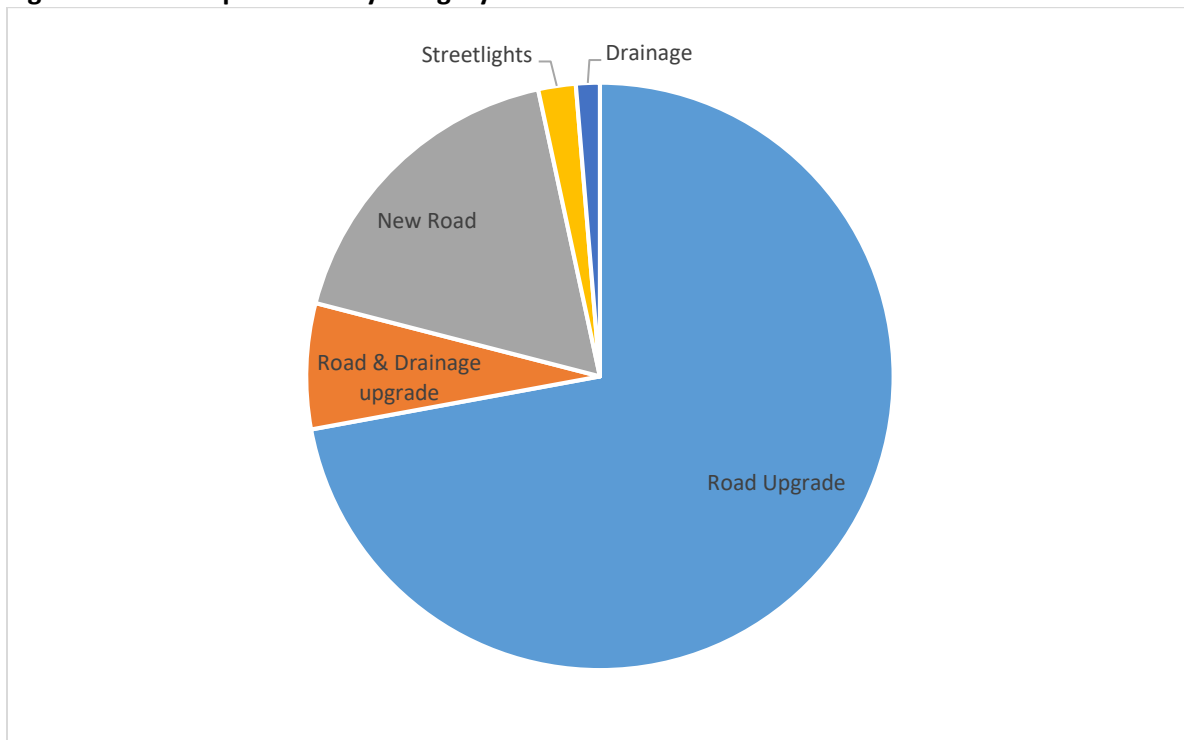
Conditions of grants for ULG's limited the application of funds to road related projects, which broadly included building of new roads (often including extensive drainage provision due to soil and slope conditions in Eswatini),





upgrading of roads, drainage work only and the provisioning of street lights<sup>19</sup>. The total number of projects delivered are counted as 53, although more contracts were issued which included at times a separation of design and supervision components from the actual construction. The cost of design and supervision were added to obtain the total cost per project. The road specific categories (excluding street lights and purely drainage projects) were added into a single number for reporting against the indicator (Km's of road constructed) for a total of 40.62km's. The largest portion of this (30.1km) was for Road upgrades. Below is a breakdown of the total cost allocation per category of expenditure, and not surprising road upgrades account for the largest portion of the budget and was a very efficient use of funds to achieve maximum impact.

**Figure 4: Total expenditure by category of road related infrastructure**



Mbabane, Manzini and Matsapha executed much larger projects on average. As example Matsapha delivered two projects of around E20 Million, Mbabane delivered the single largest projects at E25 Million and Manzini had 2 projects of around E10 Million and one of E16 Million. The remainder of the ULG's had projects not exceeding E7 Million and the majority in the range of E2 – 4 Million.

<sup>19</sup> The classification was based on the actual names of projects in the list of ULG projects, as contained in the final Aide Memoire from June 2019. If drainage was therefore not explicitly named it was considered to not form part of the project activities. Given local conditions in Eswatini, and the high standard of work observed, it is however likely that the majority, if not all of the road projects included considerable drainage components.



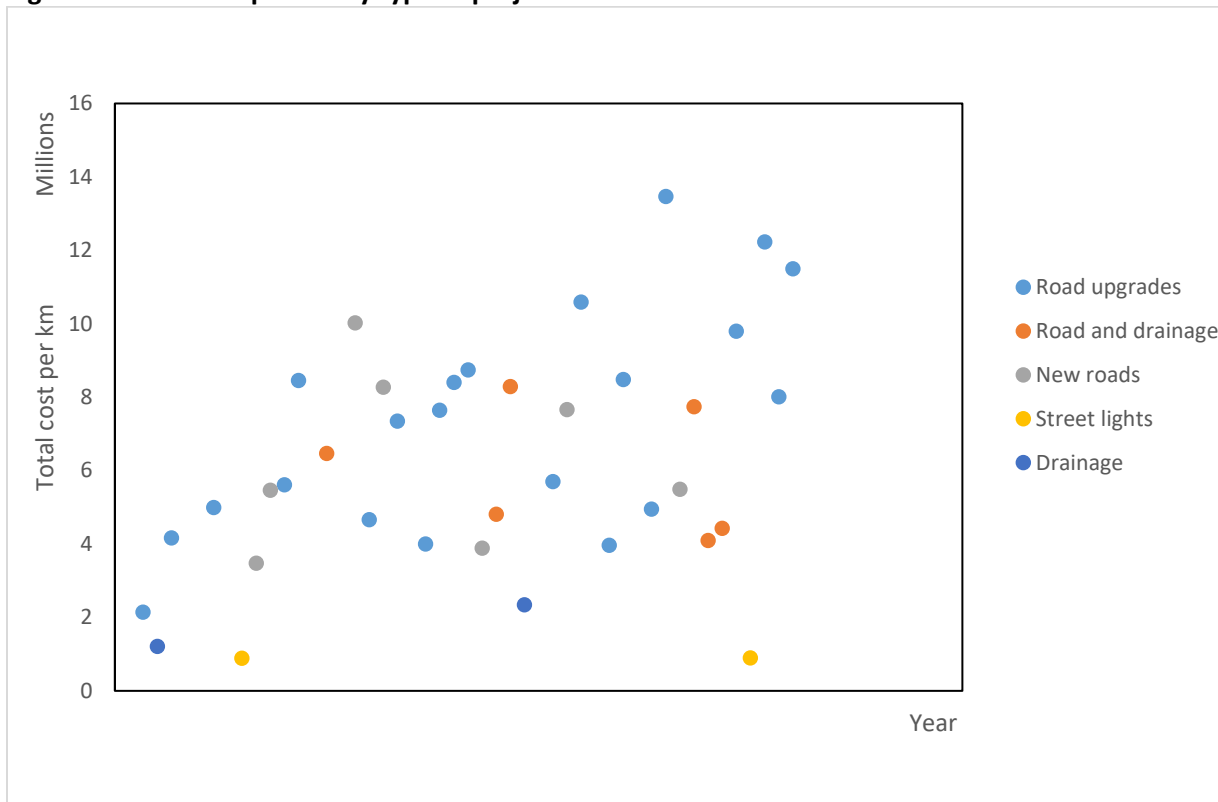
**Table 2: Total expenditure per grant period**

<b>Year</b>	<b>Total cost</b>	<b>Total projects</b>	<b>Average cost per project</b>
2013/2014	10,266,628.80	5	2,053,325.76
2014/2015	52,318,729.07	10	5,231,872.91
2015/2016	89,207,531.36	12	7,433,960.95
2016/2017	95,889,828.00	13	7,376,140.62
2016/2017 Augmentation	48,069,311.86	13	3,697,639.37
<b>Total</b>	<b>295,752,029.09</b>	<b>53</b>	<b>25,792,939.60</b>

One standard measure for comparison of costs in roads is cost per kilometer – this allows for a better comparison between projects than merely the total cost. Many of the projects executed under this Project was on short sections of road and the numbers had to be extrapolated for comparison purposes. This is largely a theoretical exercise as smaller sections of road are logically more expensive to deliver due to set up cost, the inability to secure volume discounts, etc. This data does not take into account any variations in design, including no consideration for width, materials used, etc. (all roads referred to are surfaced roads, not gravel). Budget vs. Actual figures for individual road projects were not available at the time of the analysis. Some road projects included landslide risk mitigation, and other improvements included such as street light, drainage, and shifting of utility lines that increased per square kilometer costs.



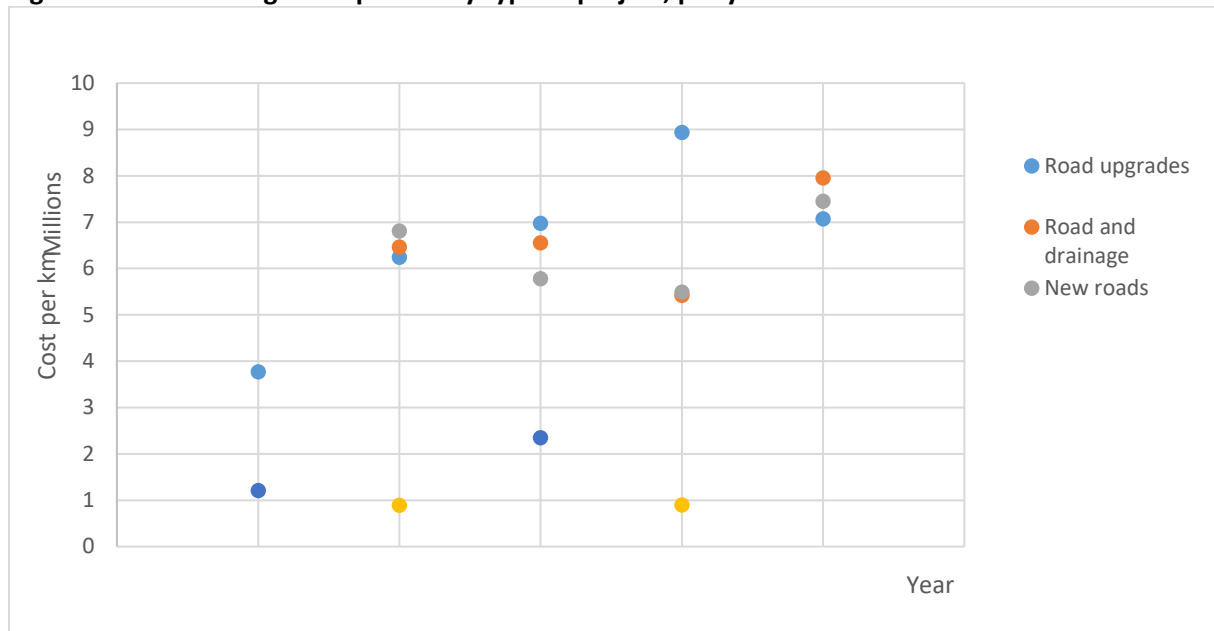
Figure 5: ULGs cost per km by type of project<sup>20</sup>



<sup>20</sup> For graphical depiction two outlier projects were removed from the dataset



Figure 6: ULGs average cost per km by type of project, per year<sup>21</sup>



The average cost per kilometer only diverges for road upgrades, road and drainage and new roads in year 4 of the project, with consistency in costs between these groups of Projects in general. Whilst a number of new roads were constructed in the early part of the Project, the latter years saw a greater focus on road upgrades. This reflects an acknowledgement that road upgrades could address more cost effectively pressing issues such as drainage challenges and even mitigate landslide risks.

### Conclusion

This reflects a rudimental assessment of some components of an economic analysis, mainly focused on efficiency through the average cost per unit of infrastructure over the lifetime of the Project. The analysis did not consider variations in design, site conditions or material used. For *Tinkhundla* projects MPP did use standard designs for most infrastructure, with evidence of limited adaptation resulting in some on-site and construction challenges. Limited sets of infrastructures (notably sports fields and foot bridges) significantly exceeded budgeted costs, but these were at least noted at tender stage and is not a result of cost increases during the lifetime of the project. In some instances, multiple procurement attempts and re-designs brought costs down. Ultimately individual project cost overruns could be accommodated in the overall budget envelope due to savings realized elsewhere. The Project was essentially focused on capacity building, utilizing a grant approach to incentivize participation and the infrastructure selection, design and implementation process as learning ground. These additional benefits and results from the Project were not quantified in a cost-benefit analysis, but the Project’s infrastructure outputs do seem to have been delivered in an economically efficient manner.

<sup>21</sup> For graphical depiction two outlier projects were removed from the dataset. It is further not possible, using absolute budgets and expenditure figures to distinguish between grant funds and own co-funding (due to the accounting approach adopted), and if projects included or excluded the initial 20% co-contribution.



## **ANNEX 5. BORROWER, CO-FINANCIER AND OTHER PARTNER/STAKEHOLDER COMMENTS**

No formal comments were received from the Borrower. The Project Support Team did provide inputs which were incorporated during QER process. These comments were mainly focused on minor factual corrections and confirming performance indicator results.

## ANNEX 6. SUPPORTING DOCUMENTS (IF ANY)

### ADDITIONAL COMMENTS RELATING TO CONTEXT AND DELAYS AT PROJECT INITIATION

The design of the project and key components changed significantly between receiving the request from government (in 2003 and 2005) and the finalization of the design around 2010. The Aide Memoire from a 2006 Scoping mission reflected 3 possible components:

- Local Government Capacity Building;
- Peri-Urban upgrading through Community Driven Development (CDD); and
- Municipal Finance and Creditworthiness support to assist selected local governments to access the private finance market.

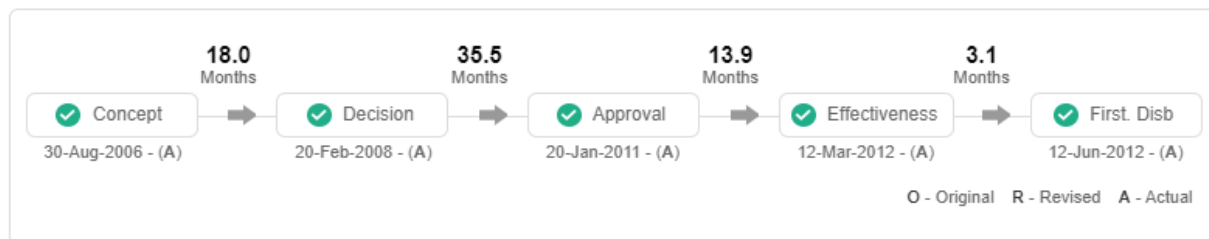
A 2009 Aide Memoire shows a shift in the design to include 4 slightly different components:

- Small scale infrastructure grants to peri-urban communities;
- Capacity building grant program for technical assistance to local governments focusing on capacity to plan, budget and execute service delivery mandates;
- Government loans to local governments which could attract matching private sector finance; and
- Project management (financed entirely by Government).

Preparation was significantly accelerated with follow up missions in January and February 2010. At this stage efforts to support creditworthiness and access to private financial markets and matching loans were abandoned. It was particularly noted at this stage that some key institutional and fiscal policy actions relating to local governments and a unified local government system were not materializing. By February 2010 the project as finally reflected in the PAD and approved was largely shaped.

#### Figure 1: Concept to first disbursement

Concept: First Disbursement - 70.4 Months



The first supervision mission in April 2011 noted GoE's fiscal constraints which impacted significantly on the ability to establish and fund a PST. The Project however was acknowledged as being able to offer significant capital funds to local governments within this constrained environment. By October 2012 the Bank team noted significant progress towards implementation but flagged the need for proactivity on the part of the PST to ensure progress and the flow of funds.



## **METHODOLOGY FOR PERFORMANCE ASSESSMENTS<sup>22</sup>**

The procedure for conducting Performance Assessments (PA) of the eight (8) participating Tinkhundla, twelve (12) Urban Local Governments (ULGs) is outlined elucidated below:

### **i. Planning and Inception**

An Inception Report was prepared to provide the following:

- a. A reconfirmation of the objectives of the PA and the scope of work;
- b. A reconfirmation of the approach and methodology;
- c. Confirmation of the work plan and activity schedule to be followed;
- d. Reconfirmation of the responsibilities of the SLGP/OST and the AH Consulting with respect to the PA; and
- e. Identification of the key documents relevant to the PA.

### **ii. Preparatory Meeting with the PST**

Meeting with service provider to officially kick off the assignment and to discuss and agree on key dates and activities for the commencement of the PA especially the submission of Inception Report and agreeing on the schedule for the PA. The PST communicated the schedule of the PA to the Tinkhundla and ULGs respectively to prepare for the APA.

### **iii. Introductory Meetings**

During the PA, the Performance Assessment Team (PAT) was received by the Inkhundla Secretaries, Indvuna y'Inkhundla (Chairpersons of Inkhundla), and in some cases, by the Members of Parliament in the presence of Councilors (Bucopho). In the ULGs, the PAT was received by the Town Clerks (CEOs) and other members of management/Technical staff. The SLGP Deputy Project Coordinator (DPC) and Project Technical Assistant Coordinator introduced the PAT to the Tinkhundla while the SLGP Project Coordinator introduced the PAT to the ULGs. The SLGP PC/DPC outlined the purpose of the performance assessment and requested for cooperation from the Tinkhundla and ULGs teams during the exercise. They informed the Tinkhundla and ULG teams that the SLGP office would not take part in the assessment to allow for the independence of the PAT and to also further give opportunity to the Tinkhundla/ULGs officials to freely comment and express their opinions on project implementation.

### **iv. Discussions with Tinkhundla and ULGs**

After the introductory meeting, the PAT presented an overview of PA process, purpose of the 7, the indicators to be assessed, and associated key documents to be reviewed and availability of key Tinkhundla and or ULG personnel to be interviewed. The LG was also requested to coordinate visits to project sites funded by SLGP. The PAT and the Tinkhundla or ULG officials agreed on the schedule for the different processes and activities that were carried out over the 1-3 days depending on the LG.

### **v. Review of Documents**

The PAT reviewed various documents at each Inkhundla and ULG to assess their respective performance in meeting the MMCs and to determine the extent of achievement of performance measures. Documents were provided to the PAT by the Tinkhundla, ULGs, and SLGP/Project Support Team (PST). Most of the documents

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<sup>22</sup> Annual Performance Assessment Report for 2016/2017



reviewed had been prepared and filed prior to the assessment. Additional consultative discussions were also conducted to give an opportunity to the teams (Inkhundla personnel and ULGs management) to explain/clarify on some information in the documents reviewed. The list of documents reviewed is indicated in Appendix 3.

**vi. Visit to Project Sites and Chiefdoms**

In the Tinkhundla, the PAT visited project sites in order to ascertain the actual situation on the ground and to further verify that SLGP funds had been used on public infrastructure within the mandate of the Inkhundla. Where possible, the PAT visited some Chiefdoms (Umphakatsi) in order to consult and ascertain the actual situation on the ground with regard to the following aspects:

- Collaboration and working relations between the Inkhundla and Chiefdom;
- Documentation at the Chiefdom;
- Communication and feedback to the Community;
- Community participation and benefits from the SLGP;
- Lessons learnt, best practices, challenges and way forward; and
- Sustainability of the projects implemented at Inkhundla and Chiefdom level.

In the ULGs, the purpose of the visits to project sites was to enable the PAT to ascertain the actual situation on the ground and to further verify that SLGP funds had been used on roads and roads related infrastructure within the ULG. In addition, the PAT and each ULG management team discussed lessons learnt, best practices, challenges and possible solutions and way forward for implementation and sustainability of the SLGP projects.

**vii. Debriefing Meetings**

Once the PAT finished the preliminary analysis, synthesis and triangulation of information collected, and writing the summary report, a debriefing meeting was held whereby the PAT presented an overview of the preliminary findings to the each Inkhundla team and ULG team, (in the presence of the SLGP Project Coordinator and/or Deputy Project Coordinator (PC/DPC) for the ULGs and Tinkhundla respectively). The meeting also served as an opportunity for each Inkhundla team and ULG team to seek and provide clarifications where necessary. Upon agreement between the PAT and the each Inkhundla team and ULG team that the summary results presented was a true reflection of the situation obtaining in the institution in respect of the performance assessment the parties signed the summary document.

**viii. Preparation of Reports**

The following reports were prepared:

- a. Reports for each of the 8 participating Tinkhundla and 12 ULGs. A detailed report per ULG and Tinkhundla containing findings for: (i) assessment of LG compliance to MMCs, (ii) consolidating findings from both the desk based review and field work for PMs. The individual reports were submitted to the PST/SLGP.
- b. A consolidated/synthesized report with findings and recommendations, providing comments and making recommendations to improve: (i) the indicators, etc. The synthesis report was informed by the LGs reports.



## INDICATORS FOR PERFORMANCE ASSESSMENTS OF URBAN LOCAL GOVERNMENTS

### 1. Minimum Conditions

INDICATORS OF MINIMUM CONDITIONS	INFORMATION REQUIRED FOR COMPLIANCE
(a) The receipt by PST of a council-approved annual budget in the prescribed format (consistent with national systems) for the relevant financial year by 31 <sup>st</sup> March of the previous financial.	<ul style="list-style-type: none"> <li>• Approved annual budget prepared based on established procedures and format;</li> <li>• Approved budget submitted to PST on time as required (31<sup>st</sup> March)</li> <li>• Evidence of Letter of Submission</li> <li>• Evidence of Acknowledgement of receipt</li> </ul>
(b) A minimum capital expenditure performance of 75% for the previous financial year. This indicator would be calculated on the basis of committed (signed contracts) or disbursed funds relative to receipts under the SLGP	<ul style="list-style-type: none"> <li>• Existence of the 75% of capital expenditure in the previous year;</li> <li>• Indicate workings;</li> <li>• Amount of own local revenues;</li> <li>• Total amount received from the central government as annual fiscal transfers</li> </ul>
(c) Receipt by PST of the external audit report & financial statements for the FY preceding the year under review within 6 months after closure of the FY. The audit report may not be adverse or disclaimed & it should include a statement on the status of amounts advanced vs actual costs/implementation, by each of the recipient ULGs	<ul style="list-style-type: none"> <li>• Availability of the External Audit Report &amp; Financial statements for previous FY;</li> <li>• The audit report is not adverse nor disclaimed;</li> <li>• The audit report includes statements of expenditures as required.</li> </ul>
(d) Receipt by PST of a narrative report (summary) of the key participation/consultation & accountability procedures undertaken by the ULG in preparation & execution of the budget during the year under review.	<ul style="list-style-type: none"> <li>• Evidence of existence of the narrative report.</li> <li>• Evidence of reporting on Budget execution by the ULG during the year under review.</li> </ul>
e) In years that are subsequent to the receipt of a grant, evidence of compliance with the permitted use of funds namely for local roads in compliance with the World Bank procurement rules & ESMF & with the required level of matching funds.	<ul style="list-style-type: none"> <li>• Evidence of compliance with the permitted use of funds namely for local roads in compliance with the World Bank procurement rules &amp; ESMF &amp; with the required level of matching funds.</li> </ul>

### 2. Financial Stability and Good Governance

INDICATORS OF PERFORMANCE MEASURES	SOURCE OF INFORMATION	INDICATOR RANGE
(a) Unqualified external audit opinion (year preceding year under assessment)	Audited financial statements	Yes/No
(b) Liquidity Ratio (cash: current liabilities)	Audited financial statements	Less than 1 score 0 1.0 -1.25 score 1 point 1.25 -1.5 score 2 points



INDICATORS OF PERFORMANCE MEASURES	SOURCE OF INFORMATION	INDICATOR RANGE
		1.51 – 1.75 score 3 points 1.751 – 2.0 score 4 points More than 2.0 score 5 points
(c) Extent of budget variance	Annual Financial Estimates	More than 15% score 0 points 12.1 -15% score 1 point 8.1-12% score 2 points 5-8% score 3 points 1-4.9% score 4 points 0% score 5 points
(d) Internal auditor function/ position created and procured / staffed, with no vacancies for longer than six months, on either individual or joint appointment basis	<ul style="list-style-type: none"> <li>Look at appointment letter to establish date of appointment</li> <li>Look at staff establishment vis-à-vis positions filled / vacant</li> </ul>	Yes/No

3. Administrative Efficiency

INDICATORS OF PERFORMANCE MEASURES	SOURCE OF INFORMATION	INDICATOR RANGE
(a) Key management positions filled, with no vacancies for longer than six months, as determined by category of ULG	Appointment letters – check for dates of exit of outgoing officers and appointment letters for incoming officers	CEO
		City Engineer
		City Treasurer
		Sub Total
(b) Staff costs to adjusted total revenue (less capital grants)	<ul style="list-style-type: none"> <li>Audit Report</li> <li>Annual Financial Estimates</li> </ul>	More than 50% score 0 45 -50% score 5 points 40 -44% score 7 points <40% score 10 points
(c) Capital expenditure to total revenue	<ul style="list-style-type: none"> <li>Annual Budget 2016/17</li> <li>Final Accounts 2016/17</li> </ul>	> 40% = 5 35.01 – 40% = 4 30.01 – 35% = 3 25.01 – 30% = 2 15 – 25% = 1 Less than 15% = 0
(d) Capital expenditure performance	Final Accounts	> 60% = 5 50.01 – 60% = 4 40.01 – 50% = 3 30.01 – 40% = 2 20 – 30% = 1 < 20% = 0



#### 4. Project Execution and Service Delivery

INDICATORS OF PERFORMANCE MEASURES	SOURCE OF INFORMATION	INDICATOR RANGE
(a) Compliance with procurement requirements.	<ul style="list-style-type: none"> <li>Contract for SLGP funded Investment</li> <li>Letter of 'No Objection' from World Bank</li> </ul>	Yes/No
(b) Compliance with safeguard requirements	<ul style="list-style-type: none"> <li>Environmental and Social Management Framework (ESMF)</li> <li>Environmental and Social Screening Form (ESSF)</li> <li>Operational Safety and Health Administration (OSHA) Act</li> <li>Resettlement Policy Framework (RPF)</li> <li>Letter of Clearance from Swaziland Environment Management Authority</li> </ul>	Yes/No
(c) Road asset register is up-to-date and operational	<ul style="list-style-type: none"> <li>Road Asset Register</li> </ul>	In Place
	<ul style="list-style-type: none"> <li>Check last date of update</li> </ul>	Updated

#### 5. Participation, Transparency and Accountability

INDICATORS OF PERFORMANCE MEASURES	SOURCE OF INFORMATION	INDICATOR RANGE
(a) Year-on-year improvement in own-source revenue collection	Final Accounts	≥ 5% = 5 4%-4.9% = 4 3%-3.9% = 3 2%-2.9% = 2 1%-1.9% = 1 < 1% = 0
(b) Timely submission of quarterly financial and physical progress reports within 15 days of end of the quarter	<ul style="list-style-type: none"> <li>Check for Existence of Quarterly Financial and Physical Reports</li> </ul>	Yes = 3 No = 0
	<ul style="list-style-type: none"> <li>Check on date of submission</li> </ul>	Compliant = 2
(c) Compliance with planning process activities and timelines	<ul style="list-style-type: none"> <li>Proof of participatory planning (Nov – Dec)</li> </ul>	Yes = 1 No = 0
	<ul style="list-style-type: none"> <li>Approval and Publication – Public Budget Inspection Notice</li> </ul>	Yes = 1 No = 0



INDICATORS OF PERFORMANCE MEASURES	SOURCE OF INFORMATION	INDICATOR RANGE
	<ul style="list-style-type: none"> <li>Submission of Budget Estimates to Minister 7 days after publication</li> </ul>	Yes = 1 No = 0
	<ul style="list-style-type: none"> <li>Submission of financial statements to external auditors Apr – June</li> </ul>	Yes = 1 No = 0
	<ul style="list-style-type: none"> <li>Submission of external audit report to the Minister by 30<sup>th</sup> September</li> </ul>	Yes = 1 No = 0
(d) Community / ward meetings held twice a year for plan / budget and review	<ul style="list-style-type: none"> <li>Minutes of Annual Report Presentation Meeting by 30<sup>th</sup> September</li> </ul>	Yes = 2 No = 0
	<ul style="list-style-type: none"> <li>Stakeholder Consultation meetings for planning and budgeting purposes</li> </ul>	Yes = 3 No = 0
(e) Evidence of distribution of ULG annual report and PA report handouts to Community	Check for distribution lists of the Annual report to stakeholders	Yes = 2 No = 0
	Snapshots of adverts and public notices inviting the public to attend presentation of the Annual Report and PA report.	Yes = 3 No = 0
(f) Number of items on notice boards meeting PIM requirements	Snapshots of items on the notice board complying with PIM requirements, e.g. notices inviting public to inspect budget estimates before they are submitted to the Minister	Yes/No

## 6. Overall Weighting

Urban Local Governments (ULGs)	Financial Stability & Good Governance (%)	Administrative Efficiency (%)	Project Execution & Service Delivery (%)	Participation, Transparency & Accountability (%)
Maximum Weighted Score (%)	25	30	15	30



## INDICATORS FOR PERFORMANCE ASSESSMENTS OF TINKHUNDLA

### 1. Minimum Conditions

INDICATORS OF MINIMUM CONDITIONS	INFORMATION REQUIRED FOR COMPLIANCE	STATUS: YES/NO
(a) Investments only on public infrastructure within functional mandate	Investments on public infrastructure & within functional mandate	
(b) No evidence of ineligible expenditures.	Scrutiny of books of account & financial statements for FY 2016/17	
(c) Signed MOU between Tinkhundla and Micro Projects Programme.	Existence of the MOU –signed by authorized signatories indicating date, name and title.	

### 2. Participatory Planning and Budgeting Assessment

INDICATORS OF PERFORMANCE MEASURES	SOURCE OF INFORMATION
a) Participatory planning meetings held twice per year within required timeframes to (i) determine community priorities within 3-year capital development plans; and (ii) discuss annual budget, measured through minutes of meeting with list of attendees	<ul style="list-style-type: none"> <li>• Check for evidence of planning meetings and minutes at Chiefdom Level.</li> <li>• Check for attendance to assess level of participation.</li> </ul>
	<ul style="list-style-type: none"> <li>• Check for Minutes of Inkhundla Council for evidence of discussion of priorities submitted by Chiefdoms.</li> <li>• Check for attendance to establish Quorum</li> </ul>
	<ul style="list-style-type: none"> <li>• Check for Evidence of meeting to discuss Annual Budget</li> </ul>
(b) The timely preparation of a “rolling” three-year capital investment plan reflecting all untied, on-budget funds available to the Tinkhundla	<ul style="list-style-type: none"> <li>• Check for existence of a CIP</li> </ul>
	<ul style="list-style-type: none"> <li>• Check whether the CIP was on time (31<sup>st</sup> January 2016</li> <li>• Check whether the CIP was signed by both Secretary and Chairperson (If signed by both, score 2 if signed by one official, score 1)</li> </ul>
	<ul style="list-style-type: none"> <li>• Check whether CIP covers three years (FY 2016/2017-2018/19) and Score (1) for each year</li> </ul>
	<ul style="list-style-type: none"> <li>• Check whether Plan includes all untied on budget funds available to the Inkhundla (SLGP, RDF, MPP, etc.). If only SLGP – Score (1); if other sources are included – Score (3)</li> </ul>
c) The timely preparation of an annual budget, including the capital budget, reflecting the capital investment plan and available grant resources	<ul style="list-style-type: none"> <li>• Establish existence of Annual Budget for current financial year</li> </ul>
	<ul style="list-style-type: none"> <li>• If budget covers both operational and capital components: Score 2 and 1 if it covers only one component.</li> </ul>
	<ul style="list-style-type: none"> <li>• Check whether budget was prepared by 31<sup>st</sup> January 2017</li> </ul>



INDICATORS OF PERFORMANCE MEASURES	SOURCE OF INFORMATION
	<ul style="list-style-type: none"> <li>• Check for evidence of endorsement by both Inkhundla Chairperson and Secretary. If signed by both, score 4 and 2 if signed by one of the two.</li> </ul>

**3. Administrative Effectiveness**

INDICATORS OF PERFORMANCE MEASURES	SOURCE OF INFORMATION
(a) Evidence of the timely public posting of the three-year capital development plan and the annual capital development budget at the council offices and in each of the chiefdoms	<ul style="list-style-type: none"> <li>• Check for evidence of posting at Tinkhundla notice boards and other designated places e.g. Gogo centres, public markets, snapshots of adverts or posting as well as copies of adverts as evidence of posting.</li> <li>• Check for same evidence as above at chiefdom level</li> </ul>
(b) The timely submission of semi-annual progress reports on implementation of the budgeted capital development plan (by 1 <sup>st</sup> December)	<ul style="list-style-type: none"> <li>• Check for existence of Semi Annual Progress Report</li> <li>• Check for endorsement of Report by Council</li> <li>• Check for Date and evidence of Submission.</li> <li>• Check for existence of Quarterly Progress Reports</li> </ul>
(c) Preparation (by 1 <sup>st</sup> June) of an annual report, and evidence of its distribution as handouts to community members in all Chiefdoms	<ul style="list-style-type: none"> <li>• Check for existence of Annual Report for FY 2016/2017.</li> <li>• Check for Approval of Report by Council</li> <li>• Check for evidence of sharing/dissemination of report to Chiefdoms</li> <li>• Check if report was prepared by 1<sup>st</sup> June. If YES, Score (2), if later Score (0)</li> </ul>
(d) Evidence of, and the extent of, public disclosure of information by the Tinkhundla, including a list of projects planned, implemented or recently completed, together with total project values, individual contract values and contractor names (or other method of implementation), and implementation progress.	<ul style="list-style-type: none"> <li>• Check for General evidence of Public Disclosure (record mechanism of disclosure)</li> <li>• Check for evidence of dissemination of information from proposal prioritisation process</li> <li>• Check for disclosure of approved planned projects, their location, and project values.</li> <li>• Disclosure of on-going and completed projects, location, contractors and values</li> </ul>



**4. Sustainability**

INDICATORS OF PERFORMANCE MEASURES	SOURCE OF INFORMATION
(a) Evidence that the Inkhundla has set up and is maintaining an asset register of all on-budget capital infrastructure investment made within its jurisdiction which it had approved or provided a no objection.	• Establish existence of asset register for capital infrastructure investment
	• Check for adherence to agreed format
	• Check for evidence of regular annual updates



**PERFORMANCE ASSESSMENT SCORES OF PARTICIPATING ULGS AND *TINKHUNDLA* OVER LIFETIME OF PROJECT**

**Performance assessment of Urban Local Governments (ULG) (2012/2013 - 2016/2017)**

UGL	(FY 2012/2013)				(FY 2013/2014)				(FY 2014/2015)				(FY 2015/2016)				(FY 2016/2017)			
	PA2	Minimum Score Required For	Mandatory Minimum Condi	Minimum Score Met?	PA3	Minimum Score	Mandatory Minimum Condi	Minimum Score Met?	PA4	Minimum Score	Mandatory Minimum Condi	Minimum Score Met?	PA5	Minimum Score	Mandatory Minimum Condi	Minimum Score Met?	PA6	Minimum Score	Mandatory Minimum Condi	Minimum Score Met?
Ezulwini	82.2%	50%	Yes	Yes	83.0%	60%	Yes	Yes	91.0%	70%	Yes	Yes	88.0%	80%	Yes	Yes	78.0%	80%	No	No
Hlathikhulu	70.0%	50%	Yes	Yes	85.6%	55%	Yes	Yes	90.0%	60%	Yes	Yes	99.0%	70%	No	Yes	89.0%	70%	No	Yes
Luvumisa	82.2%	50%	Yes	Yes	86.6%	55%	Yes	Yes	86.0%	60%	Yes	Yes	93.0%	70%	Yes	Yes	94.0%	70%	Yes	Yes
Mankayane	64.4%	50%	Yes	Yes	84.4%	55%	Yes	Yes	91.0%	60%	Yes	Yes	100.0%	70%	Yes	Yes	85.0%	70%	Yes	Yes
Manzini	67.8%	50%	Yes	Yes	82.0%	60%	Yes	Yes	83.0%	70%	Yes	Yes	80.0%	80%	Yes	Yes	82.0%	80%	Yes	Yes
Matsapha	88.8%	50%	Yes	Yes	86.0%	60%	Yes	Yes	87.0%	70%	Yes	Yes	85.0%	80%	Yes	Yes	91.0%	80%	Yes	Yes
Mbabane	93.4%*	50%	Yes	Yes	90.0%	60%	Yes	Yes	84.0%	70%	Yes	Yes	89.0%	80%	Yes	Yes	96.0%	80%	Yes	Yes
Ngwenya	65.6%	50%	Yes	Yes	80.0%	60%	Yes	Yes	89.0%	70%	Yes	Yes	98.0%	70%	Yes	Yes	82.0%	70%	No	Yes
Nhlangano	75.6%	50%	Yes	Yes	82.0%	60%	Yes	Yes	91.0%	70%	Yes	Yes	99.0%	80%	Yes	Yes	89.0%	80%	Yes	Yes
Piggs Peak	76.7%	50%	Yes	Yes	82.0%	60%	Yes	Yes	85.0%	70%	Yes	Yes	94.0%	80%	Yes	Yes	96.0%	80%	Yes	Yes
Siteki	82.3%	50%	Yes	Yes	82.0%	60%	Yes	Yes	83.0%	70%	Yes	Yes	95.0%	80%	Yes	Yes	94.0%	80%	Yes	Yes
Vuvulane	-	50%	Yes	-	67.7%	55%	Yes	Yes	78.9%	60%	Yes	Yes	99.0%	70%	Yes	Yes	85.0%	70%	No	Yes

Performance assessment scores from the SLGP PA 2017 Reports (most recent and accurate)





**Performance assessment of *Tinkhundla* (2012/2013 - 2016/2017)**

<b>Tinkhundla</b>	<b>(FY 2012/2013) PA2*</b>	<b>(FY 2013/2014) PA3**</b>	<b>(FY 2014/2015) PA4</b>	<b>(FY 2015/2016) PA5</b>	<b>(FY 2016/2017) PA6</b>
<b>Lomahasha</b>	83.3%	64.0%	82.0%	66.0%	85.0%
<b>Manzini North</b>	71.4%	60.0%	83.0%	68.5%	79.0%
<b>Maseyisini</b>	83.3%	66.0%	94.0%	91.0%	92.0%
<b>Matsanjani</b>	90.4%	81.0%	87.0%	90.0%	88.0%
<b>Mayiwane</b>	83.3%	51.0%	94.0%	96.0%	94.0%
<b>Mkhiweni</b>	83.0%	64.0%	94.0%	83.0%	95.0%
<b>Motshane</b>	83.3%	64.0%	94.0%	98.0%	96.0%
<b>Siphofaneni</b>	89.2%	60.0%	75.0%	73.0%	81.0%
<b>Minimum Score</b>	<b>50%</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>	<b>80%</b>

Note: Performance assessment scores from the SLGP Performance Assessment for 2017



**LIST OF INFRASTRUCTURE PROJECTS COMPLETED**

*Project expenditure in Emalangeneni (local currency)*

*Note project numbers only allocated to actual infrastructure project, design and supervision contracts not counted*

2013/14 ULGs Projects

	<b>Project</b>	<b>ULG</b>	<b>Expenditure</b>
1	Mbabane-Gwamile widening designs	Mbabane	1,631,322.39
1	Mbabane-Streetlight installation	Mbabane	13,686.53
	Detailed designs-streetlights	Mbabane	20,529.79
2	Upgrading Woodmaster road	Manzini	1,243,051.73
3	Construction of storm water drainage	Matsapha	972,576.65
4	Upgrading Masabasaba road	Nhlangano	1,499,690.60
	Designs for roads and drains	Ngwenya	650,999.85
	Designs-Nazarene road& SEDCO	Piggs Peak	983,867.07
5	Upgrading Umsinsi road	Ezulwini	3,250,904.19



2014/15 ULGs Projects

	<b>Project</b>	<b>ULG</b>	<b>Expenditure</b>
1	Gwamile widening	Mbabane	14,137,309.70
1	Supervision-Gwamile widening	Mbabane	538,873.44
2	Dzeliwe & Dabede installation of Streetlights	Mbabane	625,712.00
3	Manzini-Inhlangwane & Madonsa Loop roads	Manzini	8,628,019.50
4	Construction of 2nd and 3rd Avenue	Matsapha	4,099,527.72
5	Upgrade Nkangala Road	Mankayane	2,022,492.13
6	Upgrading Masabasaba Avenue	Nhlangano	4,058,108.25
	Lavumisa-detailed designs for roads	Lavumisa	1,545,840.00
7	Construction of roads & drains	Ngwenya	2,069,757.86
7	Supervision for road and drains	Ngwenya	77,170.74
8	Construction of Nazarene Road	Piggs Peak	7,812,817.79
9	Upgrading Ngwenya Road	Siteki	2,564,541.31
10	Mvangati Road	Ezulwini	4,138,558.63



2015/16 ULGs Projects

	<b>Project</b>	<b>ULG</b>	<b>Expenditure</b>
1	Gwamile Widening and Mphakatsi-Polinjane- Lidwala-Madibhane Roads	Mbabane	24,999,927.76
2	Rehabilitation of Lusutfu, Mbuluzi, Fairview	Manzini	10,960,603.89
3	Upgrading of Tubungu Access Road	Matsapha	19,887,217.72
4	Mankayane-Upgrade Nkangala Road Phase 2	Mankayane	2,100,610.96
5	Upgrading of Benguni Street	Nhlangano	5,948,506.32
6	Police Road Phase 2	Hlathikhulu	1,751,962.30
7	Upgrading of Extension 1 & 2 Roads and drains	Lavumisa	3,175,776.32
8	Construction of Roads and drains-Phase 2	Ngwenya	2,653,540.49
9	Vuvulane Road and drainage phase 1	Vuvulane	3,055,462.03
10	Construction of market street storm water drainage	Piggs Peak	2,777,926.95
11	Upgrading of Hambakahle and Jacaranda Roads	Siteki	5,762,431.82
12	Construction of Mahlanganisa Road	Ezulwini	6,133,564.80



2016/17 ULGs Projects

	<b>Project</b>	<b>ULG</b>	<b>Expenditure</b>
1	Upgrading of Ncoboza road	Mbabane	10,596,635.42
	Supervision – Upgrading of Ncoboza road		727,335.68
2	Rehabilitation of D98, Ngwane park, Eagles road	Manzini	16,651,375.41
3	Upgrading of Tubungu access road in the Matsapha Urban Area	Matsapha	22,049,683.72
4	Rehabilitation of Titandini road	Mankayane	2,726,335.19
5	Upgrading of Sililo Ave	Nhlangano	7,406,958.94
6	Construction of EPSOM road	Hlathikhulu	3,295,144.11
7	Upgrading of extension 1 and 2 roads and drains	Lavumisa	5,418,757.21
8	Construction of road & drains in Ngwenya village phase 3, drains on existing roads and resealing Atlas road	Ngwenya	3,891,455.83
9	Roads and drainage in Vuvulane Town Phase 2	Vuvulane	4,997,679.06
10	Upgrade of Hlubi and Nkomazi road	Piggs Peak	7,352,761.74
11	Solar and electrical street lighting ward 1, 2, 3, 4 & 6	Siteki	3,500,526.18
12	Upgrading of Mantenga Township Roads Phase	Ezulwini	3,669,239.81
13	Upgrading of Kunene and Lubane Roads	Ezulwini	3,605,939.70

2016/17 ULGs Projects Augmentation

	<b>Project</b>	<b>ULG</b>	<b>Expenditure</b>
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1	Upgrading of Ncoboza road Phase 2	Mbabane	11,499,999.99
1	Supervision consultant of Ncoboza Phase 2 road	Mbabane	749,512.50
2	Construction of new section of southern distribution road through sprinkle farm Manzini	Manzini	5,507,077.74
3	Construction of Pedestrian walkways Matsapha Urban Area	Matsapha	1,411,348.37
4	Installation of LED Street Lights at Matsapha urban	Matsapha	1,730,553.27
5	Rehabilitation of Titandini road at Mankayane	Mankayane	2,542,208.23
5	Supervision consultant of Titandini road at Mankayane	Mankayane	217,740.00
6	Upgrading of extension 8 road in Nhlanguano	Nhlanguano	3,896,972.69
7	Construction of EPSOM road Phase 2	Hlathikhulu	2,138,050.13
8	Upgrading of extension 1 and 2 roads in Lavumisa	Lavumisa	2,427,914.94
9	Construction of road & drains in Ngwenya village	Ngwenya	3,872,623.69
10	Roads and drainage in Vuvulane Town Phase 2 lot 2	Vuvulane	2,880,119.65
11	Construction of delivery road at Piggs peak	Piggs Peak	3,684,640.64
12	Upgrading of Msilima road bell mouth intersection for Ngwenya & parkway Roads and Mnyamati Road at Siteki urban area	Siteki	2,706,918.21
13	Upgrading of Mkhaya Road at Ezulwini	Ezulwini	2,803,631.81



**2014 TINKHUNDLA PROJECTS**

<b>Project</b>	<b>Expenditure</b>
Construction of a Semi-detached Teachers' House at Gija High School	414 255.88
Completion of a Semi-detached Teachers' House at Mbukwane Primary School	400 219.54
Rehabilitation of portions of D78 Motshane-Sigangeni Road	478 683.94
Construction of Dwaleni Low-level Crossing	475 821.99
Construction of Market Shelters at Siphofaneni	446 971.94
Completion of a Semi-detached Teachers' House at Mafucula	311 221.01
Construction of Tsambokhulu Diptank	121 354.92
Construction of a Public Toilet at Luve	354 430.21
Fencing of a Wetland at Ekutsimleni	88 885.45
Construction of Market Shelters at Nkonka	385 549.27
<b>Total</b>	<b>3 477 394.15</b>



**2014/2015 TINKHUNDLA PROJECTS**

<b>Project</b>	<b>Expenditure</b>
Construction of a Low-level Crossing at Mayiwane (Mayiwane Inkhundla)	883 715.48
Completion of a Semi-detached Teachers' House at Mahamba High School (Maseyisini Inkhundla)	384 110.22
Completion of an Administration Block at Mahamba Primary School (Maseyisini Inkhundla)	255 316.97
Provision of a Perimeter Fencing at Nzongomane Primary School (Maseyisini Inkhundla)	146 651.27
Construction of a Low-level Crossing at Ekupheleni (Motshane Inkhundla)	1 016 518.26
Construction of a Footbridge at Luhlendlweni (Motshane Inkhundla)	589 006.40
Construction of a Footbridge at Mangozeni (Manzini North Inkhundla)	471 978.41
Construction of a Footbridge at Mpholi (Manzini North Inkhundla)	723 873.82
Completion of a Semi-detached Teachers' House at Lanjani Primary School (Siphofaneni Inkhundla)	407 544.81
Construction of a Diptank at Makhundlu (Siphofaneni Inkhundla)	192 644.14
Construction of Market Shelters at Lomahasha Business Area (Lomahasha Inkhundla)	327 696.78
Construction of a Sports-field at Lomahasha (Lomahasha Inkhundla)	1 257 449.04
Construction of a Sports-field at Tsambokhulu (Lomahasha Inkhundla)	1 625 135.65
Construction of a Public Toilet at Mliba (Mkhiweni Inkhundla)	199 875.38
Construction of a Sports-field at Mliba (Mkhiweni Inkhundla)	2 499 500.35
Completion of a Soup Kitchen at Matsanjeni Primary School (Matsanjeni Inkhundla)	146 651.27
Nsalitje Clinic Staff House (Matsanjeni Inkhundla)	-
<b>Total</b>	<b>11 127 668.25</b>





**2015/2016 TINKHUNDLA PROJECTS**

<b>Project</b>	<b>Expenditure</b>
Construction of Soup Kitchen at Tsambokhulu Nazarene Primary School (Lomahasha Inkhundla)	216 865.11
Construction of Market Stalls at Mafucula (Lomahasha Inkhundla)	430 197.35
Fencing of Grazing Land at Mafucula (Lomahasha Inkhundla)	42 679.64
Roma-Mpolonjeni Road Rehabilitation (Motshane Inkhundla)	726 414.04
Road Upgrading and Drainage KaMasuku- Ekupheleni (Motshane Inkhundla)	303 804.65
Road Rehabilitation at Londunduma (Motshane Inkhundla)	223 345.47
Road Upgrading and Drainage at Manyisa- Ekupheleni (Motshane Inkhundla)	-
Construction of Sigangeni (Msungutane) Diptank (Motshane Inkhundla)	215 524.84
Construction of Public Toilet at St Pauls (Manzini North Inkhundla)	207 190.17
Fencing of Wetland at Mashawulo (Mkhiweni Inkhundla)	49 345.53
Construction of Diptank at Mncitsini in Ekutsimleni (Mkhiweni Inkhundla)	211 435.46
Fencing of Grazing Land at Mathikithi (Mkhiweni Inkhundla)	151 270.62
Construction of NCP at Jabulani-Dvokolwako (Mkhiweni Inkhundla)	498 179.35
Construction of Sportsfield at Vusweni Umphakatsi (Maseyisini Inkhundla)	1 333 960.98
Construction of Public Market at Jabulani in KaMzizi Umphakatsi (Maseyisini Inkhundla)	445 274.86
Construction of Semi-detached Staff House at Joppa High School (Maseyisini Inkhundla)	605 331.15
Construction of Semi-detached Staff House at Osabeni Primary School (Matsanjeni Inkhundla)	536 971.24
Construction of Semi-detached Staff House at Hlushwana Primary School (Matsanjeni Inkhundla)	567 992.23
Construction of Waiting Room at Gilgal Clinic at Macetjeni (Siphofaneni Inkhundla)	200 657.30
Construction of Public Toilet at Siphofaneni/Paving of Siphofaneni Market and Construction of Septic Tank	491 706.96
Construction of Teachers' House at Maphilingo	458 817.90
<b>Total</b>	<b>7 916 964.85</b>

**2016/2017 TINKHUNDLA PROJECTS**

<b>Project</b>	<b>Expenditure</b>
Construction of Nkalashane Dip Tank (Lomahasha Inkhundla)	246 729.20
Fencing of Tsambokhulu Grazing Land	283 813.21
Fencing of Ekuhlamkeni Primary School	103 429.18
Construction of Shoka Dip Tank	232 423.06
Construction of Matjemadze NCP	635 564.18
Fencing of Tsambokhulu Gogo Centre	45 434.06
Fencing of Nkalashane Grazing Land	136 040.60
Construction of Shoka NCP	773 361.21
Fencing of Lomahasha Gogo Centre	52 475.77
Fencing of Gijimani And Shonalanga Grazing Land – 10km	673 969.68
Construction of Classroom at Herefords Primary School	428 169.42
Mavula Donga Rehabilitation	561 598.85
Fencing of Maboko Grazing Land	393 734.62
Construction of Home Economics Class at Nkutjini Primary	1 051 136.99
Construction of A Semi-Detached Teachers' House at Phumelela Primary School	674 226.85
Construction of Flush Toilets at Nkonka Market Stalls	87 521.51
Construction of NCP At Busweni	644 590.91
Construction of Low-Level Bridge at Kalontombi - Ngungwane River	2 111 677.42
Construction of Low-Level Bridge at Malayinini	1 538 125.04
Construction of A Flush Toilet at Mbelebeleni Umphakatsi	106 329.65
Construction of NCP at Masibini	656 315.16
Fencing Of Mbilaneni-Vusweni Grazing Land	1 010 551.84
Fencing of Grazing Land at Simemeni Chiefdom	345 162.40



Abelusi Bezinkomo Dip Tank Construction at Machobeni	242 665.17
Construction of Market Stalls at Mahlandle	459 446.37
Fencing of Mahlandle Market	23 909.05
Fencing of Nzongomane High School	165 569.26
Construction of Nceka Water Project	1 744 325.66
Construction of A Semi-Detached Staff House At Manyovu High School	693 259.18
Construction of A Pit Latrine at Hlutse Chiefdom	56 960.20
Construction of A Pit Latrine at Gilgal Clinic	89 402.19
Renovation of A Staff House at Mphumakudze Primary School	66 728.99
Construction of A Low-Level Bridge Across Mdunusa River To ZCC Church	1 571 691.69
Construction of A Low-Level Bridge at KaMagongo	1 297 895.93
Construction of A Foot Bridge Crossing A Stream From Makholweni To Sichelwini Graveyard	893 538.88
Construction of A Community Hall at Dwaleni	1 928 836.70
Construction of Market Stalls At Siphocosini	447 360.81
Construction of Low-Level Bridge At Nduma	949 237.56
Construction of Footbridge at Londunduma	682 858.50
Concreting Road from Nkoyoyo To Msandi Spaza	1 244 919.46
Construction of Neighbourhood Care Point at Mhlane	626 703.17
Fencing & Wiring of Preschool at Siphocosini	-
Construction of A Foot Bridge at Mnyenyweni Between Timothy Myeni Global Village and Nkambule	882 882.97
<b>Total</b>	<b>26 860 572.55</b>