

**PROJECT DOCUMENT****Azerbaijan**

**Project Title:** VET for the future: development of VET providers' excellence in Azerbaijan

**Project Number:** 00123748

**Implementing Partner:** UNDP

**Start/End Date:** 6 October 2020 / 28 August 2024

**PAC Meeting date:** 28 September 2020

**Brief Description**

The Government of Azerbaijan has recognized the importance of developing the VET system in the "Strategic Roadmap for Vocational Education and Training," "Strategic Roadmap on SME development" (approved in 2016) and many other government programmes. The general objective of these policy documents is to reform Azerbaijan's VET system and lead to better results through improvements in infrastructure, educational content, professional capacity, recognition of prior learning, internal quality assurance and social partnerships (including public-private partnerships).

The project "VET for the future development of VET providers' excellence in Azerbaijan" is intended to support the modernization of VET institutions in Azerbaijan to deliver competence-based training in order to increase the attractiveness and labour market relevance of VET. Project activities will be piloted in seven VET schools/centers (four in Baku and three in the regions - Ganja, Jalilabad and Sheki). The selected schools are priority for the Ministry of Education and have been selected based on factors such as labor market relevance, scaling up VET priority sectors for country development, private sector interest and the existence of required infrastructure. The project's initiatives/activities will promote public-private cooperation and partnership in the field of work-based learning; build robust capacity of the VET institutions to offer new educational content; and boost the attractiveness of VET education for young people.

The best practices derived through this project in the targeted locations will be later further replicated in other regions.

<p>Contributing Outcome (UNDAF/CPD, RPD or GPD): <u>UNAPF 2016-2020 Outcome 2.1</u>: By 2020, Azerbaijan has enhanced institutional capacities for transparent, evidence-based and gender- responsive policy formulation and implementation</p> <p>Indicative Output(s) with gender marker<sup>2</sup>: GEN2</p>	<b>Total resources required:</b>	<b>USD 6.635.071</b>	
	<b>Total resources allocated:</b>	<b>UNDP TRAC:</b>	
		<b>EU:</b>	<b>USD 6.635.071</b>
		<b>Government:</b>	
		<b>In-Kind:</b>	
	<b>Unfunded:</b>		

Agreed by (signatures)<sup>1</sup>:

Government	UNDP
Date:	Date:

<sup>1</sup> Note: Adjust signatures as needed

<sup>2</sup> The Gender Marker measures how much a project invests in gender equality and women’s empowerment. Select one for each output: GEN3 (Gender equality as a principle objective); GEN2 (Gender equality as a significant objective); GEN1 (Limited contribution to gender equality); GEN0 (No contribution to gender quality)

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## **I. DEVELOPMENT CHALLENGE**

Azerbaijan has declared its goal to move to a new economic structure driven by a diversified, efficient and innovative non-oil sector. The availability of a skilled and competent workforce is critical to achieving this goal. Improving the quality of education is therefore a high priority as reflected in the National Strategy for the Development of Education approved in 2013.

The share of Vocational Education and Training (VET) students in upper secondary education is just 14.5%. Although youth unemployment has been steadily decreasing, it was still 12.7% in 2018, which is much higher than overall unemployment. Every year more than 100,000 young people enter the labor market, of which more than 60% percent do not have formal qualifications, practical skills and modern competencies necessary for meeting labor market demand. Employers report that people entering the labour market are not job ready as they lack technical and professional competencies. There is also the lack of a labour information system to help labour market actors make informed choices.

Having recognized the crucial role of the education system to achieving sustainable growth and development, the government has prioritized reform of VET to meet the needs of the labour market. Azerbaijan's vocational education system has historically been facing many challenges in terms of management, financial support, staffing resources, content of education, material and technical base and infrastructure. In the last decade, the Government has implemented a wide range of activities, state programs, strategies and concepts. In addition, the State Agency on Vocational Education (SAVE) under the Ministry of Education was established in 2016 for boosting development in the VET sector. The Agency's main objective is to increase the efficiency and relevance of the VET system and produce a qualified workforce for the labour market.

Nevertheless, challenges remain that need to be addressed in order to respond to current demand of industry. Access to education is currently a major problem, which is mainly related to the poor infrastructure of the majority of VET centres. On the other hand, educational resources, programmes, teaching and learning materials are in need of revisions in order to respond to the requirements of a modern VET system. Financial support provided from the state budget is mainly covering teacher's salaries and stipends of students with insufficient amounts of funding available for the development of VET centres. Social partnership needs further assistance in order to raise image of VET and create long-term partnership with employers. Despite recent investment of SAVE on capacity building activities of professional, administrative and management staff of VET centres, there is huge demand on these type of activities considering aging problem of staff as well as requirements set by industry on new technologies.

The rate of involvement of professional, administrative and management staff of VET centres in training courses on capacity building is low, and the quality of training courses is not satisfactory.

The European Training Foundation's recent assessment of VET in Azerbaijan highlighted a number of issues that needed to be addressed to move forward with the modernization of the VET sector. The key recommendations were as follows:

- improve the attractiveness of VET by prioritising it in all investments in human capital development
- improve the coordination of policies for human capital development through VET
- improve the relevance of VET through external stakeholder involvement
- raise the quality of opportunities for human capital development by improving the conditions of professional staff working in VET
- reinforce the capacity of public authorities to work with evidence
- introduce services and training offers in support of labour market participation which are more youth-friendly
- strengthen the quality and relevance of early career guidance in secondary education and VET in particular
- prioritise the expansion of adult education opportunities and the collection of evidence on participation in adult education.

The Government of Azerbaijan has recognized the importance of developing the VET system in the "*Strategic Roadmap for Vocational Education and Training*," "*Strategic Roadmap on SME development*" (approved in 2016) and many other government programmes. The general objective of these policy documents is to reform Azerbaijan's VET system and lead to better results through improvements in infrastructure, educational content, professional capacity, recognition of prior learning, internal quality assurance and social partnerships (including public-private partnerships).

The project presented in this document is intended to support the modernization of VET institutions in Azerbaijan to deliver competence-based training in order to increase the attractiveness and labour market relevance of VET. Project activities will be piloted in seven VET schools/centers (four in Baku and three in the regions - Ganja, Jalilabad and Sheki). The selected schools are priority for the Ministry of Education and have been selected based on factors such as labor market relevance, scaling up VET priority sectors for country development, private sector interest and the existence of required infrastructure. The project's main target groups will be youth, adults, internally displaced persons, professional, administrative and management staff of the center and

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unemployed men and women. The project is also expected to increase public awareness, change occupational stereotypes, improve inclusivity and support for people with disabilities and attract more women to VET education. The best practices derived through this project in the targeted locations will be later further replicated in other regions.

Due to COVID-19 outbreak government of Azerbaijan approved new Order on the immediate requirement of staying at the houses, apartments and temporary residences. As mentioned all schools and universities are shut down from 3rd of March until the start of the new education year. Stated above, Ministry of Education of the Republic of Azerbaijan and SAVE is very active to support students and teachers to cope with COVID-19.

The ongoing situation in many countries has interrupted learning in both workplaces and the classroom. It has been particularly disruptive to work-based learning, including apprenticeships, and systems used to assess skills and ultimately award qualifications. VET systems are in urgent need of measures to strengthen their capacity to respond to these current challenges. Increasing use of online and virtual platforms, distance-learning tools, subsidising trainings, including the introduction of free online skill development courses, in-person VET in small groups, who do not have sufficient digital resources are the needs of the VET sector during the pandemic.

The UNDP has been working closely with the government of Azerbaijan and other UN organizations to address the challenges of the COVID-19. We have used telecommunications technology to continue to operate at full capacity throughout the pandemic and have repurposed our operations to support national efforts to combat the virus. Mitigation efforts have included an emphasis on healthcare, education and support for the most vulnerable in society.

In light of the COVID-19 pandemic, the VET sector in Azerbaijan has redirected to online classes. In the area of VET, together with the European Union (EU) and SAVE, UNDP helped to produce a series of TV and online classes to help ensure that VET students don't miss out on their lessons during COVID-19. These lessons were aired on Azerbaijan's Culture TV channel, but they are also available on the online platforms of the Ministry of Education (MoEdu) and accessible to everyone who's interested to learn more about graphic and fashion design, furniture making or just boost their IT skills.

In this context, the current project will continue to provide support to the SAVE in their efforts to create digital content such as online trainings, webinars, digital platforms. It will also equip a TV studio in order to be a focal point for the development and dissemination of digital learning resources (video, etc.) in vocational education. Furthermore, it is proposed to procure equipment and raw material to produce different products such as protective face masks, clothes, gloves in order to address challenges of Covid-19

pandemic. These proposed activities clearly address the needs identified by SAVE in the post COVID-19 context and were possible to be included thanks to the increased budget received from the EU to respond to the urgent needs of Azerbaijan following the pandemic.

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## **II. STRATEGY**

The project's main goal is to support the Government of Azerbaijan in strengthening the quality of the VET system by modernizing institutions to deliver competence-based training suited to the needs of the labour market.

Under the leadership of SAVE, the project is structured around the following three pillars:

- Pillar 1: Introduction of innovation in the selected VET providers
- Pillar 2: Infrastructure and equipment modernization in the target group of selected VET providers
- Pillar 3: Capacity development for VET providers in Azerbaijan
- Horizontal measures to support system delivery

The project will also implement the following three horizontal measures designed to support system delivery by:

- supporting SAVE to develop and test a competitive financing mechanism (small grants) for VET providers
- supporting SAVE's communication department to develop and implement a communication strategy on VET reform in Azerbaijan
- supporting pilot actions to engage youth in VET under the leadership of SAVE

The project will also include activities to mitigate the negative effects of the COVID-19 pandemic.

Focussed on the achievement of the overarching goals of the National Strategy for the Development of Education, the project will support SAVE in the implementation of the government's Strategic Road Map for Vocational Education and Training.

The project's main target groups are:

1. Selected 7 target VET providers
2. Current and prospective students of the seven targeted VET providers (with VET providers being the main unit of intervention for the project);
3. Administrative and teaching staff of VET providers under SAVE, the MLSPP and the national Tourism Agency, as well as private providers;
4. Youth interested in engaging with VET providers, as well as VET-related processes and events;

5. Private companies, trainers, mentors and special educators involved in the VET sector;
6. Staff of the State Agency on Vocational Education and other relevant state institutions.

The project will contribute to the **Sustainable Development Goal 4**. “Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all;

**Target 4.4** “By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship”

**Indicator 4.4.1:** Proportion of youth and adults with information and communications technology (ICT) skills, by type of skill.

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### **III. RESULTS AND PARTNERSHIPS**

#### **Expected Results**

The project will seek to achieve its goals by supporting the creation of a modern coherent market-oriented VET system that enhances employability and employment prospects for the learners while providing a skilled workforce that meets the needs of employers. The project’s initiatives/activities will promote public-private cooperation and partnership in the field of work-based learning; build robust capacity of the VET institutions to offer new educational content; and boost the attractiveness of VET education for young people.

The project will provide support to improve the image and attractiveness of vocational education. First of all, the project will support increasing of the image and attractiveness of the target vocational training providers by forming the infrastructure, qualified content and human resources for the organization of education that meets the requirements of labor market, and also aiming to support better management and development of centers by improving their management and increasing access to financial resources.

The project will provide trainings for managers and administrative staff of VET providers and will support their capabilities for building cooperation with the private sector. Training of teachers and instructors of VET providers subordinated to various public institutions and other capacity-building measures will improve the quality of training and services offered by VET providers to their students. Project activities are expected to result in better employment and revenue opportunities for key target groups which will be equipped with competitive and market-oriented skills.

The goals and activities of the project are in line with the goals and objectives of the Roadmap for Vocational Education. By integrating the positive and successful experience gained from the project into the annual action plans for the export of the Road Map, it

will be possible for the Vocational Education Agency to expand its application to other vocational education institutions and systems. Also, work-based learning approaches, digitalization and online resources will be new to the vocational education system and increase the number and coverage of those involved in vocational education.

The project will be an integrated intervention comprised of inter-dependent and mutually reinforcing components. Initiatives to be implemented under each of the three pillars and the horizontal measures that support them are further inter-linked by contributing to the common goal of progressing VET reform in Azerbaijan.

The project strategy emphasizes innovative approaches under Pillar 1 while building on the lessons learnt and best practices of different cooperation projects implemented in the VET sector, particularly the achievements of previous EU-funded UNDP support to VET. To innovatively reshape the services around the needs of learners and employers, the project will support the piloting of new or redesigned products, services and organizational methods to propel the VET system towards higher quality/performance standards. Pillar 1 envisages the implementation of innovative activities aimed at increasing the capacity and quality of services of selected VET providers. Pillar 2 contains the establishment of the facilities required to implement innovative approaches.

Pillar 3 and Horizontal measures will focus on the entire vocational education system, including capacity building measures for all VET providers to enhance the image and attractiveness of vocational education, increase dialogue and coordination between interested groups, and the vocational education system as a whole. In conclusion, the introduction of innovative models will be underpinned by infrastructure and equipment upgrades for VET providers under Pillar 2 and capacity building for their staff under Pillar 3.

### **Pillar 1: Introduction of innovations in the target group of selected VET providers**

Activity 1.1 Improvement of institutional & human resource capacity of selected VET providers

Activity 1.2 Introduction of innovative VET services into selected VET providers

Activity 1.3 Improvement of financial management and cooperation with private sector by selected VET providers

Activity 1.4 Strengthening of career guidance services in selected VET providers

Activity 1.5 Skills Development through digitalization and online training

### **Pillar 2: Infrastructure and equipment modernization in selected VET providers**

Activity 2.1 Procurement of infrastructure, equipment and supplies to support new educational content (including programmes for PwDs), support activities and



establishment of small-scale workshops.

Activity 2.2 Procurement of infrastructure, equipment and supplies to support the business development and establishment of learning factories in selected VET providers

Activity 2.3 Procurement of infrastructure, equipment and supplies to mitigate the negative impact of COVID-19

Activity 2.4 Introduction of digital innovations in selected VET providers

### **Pillar 3: Development of networking and capacity building for all VET providers in Azerbaijan**

Activity 3.1 Strengthening of national coordination of VET

Activity 3.2 Strengthening of capacity building of national VET institutions and providers

#### **Horizontal measures to support system delivery**

Activity 4.1 Support of the Communication Department of the State Agency for Vocational Education in developing effective communications and boosting the attractiveness of VET

Activity 4.2 Support of the State Agency for Vocational Education in organizing National Skills Competitions and participating in International Skills Competitions

Activity 4.3 Support of the piloting of competitive financing mechanism to provide small grants to VET providers

Activity 4.4 Support pilot actions to engage youth in VET under the leadership of the State Agency for Vocational Education

#### **Resources Required to Achieve the Expected Results**

UNDP Azerbaijan will be responsible for the overall management of the project activities, budget and procurement.

#### **Key Personnel**

*Project Manager (full-time)* - responsible for the management and coordination overall project activities.

*Vocational Education Specialist (full-time)* – responsible for the implementation of vocational education activities and coordination of project coordinators at regional VET schools (including coordination of all involved experts and service providers).

*Private Sector Specialists (full-time)* – responsible for the coordination of project activities and relations of target VET centers/schools with the private sector, establishment and coordination of various institutional bodies (skills council, advisory board, etc.), as well as

implementation of work-based learning programmes with the private sector and other project activities related to the private sector.

*Career support specialist (full-time)* – coordinates the activities of Career Support Centres in target VET centres / schools, as well as events and activities in the field of vocational guidance and career support.

*Project coordinators on target VET centre/schools (3 persons, part-time)* – coordinate project activities with target VET centres and support the implementation of activities. Given that four target VET centers are located in Baku and three regions (Ganja, Jalilabad and Sheki), there will be three project coordinators in the field/regions, and target schools in Baku will be coordinated with above mentioned project vocational education, private sector and career support specialists.

*Project Officer (full-time)* - will support the Project Manager to mobilize all project inputs in accordance with UNDP procedures for nationally executed projects (NEX). He/she will support the process of procurement, contracting, financial management, including disbursements, record keeping, cash management, and compilation of financial reports.

*Project assistants (2 persons, full-time)* - will support the project management team and experts in day-to-day work. They will assist with the procurement and recruitment process, such as preparation of TORs both for project staff and consultants, preparation of appropriate contract requests, evaluation, determination and other documents, updating, coordination and implementation of project work and procurement plans, maintaining logistical (travel, accommodation, etc.) arrangements for project consultants and staff, coordinate all preparatory activity for seminars/workshops to be held under the project, such as logistic/administrative arrangements, etc.

*Internship Programme (2 persons, full-time)* – will learn and support the project management team in day-to-day work. They will assist with conducting of researches in thematic areas, updating, coordination and implementation of project work, maintaining logistical (travel, accommodation, etc.) arrangements for project consultants and staff, coordinate all preparatory activity for seminars/workshops to be held under the project, such as logistic/administrative/translation arrangements, etc.

Additionally, the project foresees the involvement of international and local consultants in different areas such as vocational education, programs and training material development, public-private partnership, work-based learning and dual degree/diploma programs, skills competition, curriculum development and training of trainers.

## **Partnerships**

To ensure collaboration and national ownership, the project will engage a wide range of stakeholders in the public, private and non-profit sectors. Key government

stakeholders include the Ministry of Education, the Ministry of Labour and Social Protection of the Population and its State Employment Service, State Agencies for Tourism and Agency for the Development of SMEs, as well as other relevant public bodies.

#### *State Agency for Vocational Education (SAVE)*

According to the legal basis provided by the law on vocational education, SAVE is the main state body in determining the policy on vocational education in Azerbaijan, as well as in regulating issues related to content and quality. The initiation, implementation and support of reforms and activities in the field of vocational education in the country are carried out directly under the coordination of SAVE. Therefore, for all decisions regarding the selection of target VET centres/schools, beneficiaries, and international consultants, project management staff will closely collaborate with the SAVE representatives. Moreover, the SAVE together with UNDP will participate in and co-lead the Project Steering Committee which will supervise the project's implementation. Also, SAVE will implement or coordinate the continuous implementation and expansion of the measures to support the reform of vocational education, as the main beneficiary of the support measures provided by the project.

#### *Ministry of Labour and Social Protection of the Population*

The Ministry of Labor and Social Protection of the Population (MLSPP) is the government body responsible for labour relations, labour protection, use of labour resources, as well as the central executive body implementing state policy in the field of employment, unemployment, rehabilitation of the disabled and children with disabilities. The project will cooperate with the State Employment Services under the MLSPP in identifying new job opportunities and providing skills to the unemployed through the centers under the MLSPP and the Ministry of Education. The project will also support the application of work-based learning approaches instead of traditional approaches and will focus on improving the quality of services.

#### *State Tourism Agency*

The State Tourism Agency is a government body that operates in the area of culture and tourism. Its objective is the development of tourism education, promotion of innovations and opportunities of modern technologies in tourism, expansion of public-private business cooperation, development and implementation of new development plans related to infrastructure projects. Agency subordinates include educational institutions such as *Baku Tourism Vocational School* and *Mingachevir Tourism College*. The project will cooperate with these institutions in the development of educational content, short-term courses on improving the quality of the services and skills in the employees/trainers.

#### *Industry Representatives*

Partnership with employers is an essential prerequisite for modernizing the VET system of Azerbaijan and bridging the gap between education and employment. Therefore, employers will be a key stakeholder project and their perspectives on the development of a skillful workforce will be considered in the design and implementation of project activities. Furthermore, industry representatives will be involved as a valuable source of relevant and up-to-date information on the labour market requirements and occupational guidance.

#### Development partners

Below is a list of projects supported by international organizations/donors in the VET sector in recent years:

- British Council with "Skills for the World of Work project (2015-2016) and "Access to Hospitality and Apprenticeship Scheme project (2015-2017)
- Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ): Leadership and management, pedagogical training (2014-2016); international leadership training, master trainer (2015-2016); enhancement of national VET commission (2015- 2016); support for the establishment of a vocational training centre based on the model of dual education (2015-2016)
- Korea Eximbank: Establishment of a modern vocational training centre for industry occupations, \$39 million (2014-2017) to decrease dependence on the oil sector and to prepare a highly professional workforce for the non-oil sector. The project includes the establishment of new classrooms, a library, building designs and training professionals in eight trades
- Turkish Cooperation and Development Agency (TIKA): Support for building a modern vocational training centre, construction and equipment supply (2016-2018)
- World Bank: Re-launching the higher education loan and extending its support for secondary education reform until 2016
- Asian Development Bank (ADB): Started an identification phase for an intervention in VET for building rehabilitation and support for extension of general education phase to 12 years
- BP: Support for the establishment of a modern vocational training centre; development of curricula and teaching materials; teacher training; school management and income generation in VET schools (2016-2017).

Development partners supporting skills advancement projects and initiatives in Azerbaijan will be important project stakeholders as well. The project will actively coordinate and collaborate with them when relevant.

## **Potential synergies with other initiatives**

This initiative implies cooperation with similar projects that are funded by local or international actors. The project team will closely coordinate its activities with other projects of SAVE to explore partnership opportunities and complementary activities. The project team will also coordinate activities with the Self Employment Program run by the MLSPP.

In addition, the initiative will be coordinated with other initiatives and projects under the UNDP's portfolio in Azerbaijan to ensure synergy and increased sustainability and build resilience. This project will link with COVID-19 response and ensure a green and just recovery by supporting skills and trainees to transition healthier and stronger to mitigate the social and economic impact of COVID-19 pandemic.

UNDP Azerbaijan has a solid track record of engagement with the VET sector. Through a previous project, UNDP has supported the upgrade of the Baku Tourism VET school and pioneered the introduction of competency-based curriculum in the Gabala VET school. Under the EU support for VET modernization, UNDP succeeded in fostering collaboration to drive the reform of the Ganja and Jalilabad VET schools around such issues as strategic planning, engagement of employers, upgrade of the curriculum, infrastructural improvements, and piloting of the system of prior learning recognition.

The EU is a crucial strategic partner to Azerbaijan and provides substantial support for education and training.

The Annual Action Programme (AAP) 2014 contributes a total budget of €19 MEUR to the sector. Within this programme, there is a substantial focus placed on the development of VET in Azerbaijan.

Through the technical assistance project "EU Support to Vocational Education and Training in Azerbaijan" (ended 8 June 2020), the EU supported the VET Agency to improve VET policy and regulatory framework, thereby promoting lifelong learning opportunities and activating participation of social partners; to improve VET multi-level management system and governance including sector coordination at the central and local level of the Ministry of Education; to develop VET educational standards and curricula linked to occupational standards and introduce them in priority sectors; to setup VET reforms monitoring system.

4 grant projects awarded under the Call for Proposals "Modernising Vocational Education and Training (VET) Centres in Azerbaijan" (2017–2020, with total budget EUR 6.12 M) aim to support VET reforms at school level, namely through: strategic planning and positioning of the VET centre; financing of VET centre; introduction of a new management style; capacity building; curriculum development; teaching/learning materials and learning aides; purchase of equipment; reconstruction; new teaching/learning methods;

linkages with private sector; national & international cooperation. There are currently three ongoing projects – 1 implemented by GIZ (ended 30 June 2020), 2 implemented by UNDP (end 28 October 2020) and one implemented by local NGO Local Governance Assistance (LGA) (ends 2 August 2021). Main Beneficiaries are VET Centres/Schools from Ganja, Lankaran, Daglig-Shirvan and Shaki-Zagatala economic regions.

The “Support to Implementation of National Qualification Framework in Azerbaijan” project is also funded by the EU and aims to assist the Ministry of Education of the Republic of Azerbaijan through the provision of technical assistance. The 30-months project with a budget of 2 675 665 EUR is implemented by GOPA Worldwide Consultants as lead consultancy company in a consortium with British Council (BC), European Project Management Ltd (EPM) and SEFT Consulting. The main objective of the project is to enhance the quality and relevance of the education and training system in Azerbaijan supporting economic diversification, creating opportunities for lifelong learning, and fulfilling the Education Development Strategy in line with European and international best practice.

The project “Strengthening capacity of the Ministry of Labor and Social Protection of Population of Azerbaijan in the area of skills anticipation and workforce planning” (EUR 1.1M funded under the AAP 2016) started implementation in January 2020 with end date of November 2021

In cooperation with the European Training Foundation (ETF), Azerbaijan is undertaking a review of VET policy through the framework of the Torino Process (TRP), as part of the Eastern Partnership agenda. Until the last 2016 cycle, TRP has been led by the Ministry of Education (MoEdu). Since the establishment of SAVE in 2016, the conditions have been created for TRP to be implemented under the leadership of the Agency. The focus of TRP is on delivering a high-quality assessment of VET policy from a lifelong-learning perspective. It also aims to open the analysis to broader socio-economic issues relevant to human capital development. It also integrates ETF independent assessment features, taking into account policy responses in a holistic perspective, which includes initial VET (IVET including post-secondary), continuing VET (CVT), training as part of active labor market policies (ALMPs), etc.).

## **Risks and Assumptions**

### **Political Risk (Risk 1):**

The support of SAVE is critical for this action. Without this official support, the target VET centres/schools will not be interested or consistent in collaboration process. SAVE considers the support of the project to be significant for the development of VET and provides its full support for cooperation. SAVE support and consultation during development of the application process shows that this risk will be minimized. This

Action's clear support to vocational education development policy priorities reduces the probability of risk occurrence.

### **Economic Risks (Risk 2):**

#### **Negative impacts of COVID 19 on economic growth**

The spread of the COVID 19 pandemic around the world and its negative impact on the world economy is also being observed in Azerbaijan. The negative impact can lead to a decline in employment and incomes, besetting private sector and economic development, which can take a heavy toll on project activities. The policy lead by the Azerbaijani government and the steps and support packages taken by the private sector and entrepreneurs to protect them from the negative consequences of COVID 19 can reduce this risk.

### **Physical Risks (Risk 3):**

#### **Health and Safety Risks**

VET is a field of education with a high risk of occupational injuries because it involves the simulation of the work process and the active use of equipment. Also, the implementation of WBL programs within the project will increase this risk to some extent. Curricula and training materials will reflect the requirements of Health Safety & Environment (HSE) standards and policies. Providing the HSE training as a basic education module and providing daily HSE instruction in workshops and workplaces will reduce the risk.

### **Social Risks**

#### **Lack of trust and interest in Vocational Education (Risk 4)**

Since the collapse of the Soviet Union, Vocational Education lost its attractiveness in society due to low-quality education programs, old infrastructure, limited teaching human resources, low employment opportunities. Through collaboration with SAVE, the project will break the stereotype that Vocational Education is a waste of time. This Action will question societal fears and demonstrate the positive experience of integration and trust.

#### **Placement of refugees and IDPs in some VET centres/schools (Risk 5)**

One of the reasons for the underdevelopment and lack of interest towards VET was the placement of refugees or internally displaced persons during the Nagorno-Karabakh war in many VET centres/schools. According to SAVE, there are currently 7,000 IDPs living in VET schools. This limits access to the infrastructure of VET centres/schools. To reduce this risk, SAVE was consulted during the preparation of the project application and VET centres or their corps where refugees are not located was selected for project activities.

Also, SAVE support on these and other matters allows us to presume that this risk would potentially be reduced.

### **Environmental Risk (Risk 6):**

During the construction process, the project staff will make all possible efforts that all the resources are utilized efficiently and not wasted. All the project activities will be implemented in an environmentally friendly manner. Taking into consideration that the some of the activities are renovation and reconstruction in the selected VET providers special attention will be given to the topic of HSE requirements and responsibilities expected from the beneficiaries as well as from the project staff.

### **Preconditions and Assumptions:**

- There is a continued commitment of the Government of Azerbaijan to modernize the VET sector.
- There is a high-level interest and motivation among all partners to cooperate for the achievement of the action results.
- Target communities are interested in the creation of the quality and accessible vocational education system.
- There are no expectations of serious political or environmental destabilization in the region that may cause suspension of the project.

### **Knowledge**

The activities of the action, its accomplishments and lessons learnt will be disseminated through the following channels:

- An Inception Workshop will be organized at the start of the project to communicate the objectives, expected results and activities to stakeholders;
- Media advisories and press releases will be issued on a regular basis to inform the public about specific project milestones and activities (example: trainings, events, handover of equipment, provision of supplies, etc.);
- Videos, digital tools and other innovative resources that are of public interest will be shared through media and social media channels;
- Learning and training materials and courses will be shared on the digital platforms of the State Agency for Vocational Education and all VET Centers. A series of competitions and capacity building trainings, public and TV talks will be organized not only to raise awareness about the project but also about getting feedback on new pilot initiatives such as for example, financing schemes for encouraging better results of VET schools;



- The project will also support the organization of a series of awareness raising sessions by organizing events in secondary schools, webinars and seminars using ZOOM, WebEx, GoWebinar and other modern online tools and channels encouraging the participation of parents, women and girls and people with disabilities during open days and career days. The project will also involve start-ups and alumni organizations active in the field of education in open panels and online talks and discussion to contribute to career guidance and conveying the attractiveness of VET education. Regular info sessions will also be organized to share experiences between teachers, parents and students, advocating for dual degree programmes and promoting cooperation with private sector companies and international institutions;
- Advocacy campaigns will be organized to promote the “Training for Everyone” concept, with a focus on the importance of ensuring equal opportunities for all and an inclusive vocational education system;
- Videos and success stories will also promote the application of innovative digital tools by the project – such as virtual reality, gamification and other digital ledger technologies in the realm of machine learning and Internet of Things- which will be tailored to the needs of people of all abilities;
- Video lessons, webinars, podcasts, also summer academies and volunteer camps will be developed and organize to inform the public about the global trends in future skills and an online platform will be created to help foster interactive communication of teachers, students and graduates on the exchange of knowledge and experience;

At the end of the project, all the video material will be used to create a documentary/reportage that will be the “visual memory” of the project, presenting a historical view on its development through the time. The project will also use the *tour builder* tool via google earth to visualize the activities of the project.

## **Sustainability and Scaling Up**

### **Financial sustainability**

Financial sustainability will be ensured:

As a result of the project, SAVE will have 7 target VET centers/schools with modern educational content and infrastructure and better connection to the private sector and income generation activities and will be able to provide public and private financed training, continuity and increasing of income generation activities

### **Institutional sustainability**

The main part of the project activities will be implemented in 7 target VET centres/schools subordinated to SAVE. The establishment of a certain institutional base (career centre, advisory board, etc.) for the sustainability of activities in these centres and the implementation of activities through them after the completion of the project will be provided. The project supported workshops, educational infrastructure and online platforms will also be utilized by SAVE and VET centres/schools even after completion of the project. The resources that the project will bring about to allow both SAVE and other VET centres to use sustainably are as follows:

- Curriculum and training programs
- Trained teachers and instructors and training programs for trainers and capacity building programs.
- All published training material and guidelines, visibility materials, booklets etc.
- Advisory Boards and initiated public private cooperation activities.
- Online digital training resource (webinar, video lessons, presentation, etc.) and tools (student assessment) and platforms.

### **Policy Level Sustainability**

The following documents are the main policy and strategy documents of the education sector in Azerbaijan that were considered in designing the action:

- The Action Plan on the implementation of the National Strategy for the Development of Education, January 2015.
- Strategic Roadmap on Vocational Education and Training, December 2016.

These documents are the main ones defining the direction and priorities of VET development in Azerbaijan. Project activities will be implemented in a manner consistent with the objectives set out in the strategic documents. The results of the project activities will propel a supportive role for the implementation of strategic documents and will consequently further sustainable development of VET in the country in all aspects. The results and lessons learned within the Action will be presented and delivered to SAVE as a set of recommendations, guidelines and reports.

### **Environmental sustainability**

In order to avoid negative effects on natural resources, all Action activities will be implemented according to laws and regulations with regard to the protection of the environment in Azerbaijan. HSE guidelines will be presented and discussed during the training sessions to both trainers and the students.

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#### **IV. PROJECT MANAGEMENT**

UNDP Azerbaijan will be responsible for the overall management of the project activities, budget and procurement. For this purpose, a UNDP Programme Officer will be assigned at 15% of his/her time to the action and he/she will be responsible for monitoring the implementation of the action by the project team, quality assurance, timely reporting of its progress to the EU, as well as for organizing the external evaluation. UNDP administrative/support staff will support the project team with guidance and compliance with UNDP operational rules and procedures. UNDP will also be responsible for the establishment of collaboration and networking with relevant institutions and similar projects in the country. UNDP will consult and cooperate with the Ministry of Education, SAVE under the Ministry of Education and other relevant stakeholders.

The PSC will be established within the first two months of the start of the project and will meet once a year. The responsibility for convening and organizing these meetings will lie with the Project Manager. The meetings' minutes will be prepared by the project team and will be shared with participants and included in the project's quarterly reports.

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**V. RESULTS FRAMEWORK**

**Intended Outcome as stated in the UNDAF/Country [or Global/Regional] Programme Results and Resource Framework:** UNAPF 2016-2020 Outcome 2.1: By 2020, Azerbaijan has enhanced institutional capacities for transparent, evidence-based and gender- responsive policy formulation and implementation

**Applicable Output(s) from the UNDP Strategic Plan:** Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded

**Project title and Atlas Project Number:** VET for the future: development of VET providers' excellence in Azerbaijan

EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)						DATA COLLECTION METHODS & RISKS	
			Value	Year	Year 2020	Year 2021	Year 2022	Year 2023	Year 2024	FINAL		
Output 1 Improved quality of VET services from selected VET providers	<b>1.1</b> No of new VET courses/programmes being implemented (i.e. being delivered to students) by selected VET providers	MoEd, SAVE	28 progra ms	2020							10 new programs	Letters of admission of students in the academic years 2021-2024
	<b>1.2</b> No of people accessed to online VET content and training materials	MoEd, SAVE	0	2020							20%	
	<b>1.3</b> Quality of VET services provided by VET providers (perception of VET students in selected VET providers) <i>(qualitative indicator)</i>	MoEd, SAVE	0	2020							To be establishe d by a baseline survey	

<b>Output 2</b> Greater demand for VET services OR VET services more attractive to young people/une mployed adults	<b>2.1</b> No of applications to targeted VET providers (sex disaggregated)	MoEd, SAVE	0	2020						50 % of increase of total applicants 'number	Selected VET providers  UNDP-run Survey
	<b>2.2</b> Perception of VET among youth as an attractive path to gaining employment - percentage of VET students of target VET Centres around 20%	MoEd, SAVE	0	2020						50 % of graduate of pilot program employed	
<b>Output 3</b> Private sector more engaged and supportive of VET	<b>3.1</b> No of VET activities involving the participation of private sector entities (businesses) e.g. PPPs	MoEd, SAVE	0	2020						10 PPP initiatives	Annual reports of Ministry of Education  Signed agreements
	<b>3.2</b> No of company and employee of private companies engaged VET process (organization of internship etc.)	MoEd, SAVE	0	2020						Additional 70 companies / 100 employees of companies	

	<b>3.3</b> Businesses' perception of VET as a credible partner for developing workers' skills ( <i>qualitative indicator</i> )	MoEd, SAVE	0	2020						50% of graduates of pilot program got employed	Final report
<b>Output 4</b> Strengthening national VET coordination	<b>4.1</b> No of developed documents and recommendations related VET with participation of all VET stakeholders	MoEd, SAVE	0	2020						4	Annual reports of Ministry of Education  UNDP-run Survey
	<b>4.2</b> No of coordination and social dialog meetings with all VET participant and stakeholders	MoEd, SAVE	0	2020						8	
	<b>4.3</b> No of Quality Apprenticeship program implemented in selected VET Providers (social dialogue, regulation framework etc. Businesses' perception of VET as a credible partner for developing workers' skills (qualitative indicator)	MoEd, SAVE	0	2020						<i>To be established by a baseline survey</i>	

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## VI. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans: *[Note: monitoring and evaluation plans should be adapted to project context, as needed]*

### Monitoring Plan

<b>Monitoring Activity</b>	<b>Purpose</b>	<b>Frequency</b>	<b>Expected Action</b>	<b>Partners (if joint)</b>	<b>Cost (if any)</b>
<b>Track results progress</b>	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly, or in the frequency required for each indicator.	Slower than expected progress will be addressed by project management.		
<b>Monitor and Manage Risk</b>	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.		
<b>Learn</b>	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.		



<b>Annual Project Quality Assurance</b>	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.		
<b>Review and Make Course Corrections</b>	Internal review of data and evidence from all monitoring actions to inform decision making.	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.		
<b>Project Report</b>	A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period.	Annually, and at the end of the project (final report)			
<b>Project Review (Project Board)</b>	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned	Specify frequency (i.e., at least annually)	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.		

	and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.				
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### Evaluation Plan<sup>3</sup>

<b>Evaluation Title</b>	<b>Partners (if joint)</b>	<b>Related Strategic Plan Output</b>	<b>UNDAF/CPD Outcome</b>	<b>Planned Completion Date</b>	<b>Key Evaluation Stakeholders</b>	<b>Cost and Source of Funding</b>
Final Evaluation		Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded.	Azerbaijan has enhanced institutional capacities for transparent, evidence-based and gender- responsive policy formulation and implementation		Ministry of Education, State Agency on Vocational Education	15000 EUR, August 2024

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<sup>3</sup> Optional, if needed

## VII. MULTI-YEAR WORK PLAN

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year				RESPONSIBLE PARTY	PLANNED BUDGET		
		Y1	Y2	Y3	Y4		Funding Source	Budget Description	Amount (USD)
<b>Pillar 1:</b> Introduction of innovation in the target group in selected VET providers	1.1 Improvement of institutional & human resource capacity of selected VET providers	X				UNDP, MoEd, SAVE	30079	Local Consultant/ Contractual Service-Companies/ Training, Workshops, Conferences/Audio-Visual and Printing Costs	430.095
	1.2 Introduction of innovative VET services into selected VET providers	X	X	X	X	UNDP, MoEd, SAVE	30079	Local Consultant/ Contractual Service-Companies/ Training, Workshops, Conferences/ Travel	299.407
	1.3 Improvement of financial management and cooperation with private sector by selected VET providers	X	X	X	X	UNDP, MoEd, SAVE	30079	Contractual Service-Companies/ Training, Workshops, Conferences	124.408

	1.4 Strengthening of career guidance services in selected VET providers	X	X	X	X	UNDP, MoEd, SAVE	30079	Local Consultant/ International Consultant/ Training, Workshops, Conferences	168.852
	1.5 Skills Development through digitalization and online training	X	X	X	X	UNDP, MoEd, SAVE	30079	Travel/ Contractual Service-Companies/ International Consultant	278.886
	<b>Sub-Total for Output 1</b>								<b>1.301.648</b>
<b>Pillar 2:</b> Infrastructure and equipment modernization in selected VET providers	2.1 Procurement of infrastructure, equipment and supplies to support new educational content (including programmes for PwDs), support activities and establishment of small-scale workshops.	X	X			UNDP, MoEd, SAVE	30079	Contractual Service-Companies	1.124.645

	2.2 Procurement of infrastructure, equipment and supplies to support the business development and establishment of learning factories in selected VET providers		X	X			UNDP, MoEd, SAVE	30079	Contractual Service-Companies	236.966
	2.3 Procurement of infrastructure, equipment and supplies to mitigate the negative impact of COVID-19	X	X		X		UNDP, MoEd, SAVE	30079	Contractual Service-Companies/ Equipment and Furniture	616.113
	2.4 Introduction of digital innovations in selected VET providers	X	X	X	X		UNDP, MoEd, SAVE	30079	Contractual Service-Companies/ Equipment and Furniture	160.841
	<b>Sub-Total for Output 2</b>									<b>2.138.565</b>
<b>Pillar 3:</b> Development of networking and capacity building of all VET providers	3.1 Strengthening of national coordination of VET	X	X	X	X		UNDP, MoEd, SAVE	30079	Local consultant/ Consultant/ Training, Workshops, Conferences/ Contractual Service-Companies	113.744

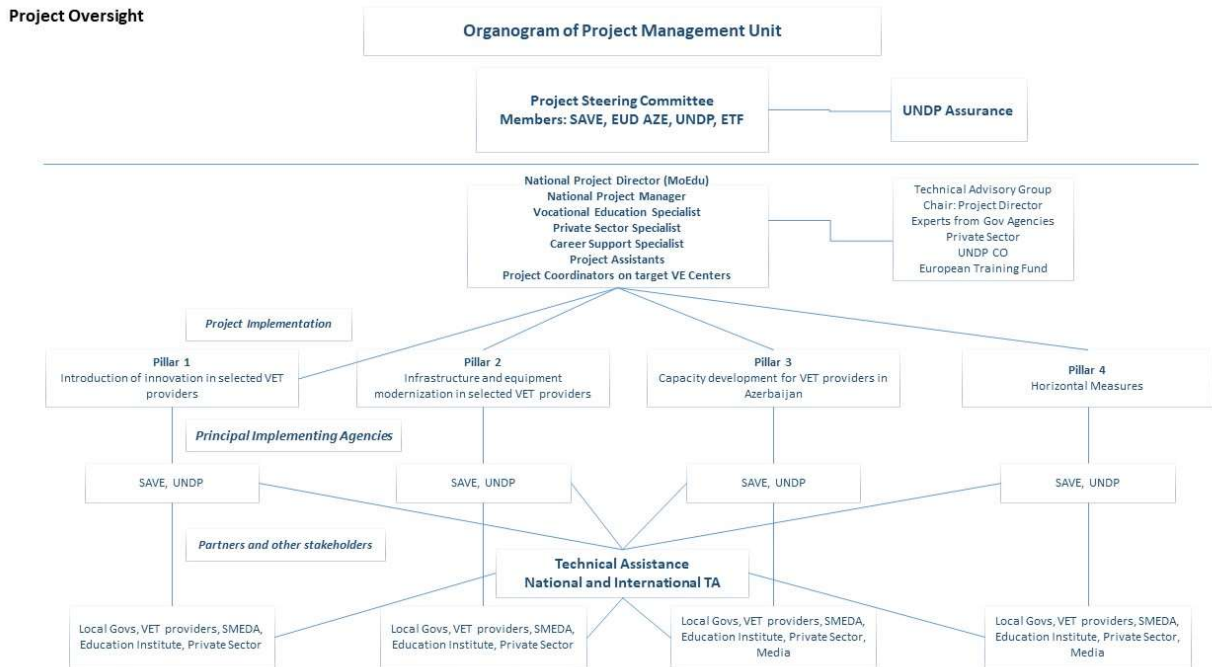
	3.2 Strengthening of capacity building of national VET institutions and providers	X	X	X	X	UNDP, MoEd, SAVE	30079	Training, Workshops, Conferences/ Contractual Service- Companies/ International Consultant	291.209
<b>Sub-Total for Output 3</b>									<b>404.953</b>
Horizontal measures to support system delivery	4.1 Support of the Communication Department of SAVE in developing effective communications and boosting the reputation of and attractiveness of VET	X	X	X	X	UNDP, MoEd, SAVE	30079	Contractual Service- Companies/ Training, Workshops, Conferences/ Audio- Visual and Printing Costs	152.844
	4.2 Support of the State Agency for Vocational Education in organizing National Skills Competitions and participating in International Skills Competitions	X	X	X	X	UNDP, MoEd, SAVE	30079	Travel/ International Consultant	132.133

	4.3 Support of the piloting of competitive financing mechanism to provide small grants to VET providers	X	X	X	X	UNDP, MoEd, SAVE	30079	Local Consultant/ Training, Workshops, Conferences/ Material and Goods/ Contractual Service-Companies	231.043
	4.4 Support pilot actions to engage youth in VET under the leadership of the State Agency for Vocational Education	X	X	X	X	UNDP, MoEd, SAVE	30079	Training, Workshops, Conferences/ Contractual Service-Companies/ Audio-Visual and Printing Costs/ Material and Goods	67.536
	<b>Sub-Total for Output 3</b>								<b>583.556</b>
<b>Project Management</b>	Ongoing project management, monitoring and reporting	X	X	X	X	UNDP	30079	Contractual Service-Companies- Individuals/ Rental costs/ Equipment and Furniture	1.724.123
<b>Evaluation</b>	EVALUATION				X	UNDP	30079	Contractual Service-Companies	17.772
<b>General Management Support</b>		X	X	X	X	UNDP	30079	GMS	464.454
<b>TOTAL</b>									<b>6.635.071</b>

## VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

I. Project Governance. The project will be nationally implemented with UNDP acting as Responsible Party. The roles and responsibility for the implementation of the programme will be in line with UNDP Rules and Regulations for Project Management that defines minimum requirements to ensure UNDP’s accountability for programming activities and use of resources. UNDP will serve as an Implementing Agency and the Ministry of Education as the Government counterpart will be responsible for the facilitating of all project events, consultant missions undertaken within the context of this project.

### Project Organisation Structure





## II. Project Management.

Project Management Unit includes Project Manager, Project Officer, Project Assistant. As a technical support staff, Vocational Education Specialist, Private Sector Specialists, Career Support Specialist and Project Coordinators on target VET centre/schools will be hired.

III. Project Assurance. UNDP will designate a Programme Officer to provide independent project oversight and monitoring functions, to ensure that project activities are managed and milestones accomplished. The UNDP Programme Officer will be responsible for reviewing the project reports, produced by the PM.

A Project Steering Committee will be established within the first two months of the start of the project and will meet twice a year to manage the project. The responsibility for convening and organizing these meetings will lie with the Project Manager. The meetings' minutes will be prepared by the project team and will be shared with participants and included in the project's quarterly reports. The PSC will include representatives of the State Agency for Vocational Education and UNDP, directors of targeted VET centers, one representative from the EU Delegation and one representative from the ETF. Additional experts and stakeholders may attend the Project Steering Committee meetings upon the invitation of the Project Manager. The Steering Committee will be responsible for decision-making over the project's overall strategy.

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## **IX. LEGAL CONTEXT**

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of (country) and UNDP, signed on (date). All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner."

This project will be implemented by UNDP ("Implementing Partner") in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

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**X. RISK MANAGEMENT**

1. Consistent with the Article III of the SBAA, the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:
  - a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
  - b) assume all risks and liabilities related to the Implementing Partner's security, and the full implementation of the security plan.
2. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner's obligations under this Project Document.
3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via [http://www.un.org/sc/committees/1267/aq\\_sanctions\\_list.shtml](http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml).
4. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
5. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
6. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
7. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds. The Implementing Partner

will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.

8. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at [www.undp.org](http://www.undp.org).
9. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.
10. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

11. The Implementing Partner agrees that, where applicable, donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities which are the subject of this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

12. Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.
13. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
14. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, *mutatis mutandis*, in all sub-contracts or sub-agreements entered into further to this Project Document.