**United Nations Development Programme**

**Country: IRAN**

**Project Document**

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| **Project Title:** Capacity Development forDistrict Level Planning for Inclusive Growth and Employment Generation Outcomes  |  |
| **UNDAF Outcome(s):** Improved national and sub-national capacities contribute to people living under the capability poverty line and most at risk of capability poverty having enhanced access to and participating in education, health and social protection programmes, which contribute to national human capital development.  |  |
| **Expected CPD Outcome:** Improved national and sub-national capacities contribute to people living under the capability poverty line and most at risk of capability poverty having enhanced access to and participating in education, health and social protection programmes, which contribute to national human capital development.  |  |
| **Expected CPAP Outputs:** 1- Capacity of relevant organisations for publicly supported employment generation and entrepreneurship policies and programmes for increased access of those most at risk and/or living under the capability poverty line, to the required basic services, skills and resources is further improved. 2- Capacity of relevant organisations to coordinate and integrate social capability development into sector and inter-sector programmes for improved access to quality public education, health, social protection and optimal food programmes and services, including for the most at risk groups/persons, is further enhanced. |  |
| **Implementing Partner:** Ministry of Interior (MoI). **Other Partners**:  |  |
|  |  |

AWP budget cycle: 2014-2016

Total resources required $392,000

UNDP TRAC resource: $228,000

Government resources: $164,000

Programme Period: 2012-2016

Key Result Area (Strategic Plan): Inclusive Growth

Atlas Award ID:

Project Start date: July 2015

Project End Date December 2016

1st PAC Meeting Date March 2013

LPAC Meeting Date

Management Arrangements NIM

Implementing Partner MoI

**Brief Description.**

The Government of the Islamic Republic of Iran’s 5th Development Plan (2011-2015) intends to achieve “growth with justice”. It also requires that the District Governor system produce district level five year development plans. The new UNDP–Government Country Programme Document (CPD) for 2012-2016 and its’ Action Plan (CPAP) support institutional strengthening and inter-sector planning systems and procedures to achieve inclusive growth, employment, social protection, resource management and poverty reduction. This can also support capacity development for improved District level five year development plans.UNDP and the Ministry of Interior have agreed to cooperate together to support the capacity development of District Governor systems (and related organisations) to produce district level five year development plans and related institutional strengthening – through RBM (results based management) approaches. This project document describes the activities that can support institutional strengthening and planning systems at the National , Provincial and District levels. It will provide a model framework for inclusion in the 6th Development Plan process.

Agreed by Deputy Minister for Planning Affairs, Ministry of Interior,

Mr. ....................

Agreed by UNDP, Resident Representative.

Mr. Gary Lewis

# Situation Analysis and Background

Iran is faced with the need to generate one million new jobs every year, to raise its GDP growth rate closer to eight percent per year and to raise the human development index (HDI) to a high level status. In order to achieve these goals, the Government of the Islamic Republic of Iran’s 5th Development Plan (2011-2015) intends to achieve “inclusive growth” The 5th Plan also requires that the Ministry of Interior’s District Governor system produce district level five year development plans that can help achieve the national goals and targets.

The new UNDP–Government Country Programme Document (CPD) for 2012-2016 and its’ Action Plan (CPAP) support institutional strengthening and inter-sector planning systems to achieve inclusive growth, employment generation, social protection, resource management and poverty reduction. This also supports capacity development for improved District level five year development planning.

The Ministry of Interior (MoI) is significantly involved in the growth and development of Iran, and there is much scope for cooperation with UNDP’s CPAP for achieving inclusive growth outcomes at the District levels. UNDP and the Ministry of Interior have now agreed to cooperate together to support the capacity development of District Governor systems and related institutional strengthening in order to produce district level five year development plans that can help achieve the national goals and targets. This project document describes the activities that can support institutional strengthening and planning systems at the National, Provincial and District levels.

# Strategy

The general solution to improving inclusive growth outcomes (higher GDP, more employment, better human development and better use of resources) is institutional strengthening and capacity development of planning systems and procedures. The Governments 5th Development Plan (2011-2015) intends to achieve inclusive growth and develop a new local growth and development model.

Within an institutional strengthening and capacity development framework, the project will support the Ministry of Interior in its general planning, coordination and implementation activities, and its cooperation with relevant national entities, including the Presidencies Management and Planning Organisation (MPO), and the Ministry of Cooperatives, Labour and Welfare (MCLW) and the Forest, Rangeland and Watershed Organisation (FRWO).

The specific strategy adopted is to support the capacity development of District level planning, programming, budgeting, coordination and monitoring and evaluation process – through “institutional strengthening” and “results based management” approaches. This “institutional strengthening” approach will introduce procedures and methods which are able to integrate planning systems (inter-sector and macro-meso-micro level), and to establish their coordination procedures and standard operating mechanisms: with the aim of ensuring inclusive growth and employment generation outcomes at the District level.

The project will also pilot the institutional strengthening mechanisms and produce a basic model and framework for such approaches for inclusion in the next 6th Development Plan process – that may be adopted in Iran’s 600 or so Districts.

This project will also be linked to other ongoing UNDP programmes and projects that have significant relationship with inclusive growth and employment generation outcomes.

Based on this Project Document, the two parties have also agreed to extend their cooperation for piloting in three provinces (Chaharmahal and Bakhtiari, Kerman and Semnan): in the fields of medicinal plant development, local tourism and firoozeh stoneworks – all expected to be effective instruments for local employment generation. The specific Districts will be selected after project signature.

Expected project outputs

1. Studies. Comprehensive *knowledge-based* outputs on District level planning and budgeting best-practices and procedures. This will be undertaken through studies, research, workshops, lessons learned reports, etc. This will include indicator development, model development, software development, and institutional standard operating procedures development, best practice participatory and performance-based budgeting and planning development, etc.
2. Training. Capacity development of Ministry of Interior staff (at all levels). Capacity development of other Government partners and other groups in the District and local communities. To ensure learning and learning by doing regarding inclusive growth and local development concerns and criteria.
3. Piloting. At District levels - for testing and demonstration purposes.
4. Special Reports. Reports can be produced and published on the impact of Ministry of Interiors planning and activities on inclusive growth and sustainable development outcomes. Documentation of lessons learnt and local best practices.

The principles, criteria and indicators of inclusive growth that are to be used in the activities and outputs process of the project include: efficiency, equity and sustainability (i.e. growth, employment and effective use of natural resources).

Project Exit Strategy

Once the project strategy is adopted and implemented, by end of 2016, both national level and District level planning institutions can utilise the methodology.

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# Results and Resources Framework

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| **Expected CPD Outcome:** Improved national and sub-national capacities contribute to people living under the capability poverty line and most at risk of capability poverty having enhanced access to and participating in education, health and social protection programmes, which contribute to national human capital development.  |
| **Expected CPAP Outputs:** 1- Capacity of relevant organisations for publicly supported employment generation and entrepreneurship policies and programmes for increased access of those most at risk and/or living under the capability poverty line, to the required basic services, skills and resources is further improved. 2- Capacity of relevant organisations to coordinate and integrate social capability development into sector and inter-sector programmes for improved access to quality public education, health, social protection and optimal food programmes and services, including for the most at risk groups/persons, is further enhanced. |
| **CPAP Output Indicators:** Number of beneficiaries reached by capacity development initiatives under the programme. Elaboration on indicators in CPAP, include: **i)** sustainable urban / district level development model for local economic development, inclusive growth and service delivery developed for local (District) Governor General Planning Committees - and capacity of both national and district/municipal level institutions strengthened for urban planning and management (for supporting employment and income generation, informal settlements development, targeting of vulnerable populations and improved women and youth responsiveness); **ii)** employment generation for vulnerable groups (through integrated trade, skills, CSR and SME approaches) developed - and capacity of both national and district/municipal level institutions strengthened on the basis of capacity assessments and by encouraging public-private- community partnership based approaches; **iii)** social capability development model for improved, evidence based inter-sector planning and coordination developed.  |
| **Applicable National 5th Plan Objectives:** *Economic Growth with Social Justice* (through empowerment approaches and an improved human development index) |
| **Partnership Strategy :** MoI, MPO, MCLW, FRWO and UNDP work together towards advocating for inclusive growth and capability development outcomes, criteria and instruments at the District level. |
| **Project Title and ID : *Capacity Development for District Level Planning for Inclusive Growth and Employment Generation Outcomes.***  |

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| **Outputs** | **Activities**  | **2015** | **2016** | **2017** | **Remarks** | **Planned Budget $** |
| 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | UNDP | Gov | Total |
| **1 – Baseline**  | Baseline information. |  |  | **x** | **x** |  |  |  |  |  |  |  |  | 1 local person month (at $3,000 per person month) | $3,000 |  | $3,000 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **2- Programming** | Produce institutional strengthening programme of for pilot testing, implementation and development of District level models and ToR’s. |  |  | **x** | **x** |  |  |  |  |  |  |  |  | 1 local person month (at $3,000 per person month) | $3,000 |  | $3,000 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **3-Knowledge Products Development** - **Framework/Model Production** | Local level studies and baseline information |  |  |  | **x** | **x** |  |  |  |  |  |  |  | 5 local person months (at $3,000 per person month) | $8,000 | $7,000 | $15,000 |
| Design and development support |  |  |  |  | **x** |  |  |  |  |  |  |  | Two weeks international person month | $7000 | $3,000 | $10,000 |
| Software development |  |  |  |  | **x** | **x** |  |  |  |  |  |  | 3 local person months (at $3,000 per person month) | $5,000 | $4,000 | $9,000 |
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| **4- Pilot implementation:**  | General capacity building and awareness raising for national and local institutional and human development – including model introduction and project inception activities |  |  | **x** | **x** | **x** | **x** | **x** | **x** |  |  |  |  | $3000 per w/s | $10,000 | $10,000 | $20,000 |
| District Development Committee – capacity development |  |  | **x** | **x** | **x** | **x** |  |  |  |  |  |  | Lump Sum | $7,000 | $7,000 | $14,000 |
| Implementation projects TBD |  |  | **x** | **x** | **x** | **x** | **x** | **x** |  |  |  |  | Lump Sum | $20,000 | $50,000 | $70,000 |
| District Governorate Planning/Budgeting - Standard Operating Procedures (SoP) |  |  | **x** | **x** | **x** | **x** |  |  |  |  |  |  | 3 local person months (at $3 | $5,000 | $4,000 | $9,000 |
| MoI and local community linkages - SoP’s and ToR’s  |  |  | **x** | **x** | **x** | **x** |  |  |  |  |  |  | 3 local person months (at $3 | $5,000 | $4,000 | $9,000 |
| Community Facilitation |  |  | **x** | **x** | **x** | **x** | **x** | **x** |  |  |  |  | Lump Sum | $10,000 |  | $10,000 |
| Community Organisation  |  |  | **x** | **x** | **x** | **x** | **x** | **x** |  |  |  |  | Lump Sum | $10,000 |  | $10,000 |
| Participatory Planning for Employment Generation |  |  | **x** | **x** |  |  |  |  |  |  |  |  | Lump Sum | $10,000 |  | $10,000 |
| Participatory Budgeting for Employment Generation |  |  | **x** | **x** |  |  |  |  |  |  |  |  | Lump Sum | $10,000 |  | $10,000 |
| Local Development Incubator (establishment) |  |  | **x** |  |  |  |  |  |  |  |  |  | Lump Sum | $10,000 | $30,000 | $40,000 |
| *Centre of Excellence* and *Prize* |  |  |  |  |  |  |  | **x** |  |  |  |  | Lump Sum | $5,000 | $5,000 | $10,000 |
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| **5- Establish monitoring and evaluation systems.**  | Studies and programming of:* design and development of indicator systems.
* lessons learnt processes;
* documentation templates
 |  |  | **x** | **x** | **x** |  |  |  |  |  |  |  | Lump Sum | $5,000 | $5,000 | $10,000 |
| Establishment of m&e system in three pilot Districts (within the District Governors Planning Committee).  |  |  | **x** | **x** | **x** | **x** |  |  |  |  |  |  | Lump Sum | $5,000 | $5,000 | $10,000 |
| Monitoring, reporting, lessons learned reports, quality assurance reports and evaluation. |  |  | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** |  |  | Lump Sum | $5,000 | $5,000 | $10,000 |
| Facilitation and community capacity development for participatory m&e. |  |  | **x** | **x** |  |  |  |  |  |  |  |  | Lump Sum | $5,000 | $5,000 | $10,000 |
| **6- Documentation** | Pilot Project Report  |  |  |  |  |  |  |  |  |  |  |  |  | Lump Sum |  $5,000 | $5,000 | $10,000 |
|  | Pilot lessons learned document  |  |  |  |  |  |  |  |  |  |  |  |  | Lump Sum |  $5,000 | $5,000 | $10,000 |
|  | *Special Report* - production |  |  |  |  |  |  |  |  |  |  |  |  | 5 local person months (at $3,000 per person month) | $10,000 | $5,000 | $15,000 |
|  | *Special Report* - publication |  |  |  |  |  |  |  |  |  |  |  |  | Lump Sum | $5,000 | $5,000 | $10,000 |
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| **7- Project Management and M&E** | Project management (DPC) |  |  | **x** | **x** | **x** | **x** | **x** | **x** |  |  |  |  |  | $40,000 |  | $40,000 |
| UNDP m&e and reporting |  |  | **x** | **x** | **x** | **x** | **x** | **x** |  |  |  |  |  | $5,000 |  | $5,000 |
| Audit  |  |  |  |  |  |  |  | **x** |  |  |  |  |  | $5,000 |  | $5,000 |
|  | Communication |  |  | **x** | **x** | **x** | **x** | **x** | **x** |  |  |  |  |  | $5,000 |  | $5,000 |
| **TOTAL** |  |  |  |  |  | **$228,000** | **$164,000** | **$392,000** |
| **UNDP expected annual TRAC resources envelope** |  | **$80,000** | **$168,000** |  |  | **$228,000** |  |  |

# Annual Work Plan and Budget

A completed ToR and implementation work-plan to achieve quarterly project outputs will be jointly agreed between the Ministry of Interior and UNDP within the first month after project signature. The Implementing Partner (IP – the Ministry of Interior) will undertake to implement the project work-plan within the time-schedule established and agreed. The Implementing Partner will engage with UNDP and other national counterparts as necessary to ensure a timely and efficient performance of the following envelope of resources: AWP budget cycle of 2014-2016; Total resources required of $392,000 ; of which UNDP TRAC resource are expected to be $228,000 and Government resources are expected to be $164,000. The UNDP expected annual TRAC resource provision envelope is currently set at Year 1, $80,000; Year 2, $1680,000. Equivalent resources will be programmed by Government according to the work plan envisaged above. Government cost-sharing arrangements will also be considered by the Ministry of Interior.

# Management Arrangements

The project is funded by both the Islamic Republic of Iran national resources and UNDP’s TRAC resources. It is undertaken through a National Implementation (NIM) modality managed directly by the Implementing Partner (IP), the Ministry of Interior (MoI). The implementation of project activities foreseen in section III and IV above will be undertaken over a one and half year life cycle (with possible extension upon necessity) and will also be in cooperation and coordination with other national entities.

The “Project Board” based management structure (as mandated and defined in UNDP processes) will be adopted. This Board will be composed of MoI, MFA and UNDP. The National Project Director (NPD) will be designated by MoI: with responsibility for the implementation of all foreseen activities and to ensure timely outputs and performance. A National Project Manager (NPM) may also be selected and designated to support the NPD’s work. All final major decisions are undertaken by Project Board consensus. Other national partners (including MPO, MCLW) may also be invited to attend Project Board meetings.

**National Project Manager (NPM)**

**Project Board**

**Technical Advisors**

**MoI**

**National Project Director (NPD)**

**Ministry of Foreign Affairs,**

**UNDP**

**Quality Assurance Oversight**

**Technical Advisory**

**Project Organisation Structure**

**Studies, Programming, Monitoring and Evaluation**

**Documentation**

**District Level Pilots and Implementation**

# Monitoring Framework

In accordance with the UNDP programming policies and procedures and those outlined in the CPAP, the project will be monitored through the following:

* A Quarterly Progress Reports (QPR) shall be submitted by the National Project Director to the Project Board, using the standard report format available in UNDP.
* Annual Project Review Report. An annual report shall be prepared by the National Project Director and shared with the Project Board. As minimum requirement, the Annual Project Review Report shall consist of the UNDP standard format for the QPR, but covering the whole year, with updated information for each above element of the QPR, as well as a summary of results achieved against pre-defined annual targets of outputs.
* Annual Project Review. Based on the above reports, an annual Project Board shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year.

A fully developed Monitoring Plan will be made available to the Project Board within one month of project inception and document signature.

# Legal Context

# Amendments

Parties may suggest amendments to any part of this agreement which will be applied and effective upon written agreement of all parties with the amendments.

# ANNEXES