## United Nations DEVELOPMENT PROGRAMME

## and

## Government of the Islamic Republic of Iran

## Project Document

## (*DRAFT PROPOSAL FOR DISCUSSION ONLY*)

## Capacity Development Programme for

## Sustainable Urban Development

***VERSION 2***

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| **Project Title: Capacity Development for Sustainable Urban Development** | | |  |
| **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 Transport and Urban Development – Urban Development and Rehabilitation Organisation (UDRO)  **Other Partners**: | | |  |
|  |  |

AWP budget cycle: 2015-2016

Total resources required $ 443,000

UNDP TRAC resource: $

Government resources: $

Programme Period: 2012-2016

Key Result Area (Strategic Plan): Inclusive Growth

Atlas Award ID:

Project Start date: December 2015

Project End Date December 2016

1st PAC Meeting Date

LPAC Meeting Date

Management Arrangements NIM

Implementing Partner UDRO

**Brief Description.**

The Government of the Islamic Republic of Iran’s 5th Development Plan (2011-2015) intends to achieve inclusive and sustainable growth. It also requires that urban development planning contributes to the five year development plan goals. 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, and poverty reduction. This can also support capacity development for improved urban and District level five year development plans.

UNDP and the Ministry of Transport and Urban Development – Urban Development and Rehabilitation Organisation (UDRO) have agreed to cooperate together to support the capacity development of urban and District planning systems (and related organisations) to produce their development plans and related institutional strengthening. This project document describes the activities that can support institutional strengthening and planning systems at UDRO. It will provide a model framework for inclusion in the 6th Development Plan process.

Objective: Capacity Development for Sustainable Urban Development Planning and Management – at UDRO, and the establishment of a Centre of Excellence

Agreed by Deputy Minister for UDRO, Ministry of Transport and Urban Development.

Agreed by UNDP, Resident Representative. Mr. Gary Lewis

**Brief**

The Government of the Islamic Republic of Iran’s 5th Development Plan (2011-2015) intends to achieve inclusive and sustainable growth. It also requires that urban development planning contributes to the five year development plan goals. 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, and poverty reduction. This can also support capacity development for improved urban and District level five year development plans.

UNDP and the Ministry of Transport and Urban Development – Urban Development and Rehabilitation Organisation (UDRO) have agreed to cooperate together to support the capacity development of urban and District planning systems (and related organisations) to produce their development plans and related institutional strengthening. This project document describes the activities that can support institutional strengthening and planning systems at UDRO. It will provide a model framework for inclusion in the 6th Development Plan process.

This proposal was prepared at the request of the joint working group between UNDP and UDRO – following informal discussions on future cooperation. Discussions with counterparts (especially UDRO, Tehran Municipality, Shahid Beheshti University and NGO groups) had raised the need to identify and programme for resolving sustainability challenges in Iran’s urban development process. The various regional and international conference held in Iran had prompted the need for increased focus on sustainable urban development issues, so this proposal was a response to such issues and objectives. It has been prepared through a process of discussion, learning and participatory action with counterparts and stakeholders.

Programme Objective: Capacity Development for Sustainable Urban Development Planning and Management – at UDRO, and the establishment of a Centre of Excellence.

Other Possible National Partners: Ministry of Transport and Urban Development, Tehran Municipality, Tehran Council, Mega-Cities National Council, the Society of Consultant Engineers, the Urban Development NGO Network, Shahid Beheshti University

**Abbreviations Used in Text**

IRI Islamic Republic of Iran

MTUD Ministry of Transport and Urban Development

SBU Shahid Beheshti University

SCE Society of Civil Engineers (Quasi-NGO)

SDG Sustainable Development Goals

SIF-HQ Secretariat Informal Settlements HQ (MTUD)

SSC Strategic Studies Centre (Tehran Municipality)

TM Tehran Municipality

UNDP United Nations Development Programme

**PART I**

**Background and Approach**

Iran’s cities and mega-cities are increasingly experiencing sustainable development challenges, that must be met and resolved before irreversible critical thresholds are reached. This is especially so for the Tehran metropolitan area. Approaches and strategies that can be developed, modeled, institutionalised and put into practice are required urgently to alleviate further reversals in equity and sustainability. Part of the challenge lies in changing the conventional urban growth and development paradigm that is rooted in engineering, spatial and physical growth characteristics - and which gives secondary (or a side) place to human development concerns, participation and people related matters. These in turn result in equity and sustainability issues that inhibit stability and convergence in urban development processes – and reduce planning effectiveness and efficacy.

The Government of the Islamic Republic of Iran has development planning objectives to help increase the welfare of the Iranian population and the sustainability of the resources, institutions and values in the country. To this end, the new *6th Development Plan Directive* from the Leadership specifically sets as a goal for the medium term planning framework the development of urban areas. Further, the UNDAF programming exercise also identifies resilient economy challenges which are taking shape in the urban space of Iran. The United Nations Development Proigramme supports the above and intends to support as necessary.

The *State of the World’s Cities Report’s* (UN Habitat), also well indicate that future crisis will increasingly take place in urban settings and that at the root would inequality type challenges that are usually due to lack of sustainable based urban planning and management. These include the type of problems that now also confront concentrated urban areas in Iran. Such problems may include: mis-matches between physical and material development and that of social and human development; high levels of vulnerability, unemployment, ill-health, poverty and inequality concentration; organizational and institutional approaches that distort local and urban sustainable human development; etc.

Discussions in an informal consultation process with national counterparts – especially UDRO, SCE and SBU - during 2015 have also raised the issue of a need to identify and programme for resolving sustainability challenges in Iran’s urban development process. One approach that may support the resolution of these challenges, and as UNDP technical assistance support, is a Capacity Development for Sustainable Urban Development (LCD-SUD) approach. Such an envisaged programme can address general urban development challenges for the urban institutional framework (e.g. MTUD and UDRO) and also meet the problems of poor and vulnerable communities through integrated and bottom-up based models. The development, institutionalisation and pilot testing of such a *SUD Model* is the objective of UNDP technical assistance.

The proposed CD-SUD programme will aim to promote national and local institution building and development so as to meet the goals of the long term and medium term development frameworks - by enhancing the capacities of UDRO (through establishment of a Centre of Excellence) and other national and local urban development authorities and councils to support improved planning and management of the local communities, and within an integrated and sustainable urban development framework and methodology.

The Need For An Iranian *Sustainable Urban Development* *Model*

The above objectives can be achieved by identifying and providing practical and sustainable technical solutions to the priority needs of the selected ministries, technical organisations, local councils, municipalities and communities, and monitoring and evaluating their benefits and outcomes. The development of a Sustainable Urban Development (SUD) Model that is useful for the Iranian context, and the related institution building required to use the model and practice appropriate sustainable urban development planning and management is a feasible objective, given current know-how and best practices. Further, the new model may also incorporate characteristics of planning that are more in line with human development approaches (to also ensure resilience, convergence, welfare improvement and stability between social and economic systems)

The SUD Model that needs to be developed will require term’s of reference preparation, study of international best-practices and equivalent models, design and development for the Iranian context, establishment of Centre of Excellence, , programming for institutionalisation through preparation of standard operating procedures (SOP) and pilot implementation for testing of robustness and sustainability. The UNDP’s technical assistance will support this to the extent possible. The basic requirements have been foreseen in this programme proposal – and will help prompt development to complete and sustain the institutional process.

The SDG oriented performance based planning framework provides an example of focusing institutional models and practices for the benefit of sustainable development: and can be utilized for urban development modeling (and can help raise combined efficiency, equity and sustainability in urban planning and implementation). Such approaches can resolve specific issues as well as general problems, including economic welfare, social development and employment related problems. Integrated planning approaches, utilizing evidence-based, specific and contextual information which are results based, can strengthen the process of sustainable growth and development of urban communities and significantly support the reduction of deprivation (in economic and social contexts and also in localities).

The use of partnership strategies that bring together UDRO, local authorities the Municipalities system and civil society associations will be a pillar of the programme. Such partnership strategies are considered as necessary conditions for general sustainability. Partnership formation at the local level is also necessary. Community based approaches and their linkage to the SUD Model will also form a pillar – especially the establishment, utilization and linking up to formal institutions of the grass-roots’ informal community-based organizations that have shown such development possibilities and resilience throughout the world.

International best-practice can help promote the decentralised and bottom-up approach for sustainability. In order to generate, support and sustain such urban development, a Centre of Excellence at UDRO can be established to support decentralized urban institutions capacity for participatory and sustainable planning and management. Decentralisation best-practices can, therefore, become an important outcome of the programme through the Centre.

The combination of partnerships, SUD model practice and community-based instruments, as urban development problem solving tools, is expected to resolve the major challenges that confront UDRO in urban areas in Iran.

Rationale for UNDP Involvement

UNDP has broad global experience in helping resolve urban development challenges. UNDP globally managed *The Urban Governance Initiative* (TUGI) for many years; while integrated approaches to business development, knowledge based urban renewal and depleted area renovation have also been experienced. Globally, UNDP has long been involved in both forming the above mentioned approaches and instruments and in helping to develop them and is, therefore, well place to provide technical assistance on this subject in Iran.

There are several reasons for the UNDP to support the proposed CD-SUD program: a) to continue long-standing engagement in Iran to address the needs of development and the poor and vulnerable in particular (which sustainability approaches increasingly ensure), b) to work together with Government on joint programmes and on complex multi-sectoral and inter-sectoral development agendas (that contribute to the SDG approach), c) to further advance UNDP’s new urban development strategy and draw lessons from the process, and d) to meet the challenge of integrated programming development for sustainability, for urban development in particular and also for convening and developing crucial linkages in-between the national and the local urban development entities (which are critical for meeting the problems of mega-cities in Iran in particular). The latter is especially important as Iran’s future centres of development crisis and challenge will be in urban areas.

Further, both Iran’s current 5th Development Plan and proposed 6th Plan goals, on which the UN’s new UNDAF is also being aligned with, sets forth development strategies that emphasize: a) social inclusion and access to high-quality public services, b) macro-economic stability as well as employment and income growth, c) greater equity among the regions and rural-urban areas through regional and local development, d) greater sustainability through integration between socio-economic development and the environment, and e) the promotion of participatory approaches in decision making.

Given that UNDP in Iran supports the above mentioned goals and challenges and aims at improved efficiency, equity, sustainability and economic stability, the proposed CD-SUD programme can form the basis for a long term contribution to Iran’s national development.

###### CD-SUD Programme Solutions

The challenges, methodologies, linkages and partnerships mentioned in the above sections can be strengthened through an institution building process that is envisioned by the proposed CD-SUD programme – and through a Centre of Excellence that is fully integrated with decentralised units. It is expected that an action strategy that responds to both urban type challenges and priorities in Iran, and to the CD-SUD type techniques could be productive. The technical assistance initiative envisages that the problems are resolved through the development of strategies, models and standard operating procedures that can provide organising principles for sustainable development in urban settings.

The programme will provide the enabling framework for the design and production of an integrated SUD Model, for approaches to sustainability, for solutions to human development and deprivation reduction, and for increased local level welfare, income and employment generation. A set of strategy documents for both the national authorities (such as MTUD) and for UDRO, based on the best-practice integrated, sustainable, decentralised and bottom-up planning and programming concepts may be generated. Further, geographical and population targeted approaches will be utilized for any piloting as required.

In parallel, local institutions are supported to adopt bottom-up, sustainable development approaches focused on changes at the local levels, especially structural and root-cause changes, and also the basic community requirements and needs. This decentralized approach generates information, knowledge and capacity for sustainability and endogenous growth (which can be the ultimate aim of the programme). The initiative will develop capacity of local level institutions to positively interact with higher, national levels and especially the Centre of Excellence.

To this latter purpose, it will be essential to anchor the CD-SUD programme in people’s participation, local capacity building and decentralized management concepts and models. This latter will enable the local population and communities to fully make use of their strengths and assets (resources, social capital, individual skills, available techniques, institutional and infra-structural frameworks etc.) in order to achieve a broad-based growth and development pace at the local level. It will seek to ensure that community groups are self-mobilized and strengthened to effectively address the economic and social needs of their own groups. This approach will then generate trickle-up multipliers throughout the rest of the community. Such sustainable livelihoods frameworks have proven to be very effective in many UNDP technical assistance development programmes all over the world.

The possible components of a formal SUD Model may be as follows:

* 1. Urban context module
     1. Spatial planning module
     2. Physical-Human compatibility module
     3. Transport module
  2. Demographic cohort population module (gender and age disaggregated)
  3. SDG module
     1. Needs based assessment module
     2. Deprivation module
  4. Economic module
     1. Growth module
     2. Cost-benefit analysis module (for socio-economic analysis)
     3. Social Accounting Matrix module (specially designed for performance based planning and budgeting purposes)
  5. Education and Skill Module
  6. Environment module
  7. Community-based development module
  8. Local welfare and employment generation module
  9. Integration module (to integrate modules 1-8) to ensure sustainability
  10. Indicator module (used for modification and updating of indicators)

The CD-SUD is, therefore, a programmed and targeted (RBM) approach, aimed at developing formal, bottom-up based systems – from the community upwards towards strengthened municipalities and then further up to national institutions – in the process strengthening urban sustainability as well as local welfare, employment and income generating potential. The expected outcome is the generation of an endogenous growth and transformation process within each urban areas community.

# PART II

# OUTCOMES, Strategies and activities

The development goal of the CD-SUD technical assistance initiative is to establish and institutionalize a functional *sustainable urban development* system, model and programme in Iran, as a Centre of Excellence - in order to prompt the capacity development of urban institutions towards sustainable development based type of frameworks and RBM approaches. As national objectives, they may be institutionalised in the Ministry of Transport and Urban Development’s UDRO and its network of institutions (such as the Informal Settlements HQ). As local level objectives they may be institutionalised at the Municipality level (e.g. Tehran specifically, as the mega-city of choice for such a technical assistance programme).

The CD-SUD initiative may also be utilized as a national pilot model for the development, testing and replication of SUD models and frameworks to cities, districts and localities in Iran and to the urban development network.

The direct beneficiaries are national and local governance structures, universities and civil society organisations as well as families living in districts and local communities.

**General Outcome and Strategy**

## The main aim of the technical assistance programme is to improve planning, management, and sustainable development outcomes in the local, district and city areas of Iran.

## The outcomes of the programme would include:

* A SUD Model, operating framework and institutional practice becomes functional.
* Planning and budgeting undertaken by urban institutions is more participatory.
* Local participation increases in decisions and activities, and improved networking takes place between communities and local institutions.
* Improved urban socio-economic development: skills improved, social space established, local growth and employment, etc.
* Improved sustainable and human development indicators in urban areas over the medium term.
* Sustainability in urban areas is increased according to conventional criteria (indicators – as attached).

# In order to achieve the above, an integrated *Sustainable Urban Development* approach is designed and piloted through institutional capacity development at UDRO and related institutions. The following institutional level capacity developments may be envisaged:

1. National institutional development at the MTUD and UDRO (also the Secretariats)
2. Local institutional development at the Municipality level systems

# Community-based development in pilot districts

These will require the following set of initiatives:

* Development of the policy and legislative framework for improving *SUD* for ministries, municipalities and communities, e.g.:
* Establishing a Centre of Excellence in UDRO to develop and promote the SUD model in Iran (and the region):
* Establishing the Centre of Excellence to act as national sustainable urban development committee;
* Establishing a permanent inter-ministerial and municipality expert working group to coordinate efforts in implementation of the SUD Model that is to be developed;
* Strengthening of both institutional and human capacity to ensure effective provision of quality SUD planning and management.
* Piloting for specific development objectives to test the robustness and flexibility of the SUD model.

In order to undertake the above, the achievement and institutionalization of the following activities and outputs are proposed (and these are expanded into activities and budgets in the RRF below):

1 – SUD Model Development

Output: Comprehensive and Integrated SUD Model Production and Preparation of SoP’s/ToR’s for Institutionalisation

2 – Capacity Development: UDRO

Output: Institutional Capacity Development for Strategic Planning and Management of the Sustainable Urban Development (SUD) Model.

3 – Capacity Development: Local level

Output: Institutional Capacity Development for Strategic Planning and Management of the Sustainable Urban Development (SUD) Model.

4 – Piloting the SUD Model:

Output: Piloting in a number of urban Districts and documenting the results

5 – Establishing a “*Centre of Excellence for National Level SUD Model Development and Advocacy*” at UDRO

Output: Capacity Development for Utilising and Disseminating the SUD Model – both Nationally and Regionally

**The Programme OUTPUTS**

The proposed CD-SUD program has three main technical aspects (components):

a) technical assistance towards ministry and municipal level capacity strengthening for SUD model development and its utilisation for planning purposes (including the required institutional mechanisms),

b) technical assistance towards development of standard operating procedures for SUD implementation, and

c) technical assistance towards the required macro-meso-micro linkages for utilising the SUD model (e.g. inception of a pilot activity in districts to test and demonstrate the SUD model).

A. Institutional Capacity Strengthening

This dimension will support activities related to improving MTUD and local municipality capacity for sustainable development planning and implementation – and to plan, appraise, finance, implement, monitor and evaluate local socio-economic development investments. Introducing UNDP RBM institutional planning and implementation, and social and environmental practices and safeguards are meant to strengthen capacity in these areas and *standardize* procedures across all relevant units of national and local government. In addition, the SUD Model will support this standardisation.

Further, urban sector management improvement programs focused on improved fiscal management, local cadastre type mapping and fiscal/tax collection may also be considered for support by the UNDP at a later stage. Although inclusive growth and sustainable development is considered as the main technical entry point of this CD-SUD proposal, planning and management of municipal water and sanitation services may also be considered at a later stage.

The types of activities under this component are institutional mechanisms development, knowledge and information systems development, human resource development, model building and standardisation of procedures. These are specified further as:

## A.1. SUD Model Developed for National and Local Programming

Expected outcome: new model SUD developed as a joint programme.

Possible Outputs and Activities:

* Mapping of existing development needs and programmes to identify context required for development of a SUD model (including technical and socio-economic assessment if necessary);
* Preparing strategic plans for the development of a SUD model, including: description of required planning and management structure, institutional roles and responsibilities, minimum requirements for standards and criteria, standard operating procedures, detailed description of basic SUD services package, etc;
* Establishment of MIS/M&E systems, and a common database for SUD;
* New mechanism identified and planned for to link macro-meso-micro levels in the SUD system;
* Supplies procured for the development of the SUD package;
* Lessons learned on SUD model development, documented and disseminated at the national and international level.

## A.2. SUD Policy and Legislative Framework in Iran Strengthened

Expected outcome: the policy and legislative framework promotes and facilitates in a sustainable manner the development of SUD techniques.

Possible Outputs and Activities:

* Existing SUD related legislation reviewed (and improved were necessary);
* Existing financial and budgetary mechanisms reviewed (and improved were necessary);
* Integrated approaches to SUD programming and standard operating procedures developed and/or revised;
* Standardized procedures for evaluation and monitoring developed and approved;
* Institutional mechanisms established to manage and monitor the SUD development and practices process.
* National SUD Committee established;

## A.3. Institutional Human Capacity Framework for SUD Programming and Management in Iran Strengthened

Expected outcome: strengthened institutional human capacities to manage and carry out the new SUD model processes.

Possible Outputs and Activities:

* National management and planning framework developed in MTUD-UDRO;
* Local management and planning framework developed in municiplaites;
* National human capacity to manage and carry out the SUD model and process at national, municipal, district and community level established;
* Human resource strategy and plan of action designed and tested;
* Training methodologies and modules developed and tested;
* Capacity of national and local authorities to monitor and evaluate SUD strengthened, including effective follow-up and implementation of SUD policies and programmes; and
* Capacity of academic institutions (Universities) to interact with national and local institutions on SUD development and utilisation strengthened (i.e. curriculum development, resource centers etc.).

## 

B. Implementation Strengthening

UNDP technical assistance for MTUD and the local municipality system to improve ability to implement the SUD model and to practice and provide services in an efficient, environmentally sound and sustainable manner.

Both the MTUD and the Municipalities have been working to adopt sustainable and integrated approaches promoted by the SDG frameworks to informal settlements improvements and slum upgrading that focuses on socio-economic and sustainability criteria: such as, reintegration of affected families, participatory and fair resettlement policy’s, immediate physical use of the space in the environmentally protected areas where slums have been removed etc. The rehabilitation of informal settlements areas is also very important in protecting key environmental resources in mega-cities and developing policies to better address problems with informal settlements.

The municipality system, in particular, will need to consolidate in a few priority areas to have maximize impact in results based management and sustainability frameworks. The priorities may include improving access to services for the poor, contributing to the municipal growth agenda and/or for environmental benefits. Possible UNDP support areas could be: transport systems related; water supply, sanitation and drainage systems related; treatment and final disposal of solid waste, waste recycling centers and support to waste packers; urban upgrading, housing and social improvements in poor neighbourhoods, and areas of environmental risk.

C. Piloting

This will pilot the SUD model in localities – to test for the robustness and flexibility of the SUD model. A socio-economic initiative is proposed, as this will provide quicker results and which are more tangible (and which can be related to core SDG type development issues). The UNDP has the relative advantage in community-based and local socio-economic development and can support national and municipal initiatives to generate local growth, employment and development opportunities. For example, some of the interventions would directly target the poor (e.g. informal sme businesses) with instruments such as incentives to move into the formal sector, measures to facilitate access to micro credit, provision of social friendly space for socio-economic linkages, focused training and capacity enhancement activities. Another set of interventions may be geared towards selected SME *clusters* with growth potential (clusters may include fruit and vegetables; tourism; waste recycling etc). Actions could be to support the sustainable social capital formation of the cluster, prepare business plans, identify new markets, etc.

A third area may include economic initiatives to stimulate local potential to produce high value-added products, via access to the knowledge economy based on existing and new R&D efforts, coordinated across universities and private sector firms – such as social enterprise initiatives.

**Institutional Capacity Development support**

A. National Level (UDRO)

The technical assistance aims to achieve the following at the national and policy level:

1. Support the development of a general national framework and model for the planning and operations of SUDsystemsthat integrate national and district level development approaches and community-based support systems at the local level.
2. Support the development of enhanced Government capacity for strategic and sustainable urban planning and management of integrated local development systems to achieve the SUD objectives.
3. Support the development of sets of policy/planning/programming documents developed to prompt and speed up national level SUD policy adoption.
4. Support the development of sets of standard operating procedures (SoP) and terms of reference (ToR) manuals developed to generate enhanced SUD planning/implementation.
5. Support the establishment of local and district level systems that support the SUD objectives: including district level funds mechanisms, community-based support systems and development incubator networks;
6. Support the development of management teams (organized, trained and motivated) in the urban development and municipality structure to provide comprehensive SUD support services to such systems.
7. Support the development of training manuals to generate learning processes for enhanced SUD planning/implementation performance and sustainability.

B. City Level

The technical assistance programme aims to achieve the following at the city level:

1. Support the development of capacity for SUD planning/implementation at urban and city levels and contexts;
2. Support the development of SUD based MIS Systems.
3. Support the development of *participatory* planning, budgeting and monitoring systems (possibly through community-based participation and mobilisation);
4. Support the development of *urban social spaces* for sustainable urban development activity: e.g. *social/economic incubators, design centers* and *ICT centers* for employment generation; *learning-by-doing* systems and procedures; etc

C. Community-based Level

The technical assistance programme aims to achieve the following at the community level:

1. Support the establishment of a *development centre*, as hub of all SUD related activities at the district level;
2. Support the establishment of *development fund* frameworks (especially in and around the *development centre)*, with capacity to target and fund the challenges and gaps in the district;
3. Support the establishment of *community-based organizations* through appropriate institutional and capacity development mechanisms (that may be coordinated by the *development centre)*;
4. Support the establishment of socio-economic incubator systems and networks (that may be managed by the *development centre)*;
5. Support the management and coordination of the above*,* through international standard project management approaches (such as Prince2).

###### PART III

###### Management Framework

The proposed CD-SUD initiative may be undertaken within a UNDP framework for National Implementation (NIM) type modality. The Ministry Transport and Urban Development (MTUD) would be the national implementing partner.

The sustainability of the initiative can be ensured through the establishment of a high level Steering Committee (SC) – or a Project Board - along with its required support systems to oversee the CD-SUD’s project strategy, implementation and management. The functions of the SC and its related entities would include the setting of programme standards, coordination, planning, m&e and oversight of research, development and pilot testing of the SUD model. The SC may, if required at a later stage, be converted into a high level national institution – or become the Centre of Excellence. The institution would then be able to ensure the growth and appropriate development of the system for sustainable urban development outcomes. Initially, the SC may consist of representatives of MTUD, MoI, Municipality, Local Council, UNDP, civil society associations and other pertinent partners.

The SC would meet regularly to review progress and examine and approve the work plans. The SC receives reports from the programme management, would make recommendations for feedback and modifications, and may identify new strategic areas of concern. The SC will also ensure the documentation of the SUD model into the national planning process, the documentation and dissemination of lessons learned, and the incorporation of the SUD model into the urban planning framework and development programmes.

A Project Management Unit (PMU) will be organized to undertake and oversee operations related to the implementation of activities. A National Programme Director will be designated to coordinate the CD-SUB programme and to manage the programme activities and the PMU. A Chief Technical Advisor (CTA) will also support the NPD and PMU.

The PMU will be the center of all the programmes operations – and itself later may also become transformed into the Centre of Excellence. A team of consultants will closely work with it for the purpose of undertaking baseline studies, training, SUD model development and for documenting the lessons learnt.

To develop and institutionalise the participatory approach and to ensure broad consensus building, the programme management team will ensure inclusion of representatives of the local community, local government and other appropriate interested government ministries into all the processes.

**Outcome**

**Sustainable Urban Development**

capacity development:

sustainable development;

participatory planning and budgeting;

decentralization;

statistics and MIS.

**National SUD Committee**

National level

**Strategy**

***Integrated SUD Programming***

**Steering Committee**

***SUD Model development and quality assurance***

CTA

**Programme Management Unit**

(Technical Committee; National Level Programme Management Unit)

SUD Model

SDG targeting

Participation and Decentralisation

**Project MTUD**

**Project Districts**

Model Piloting level

**SUD Pilot – District Level**

Community Based Development

Local councils and municipalities

Project Management Unit

Activities: Organisation; Training; Study; Incubation; Economic; M&E

etc

Project level activity

**Management Arrangements**

1. Given that the CD-SUD programme will be within a NIM modality, the designated national level government institution (UDRO) at the central level will have the role of overall management and coordination (also being the national technical body for urban development programming and monitoring), while the local municipality will manage and coordinate at the city level.

2. For the overall CD-SUD programme, UDRO will act as the National Implementing Partner – and the national level programme document will be owned by them.

3. A national level CD-SUD programme Steering Committee (SC) will be established (functioning as the Programme Board in RMG/*Prince2* type project management approaches), consisting of authorized representatives from the UDRO, including MTUD, Municipality, Council, the programme and project directors and managers, independent technical consultants, and the head of the technical committee of the CD-SUD as well as the CTA.

The terms of reference of the SC may include:

* Meets regularly (e.g. quarterly) to review and evaluate progress, and to examine and approve work plans: it makes recommendations for feedback and modification, and identifies any/new strategic areas of concern;
* Reviews suggested changes to plan or budget, and progress in targeted pilot areas/sites;
* Ratification of the SUD Model derived from the programme, including any necessary TOR’s and Standard Operating Procedures.
* Ensures the documentation of lessons learned and the incorporation of CD-SUD success outcomes and techniques into the national planning framework and related urban development programmes;
* Develops strategic policies on urban development and proposes them to the relevant national authorities for the purpose of implementation at the national policy levels;
* Works towards the establishment of a National SUD Committee.

4. A National Programme Director (NPD) will be designated to undertake the management and implementation of the programme and to lead the Programme Management Unit (PMU). The terms of reference of the NPD include the following:

* Execution and implementation of the CD-SUD programme, in order to achieve the expected outputs as per programme document, and ensure the quality of the expected outcomes - through management and constant interaction with the PMU;
* Participation in SC;
* Establishment of an Inter-sectoral Working Group to support the development of the national level programme;
* Support to the establishment and development of pilot projects at the district levels, and of any required support systems, incubator systems, information technology to facilitate the pilots;
* Ensuring the documenting of lessons learnt and new models and techniques, and the process of the programme;
* Submission of monitoring and evaluation reports based on the guidelines of the CD-SUD document and the PMU;
* Support to any capacity development, training, monitoring, evaluation, facilitation and procurement activities required by the programme;

5. A national level, technical and managerial type entity shall be established to act as an independent Programme Management Unit (PMU), managed by the NPD and under the monitoring of the SC. The functions will include both management and overall quality assurance system for the project. All strategic coordination, management and monitoring, as well as any necessary technical actions, will be undertaken by the PMU. The PMU will also undertake quality control related to the implementation of activities in the pilot sites. The NPD will report to the SC primarily. It will also coordinate with the other CD-SUD’s implementing partners.

The duties of the PMU include the following:

* Devising and notification of executive guidelines and policies during the project in order to guide the executives and other involved parties;
* Appointment of competent consultants for the purpose of capacity building and training;
* Constant monitoring and supervision of the project on national, city and district levels;
* Ratification of project managers after their nomination on competency basis determined through NIM procedures;
* Receipt of progress reports from the project managers, their analysis and forwarding onto the SC;
* Monitoring the costs and benefits of the activities of the programme and any new activities;
* Hiring of auditors and conducting annual auditing and submission of the report to the SC.
* Documenting and devising a national programme model for sustainable urban development, including: articles of association, decentralized management and planning model, regulations for establishment of local non-official organizations, integrated poverty reduction strategies in districts and their submission to the SC for further ratification;
* Responsible for guaranteeing outcomes of the Programme Document and for building the required capacity.

6. In order to implement the pilot projects in the districts, a District Project Manager (DPM) will be selected by the PMU (and conducted through transparent NIM guideline processes). The DPM will work independently to implement the project (according to the CD-SUD project document and work-plans), but will be under the monitoring of the NPD/PMU. In this capacity, the DPM:

* plans and manages the district level pilot project activities;
* ensures that the project inputs, activities and outputs (and required results and outcomes) are produced according to the programme/project document;
* undertakes the required monitoring and reporting activities.

7. A Chief Technical Advisor (CTA) will support the NPD, the PMU, and the DPM. The function of the CTA will be particularly in the technical dimension; in the quality of results and outcomes; in strategic organisational support work such as preparation of TOR’s; in supporting documentation and deriving of lessons learnt; and, in achieving the final SUD Model and the SUD approach for national policy level purposes.

The CTA will be complemented by a team of national consultants, who will closely work with him/her for the purpose of ensuring quality in implementation, in learning, and in documenting the lessons learnt of the LCD-SUD – for replication to other mega-cities and incorporation into national planning frameworks.

9. To continue the participatory approach used during project formulation, and to ensure broad consensus building, each pilot project management team will also ensure inclusion of representatives of the local community, local government and other appropriate interested government ministries in the management process. Community representatives on the committee supporting the district level pilot project will include local people, women, non-state entities and other representative of the civil society.

However, once coherent sets of activities will have been identified and agreed upon, relevant district authorities and/or CSOs/NGOs/CBOs will take the lead in implementing them. Key project activities should be managed directly by the CBOs concerned with the advice and support of the local DPM, the CTA, the NPD and consultants or NGO’s that contracted to manage the process.

**MONITORING AND EVALUATION**

The design of the CD-SUD programme and the pilot project requirements identified are geared to *participatory* and *learning-by-doing* approaches, because of the varied socio-economic and institutional conditions prevailing in the mega-cities of Iran and their districts. Thus, substantive monitoring will be required to record the lessons learned and ensure feedback to decision-makers at the mega-city and district levels. Specifically, the validation of the lessons learned, within the context of both national authority and local stakeholders’ perceptions, will contribute to enhance 1) policies related to resource use and management in general, and 2) in particular to policies governing planning, budgeting, participation, performance, skills training, production and business development, external factors identified and other issues that may arise.

International level standards monitoring and evaluation procedures will be followed specifically, as they relate to the choice and management of indicators.

The results of three systems need to be monitored simultaneously:

* management operations of the CD-SUD Programme itself.
* activity and execution of CD-SUD model,
* management operations of the pilot projects,

A logical framework analysis should be conducted for the CD-SUD programme as a whole and for each of the pilot projects; and it should be updated periodically until the end of the programmes duration.

The first task of the PMU will be to set out baseline data on the current conditions concerning cities, communities, incentives, potential and constraints. In consequence, a set of indicators should be developed, using the participatory framework among all stakeholders, and monitored throughout the program life, including:

* Draft bi-annual programme monitoring report to be produced every six months, which will focus on lessons learned. These lessons learned will analyze performance issues within the context of risks, assumptions and others related to expected outcomes.
* Issues which will focus on institutional factors (policies, social, urban context and other issues) that accelerate or inhibit the process of urban development propose; as well as structural issues which will focus on the performance of institutions and infrastructure investment needed for the application of SUD techniques and participation.
* Gatherings (meetings/seminars) regarding sharing of experience and knowledge of community development and CD-SUD techniques, with the participation of local authorities, and to review monitoring/lessons reports. Reports should be ready one month prior to the meeting. A final programme monitoring report will incorporate comments from the meeting and will summarize findings and lessons learned. Particular attention should be paid to feedback mechanisms directed to decision-makers.

The programme will be subject to mid-term and terminal evaluation, the findings of which may be used for completing programme activities and for replication of the model and/or extending the programme duration and soliciting additional support from interested donors. Baseline data for the evaluation will be collected during the preliminary assessment, according to criteria and targets outlined in the ratified programme document (and others that may be developed by programme staff during the course of implementation).

Measurement Frameworks

Indicators of improvement using SUD approaches in policy frameworks:

* National SUD Committee established
* Joint expert working group established and functional;
* SUD Model developed;
* SUD Model successfully piloted;
* National Strategy and Action Plan for SUD;
* Development of SUD related database systems;
* National and urban institutions committed to SUD;
* Training needs assessment conducted in partnership with key stakeholders and training systems developed;
* Advocacy campaign undertaken to promote SUD;

Factors contributing to programme success

* Government commitment to reforming the current urban planning and development approach (and its related engineering-physical growth paradigm);
* Support of national, city and district level administrations for the CD-SUD programme;
* Bringing SUD international standards and best-practices into institutional and policy frameworks;
* Capacity of the national and local systems to monitor and assess the results;
* Conducive public opinion

Budget

The estimated budget for this programme is $443,000. Details are in RRF below. In light of the limited resources available to UNDP in Iran, cost sharing between the partners is necessary, and the mobilization of additional resources from interested bilateral donors, the Government and even from local communities constitutes an integral and crucial element of the programme strategy. The partners will approach these for sourcing of funding requirements for the joint programme. Community savings for specific community-based projects should also be considered as a source of finance.

**Results and Resources Framework (RRF)**

***First proposal***

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Objective | **Output** | **Activity** | | Budget | **Time (Quarters)** | | | | | | | |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** |
| **1 –**  **SUD Model Development** | SUD Model Production and Testing | TOR | Advisor |  | ***x*** |  |  |  |  |  |  |  |
| Model design & develop | LC 10p/m | 15000 |  | ***x*** | ***x*** | ***x*** |  |  |  |  |
| Model design &develop | Int’lC 0.5p/m | 8000 |  |  | ***x*** |  |  |  |  |  |
| Software development | LC 6p/m | 9000 |  |  | ***x*** | ***x*** |  |  |  |  |
| Workshops (3 for 50 persons each) | $3000/ws | 9000 |  | ***x*** | ***x*** | ***x*** |  |  |  |  |
| Standard Operating Procedure (document) | LC 3p/m | 4500 |  |  |  | ***x*** |  |  |  |  |
| Pilot implementation ToR | LC 1p/m | 1500 |  |  |  | ***x*** |  |  |  |  |
| **total** | | | **47500** |  | | | | | | | |
| **2 –**  **MTUD-UDRO Institution Capacity Development** | Institutional Capacity Development for Strategic Planning and Management - for Sustainable Urban Development (SUD) | TOR | Advisor |  | ***x*** |  |  |  |  |  |  |  |
| Baseline Research (document) | LC 3p/m | 4500 | ***x*** |  |  |  |  |  |  |  |
| Software | LS | 5000 |  |  |  |  |  |  |  |  |
| Workshops (3 for 50 persons each) | $3000/ws | 9000 |  | ***x*** |  | ***x*** |  | ***x*** |  |  |
| Standard Operating Procedures (document) | LC 6p/m | 9000 |  | ***x*** | ***x*** | ***x*** | ***x*** | ***x*** |  |  |
| MTUD and partner linkage - SoP’s and ToR’s (document) | LC 3p/m | 4500 |  |  |  |  |  | ***x*** |  |  |
| Seminar (and Seminar Report) |  | 5000 |  |  |  |  |  | ***x*** |  |  |
| **total** | | | **37000** |  | | | | | | | |
|  | | | | | | | | | | | | |
| **3 –**  **Local-District**  **Institution Capacity Development** | Institutional Capacity Development for Strategic Planning and Management - for Sustainable Urban Development (SUD) | TOR | Advisor |  | ***x*** |  |  |  |  |  |  |  |
| Baseline Research (document) | LC 3p/m | 4500 | ***x*** |  |  |  |  |  |  |  |
| Software | LS | 5000 |  |  |  |  |  |  |  |  |
| Workshops (3 for 50 persons each) | $3000/ws | 9000 |  | ***x*** |  | ***x*** |  | ***x*** |  |  |
| Standard Operating Procedures (document) | LC 6p/m | 9000 |  | ***x*** | ***x*** | ***x*** | ***x*** | ***x*** |  |  |
| Local - SoP’s and ToR’s (document) | LC 3p/m | 4500 |  |  |  |  |  | ***x*** |  |  |
| Seminar (and Seminar Report) |  | 5000 |  |  |  |  |  | ***x*** |  |  |
| **total** | | | **37000** |  | | | | | | | |
|  | | | | | | | | | | | | |
| **4 –**  **Piloting**  **SUD Model** | Pilot:  In One or Two Tehran Districts | TOR | Advisor |  |  |  |  | ***x*** |  |  |  |  |
| Programming (document) | LC 2p/m | 6000 |  |  |  | ***x*** |  |  |  |  |
| Facilitation | LS | 20000 |  |  |  |  | ***x*** | ***x*** | ***x*** |  |
| Incubator establishment | LS | 10000 |  |  |  |  | ***x*** | ***x*** | ***x*** |  |
| SUD Model Introduction | LS | 6000 |  |  |  |  | ***x*** | ***x*** | ***x*** |  |
| Community Organisation and Micro Credit | LS | 40000 |  |  |  |  | ***x*** | ***x*** | ***x*** |  |
| Participatory Budgeting for Employment Generation | LS | 20000 |  |  |  |  | ***x*** | ***x*** | ***x*** |  |
| Participatory M&E for Employment Generation | LS | 20000 |  |  |  |  | ***x*** | ***x*** | ***x*** |  |
| Workshop (3 for 50 persons each) | $3000/ws | 18000 |  |  |  |  | ***x*** | ***x*** | ***x*** |  |
| Project Report (document) |  | 6000 |  |  |  |  |  | ***x*** | ***x*** |  |
|  |  |  |  |  |  |  |  |  |  |  |
| **total** | | | **146000** |  | | | | | | | |
|  | | | | | | | | | | | | |
| **5 –**  **Establishing an UDRO “Centre of Excellence”** | Capacity Development for Utilising SUD Model | TOR | Advisor |  | ***x*** |  |  |  |  |  |  |  |
| Programming/Organisation | LC 2p/m | 3000 |  | ***x*** |  |  |  |  |  |  |
| Comparative Study (document) | LC 2p/m | 3000 |  | ***x*** |  |  |  |  |  |  |
| SoP/ToR (document) | LC 2p/m |  |  | ***x*** |  |  |  |  |  |  |
| IT Equipment | Procurement | 10000 |  |  | ***x*** |  |  |  |  |  |
| SUD Report Publication |  | 10000 |  |  |  |  |  |  | ***x*** |  |
| SUD National Standards development (document) | LS | 10000 |  |  |  |  |  | ***x*** | ***x*** |  |
| SUD National Prize |  | 10000 |  |  |  |  |  |  | ***x*** |  |
|  |  |  |  |  |  |  |  |  |  |  |
| **total** | | | **46000** |  | | | | | | | |
| **6 –**  **Establishing a District “Centre of Excellence”** | Capacity Development for Utilising SUD Model | TOR | Advisor |  | ***x*** |  |  |  |  |  |  |  |
| Programming/Organisation | LC 2p/m | 3000 |  | ***x*** |  |  |  |  |  |  |
| Comparative Study (document) | LC 2p/m | 3000 |  | ***x*** |  |  |  |  |  |  |
| SoP/ToR (document) | LC 2p/m |  |  | ***x*** |  |  |  |  |  |  |
| IT Equipment | Procurement | 10000 |  |  | ***x*** |  |  |  |  |  |
| SUD Report Publication |  | 10000 |  |  |  |  |  |  | ***x*** |  |
| SUD district standards development (document) | LS | 10000 |  |  |  |  |  | ***x*** | ***x*** |  |
| SUD local Prize |  | 10000 |  |  |  |  |  |  | ***x*** |  |
|  |  |  |  |  |  |  |  |  |  |  |
| **total** | | | **46000** |  | | | | | | | |
|  | | | | | | | | | | | | |
| **7 –**  **Management and M&E** | Management | CTA (Advisor)  To save funds the CTA position may also be substituted by a UNDP programme officer instead | LC 24p/m | 40000 | ***x*** | ***x*** | ***x*** | ***x*** | ***x*** | ***x*** | ***x*** | ***x*** |
|  |  |  |  |  |  |  |  |  |  |
| Support services |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
| M&E UN | UNDP Programme Staff | LS | 5000 |  | ***x*** |  |  | ***x*** |  |  | ***x*** |
| Learning | Exchange visits | LS | 40000 |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
| **total** | | | **85000** |  | | | | | | | |
|  | | | | | | | | | | | | |
| **TOTAL PROJECT** | | | | **$ 443,000** | | | | | | | | |

N.B. LC : Local Consultant; Int’l C : International Consultant

**Cost-Sharing**

|  |  |
| --- | --- |
| MTUD - UDRO | 15% |
| UNDP | 15% |
| Other Donors | 70% |