

NOTE TO FILE

Subject: Japan Funding Utilization in Economic Empowerment for Women & Youth Project

UNDP under its Country Programme (2018-2022) has a mandate to promote more inclusive economic growth and economic empowerment with a focus on women and vulnerable groups seeks to promote and scale up innovation and entrepreneurship amongst the youth in Myanmar. UNDP launched Project Initiation Plan on *"Promoting Inclusive entrepreneurship and Economic Empowerment for Women and Youth"* and aiming to development of MSMEs on SDGs and setting up inclusive businesses, sustainable and responsible business practices as also on supporting a more enabling environment for micro and small businesses to benefit from national, regional and global economic opportunities.

Early in 2020, the COVID-19 pandemic exacerbated ongoing challenges of conflict, fragility of democratic governance institutions and poverty, devastating socio-economic impact across sectors. In June 2020, UNDP received USD 1.5 million from the Government of Japan's Supplementary Budget for immediate support in Rakhine to ensure effective response to the crisis. USD 440,748 of the contribution was allocated for the PIP *"Promoting Inclusive entrepreneurship and Economic Empowerment for Women and Youth'* to facilitate the operationalization of the support aimed at livelihoods recovery interventions. A new output ID: 00122527 was created in line with UNDP corporate guidance for establishing standalone outputs for COVID-19 response.

However, PIP "Promoting Inclusive entrepreneurship and Economic Empowerment for Women and Youth" had to be operationally closed in September 2020 in line with establishment procedures for project initiation plans that requires all PIP exceeding 18 months to be closed. The operational closure did not allow for the utilization of the allocation under the PIP, and the funding was re-allocated under the newly set up PIP titled "Strengthening COVID-19 Recovery and Resilient Livelihood.

Given the above facts, Japan funding was not utilized in "Promoting Inclusive entrepreneurship and Economic Empowerment for Women and Youth".

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