

# COUNTRY INVESTMENT FACILITY 2018 ANNUAL RESULTS REPORT

## Community Recovery in Balochistan

Submitted by: [UNDP Pakistan]

The Administrator decided to establish a new facility that provides a reserved amount of funds for Country Offices to carry out activities in 2018-2019 specifically targeted for catalytic investments in: areas of growth and business development, and areas of visionary interest and innovation.

**This annual report should be completed by all COs in receipt of CIF funding.** All CO reports will be shared across the organization, and a global summary of results will be compiled based on information provided.

## SUMMARY



The submitting CO should articulate a summary of how the funds received were utilized and list the resulting achievements in 2018.

**Summary Achievements:** Specify what achievements resulted from CIF funds in 2018. Indicate what additional achievements are expected in 2019.

The CIF funds enabled UNDP Pakistan to reposition itself as a key development partner of the Government of Balochistan, a region with high poverty and inequality rates in Pakistan. The Country Office designed the “Balochistan SDGs Accelerated Delivery Project” in close consultation with the provincial government, communities and civil society organizations. The project aims to enhance trust between the state and society by improving access to social services and addressing youth unemployment, which are the key drivers of instability in the province. The CIF enabled UNDP to leverage government cost sharing by signing an agreement worth \$0.8 million for developing alternative livelihoods component of the project. In addition, UNDP has submitted proposals to a number of donors including China and Japan for mobilizing resources for this project.

The first phase of the project was launched in 4 districts. UNDP is supporting the government to develop two district SDGs acceleration plans, which will identify priority areas for public and private sector investment. In partnership with a government technical institute, four training courses for 100 youth including 25 females were launched in late 2018. These trainings will help youth to acquire technical skills in order to capitalize on the jobs and entrepreneurship opportunities being created by China-Pakistan Economic Corridor—the Pakistani version of the Chinese One Belt One Road initiative. Initial consultations were started on the concept and establishment of Government Innovation Lab, which aims to transform service delivery in the target districts using innovation, design thinking and, where applicable, technology solutions. A consultation workshop on social innovation was held at Islamabad, including government officials, academia, NGOs and private sector, to discuss the design parameters of the Government Innovation lab in Balochistan.

- Expected Achievements in 2019:
  - Launch the Balochistan government innovation lab to promote innovation and technological solutions – in conjunction with the Pakistan SDGs Accelerator Lab;
  - Implementation of innovation pilots to make existing public services operational and efficient;
  - Support three Business incubation centers in Universities for private and social enterprises and provision of business management support and advisory services to male and female youth;
  - Technical support to District councils to prepare SDGs localization plans for Nushki and Kila Abdullah districts;

- Baseline, customer feedback surveys, and assessment of bottlenecks and gap analysis in basic services delivery mechanism and policy recommendations for implementation;
- Training of elected local government councilors and service providers (women and men) in planning and management of basic services;
- Provision of appropriate technical and vocational training, life skill training, career counselling services, facilitate the trained youth to get employment and internship in CPEC related and other industries.

**Total amount utilized in 2018 = \$7,072.25**

**Remaining balance = \$472,927.75**

## ACTUAL RESULTS



The submitting CO should list the actual benefits against proposed indicators for success. Proposed indicators should be taken from the approved CO proposal, and any additional/revised indicators may be included with a rationale.

### Financial Benefits

- **Result #1:** At least US\$ 3m mobilized in the form of third-party cost-sharing and south-south cooperation

**Status:** The CO prepared and submitted a project proposal of USD 2 million for consideration of the China International Development Cooperation Agency (CIDCA) under the South-South Cooperation Assistance Framework. The two-year proposed project aims at building strong partnership across the region and benefit from the successful lessons learnt specially around local governance and innovation. UNDP has identified two partners in China for technical support in building capacities of the local government and advancing the progress towards SDGs. These two partners are 1) the Institute for Sustainable Development Goals of Tsinghua University (TUSDG), 2) Chinese Academy of Governance, Beijing. In principal, scope of work with both the institutions is agreed and actual work will be initiated upon approval of the proposal by CIDCA.

Another concept-note of \$5 million has been submitted to the Government of Japan. The concept-note outlines a project proposal to scale up the work already initiated under the CIF supported initiative. In the current scenario of drought situation in the Balochistan province, support to the provincial and local governments would be extended in development and implementation of drought recovery and mitigation plans, especially in terms of improved water conservation and management approaches.

A project proposal of \$5 million is under discussion with the USAID. The proposed project if approved, will beef up the economic development component of the project.

- **Result #2:** At least US\$ 1m mobilized from additional government cost-sharing:
- **Status:** UNDP signed a cost sharing agreement of PKR 100 million (approx. USD 0.80 million) with the Government of Balochistan to provide demand driven skills including technical and vocational trainings to youth and facilitate their employment through market linkages in emerging industries in the context of the China-Pakistan Economic Corridor (CPEC). The CPEC's western route passes through Balochistan providing a link to the strategic deep sea-port of Gwadar. CPEC will generate enormous jobs and business opportunities for the unemployed youth of the province. The proposal aims to provide training to the youth on the necessary trades meeting the demand triggered by construction of infrastructure projects under the CPEC initiative. Balochistan province is faced with security situation and high un-employment rate specially among youth is of serious concern. Due to strong sense of economic deprivation, the unemployed youth are easy prey to the militants. Recent attack on Chinese consulate in Karachi is

one point in case, where youth involvement in the terrorist act highlighted the province's marginalization and lack of opportunities. It is estimated that total unemployed population in Balochistan is 0.404 million (urban: 0.143 million and rural: 0.263 million). According to recent estimates, out of 25,000 youth graduating from Balochistan's universities every year, only 2,000 are able to secure employment, mostly in government departments. For years, the province has not been able to keep pace with the development progress of the other provinces. Through this partnership youth will be encouraged to setup their businesses in support of the business incubators and entrepreneurship training and engaged in peacebuilding activities. The government has released first tranche of PKR 25 million (USD 0.20 million) so far.

## Technical Benefits

- **Result #1: Brief description of result: Launching of Balochistan SDGs Accelerated Delivery Project:**

**Status:** The Country Office designed the Balochistan Accelerated Delivery Project in consultation with all the relevant stakeholders including government officials, communities, and civil society organizations. Detailed meetings were held with the elected councilors and district administration, as well and their input incorporated in the final design of the project. The project was approved by the Local Project Appraisal Committee in its meeting held on 19 December 2018.

The project's expected results include 10% reduction in key indicators of MPI and accelerated delivery of SDGs in the target areas, thereby contributing to enhanced trust in the state by the citizens. The pilot phase of the project in four districts including Quetta, Gwadar, Nushki and Kila Abdullah has also been launched. The project has three outputs: 1) Building capacities of the local governments to effectively plan and deliver services in order to achieve the SDGs; 2) Accelerating the delivery of the SDGs by investing in basic services to address immediate and urgent needs with a special focus on the needs of women and vulnerable groups; and 3) Developing alternative livelihoods for both men and women and stimulating the local economy through skills training, business development and trade. Social Innovation is the cross-cutting theme. UNDP will build on the lessons learnt from its past and on-going work in the area of local governance, area-based development, climate change, and youth engagement. UNDP will partner with the government, other UN agencies, NGOs, the private sector, as well as training and trade organizations. Innovation, monitoring, lesson learning and evaluation will be a strong and robust pillar of the project.

- **Result #2: Innovative new ways for stability and accelerating SDGs:**

**Status:** Balochistan faces multitude of issues including poverty, poor governance, youth unemployment, impact of climate change, dwindling water resources, ensuing drought, and the continuing security situation. A major output under this result will be the establishment of the Government Innovation Lab (GIL), which would identify issues in public service delivery and pilot innovative solutions to overcome these issues and accelerate progress for the achievement of SDGs. First round of consultation with the government, private sector, academia and NGOs was conducted at the national level in October 2018. In this context, strategy for initiation of social innovation in Balochistan has been developed and the formal set up of GIL will be established in March 2019.

- **Result #3: 5 Social and 5 private enterprises incubated:**

**Status:** The GIL being established under Result # 2 above will select projects that improve the delivery of SDGs by creating space for the innovation community to gather citizens ideas and assist the government to design innovative solutions to respond to those challenges. Each pilot project will have a clear strategy and sustainability plan, which would benefit from horizon scans to Identify entry points for innovation and designing and running experiments, and will create prototypes ready to scale up. The lab will build a network with universities, innovation labs, incubation and accelerators and the government to co-create new solutions.

## Other Benefits

*List other less tangible benefits*

The project conducted a market assessment of the current trends of the skills sets required by the emerging market triggered by China-Pakistan Economic Corridor initiative. The assessment informed the Government of Balochistan project on economic development. Based on this assessment four vocational courses on 1) Auto mechanic skills, 2) Electrician, 3) Boat Engine Mechanic, and 4) Computer Operator/ Office Assistant, of five-months each were initiated for 100 students including 25 female students. Partnership with the Government Institute of Technology at Gwadar was developed to run these courses and support the trainees in job search and initiating their own business.

Two Chinese institutes were identified for partnership to provide technical support for local governments to accelerate SDGs delivery. These institutes are 1) the Institute for Sustainable Development Goals of Tsinghua University (TUSDG), 2) Chinese Academy of Governance, Beijing. In principal, scope of work with both the institutions is agreed and actual work will be initiated upon approval of the proposal by CIDCA.

## Indicators for Success



The submitting CO should report against proposed indicators for each result area, being as specific as possible. Each indicator should include a baseline (if available), target, actual, source of data, and timeline. If an indicator has been revised from the approved proposal, please include the rationale for the change.

- **Indicator #1: %age improvement in perception of the local governments:**
  - Indicator baseline
  - Indicator target: Baseline + 20% % of citizens that report improved perception of the local governments
  - Indicator actual result: to be reported at the end of the project
  - Source of data: Pre and post feedback surveys
  - Timeline for Targets: December 2019
- **Indicator #2: %age improvement in access to public services:**
  - Indicator baseline
  - Indicator target: Baseline + 25% of citizens that report improved access to public services
  - Indicator actual result: to be reported at the end of the project
  - Source of data: Pre and post feedback surveys
  - Timeline for Targets: December 2019
- **Indicator #3: %age improvement in participation in jobs and entrepreneurship:**
  - Indicator baseline
  - Indicator target: Baseline + 20% of citizens that report improved participation in jobs and entrepreneurship
  - Indicator actual result: To be reported at the end of the project
  - Source of data: Pre and post feedback surveys
  - Timeline for Targets: December 2019

## IMPLEMENTATION

### Actual Activities, Costs, and Timeline

**i** The submitting CO should report on activities, costings, dates. Activities should include all completed activities in 2018. Expected activities for 2019 should also be included along with expected costs and dates.

Activity	Description	Actual Cost	Activity Dates
Design and launch the Balochistan SDGs Acceleration Programme	<ul style="list-style-type: none"> <li>Preparation and approval of Project Document of Balochistan SDGs Accelerated Deliver Project</li> <li>Publication of Development Advocate</li> </ul>		July - Dec 2018
Scoping study on jobs and entrepreneurship opportunities in Balochistan related to the China Pakistan Economic Corridor and incubation of at least 30 enterprises (50% women)	<ul style="list-style-type: none"> <li>Labour market assessment conducted</li> <li>Letter of agreement signed with Gwadar Institute of Technology for provision of appropriate technical and vocational training to 100 youth (LOA with GIT)</li> </ul>		Dec 2018
Effective project management and oversight	Staff, Travel, Monitoring and Evaluation	7,072.25	Oct-Dec 2018
Planned Activities	Description	Actual Cost	Activity Dates
Design and launch the Balochistan SDGs Acceleration Programmed (20,000)	Donors Conference, and publications	20,000	Feb-2019
Citizen-state feedback portal in partnership with government Innovation Lab using technology and engaging youth volunteers and women (4 districts) (50,000)	<ul style="list-style-type: none"> <li>Technical support to District councils to prepare SDGs Localization plans for Nushki and Kila Abdullah districts</li> <li>Establishment of Governance/Monitoring Dashboard at Local Government</li> <li>Establishment of innovation lab for Innovation and technological solutions, assessment of bottlenecks in basic service delivery, Baseline and customer feedback surveys,</li> </ul>	50,000	Jan- June 2019
At least 10 social enterprises incubated to help achieve the SDGs and address critical gaps in public service delivery in Balochistan (200,000)	<ul style="list-style-type: none"> <li>Training of elected male and female councilors and service providers in planning and management of basic services</li> <li>Gap Analysis of missing facilities</li> <li>Pilot 10 social enterprises</li> </ul>	200,000	Feb - Sep 2019
Scoping study on jobs and entrepreneurship opportunities in Balochistan related to the	<ul style="list-style-type: none"> <li>Support incubation of 30 enterprises</li> </ul>	100,000	Feb – June 2019

China Pakistan Economic Corridor and incubation of at least 30 enterprises (50% women) (100,000)	<ul style="list-style-type: none"> <li>• Training of unemployed youth in vocational skills and job search and enterprise development support</li> </ul>		
Effective project management and oversight, monitoring and evaluation	Staff, Travel, Monitoring and Evaluation	102,927.75	Jan-December 2019
	<b>Total:</b>	<b>480,000</b>	

## Key Changes

**i** The CO should list at least three things that have changed in the CO as a result of access to the Facility. The changes may include capacity development, behavioral shifts, strengthening of specific partnerships, and/or productivity of the Office itself.

1. The CIF support helped UNDP to reinforce its position as a key development partner of the Government of Balochistan by designing and launching a new project, evidenced by the success of mobilizing government co-financing.;
2. The facility has enabled the Country Office to build synergies across the units and align activities with the new and on-going projects in the province. With the new initiative, the different ongoing projects on SDGs, decentralization, and climate change etc. are complementing activities of one another;
3. UNDP has compiled the next edition of the development advocate focused on Balochistan, which will be presented in the donor conference planned for the February 2019.

**i** The CO should outline at least three lessons learned based on the activities undertaken. 2018 was the first year that such an initiative was undertaken globally, and it is important to capture what the key take-aways were. These lessons learned are valuable across all COs, RBx, and HQ- and even COs that did not receive CIF funds can benefit from this information.

1. The CIF facilitated transformation from the traditional integrated area development approach to a problem driven innovative model for a large-scale impact. The traditional approach has a limited area specific impact compare to the innovative model which can bring about change at the policy and institutional level creating a larger impact on the society. The Balochistan SDGs Accelerated Delivery project was formulated keeping in view the problem-driven model to improve the Multi-Poverty Index and other social and economic indicators of the province which are too low comparing to those of the rest of the country.
2. Initiation of dialogue on social innovation with the government and civil society and laying solid foundation for social innovation to showcase successful models to the respective provincial and district governments on effective and efficient innovative solutions for the achievement of SDGs.
3. The approach to the new project is aligned with the larger process. A single-issue approach generally does not produce the desired impact in a complex environment. For instance, Balochistan suffers from issues of deprivation, climate change, youth unemployment, radicalization and extreme inequalities along multiple lines specially gender. A multi-disciplinary program that brings together different competencies from within UNDP as well as the UN agencies, government, and the private sector can help trigger transformational change.