**Project Title**: FATA Governance Project

**Project Number:** 00108113

**Implementing Partner: UNDP**

**Start Date:** 1 January 2018 **End Date:** 31 December 2022 **PAC Meeting date:**

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| **Brief Description** |
| *Briefly describe the overall development challenge and the expected results of the project.*  The FATA Governance Project is a unified FATA-wide project to build capacity of governance institutions in FATA and assist the implementation of the Government’s FATA reform programme approved by the Federal Cabinet on 2 March 2017. The objective of the project is to enable government-led reform to drive the mainstreaming of FATA, and for inclusive local civilian government presence to be strengthened in support of implementation of the reform strategy. The project will provide technical assistance to build the capacity for effective agency/district level governance, provide technical assistance to policy-making at the federal, provincial and agency level, support improved economic management, and the introduction of inclusive governance structures in FATA.  The project is implemented using Problem-Driven Iterative Adaptation (PDIA methodology) to deliver needs-based and flexible support to the Government. |

**Contributing Outcome (UNDAF/CPD, RPD or GPD):**

**Country Programme Outcome 9:** Increased effectiveness and accountability of governance mechanisms

**Indicative Output(s):**

**CPD Output 9.1:** Democratic governance of state institutions, including Parliament, provincial assemblies, local governments and electoral management bodies, strengthened to be responsive to citizens and accountability, for improved service delivery.

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| --- | --- | --- |
| **Total resources required:** | **USD 26,449,002** | |
| **Total resources allocated:** | USD 4,005,179 | |
| **UNDP TRAC:** | Nil |
| **Donor:** | CSSF $4,055,179 |
| **Donor Pipeline:** | DFID (SDPF) $93,960  DFID $9,349,863 USAID $ 13,000,000 |
| **Government:** | Nil |
| **In-Kind:** | Nil |
| **Unfunded:** | USD22,443,823 | |

Agreed by (signatures)[[1]](#footnote-1):

|  |  |  |
| --- | --- | --- |
|  | UNDP |  |
|  | Print Name: Ignacio Artaza, CD UNDP Pakistan |  |
|  | Date: |  |

# Development Challenge (1/4 page – 2 pages recommended)

The Federally Administered Tribal Areas (FATA) of Pakistan are a semi-autonomous region located on the border between Afghanistan and Pakistan. Since independence, FATA has been governed and administered through a colonial-era framework known as the Frontier Crimes Regulation (FCR) 1901 is the central administrative and judicial framework in FATA, and it excludes both individual and fundamental rights, amalgamates administrative and judicial power, and inhibits the development of a responsive or participatory system of governance.

FATA is amongst the most unstable and least-governed regions in Asia. This lack of local governance structures, and the weakness of service-delivery and accountability in the agency level governance structures are core factors in both instability and unrest. UNDP analysis[[2]](#footnote-2), drawing on an earlier Post-Crisis Needs Assessment, identified the difficulties faced by the state in terms of providing justice, the region’s weak economy, poor local governance, and challenges faced by law enforcement agencies in terms of ensuring law and order as key drivers of instability. Aspects of governance and the architecture of administration likely contribute to low trust in governance through the intervening variables of (low) service delivery and a lack of systems of accountability or participation. Agency-level governance is almost entirely unrepresentative, and largely unaccountable due to the legislative and constitutional vacuum: for example, the Frontier Crimes Regulation (FCR) does not allow the people of FATA to enjoy the right of appeal against decisions of the Political Agents (PA) heading each tribal agency or the decisions of district coordination offices (the administrative heads of local districts). Furthermore, the introduction of local government institutions under the Pakistan Devolution Plan of 2000 and the FATA reform plan of 2002 (under Musharraf) were put on hold due to events following 9/11. Additional examples include tribesmen having no representation in the NWFP assembly during the 2002 election, and no separation of judicial powers from executive powers[[3]](#footnote-3). At the agency level, the governance systems face systemic issues such as the combination of executive and judicial powers in the political agent, and the indirect system of governance. The indirect administration system in place is centred on the PA who works via a group of Maliks lungi holders, and other notables to implement policy. These in-turn interface with the men of their respective tribes (and via them the women). While there is a degree of consultation in this method, all the participants know that the administration remains unbound by the views of the tribes or the Maliks. The ability of the Political Administrative system to effectively govern FATA has been further hampered by assassinations of the tribal leadership by militants, breaking the state-malik-citizen linkage.

Additionally, the economic situation of FATA remains bleak and is marred by a lack of economic opportunities. The region lacks economic integration with rest of Pakistan while most of the sources of economic activity are at a very basic level (i.e. agriculture, mining etc). Currently, FATA ranks at the bottom of the human development index in Pakistan, with more than 60% of its population living below the poverty line.[[4]](#footnote-4) The lack of economic opportunities available particularly to the youth, low literacy rates, gender inequality, poor health facilities and the absence of strong, stable governance structures has created a facilitating environment for extremist ideologies.

FATA has long been a region of strategic importance, yet it has also long been affected by high levels of insecurity; driven by inter- and intra-tribal conflicts over resources since Pakistan’s independence in 1947, which has been heightened by the Soviet Union’s invasion of Afghanistan in 1979, and worsened by emergence of militant groups that have sought to destabilize Afghanistan and Pakistan especially since 2001 [[5]](#footnote-5) [[6]](#footnote-6). Militancy has spelled over from the conflict in Afghanistan in part due to foreign military pressure on extremist groups in Afghan territory, and partly also due to the challenging governance environment in FATA itself[[7]](#footnote-7). According to statistics published by South Asian Terrorism Portal, during 2003-2017, more than 61,000 people have lost their lives in FATA as a result of terrorist violence.[[8]](#footnote-8) Many off these have been Khassadars, Levies, Civil Servants, and Journalists.

Throughout the last decade, FATA has been a crucial concern in Pakistani security strategy and the process of reforms in FATA have been a key discussion and influencing factor on decision-making at the national, political level. In November 2015, a high-level committee was formed as per the directions of the Prime Minister to consult on and propose a strategy to initiate reforms in FATA. In August 2016, the committee’s findings were published; highlighting the recommendation to integrate FATA into KP within a timeframe of 5 years[[9]](#footnote-9).

The plan, leveraging large anti-militancy operations in the tribal areas, would replace a colonial-era governance and rule of law structure with an independent judiciary, law enforcement, constitutional human rights, and see the election of local governments. The proposed reforms are both designed to bring FATA into the mainstream Pakistani landscape and will aid in integrating FATA economically, socially, culturally and politically with the rest of Pakistan.[[10]](#footnote-10) Analysts have suggested that if successful, “the merger would be among the most consequential reforms in Pakistan's nearly 70-year history.”[[11]](#footnote-11)

Of the entire reform package, there are primarily two salient political issues: 1) the repeal of the FCR, and 2) the merger with Khyber Pakhtunkhwa (KP). UNDP’s teams in SAFRON and Peshawar supported the development of the cabinet summary, began the groundwork for the 10-year socio-economic plan, and provided critical narrative setting in the media through strategic communication work both online and in print media, through seminars, conference and workshops, as well as through community outreach and citizen’s forums after the FATA reforms report was published. This report was presented to the National Assembly and after 79 days, it was concluded on 21st November 2016 by four of the lawmakers. Although there was no resolution, the report was endorsed by most in the house.

Since its unveiling in August 2016, the report of the Committee on FATA Reforms and the associated reform process has made significant progress, despite strong challenges. The committee report was endorsed by the National Assembly on 21st November 2016. On 2nd March 2017, a cabinet meeting, chaired by the Prime Minister Nawaz Sharif, approved the recommendations of the FATA Reforms Committee in principle which included FATA’s merger with KP and repeal of the Frontier Crimes Regulation (FCR). Afterwards, it was decided that the FATA Reforms Committee will be reorganized into a Cabinet Level Implementation Committee and will include Chief Minister of KP, Chief Secretary of KP and Corps Commander XI Corps[[12]](#footnote-12).

While there remains a degree of uncertainly on the highest political level, the uncertainty is about *when* reforms will happen not *if*. This project is designed to strengthen UNDP existing engagement in support of a political process as well as in preparation for the implementation. The proposed areas of focus and intervention under this project seek to pave the way for smooth implementation of the reforms, and/or the mainstreaming of FATA whenever implemented.

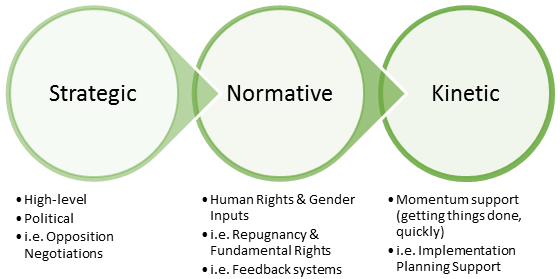
With this context in mind, the project strategy will be flexible enough to adapt to the uncertainties regarding politically-linked implementation timeframes.

# Strategy (1/2 page - 3 pages recommended)

UNDP is the primary international actor providing substantial direct support to the FATA governance and reform process[[13]](#footnote-13). Through strong relationships and embedded advisors in the heart of the process, we have been able to positively shape the quality, speed, and impact of the process.

UNDP currently provides three core lines of support under the FATA Governance work:

* STRATEGIC SUPPORT. This line includes strategy-level support to the higher echelons of government with an eye to reducing risks and spoilers, whilst fostering change management, and political and bureaucratic calibration. This support is primarily delivered through our Strategic Support Unit in the SAFRON Ministry, provides wise counsel to the Committee via the Secretary SAFRON, the members, and the Chairman.
* NORMATIVE SUPPORT. Our goal is not only to see reforms happen, but to see the greatest possible gains in human rights and gender equality. This includes the challenge of extending constitutional fundamental rights such as the right to a fair trial. This work also supports downstream programming by other projects such as SRLP and DLG.
* KINETIC SUPPORT. In reform, momentum is everything. That’s why our third line of support to the process is about getting things done quickly. The key deadlines we have met include the change of the Chief of Army Staff (COAS) in November 2016, and the impending 2018 election cycle. This type of support includes the rapid planning we have done on levies, judicial and prosecutorial reforms, the NFC, support to the drafting of the Committee report, as well as briefs, talking points, and operational support.



UNDP delivers in FATA through a complex transitional environment, through multiple levels of the government. For example, UNDP governance component is engaging with the Federal Government, SAFRON, Governor House, relevant departments in the KP Government, and also with the FATA Secretariat. Similarly, the education and infrastructure components work with the FATA Secretariat as well as the agency level administrative structures. As the process matures, UNDP’s support will increasingly be channelled through agency-level offices.

Overall, this project seeks to support the nationally-led proposed transformation of governance systems in FATA. The proposed transformation of governance systems in FATA has few precedents in the contemporary world. As such local and hybrid solutions, must be found to resolve the problems, facilitate stakeholders with deeply differing views, and mainstream the people and institutions of FATA with those of the rest of the country. Nonetheless some research and evidence from comparative contexts is instructive in justifying the focus on the transformation of local administrative structures into responsive governance institutions with improved financial and administrative practices.

The project will support the Government of Pakistan in realizing its ambitions around the current FATA reforms process. The project will speak to *CPD Output 9.1*: “Democratic governance of state institutions, including Parliament, provincial assemblies, local governments and electoral management bodies, strengthened to be responsive to citizens and, accountability for improved service delivery”. The overarching objective of the project will to be provide technical assistance to build the capacity of the Government to effectively plan and implement the Federally Administered Tribal Areas reforms, drive the mainstreaming of FATA and introduce inclusive local civilian government presence.

The main avenues of engagement /pathways for change that will be pursued under this project include the following:

**Engage international & national expertise to augment the capacities of state institutions:** this will involve assisting the government to coordinate international assistance. In this context, it is appropriate that the government leads this rather than the UN or any other international partner. Our assistance will contribute to better international coordination and stronger assistance to the reform process, while ensuring the government owns, leads and convenes the process.

The heart of our reform work will focus on providing analytical and management skills in the form of advisors and managers in various levels of the reform institutions - including SAFRON, the FATA Secretariat transitional entity (tentatively called the Transition and Reforms Directorate), as well as at the FATA agency level (reform office).

This support will be aimed at improving the quality of planning and implementation, problem-solving and overcoming road-blocks, developing policy where required, contributing to the feedback loop of monitoring and evaluation. Momentum is the most essential component of public sector reform, and we expect this support most critically to improve the dynamics of the reform implementation - contributing to a kinetic implementation process.

Lastly, political reform processes in Pakistan are susceptible to the media cycle and the manipulation of the political sphere through street protest. This is even more relevant in the context of FATA, where insufficient two-way consultation or delay contributes to local resistance. Strategic communications support to the government (SAFRON, Governor House and FATA Secretariat) will contribute to local and national visibility and buy-in to the reform processes.

**Urbanization and the management of urban areas:** There are 16 notified urban centers in FATA (3 are constituted, and 3 are in process, 17 to be formed). By improving taxation, service delivery, and institutional structure in the MCs, we expect to significantly increase the quality of governance and sustainability of these areas. Improved performance of the MCs should contribute to promoting legitimacy through performance, while the proposed local government elections (for UCs, MCs and Agency Councils) will contribute to a democratic legitimacy as well. UNDP will support the process including the legal framework, delimitation and establishment of standards and systems for service delivery and revenue collection at the municipality level.

FATA has historically had only three urban centers; most of the population has historically been rural, but the situation is gradually changing as people move to the larger semi-urban agglomerations. These centers are not only a space for economic activity and social change but they will also form the basis for the new local government system to be introduced after the 2018 elections.[[14]](#footnote-14)

There are at present three longstanding urban centres (former town centres, now classified as municipal committees), two recently established, but not fully functional committees and 10 which have been approved but never established.

Table 1: Selected Urban Centres

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **S. NO.** | **MCs** | **Agency** | **Status** | **Remarks** |
| **1** | Sadda | Kurram | Longstanding; Operational | One of the three longstanding town council established in 1993, upgraded to MC in 2010, funded with substantial own-source revenue (OSR). |
| **2** | Parachinar | Oldest council, established in 1940s; upgraded to MC in 2010, relying on OSRs-mainly local tax[[15]](#footnote-15). |
| **3** | Miranshah | NWA | Longstanding; Non Operational | One of the three old TCs, est. in 1964, upgraded to MC in 2010, currently defunct due to security situation. |
| **4** | Khar | Bajaur | Recently Established, Partially Operational | Notified 2010; WB supported staff salaries till Dec. 2016. |
| **5** | Landikotal | Khyber | Notified in 2010, Special Plan is ready for establishment. |
| **6** | Ghallanai/  Mian Mandi | Mohmand | To be set-up | Notified in Nov. 2010, nothing yet on ground. |
| **7** | Kalaya | Orakzai |
| **8** | Wana | SWA |
| **9** | Ghilgi | Orakzai |
| **10** | Mir Ali | NWA |
| **11** | Sarwakai | SWA |
| **12** | Darra Adam Khel | FR Kohat |
| **13** | Darazinda | FR DI Khan |
| **14** | Jandola | FR Tank |
| **15** | Bara | Khyber | Notified in June 2015 |
| **16** | Jamraud | Notified in May 2016 |

Reviewing what has worked in the past the long-standing and sustainable urban centers have had two key success factors[[16]](#footnote-16). Firstly, they are located in buildings owned by the municipal committee itself. Second they have had sources of revenue (bus stands, commercial real estate, etc.). This has provided for the sustainability of the urban centres rather than leaving them dependent on transfers from the Federal Government via the Political Agent. Conversely, the Urban Centres Established in 2010 with donor support were invested heavily in donor-funded service delivery (street lighting, fire services, etc.), but have not yet achieved sustainability. The long-standing urban centers have authority to raise own-source revenue through their established rules of business and by enforcement through the PA mechanism. The urban centers created in 2010 have been notified, however they are not yet fully operational (staff, rules of business, budgeting etc. are not institutionalized) and as such they are not self-sustaining[[17]](#footnote-17).

**Addressing economic growth & livelihoods opportunities:** Supporting the FATA Secretariat to develop a socio-economic development plan will be a key component of the stabilization programme. A long term strategic programme will identify key sectors and areas for economic revitalization and job creation using a variety of approaches. The plan will be tailored to the probable merger of FATA with Khyber Pakhtunkhwa and provide agency specific plans to catalyse local agriculture, industrial production, commerce and value addition.

**Supporting the improvement of administrative capacity in FATA to implement reforms**: The link between the cabinet-level committee and the front-line bureaucrats is weak. There is no administrative link for instance between the SAFRON Ministry, which reports to the Prime Minister, and has responsibility for FATA and FATA Reforms, and the Political Agents, who are administratively under the provincial government, but appointed by the Governor, who reports to the President. As such the Ministry has limited influence on the ground.

For the people of FATA to see tangible reforms in the manner of governance at the agency level, it probably required that the Provincial and Federal governments approach this as a change management process. It may be required for instance to set up a joint mechanism for the selection of officers to serve as the final cadres of APAs and PAs, who are capable and committed to the implementation of reforms. These officers should go through intensive orientation and testing to ensure their suitability for these critical posts through this critical juncture.

Following on from the above strategic justification, the project’s theory of change and intervention logic is therefore based on the underlying premise that a lack of local governance structures in FATA, coupled with the weakness of service-delivery and accountability in the agency-level governance structures are core factors in instability

The goal of the FATA Governance Project contributes to CPD Output 9.1, “Democratic governance of state institutions, including Parliament, provincial assemblies, local governments and electoral management bodies, strengthened to be responsive to citizens and accountability, for improved service delivery” and is ultimately aligned with CPD Outcome 1 “increased effectiveness and accountability of governance mechanisms”.

**Output 1:** Increased GoP capacity to plan, communicate and implement key governance and socio-economic reforms in FATA.

**Output 2:** Inclusive local and urban governance structures and institutions established in targeted area to strengthen local and urban governance service delivery

**Output 3:** Strengthening of the state-citizen relationship through enhanced engagement of the FATA Population & civil society with reforms process & local government

**Output 4:** Improved planning, budgeting, accounting & auditing at FATA & agency levels

A number of assumptions underlie these focus areas of work:

1. Government of Pakistan approves FATA Reforms Package and actively implements (including Local Government Recommendations and plans for the mainstreaming of FATA within 5 years); if this assumption is not met, then it is assumed that the government would move forward with an LG Regulation with/without FATA integration Plan;
2. Provision of sufficient development funding, and allocation to Local Governments, along with planning, budgeting and auditing practices that enable improved use and effectiveness of resources;
3. Continuity of the Democratic System in National and Provincial levels
4. Sustained or decreased levels of violence/operations in FATA
5. UNDP successfully supports strategic national partners on advocacy for reforms/innovation in Agency-level governance processes;
6. Successful pilots in FATA can be replicated across the rest of FATA (with this, it is meant that engagement in FATA in the wake of acceptance of the reforms package presents an opportunity for testing and learning around new initiatives and interventions on governance. Successes could lead to replication or the application of lessons learned). In case of merger with KP, successful pilots undertaken in FATA can be replicated in KP.
7. Access of UN to FATA is maintained / increased throughout the project period.
8. The Government of KP is on board with the proposal for FATA to be mainstreamed, and has the capacity to absorb FATA’s administrative structures and align with those existing in KP.
9. Fundamental Human Rights are extended to FATA as part of FATA reforms package

# Results and Partnerships (1.5 - 5 pages recommended)

***Expected Results***

The FATA Governance Project seeks to support the proposed nationally-led transformation of governance systems in FATA through three main channels of support; strategic, normative and kinetic (as outlined in the Theory of Change). The ToC and the associated project logic model is structured around achievement of the overarching goal of achieving “legitimate governance structures and improved services in FATA by 2022” through realization of the outcome “strengthened capability of the civilian government mechanisms for FATA reforms implementation”. Four outputs will contribute to achievement of this:

**Output 1:** ***Increased GoP capacity to plan, communicate and implement key governance and socio-economic reforms in FATA.***

Providing support to the elaboration and roll-out of the anticipated reforms package being developed by the FATA Reforms Committee is the most suitable entry point to support reform of the current governance structure in FATA. In this context capability refers to the hard capacity of the institutions (personnel, infrastructure, budget) as well as soft capacity (personnel, skills), and importantly alignment and willingness to implement or facilitate the reform process. This is important because the current institutions largely lack the capacity to implement the reforms package.

The output focuses on civilian institutions, which will be strengthened to implement the reform processes and begin to fill the gap in areas where the military provides post-operation governance on a temporary basis as part of counterinsurgency (COIN) efforts. The weak capacity of civilian institutions is central in the discussion of civilian and military roles and responsibilities on the ground in FATA.

The expansion of these capabilities will take place before and/or during the initiation of reform implementation. This sequencing will both mean that expansion leads implementation, while minimizing lag between capacity building and implementation.

**Output 2: *Inclusive local and urban governance structures and institutions established in targeted area to strengthen local and urban governance service delivery***

Local government plays an important role in addressing the needs of the people in timely manner and responding to the needs of the citizens in an effective way. FATA currently lacks such local governance structures and therefore the project aims to provide technical assistance to the government in making the local and urban governance more inclusive and responsive to the needs of the citizens.

Elected local governance is slated to be introduced in FATA as a result of the approval in principle on 2nd March 2017 on the recommendations of the Committee on FATA Reforms, and the subsequent actions formation of a National Implementation Committee in September 2017. The activities under this Output are designed to align with this broader process. Furthermore, UNDP will provide technical assistance on the drafting and development of legal framework for local governance, as well as implementation of financial and administrative decentralization; UNDP has identified urban and local governance as an area where results can be achieved in the context of delays or disagreements in the larger political process.

The output will be delivered flexibly and phased to evolve with whatever decision the government takes in regard to local government. The output will contribute to the overall development of the local government system and according to the needs and support required by the government in establishing functional local government system in FATA.

In line with adaptive programming principles the activities under this output may include strengthening of both urban centers and elected local government in rural areas. The activity will focus on institutional strengthening, capacity development, planning processes, participatory development, financial systems and service delivery improvement through certain public infrastructure schemes. The main objective is to keep a very fair level of flexibility for the project so as to not restrict its support in a fluid context but rather contribute to the larger context of the introduction of a local government system.

**Output 3:** ***Strengthening of the state-citizen relationship through enhanced engagement of the FATA Population & civil society with reforms process & local government***

The critical political reform process could be derailed by poor communication. Approximately half of FATA residents are unaware of the FATA reform process and research suggests that many residents are confused or agnostic about the FATA reforms process. Negative media commentary or the demonstration of resistance to reforms, such as through street protests, could erode political will or momentum on the process. The impact of such actions can be often seen in Pakistan such as during the protests at Faizabad interchange in November 2017. As such, the areas of work under this output will work as risk mitigation to this potential challenge by focusing on bringing the reforms process closer to the communities (with inclusion of women) through expanded consultatons and strategic communication campaigns on the reform process. Both top-down and bottom-up communication approaches will be utilized; for example, a media campaign on FATA reforms through the office of the Chief Operating Offier (COO), the civilian administrative position responsible for implementation of reforms. Additionally, grass roots community dialogues, inter0agency, and provincial-level dialogues and events on the reforms process will be supported.

**Output 4: *Improved planning, budgeting, accounting & auditing at FATA & agency levels***

The reforms propose a broad range of changes in terms of powers and functions of the Political Agent (PA), and the agency level administration. Our initial analysis of the planning and development function at the agency-level found that it is weak in terms of capacity, and centralized in the office of the PA With the reforms underway, development funding will increase[[18]](#footnote-18) (potentially as much as +430%) and planning and development functions will be the responsibility of the newly-formed agency councils. The same is the case for financial and administrative authority, currently vested in the PA office. With the LG system introduction, and in preparation for FATA’s mainstreaming, a delegation of this authority to the newly elected bodies is envisioned. Lastly, procurement authority lies with the PA (issuing tenders, approval of contractors). These powers will need to be shared between the PA, and the newly-elected local bodies.

In each of these areas UNDP will conduct detailed field-level assessments of these functions, relationships, and issues and make proposals for their reform under the new LG system and revisions to the rules of business.[[19]](#footnote-19)

The rationale behind the theory of change identifies that legitimate governance will be secured through the governance reform process. Establishing these legitimate governance structures will in turn allow for improved service delivery in terms of increased accountability, transparency, quality and availability of services which thereby strengthens the citizen-state relationship and aids in overall stabilization and growth in FATA.

The FATA Governance project also builds on its strategic communication strategy – not only for communication to flow top-down in order to bring the reforms process closer to communities but to ensure a bottom-up flow of information through activities such as establishment of a FATA Feedback Hotline and social media outreach campaigns so that the opinions of those at the grassroots level may be heard and taken into strategic planning.

SMART indicators have been developed at the Output level with baselines, targets and related progress data to be collected against these at regular monitoring intervals as well as for mid or final evaluations where required during the project life-cycle. Indicators have pre-defined data collection methods, data collection frequency, data disaggregation and analysis plan which will be followed accordingly in order to provide information to the senior management for course correction and informed decision making and risk management.

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

For delivery of the project, human resources in terms of country office Democratic Governance Unit staff, FATA Governance Project staff and consultants/technical assistance team as necessary (see organigramme in Annexes for further details).

The FATA Governance project will utilize office space both in Islamabad and Peshawar. All operations costs related to this including security and asset utilization costs have been budgeted for in the RRF.

Other resources required for implementation of the project are IT equipment and vehicles along with POL have been duly calculated and provided for in the budget.

Furthermore, expertise from the UNDP’s Global Center for Public Service Excellent in Singapore can be relied upon to provide technical inputs if called upon.

Further details on strategic partnerships are provided below.

***Partnerships***

UNDP has an extensive track record of implementation in FATA, starting from its first operation back in 2009. This experience has enabled the development of close and supportive relationships with the FATA Secretariat, FATA Development Authority, the KP authorities as well as a wide array of implementing partners - which will prove a critical advantage in ensuring successful implementation of this project. To date, UNDP has provided critical support to the FATA Secretariat in the development of the Sustainable Return & Rehabilitation (R&R) Strategy which was launched in 2015 and focuses on 5 pillars: (i) rehabilitating physical infrastructure, (ii) strengthening law and order, (iii) expanding government service delivery, (iv) reactivating and strengthening the economy, and (v) strengthening social cohesion and peace building. In July 2015, UNDP launched the FATA Transition and Recovery Programme (FTRP) in alignment with the Sustainable R&R Strategy with the support of UK Aid (both DFID and CSSF), USAID, the Government of Japan, the European Union, the German Cooperation and the Swiss Agency for Development and Cooperation (SDC).

Working through UNDP facilitates donor coordination and coherence whilst also capitalizing on UNDP’s ability to leverage partnerships within the UN system so that specialized input and expertise can be brought on board as necessary. The comparative advantage of UNDP as the main partner will therefore include the organizations ability to strengthen UNDP/international donors coordination fora, as well as technical coordination across the UN system and international community whilst ensuring coherence in working under the SAFRON-led reforms roadmap.

The institutional partnership landscape remains fluid as the transition process is taking form. The project will, and has the capacity to, move fluidly between its partnership with and supporting of Provincial and Federal Authorities. The mandate and field presence of UNDP strengthens our ability to be adaptive partners. As an overview, key partnerships for Output 1 will include those with SAFRON and the FATA Secretariat, as well as KP Government. Output 2 will closely partner with the Local Government Directorate and Output 3 will focus on partnerships with NGO(s) as implementing partner.

The Programme will also work in close collaboration with other development partners based in FATA. To ensure, interventions remain unduplicated and cohesive, the Programme acts as an active member of the FATA Transition Task Force. The group is convened to create a forum to share information and mutual interests. Input from these meetings will feed into quarterly Programme Review Board Meetings. Programme finance staff will be also required to build strong relationships with donor counterparts as part of position terms of reference (ToRs).

***Risks and Assumptions***

The project has been designed based on the following preconditions and assumptions:

1. The improved security environment in FATA will prevail and allow for continued support to the institutions and areas outlined in this document
2. No further closure of areas, movement of population, from FATA will take place during the project
3. The Government of Pakistan will remain committed to implementing structural reforms in FATA, particularly the recommendations (economic, judicial, administrative, etc.) of the Committee on FATA Reforms
4. The international community in Pakistan will remain committed to supporting the Government and people of FATA throughout the reform process

In light of the above assumptions, there are at least two major areas of risk related with the proposed interventions in FATA, which may negatively impact the achievement of expected results, as follows:

**Security situation in the region:** it is assumed that the security conditions in FATA would improve (or at least not deteriorate) in the aftermath of the recent and ongoing military operations. This will also partly depend on the perceptions of the local population and, by reflection, the capacity of the public institutions to deliver services and build confidence with the people of FATA. However, at present, the security situation remains volatile. In consideration of this concern, all activities will be carried out in close coordination with the government and security agencies.

**Political will of the government and other institutional stakeholders:** Strong political commitment is needed to introduce significant reforms in FATA. Currently, there exists a fair level of political commitment to lead to sustainable changes in the political destiny of FATA through structural and long term legal and constitutional changes. We will focus our inside-track advocacy at successive steps of the current political debate, pushing key political actors through the identification and design of reform proposals. These proposals should fully integrate FATA in the Constitutional mainstream, while ensuring national ownership of the reform process.

The unique operational environment of FATA (an area which has been generally inaccessible for many years), presents significant challenges in terms of providing support to agency-level governance, notably for the international community. The Pakistan Army remains present across all regions, including the de-notified areas. Access to FATA is strictly controlled through a process of travel and programme authorizations (No Objection Certificates - NOCs). However, major military operations in the area are almost complete.

The project will be implemented through strong coordination between military and civilian institutions, to ensure a maximum level of security both for those who deliver assistance and those who receive it. Where non-governmental partners are used, it will only be comprised of solid and credible Civil Society Organizations (CSOs), deeply rooted in the local context and connected with local communities. Due diligence on all partners will be carried out before engagement, in line with UNDP guidelines. Active participation of the communities in all phases of programme implementation will also represent a concrete mitigating measure in terms of safety and security of both programme staff and beneficiaries of the interventions implemented in the field.

It must be acknowledged that the introduction of agency-level governance reforms will face significant resistance from entrenched bureaucratic actors, their clients (largely local elites), and their allies in the legislature and centres of power in the provincial and national governments. To overcome these issues, the existing funding of strategically-placed advisors by UNDP remains critical and will be a complimentary and parallel engagement that will run alongside new activities outlined in this proposal. The approach will include addressing the political dynamics of the reform process, and providing networked technical assistance at a range of levels coordinated out of UNDP’s offices in Peshawar and Islamabad, as well as the newly established agency-level UN focal points.

The reform process is highly complex, as is the operating environment in FATA where significant access issues are faced by non-governmental organizations, private sector firms, and international partners. The UN agencies have limited but regular access to most of FATA with the exception of areas of active unrest. The issue is highly complex with different power structures involved in the process and requires a careful approach which ensures the momentum and also involvement of different actors at different levels.

The identified risks and the mitigation measures are captured in Annex 2.

***Innovation***

Under the FATA Governance Project, UNDP will be looking to pilot an innovative approach to promoting the voices of women in FATA; a context where the idea of community women organizing and articulating their development needs does not exist. With the FATA mainstreaming agenda on the table and the Government’s resolve to introduce a ten-year accelerated development package for FATA, initiating the process of building communities’ acceptance towards women’s active engagement in development processes is essential for accelerating recovery phase in FATA.

The broad desired impact of this initiative is behaviour change; however an initial short-term (6 month) pilot will be conducted in early 2019 to gather initial findings and through analysis determine what approaches may be suitable for scaling-up to promote women’s increased inclusion and integration in development processes within their communities.

The idea for the proposed intervention envisages conducting a study into identifying positive outliers (women role models), active in the development sphere in FATA, and understanding motivation for their behavior that enables them to push the boundaries of cultural and traditional thinking in the communities around women’s participation in the mainstream public life. The focus is to identify already existing solutions to a lack of women’s representation and engagement through studying the positive outliers in the selected communities and then seeing how these lessons can be replicated to affect other women to contribute to mainstream development discourses and processes in FATA.

These “positive outlier” women will be identified directly by communities themselves to ensure the process is organic and legitimate. There will be no project design based on pre-conceived notions and through this methodology it is hoped we will engage women who are often overlooked in traditional development programming.

The results of this initiative have the potential to significantly shape our later engagement with women and our approaches to women’s empowerment and inclusion; economically, socially and politically.

***Knowledge***

There are three streams of knowledge products to be developed under this project, each targeted at different audiences. The project, as part of its technical support to the government focuses on development of various policy documents including implementation plans for the proposed FATA reforms. These products are disseminated to relevant government departments involved in the FATA reforms process for review, discussions and decision-making purposes. The second stream includes products which are meant to generate a systematic feedback loop—focused both on creation of demand on ground for different components of the reforms as well as better understanding of socio-political context factors that may affect implementation of the proposed reforms. These include IEC material for media campaign aimed at educating masses on governance and civic engagement; media database, social media tracking and FATA hotline and an FGD tracking exercise. The resulting analytical briefs and reports from these feed into policy inputs as well focused one on one discussions with relevant authorities at SAFRON, provincial government and the FATA secretariat with an ultimate aim of keeping the momentum on the reforms active. The third stream includes thematic research products. These focus on identification and exploration of specific problem area(s) through a more detailed desk and field based research and culminate in the form of detailed reports which can be published for dissemination to a wide range of audiences. The project is currently conducting research on the implications of the FATA reforms on stability in FATA which is in the completion stage. Once finalized the findings of the research will be presented to the relevant donor and disseminated further. Finally, the project is currently working on developing a comprehensive communication and visibility strategy keeping in view variety of audience and contextual factors.

***Sustainability and Scaling Up***

UNDP through this project will take deliberate steps to secure the sustainability of its interventions through several measures.

The project is based on lessons learnt from previous initiatives, and is supporting development of pilots/testing new activities (such as through an innovation facility funded pilot intervention to determine better ways to enhance women’s engagement in political, social and economic life in FATA), leaving scope for “replicability” and scaling-up by national partners. The project will also support the development of strategic planning by UNDP in partnership with key stakeholders to ensure that the identified project activities are in line with the strategic priorities of key national partners. Staff development and participation of stakeholders in all aspects of the project will be critical.

Measures to sustain interventions initiated by the project will also be in-built in all activities. The Programme Review Board which functions as a coordination and approval forum between UNDP, national counterparts and donors will meet on an annual basis to approve workplans and areas of intervention. This will provide further opportunities to the project to strengthen its efforts to ensure sustainability of its interventions. As such, the project will be implemented in close coordination with the government to build ownership.

National ownership, and therefore an implicit exit strategy, are in built to the design of this project. For example, on the reforms side, UNDP provides technical assistance to the government in a demand-driven manner. The technical assistance provided is at the request and approval of the government. A strong focus of the project is on capacity building of the government to plan, communicate, implement and monitor the delivery of reforms; an example of strategic support that contributes to enhanced sustainability.

Strong coordination with the government, regular progress sharing with the concerned government department and implementation of the reforms and related project activities are the key factors which will contribute to the ownership of the project by the government. Once UNDP withdraws its support from the project, the developmental activities under the project will be funded from the annual development plans of the government, and on this basis the project will carry out activities which can be taken up in the ADPs. On the policy and strategy formulation side, the project deliverables are formulated in line with the government action plan and will be integrated with other laws, policies and strategies of the government to be implemented in a longer term in FATA.

# Project Management (1/2 pages - 2 pages recommended)

***Cost Efficiency and Effectiveness***

UNDP currently enjoys a central position from a strategic perspective in the government machinery in the context of FATA due to its engagement at different levels with government counterparts under the FATA Transition and Recovery Programme (FTRP). A few salient features that enhance UNDP’s position over other counterparts from economic, effectiveness and efficiency point of view are described as:

**UN and UNDP’s Comparative Advantage**

The UN’s comparative advantage such as license to operate, its legitimacy with the government counterparts, operational footprint and security management system contribute directly to reduced risk and maximum impact of each pound spent to improve development indicators. The most recently published multi-lateral aid review established UNDP globally as “good value for UK foreign aid money”. [[20]](#footnote-20)

**UNDP’s prior engagement with FATA Secretariat and SAFRON**

UNDP’s team is based in Peshawar with regular access to the FATA Secretariat and SAFRON’s key officials. Apart from that, under the FTRP, UNDP has been continuously engaged since 2015 on governance reforms with the FATA Secretariat and SAFRON.

**UNDP’s central role with KP bureaucracy**

UNDP also has a central role with the government of KP and its bureaucracy. This will result in efficient delivery of the outputs in the short run and the outcome in the long run, if the FATA reforms package is approved by the cabinet. Even otherwise, for the establishment of a more effective, accountable and responsible local government at FATA and at agency levels, strategic relationships with the government of KP will be valuable to learn from their experiences.

**UNDP’s Frontline Team**

UNDP already has a well-positioned and skilled team of technical experts stationed at its Peshawar office, which further increases its ability to be responsive in implementation of the project activities. The project will be directly managed by a P4 level international Governance and Reforms Advisor along with a strong project team (detailed in the previous HR section) . This team shall directly supervise the implementation of the project, manage partnerships and the fiduciary processes.

**Result Based Framework**

UNDP’s results based framework of monitoring and integrated results and resources framework results in effective quality assurance and better transparency in spending donors resources in the right manner.

**UNDP’s exceptional procurement procedures**

The best value for money is a key governing principle in the UNDP’s procurement. The best value for money however is not merely equated with the lowest price but a thorough assessment of other key parameters, which are imperative to achieve the end goal, are taken into account. This includes quality, experience, reputation, past performance etc.).

|  |
| --- |
| **Adaptive Management**  Adaptive management is a programming technique applied to specifically difficult contexts which prioritizes iteration and learning as programming management tools. The methodology is based on the conclusion that the most difficult development challenges including ‘wicked hard’ issues such as FATA Governance require a more robust management approach which are iterative rather than definitive, and inclusive rather than technocratic. Additionally, there is a growing recognition that traditional Taylorist approaches to M&E and program management privilege easily-quantify and measurable interventions with short-term quantifiable outputs, rather than those which work within the political context to address deeper fundamental and ‘wicked hard,’ problems.  Adaptive programming is being developed by USAID Learning Lab, DFID/ODI and UNDPs’ Centre for Public Service Excellence. This project is designed using Problem-Driven Iterative Adaptation methodology, the methodology designed by the Center for International Development (CID) at Harvard University. Harvard University CID is one of the leading adaptive knowledge leaders in this area.  Three of the programme management and technical team members have already been trained in Problem-Driven Iterative Adaptation by the Center for International Development (CID) at Harvard University. The project is working to train an additional 3 more team-members by the end of 2017.  PDIA is focused on four main principles:   1. **Local Solutions for Local Problems.** The methodology focuses on the identification of locally defined problems (rather than programming around a best-practice solution). In our context, this means exploring local government and justice sector problems as defined locally rather than based on international templates. 2. **Pushing problem-driven positive deviance.** The methodology encourages local-level innovation to solve delivery problems based on what is already working on the ground rather than outside prescriptions. In example, we are exploring why some urban centers in FATA have been sustainable since colonial times, while others have come and gone with development spending. 3. **Try, learn, iterate, adapt.** The adaptive policy cycle includes analysis and problem identification, followed by cycles of iteration which build both authorization and learning. UNDP has taken this iterative approach to our technical assistance in FATA Governance since early 2016. The approach means we have been able to build out authorization and capability, increasing the pace and quality of political reforms. 4. **Scale through diffusion.** As practices are developed, and proven through iterations, they then are spread. Learning and practices through this project will be diffused both local and more broadly through established techniques.   The principles above may be seen as common sense, which is a reflection of how far actual practice diverges from the linear planning model which discourages learning and adaptation. |

Further details on project management and project structure are provided in Section VIII.

# Results Framework[[21]](#footnote-21)

| **Intended Outcome as stated in the UNDAF/Country [or Global/Regional] Programme Results and Resource Framework:**  CPD Outcome 9: Increased effectiveness and accountability of governance mechanisms | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Outcome indicators as stated in the Country Programme [or Global/Regional] Results and Resources Framework, including baseline and targets:**  Indicator: UNSDF 9.1: Extent to which post 2015 agenda and the Sustainable Development Goals are integrated and adapted into national development plans and budgets | | | | | | | | | | | |
| **Applicable Output(s) from the UNDP Strategic Plan: 1.2.1 Capacities at national and sub-national levels strengthened to promote inclusive local economic development and deliver basic services including HIV and related services (this is from new SP 2018-2021) keep this for the moment** | | | | | | | | | | | |
| **Project title and Atlas Project Number: FATA Governance Project** | | | | | | | | | | | |
| **EXPECTED OUTPUTS** | **OUTPUT INDICATORS[[22]](#footnote-22)** | **DATA SOURCE** | **BASELINE** | | TARGETS (by frequency of data collection) | | | | | | DATA COLLECTION METHODS & RISKS |
| **Value** | **Year** | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year …** | FINAL |
| **Output 1**  **Increased GoP capacity to plan, communicate and implement key judicial, governance and socio-economic reforms in FATA.** | 1.1. Number of key political, economic, judicial and governance reforms assisted by UNDP[[23]](#footnote-23) | GoP Records and Notifications | 3 | 2018 | 3 | 6 | 7 | 10 | 2022 | 26 | Technical Assistance/consultants deliverable reports, Progress reports, |
| 1.2 # of agency/FR level offices demonstrating enhanced capacity to implement reforms | *Program data* | 0 | *2018* | 0 | 14 | 0 | 0 | 2022 | 14 | *Progress Reports; Pre and post assessment survey reports* |
| 1.3 # of agency level / FR level offices supported in developing problem driven and capacity development plans. | Program data | 0 | *2018* | 0 | 7 | 7 | 0 | 2022 | 14 | Assessment reports. |
| **Output 2**  **inclusive local governance structures and institutions established in targeted area to strengthen urban governance service delivery** | 2.1 # of municipal services delivery plan developed and approved. | *Program records and GoP Records* | o | 2018 | *0* | 1 | 2 | 0 | *2022* | *3* | FATA Secretariat Notification; project progress report |
| 2.2 # of Urban Governance structures established and functional. | *Program data and GoP records* | *1* | *2018* | *0* | *1* | *1* | *1* | *2022* | *3* | FATA Secretariat Notification; project progress report |
| *Output 3*  **Strengthening of the state-citizen relationship through enhanced engagement of the FATA Population & civil society with reforms process & local government** | 3.1 # of people reached through communication campaign. | *Program data* | *0* | *2018* | *10,000* | *TBD* | *TBD* | *TBD* | *2022* | *10,000* |  |
| Progress reports from IPs |
| 3.2 # of provincial/community level dialogues and events held to support reform process. | *Program data* | *0* | *2018* | *458* | *8* | *5* | *o* | *2022* | *471* | Progress reports from IPs |
| *Output 4*  **Improved planning, budgeting, accounting & auditing at FATA & agency levels.** | 4.1 Extent to which participatory development planning and inclusive budgeting are implemented and incorporated at LG level.  Scale 1= participatory plans developed; 2= incorporation of plans in agency development plan; 3= budget allocated for implementation of plan; 4= implementation of development plans through community participation mechanism. | *Program data; surveys* | *TBD* | *2018* | *TBD* | *TBD* | *TBD* | *TBD* | *2020* | *TBD* | *Progress reports and survey reports* |
| 4.2 Number of relevant agency level staff with enhanced capacity on gender responsive budgeting and planning. | *Program data* | *0* | *2018* | *0* | *60* | *0* | *0* | *2020* | *60* | *Progress Reports* |
| 4.3 Increase in development expenditure (as a % of original allocation i.e. budget released/disbursed). | *ADP government reports* | *0* | *2018* | *0* | *TBD* | *TBD* | *TBD* | *2020* | *TBD* | *Program Reports* |

# Monitoring And Evaluation

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

**Monitoring Plan**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Monitoring Activity** | **Purpose** | **Frequency** | **Expected Action** | **Partners**  **(if joint)** | **Cost**  **(if any)** |
| **Track results progress** | Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs. | Quarterly, or in the frequency required for each indicator. | Slower than expected progress will be addressed by project management. | Implementing Partner M&E team | N/A |
| **Monitor and Manage Risk** | Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP’s Social and Environmental Standards. Audits will be conducted in accordance with UNDP’s audit policy to manage financial risk. | Quarterly | Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken. | N/A | N/A |
| **Learn** | Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project. | At least annually | Relevant lessons are captured by the project team and used to inform management decisions. | Implementing Partner M&E team | N/A |
| **Annual Project Quality Assurance** | The quality of the project will be assessed against UNDP’s quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project. | Annually | Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance. | N/A | N/A |
| **Review and Make Course Corrections** | Internal review of data and evidence from all monitoring actions to inform decision making. | At least annually | Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections. | Implementing Partner | N/A |
| **Project Report** | A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period. | Annually, and at the end of the project (final report) |  | N/A | N/A |
| **Project Review (Project Board)** | The project’s governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project’s final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences. | Specify frequency (i.e., at least annually) | Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified. | N/A | N/A |

**Evaluation Plan[[24]](#footnote-24)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Evaluation Title** | **Partners (if joint)** | **Related Strategic Plan Output** | **UNDAF/CPD Outcome** | **Planned Completion Date** | **Key Evaluation Stakeholders** | **Cost and Source of Funding** |
| Baseline survey | Firm/ NGO | Output 9.1 Democratic governance of state institutions, including Parliament, provincial assemblies, local governments and electoral management bodies, strengthened to be responsive to citizens and accountability, for improved service delivery. | **CPD Outcome 1:**  Increased effectiveness and accountability of governance mechanisms | Mar 2018 | UNDP; DFID USAID; GoP | USD 70,000  DFID; USAID |
| End line Survey | Firm/ NGO | Output 9.1 Democratic governance of state institutions, including Parliament, provincial assemblies, local governments and electoral management bodies, strengthened to be responsive to citizens and accountability, for improved service delivery. | **CPD Outcome 1:**  Increased effectiveness and accountability of governance mechanisms | Dec 2021 | UNDP; DFID USAID; GoP | USD 100,000  DFID; USAID |

# Multi-Year Work Plan [[25]](#footnote-25)[[26]](#footnote-26)

*All anticipated programmatic and operational costs to support the project, including development effectiveness and implementation support arrangements, need to be identified, estimated and fully costed in the project budget under the relevant output(s). This includes activities that directly support the project, such as communication, human resources, procurement, finance, audit, policy advisory, quality assurance, reporting, management, etc. All services which are directly related to the project need to be disclosed transparently in the project document.*

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **EXPECTED OUTPUTS** | **PLANNED ACTIVITIES** | **Planned Budget by Year** | | | | **RESPONSIBLE PARTY** | **PLANNED BUDGET** | | |
| Y1 | Y2 | Y3 | Y4 | Funding Source | Budget Description | Amount |
| **Output 1**  **Increased GoP capacity to plan, communicate and implement key judicial, governance and socio-economic reforms in FATA.** | * 1. Activity   Leverage International Support for the reform process in support of a political compact on FATA reforms | 460,669 | 300,000 | 300,000 | 200,000 | UNDP/RC | CSSF; USAID | LOA | 1,260,669 |
| 1.2a Activity  Support and ensure continuity of the reform process through strategic and flexible technical assistance | 1,255,504 | 1700,000 | 1400,000 | 1,000,000 | UNDP/SAFRON/FATA Secretariat | DFID (SPDF)  CSSF; USAID | LOA | 5,355,504 |
| 1.2b Activity:  Establishment of Governance/Reform Support Offices in each Agency and Frontier Region | 1,824,729 | 1250,000 | 1000,000 | 800,000 | UNDP/FATA Sec | USAID | LOA | 4,874,729 |
| 1.2c Activity:  Development of 13 Agency and Frontier Region problem-driven plans for capacity development | 13,940 | 120,000 | 100,000 | 213,000 | FATA Sec | USAID | LOA | 446,940 |
| 1.2d Activity:  Development and Implementation of FATA-wide Reform Capacity Development Plans | 52,500 | 150,000 | 200,000 | 250,000 | FATA Sec/UNDP consultants | USAID | LOA | 652,500 |
| 1.3a Activity:  Finalization of 10 years socio economic plan and development of an implementation mechanism for the 10-year plan including a delivery unit supporting the Governor's advisory council. | 421,000 | 50,000 | 70,000 | 150,000 | UNDP/FATA Sec | CSSF; | LOA | 691,000 |
| 1.3b Activity:  Conduct gap analysis and develop policy frameworks for improving access to finance in FATA and recommendation for what needs to be addressed in the revised framework. | 213,602 | 150,000 | 80,000 | 100,000 | UNDP | CSSF; | LOA | 543,602 |
| MONITORING | 20,784 | 20,000 | 25,000 | 25,000 | UNDP | DFID; CSSF; USAID | RPA | 90,784 |
| **Sub-Total for Output 1** | | | | | | | | **13,915,758** |
| **Output 2**  **Inclusive local governance structures and institutions established in targeted area to strengthen urban governance service delivery.** | 2.1a Activity: Urban governance structures established in three (3) priority urban areas. | 89,477 | 850,000 | 700,000 | 900,000 | Local Government | DFID; CSSF; USAID | LOA | 2,539,477 |
| 2.1b Activity: Development and oversight of implementation of municipal/urban services delivery plan. | 0 | 550,000 | 400,000 | 570,000 | Local Government | DFID; CSSF; USAID | LOA | 1,520,000 |
| 2.2 Activity: Development and Institutional strengthening of frontline urban services | 940,883 | 500,000 | 350,000 | 400,000 | Local Government | DFID; CSSF; USAID | LOA | 2,190,883 |
| 2.3. Activity: Training for local councillors. | 0 | 350,000 | 200,000 | 0 | Local Government | DFID | LOA | 550,000 |
| 2.4. Activity: Support to local government elections |  |  | 500,000 | 0 | Local Government | DFID | LOA | 500,000 |
| MONITORING | 10,000 | 15,000 | 15,000 | 15000 |  | DFID; CSSF; USAID | RPA | 55,000 |
| **Sub-Total for Output 2** | | | | | | | | **7,355,360** |
| **Output 3**  **Strengthening of the state-citizen relationship through enhanced engagement of the FATA population & civil society with reforms process & local government.** | 3.1a Activity  Launch a strategic communication campaign for reaching out to people to garner their support for FATA reforms  (Media campaign for COO office) | 409,262 | 200,000 | 150,000 | 85,000 | UNDP/NGO | CSSF; USAID | RPA | 844,262 |
| 3.1b Activity  Holding grass root community dialogues and events. (FAFEN + UNDP) | 127,093 | 150,000 | 98,534 | 50,000 | UNDP/NGO | CSSF; USAID | RPA | 425,627 |
| 3.1c Activity  Hold inter-agency dialogues to support reform process | 30,769 | 45,000 | 15,000 | 20,000 | UNDP/NGO | CSSF; USAID; | RPA | 110,769 |
| 3.1d Activity  Innovative approach to women’s participation piloted -A case of positive deviance approach for FATA[[27]](#footnote-27) | N/A | N/A | N/A | N/A | UNDP/NGO | RBAP | RPA | N/A |
| 3.1f Activity:  Awareness raising and Public Education on Local Government System (community discussion groups conducted on local government system in FATA, Public Opinion Survey conducted in FATA, Awareness raising of girls and boys in colleges on local governance system, Strategic Campaign of public education at the grassroots level to ease the process of governance transition) | 1,285,199 | 100,000 | 50,000 | 50,000 | UNDP/NGO | DFID; USAID | RPA | 1,485,199 |
| 3.1 g Activity Piloting Committees on the Status of Women for oversight women protection and development policies in three Agencies (technical assistance). | 36268 | 0 | 0 | 0 | UNDP/NGO | DFID; USAID; | RPA | 36,268 |
| Monitoring | 20,000 | 20,000 | 20,000 | 20,000 |  | DFID; CSSF; USAID; | RPA | 80,000 |
| **Subtotal for output 3** |  | | | | | | | **2,982,125** |
| **Output 4:**  **Improved planning, budgeting, accounting & auditing at FATA & agency levels.** | 4.1 Activity Analysis of the practices on the ground and influence reforms of planning, budgeting, procurement, accounting, auditing (agency-level planning and development finance and administrative authority assessments, procurement, technical assistance to FATA Finance Commission, assessment of structure and function of FATA Development Authority) | 0 | 15,220 | 14,572 | 0 | UNDP/NGO | DFID | RPA | 29,792 |
| 4.2 Activity: Strengthening the capacity of staff at the agency level through trainings and development or amendment of policies on gender-responsive planning & budgeting (gender-responsive financial planning) | 0 | 20,724 |  |  | UNDP/NGO | DFID | RPA | 20,724 |
| Monitoring | 10,000 | 10,000 | 10,000 | 15,000 |  | DFID |  | 45,000 |
| **Subtotal for output 4** | | | | | | | | **95,516** |
| **Evaluation** *(as relevant)* | EVALUATION | 70,000 | 0 | 100,000 | 0 |  |  |  | 170,000 |
| **General Management Support** | @ 8% | 582,281 | 522,400 | 465,600 | 428,526 |  |  |  | 1,930,243 |
| **TOTAL** |  |  |  |  |  |  |  |  | **26,449,002** |

# Governance and Management Arrangements

***Project Management***

This project will employ an adaptive management approach (see box above), avoiding linear planning assumption and Taylorist monitoring techniques. The management will be driven by locally defined problems (rather than programming around a best-practice solution), pursuing problem-driven positive deviance based on what is already working on the ground rather than outside prescriptions, an adaptive policy cycle and scaling success iterations through diffusion. Learning and practices through this project will be diffused both local and more broadly through established techniques.

Programs are also harmonized with the country level outcomes in the Country Programme Document (and the One UN Programme II) and to UNDP’s Global Strategic Plan.

1. **Project Review Board**

The project will be guided by a Project Review Board which will provide strategic direction and oversight. It is planned that this committee will be co-chaired by Additional Chief Secretary (ACS) FATA, UNDP Country Director and will include relevant ministries (SAFRON), line departments, and donors. It is proposed that the committee shall meet on an annual basis. The purpose of the committee is to:

1. *Review annual project progress;*
2. *Approve annual outputs from the annual workplan;*
3. *Avoid overlap and duplication with any other programs;*

Special sessions of the Project Review Board may be called on an as-needed basis should any significant change to the project design or implementation be required. Meetings may be in person or virtually. Project review board meetings may be combined with other events when appropriate.

1. **Project Steering Committee**

A project steering committee will be formed at an operational level in Peshawar to;

1. *Review progress;*
2. *Enhance coordination with government and other programs;*
3. *Identify blockages in project delivery and take corrective action;*

The meeting will be co-chaired by the Government (ACS FATA, DG-DOP, or Secretary P&D) and UNDP with membership from the relevant line departments, implementing partners. Special sessions of the Steering Committee may be called on an as-needed basis should any significant change to the project design or implementation be required. Meetings may be in person or virtually. Steering Committee meetings may be combined with other events when and where appropriate

The project will be managed within the Democratic Governance Unit, led by Assistant Country Director. The Assistant Country Director will ensure all technical assistance is aligned with the overall objects of the programme, and ensure that existing relationships are capitalized on and high-level technical advisory support is effectively deployed.

The Chief Technical Specialist, Governance & Reforms (P4), will serve as programme manager, with overall responsibility for the project delivery and quality assurance. S/he will work close coordination with the Chief Technical Advisors from Elections and Parliament (SELP) and Decentralization and Local Government (D&LG) to ensure that programming is delivered to the highest technical standards in each respective area. The Governance and Reforms Advisor will have budgetary and reporting responsibility and will, along with the ACD, be the chief contact point for the project. Specific activities (local government elections for instance), will be delivered by SELP or D&LG based on technical skills and existing institutional relationships. The costs of core senior and mid-level staff will be shared with other projects in accordance with level of effort.

A core technical assistance team will be based in the UNDP Sup-office in Peshawar led by a national expert on local governance and decentralization with strong working relationships in the FATA government and will serve as the Governance and Reforms Specialist. He will be supported by a Public Finance Management Officer (PFM), Training Officer and a Policy Analyst at the mid-level position to provide specialized support. The project will also call on a High level international expert on public financial management on a short-term basis to provide strategic direction to the UNDP team for accomplishment of the planned activities in the respective areas. This team will work in collaboration with the SELP and D&LG teams on respective technical areas. A small operations team will be based in Islamabad.

# Legal Context and Risk Management

**Legal Context Standard Clauses**

**Option a. Where the country has signed the** [**Standard Basic Assistance Agreement (SBAA)**](http://intra.undp.org/bdp/archive-programming-manual/docs/reference-centre/chapter6/sbaa.pdf)

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

**Risk Management Standard Clauses**

**Option b. UNDP (DIM)**

1. UNDP as the Implementing Partner shall comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)
2. UNDP agrees to undertake all reasonable efforts to ensure that none of the [project funds][[28]](#footnote-28) [UNDP funds received pursuant to the Project Document][[29]](#footnote-29) are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via [hthttp://www.un.org/sc/committees/1267/aq\_sanctions\_list.shtml](http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm). This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
3. Consistent with UNDP’s Programme and Operations Policies and Procedures, social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (http://www.undp.org/ses) and related Accountability Mechanism (http://www.undp.org/secu-srm).
4. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
5. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

# ANNEXES

1. **Risk Analysis**. Use the standard [Risk Log template](https://intranet.undp.org/global/documents/ppm/FINAL_Risk_Log_Template.doc). Please refer to the [Deliverable Description of the Risk Log](https://intranet.undp.org/global/documents/ppm/FINAL%20Risk%20Log%20Deliverable%20Description.doc) for instructions

**OFFLINE RISK LOG**

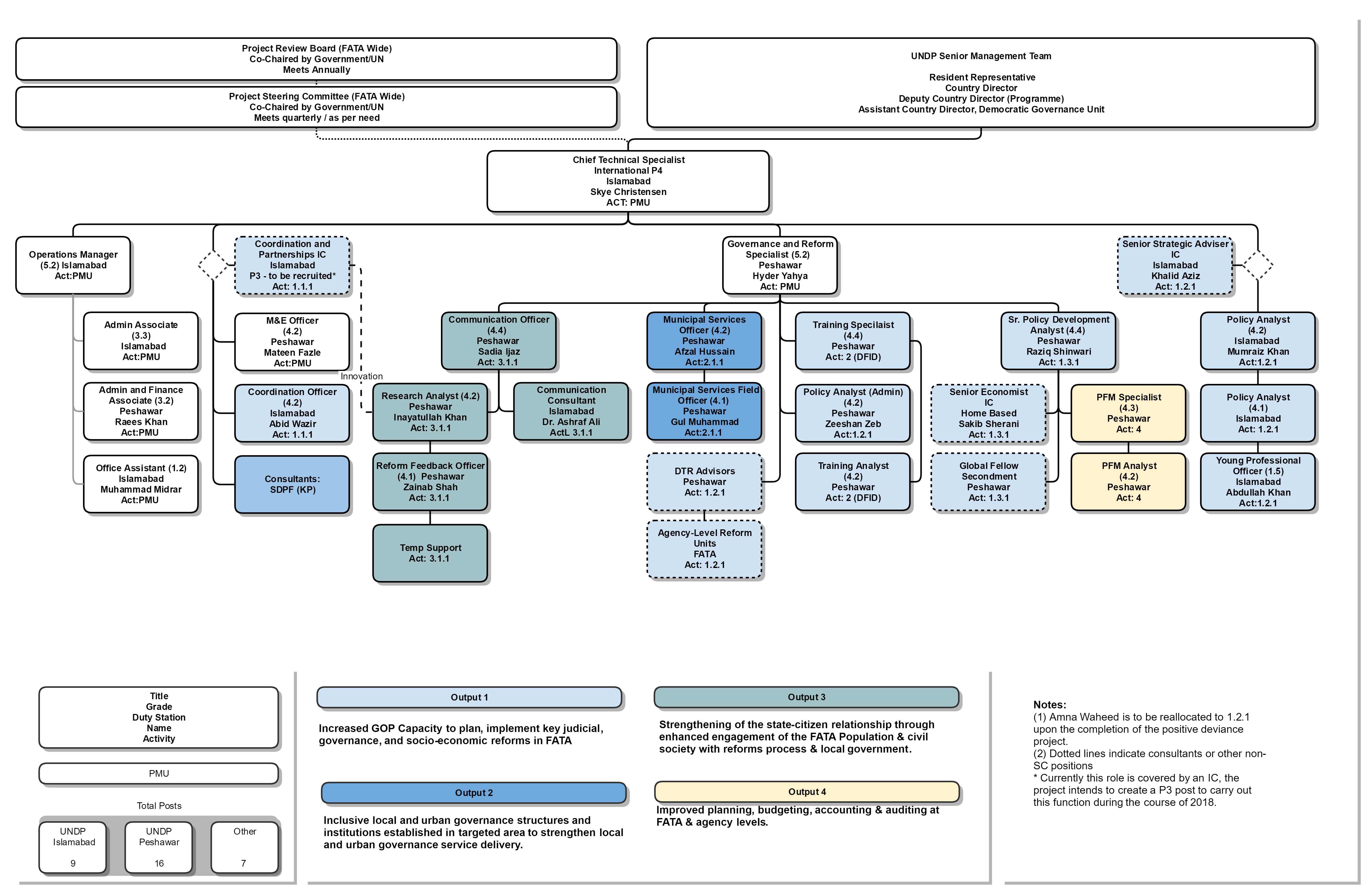


*(see* [*Deliverable Description*](http://content.undp.org/go/prescriptive/Project-Management---Prescriptive-Content-Documents/download/?d_id=1266195&) *for the Risk Log regarding its purpose and use)*

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| **Project Title: FATA Governance Project** | **Award ID:** | **Date: Dec 2017** |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **#** | **Description** | **Date Identified** | **Type** | **Impact &**  **Probability** | **Countermeasures / Mgmt. response** | **Owner** | **Submitted, updated by** | **Last Update** | **Status** |
| 1 | Security situation (in FATA) limits staff and partners access to project areas, and de-notification pace | December 2015 | Operational  Organizational | P = 4  I = 2 | Compliance with UNDSS security guidance and information sharing with security agencies.  Coordination with military authorities for information sharing and security support/advice, including presentation to senior military officials.  Work through government counterparts (FATA Secretariat and Political Administration), local partners/NGOs, private sector and community participation to deliver at pace.  Engage third party monitoring firm for independent oversight and quality assurance. | Chief Technical Specialist | Governance and Reforms Specialist | *October 2017* | *Active* |
| 2 | Administrative hurdles such as delays in issuance NOCs to partners and staff | December 2015 | Operational | P = 4  I = 3 | Effective liaison and regular coordination meetings with government and security agencies. Advocacy on behalf of partners for speeding up the NOC issuance process. | Chief Technical Specialist | Governance and Reforms Specialist | *October 2017* | *Active* |
| 3 | Lack of progress on FATA reforms undermines prospects of this intervention contributing to longer-term development | December 2015 | Political | P=3  I=4 | UNDP is working closely with the FATA Secretariat and the FATA Reforms Commission to support the implementation of the FRC’s mandate. Also, UNDP will work with parliaments from FATA to push through essential reform legislation and civic and political participation pf the people of FATA will be promoted. Resource mobilization efforts are ongoing to expand this effort. | Assistant Country Director | Chief Technical Specialist | *October 2017* | *Active* |
| 4 | Capacity of FATA Secretariat to implement reforms process slows down project progress | October 2016 | Administrative | P=4  I=4 | Ongoing high level meetings to advocate with Ministry of SAFRON. A number of immediate measures and institutional arrangements have been proposed to fill the capacity gaps of FATA Secretariat, to speed up administrative recruitment and initiate notifications. The project continues to follow up on this issue to adjust annual delivery forecasts accordingly. | Chief Technical Specialist | Governance and Reforms Specialist | *October 2017* | *Active* |
| 5 | Duplication of activities with government or other development partners | December 2015 | Operational | P = 2  I = 3 | Coordination with relevant government line departments through the Project steering committee to include all line departments and other development partners with programmes in FATA.  Regular coordination through FATA Transition Task Force on ongoing early recovery activities. | Chief Technical Specialist | Governance and Reforms Specialist | *October 2017* | *Active* |
| 9 | Transfer of government counterparts in the federal ministries and FATA Secretariat may create information gaps on project scope and implantation | December 2015 | Operational | P = 2  I = 3 | Regular information sharing with federal government ministries to ensure smooth implementation of the project.  Formal review and approval of work plans and progress reports by Project Steering Committee. | Governance and Reforms Specialist | Governance and Reforms Specialist | *October 2017* | *Active* |
| 10 | Security concerns will continue to be present in the target areas | December 2015 | Political | P=4  I=4 | While it is probable that unrest will continue at some level, project staff will be aware/analyses and assess local dynamics to determine project criticality and continue as much as possible with planned activities. Any major security concerns requiring suspension of project activities will be reported to the donor immediately. | Assistant Country Director | Governance and Reforms Specialist | *October 2017* | *Active* |

**2. FATA Governance Project Organigramme:**



**3. Project Quality Assessment (see separate file)**

1. [↑](#footnote-ref-1)
2. ‘Promoting Stability and Resilience in Pakistan’s Federally Administered Tribal Areas’, UNDP (2016) [↑](#footnote-ref-2)
3. Nawaz, s. (2009), FATA – A Most Dangerous Place: Meeting the Challenges of Militancy and Terror in the Federally Administered Tribal Areas of Pakistan. Centre for Strategic & International Studies, Washington D.C. https://csis-prod.s3.amazonaws.com/s3fs-public/legacy\_files/files/media/csis/pubs/081218\_nawaz\_fata\_web.pdf [↑](#footnote-ref-3)
4. Post Crises Needs Assessment: Khyber Pakhtunkhwa & Federally Administered Tribal Areas, Government of KP & FATA, Asian Development Bank, and World Bank, 2010 [↑](#footnote-ref-4)
5. Gul, I. (2010), ‘The Most Dangerous Place: Pakistan’s Lawless Frontier’, p.g. xi [↑](#footnote-ref-5)
6. Dr. N. ul-Haq, Dr. R. A. Khan, Dr. M. H. Nuri, (2005), “Federally Administered Tribal Areas of Pakistan”, pg. 19. http://www.ipripak.org/wp-content/uploads/2014/01/Paper-10.pdf [↑](#footnote-ref-6)
7. FATA Transition Plan 2018 – 2020, United Nations Pakistan. [↑](#footnote-ref-7)
8. South Asia Terrorism Portal (accessible at: <http://www.satp.org/satporgtp/countries/Pakistan/database/casualties.htm)> [↑](#footnote-ref-8)
9. http://www.safron.gov.pk/safron/userfiles1/file/Report%20of%20the%20Committee%20on%20FATA%20Reforms%202016%20final.pdf [↑](#footnote-ref-9)
10. FATA Reforms Committee Report, Ministry of SAFRON (accessible at: <http://www.safron.gov.pk)> [↑](#footnote-ref-10)
11. *In Pakistan, Another Attempt to Tame the Tribal Region*, STRATFOR Analysis, January 31, 2017 [↑](#footnote-ref-11)
12. Press Statement by Mr. Sartaj Aziz, Chairman FATA Reforms Committee: http://mofa.gov.pk/pr-details.php?mm=NDgxMw [↑](#footnote-ref-12)
13. The project is designed to complement the work of the World Bank Governance Support Project [↑](#footnote-ref-13)
14. The concept of urbanization was introduced in the absence of a functioning local government system in FATA. It is not meant to imply that any agreed local government system will only be limited to urban centers, but rather that in the present system the available working space for making headway regarding introduction of the local government system is through these urban centers which have already been notified by the government and provides an entry point for initial development. When a proper local government system is operational the same model can be expanded to other areas both rural and urban.

    Please note, that although the proposal refers to urban centers, in the official notification they are known as ‘municipal committees’. [↑](#footnote-ref-14)
15. This is a local tax imposed on the trade of certain specific commodities traded within the urban center. [↑](#footnote-ref-15)
16. Rehman, Siad (2016) Situation Analysis & literature review on FATA Local Government System 2016;. [↑](#footnote-ref-16)
17. Rehman, Siad (December 2016) Comparative Analysis of Provincial Local Government Laws (some key aspects of provincial local government laws). [↑](#footnote-ref-17)
18. “Revenue Sharing for FATA: A Case for Fair and Symmetric Application of Equalization Scheme” Position paper of FATA Secretariat for National Financial Commission (2015). [↑](#footnote-ref-18)
19. NOTE: These activities under Output 2 will specifically compliment and build on the work already done under the UNDP-CSSF partnership. For example, building on support under the CSSF project for development of the 10-year socio-economic plan, this project will then focus on financial practices at the local level and improving the administration’s systems. The capacity assessment of FDA to plan, deliver and monitor the implementation of the reforms process was included in an earlier version of this document. It had also been covered under the CSSF and has been removed from this one . [↑](#footnote-ref-19)
20. Multilateral Aid Review, UNDP (2013 update) (accessible at: [https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/264571/UNDP-2013-summary assessment.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/264571/UNDP-2013-summary%20assessment.pdf) ) [↑](#footnote-ref-20)
21. UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that indicators are S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable evidence and data, and avoid acronyms so that external audience clearly understand the results of the project. [↑](#footnote-ref-21)
22. It is recommended that projects use output indicators from the Strategic Plan IRRF, as relevant, in addition to project-specific results indicators. Indicators should be disaggregated by sex or for other targeted groups where relevant. [↑](#footnote-ref-22)
23. There are a total of 26 reforms approved in principle by the Cabine. This indicator will therefore be a direct measure of the number of reforms being technically assisted by UNDP. [↑](#footnote-ref-23)
24. Optional, if needed [↑](#footnote-ref-24)
25. Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32 [↑](#footnote-ref-25)
26. Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years. [↑](#footnote-ref-26)
27. Budget for the activity will not be released to FATA Governance Project therefore it is not reflected – budget holder is Innovation Facility NY and RBAP. [↑](#footnote-ref-27)
28. To be used where UNDP is the Implementing Partner [↑](#footnote-ref-28)
29. To be used where the UN, a UN fund/programme or a specialized agency is the Implementing Partner [↑](#footnote-ref-29)