



Inter-Office Memorandum

To: Mr. Ad Melkert
Associate Administrator
Date: 15 May 2009

From: Tegegnework Gettu
Assistant Administrator & Director
Extension: 5900

Subject: **Request for the Approval of the DEX Modality for Four Regional Project Documents**

I write to seek your approval of the use of the Direct Execution (DEX) modality by the Regional Bureau for Africa in the implementation of four regional project documents, each designed to fulfill specific outcomes of the Regional Programme Framework (RPF) for Africa (2008-2011) and are in consonance with the overall objectives of the Strategic Plan (SP).

Background

Starting in mid-July of 2008, international consultants were recruited by the Bureau to prepare each project document. In addition to desk reviews, the consultants, as a group and sometimes individually, consulted face to face with the main stakeholders, principally the relevant Commissioners of the African Union and its related Regional Economic Communities, as well as the then RBA Director and his senior management team and relevant internal policy advisory staff of BDP, BCPR, BP and the Bureau. Draft project documents were then shared with the beneficiary institutions, RBA staff (at HQ and ASROs and sometimes with COs) and the Corporate Bureaux where-upon comments were shared with consultants for revisions to be made.

Prior to review and approval by broad-based Project Appraisal Committees, (please find attached invitation emails sent by the Deputy Director, PSD), the draft documents were further fine-tuned by RBA staff with technical and programme management skills to ensure consistency with the UNDP's guidelines and requirements.

Furthermore, on my assumption of responsibilities for the direction of the Bureau, after the PAC meetings, I put in place steps to share the final documents once more with some beneficiary and partner institutions as well as with relevant staff of BDP and BCPR. I also personally constituted a special 'readers group' involving myself, two of my Deputies, one RR/RC and at least one staff of the Bureau with technical knowledge of the project area, to peer-review the documents. The comments of the readers group have since been incorporated in the documents by RBA staff. It should be noted too, that prior to PAC, the vast majority of project documents were slated for execution by UNOPS. However, consistent with the ongoing policy discussions, these have been changed to DEX, and hence the request for your approval. Moreover, the revised project documents are all in compliance with the corporate regionalization strategy and so will be implemented directly by one or other of the RBA/ASROs or a relevant CO.

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Please find attached herewith the final project documents and the minutes of the relevant Inter-Bureau PAC meetings. Summarized below are the project titles, related project outcomes and outputs, the UNDP resources involved and the timeframe for implementation:

1. **Building African capacity to gain maximum benefit from inclusive globalization and regional integration**

This project, which falls within the first focus area of the RPF -- *Poverty reduction and achievement of the MDGs* -- will:

- Strengthen capacity for trade and development finance negotiations of AU and its member states;
- Provide support to research and analytical work related to trade; and
- Increase participation of women in regional and global trade.

In addition to the AU and RECs, this project will also provide much need trade related support to the UNOHRLLS.

This project will be managed by the UNDP Africa Sub-Regional Office (ASRO) in Johannesburg and, in addition to the policy advisory staff operating from that location, project activities will be carried out by the RBA Economists that were recruited towards the end of last year. Key partners will include the WTO, EU and the UNECA.

The budget for this project is estimated at \$4.1 million, to which RBA intends to contribute \$3 million. Project activities are expected to start in the second quarter of 2009 and to run to the end of 2011.

2. **Enhanced Human Security Through Strengthening of the Capacity of Regional and Sub-Regional Organizations to Control Small Arms and Light Weapons in Africa**

This project falls within the third focus area of the RFF, that is, "*Conflict prevention, peace building and economic recovery*", and is intended to contribute to the *Human Security Enhanced* programme outcome. It is expected to lead to strengthened capacities of Regional Economic Communities in Africa (ECOWAS, SADC, EAC, ECCAS, IGAD-RECSA) as well as that of the Peace and Security Commission of the African Union, NGO's and Civil Society Organizations to impose better controls on the cross border flows of small arms and light weapons, thereby reducing conflicts and their harmful impact on the continent.

The project is intended to achieve the following outputs:

1. Enhanced institutional mechanism and implementation capacity for the monitoring of arms transfers and trans-boundary flows of SALW in accordance with the legal requirements of regional and sub-regional institutional protocols ratified by the governments of the four RECs (ECOWAS, SADC, EAC, and ECCAS).



2. Qualified and trained Law enforcement, intelligence, customs and security agency personnel committed and adequately equipped to enforce international agreements for the management and control of all cross border trade licit and illicit arms.
3. Established mechanism and framework for sharing experiences and best practices on the formulation of coordinated strategies and policies on SALW control incorporating results based management under the leadership of the African Union.

After consultations with the RECs and the RBA CO, I have decided that this project be implemented by the Nigeria CO, based on its proximity to ECOWAS. Project activities will be implemented in close collaboration with BCPR, UNDPA and UNDPKO.

The budget for this project is estimated at just over \$3 million, all of which RBA intends to contribute. A small gap of a few thousand dollars will be closed through active resource mobilization which has already been started the UNSP unit here in the Bureau. Project activities are expected to start in the second quarter of 2009 and to run to the end of 2011.

3. Regional Energy Project for Poverty Reduction

This project falls within the fourth focus area of the RPF, that is, *Energy, environment and sustainable development* and is intended to contribute to the regional programme outcome related to *'Enhanced capacities of sub-regional and national institutions to deliver energy services'*.

The project will be managed by the ASRO in Dakar and is directed at strengthening the capacities of the Regional Economic Communities (ECOWAS, EAC, SADC & ECCAS), key government ministries and their officials, UNDP country offices, national electricity & energy utilities, local authorities and organised local energy enterprises.

The project is aimed at achieving the following outputs:

1. All Regional Economic Commissions/Communities (RECs) with regional energy access frameworks and countries with energy access integrated into national development plans.
2. Coordination, organizational and technical capacities of ECOWAS and EAC energy divisions strengthened to support the implementation of their respective regional energy policies in the member countries.
3. Decentralized and local level managed energy services delivery/models such as multi-functional platforms scaled up to include East and West Africa
4. An operational Information and knowledge management system incorporating data on energy poverty, energy access policies, financing options and successful delivery mechanisms

Implementation of project activities will be done on tandem with donor partners such as France, Austria, Norway (NORAD, Japan, Luxemburg, GTZ, and the EC as well as with private entities such as foundations, Gates, Shell.

The budget for this project is estimated at \$6.22 million, of which \$3.5 million will be contributed from UNDP regional programme resources. Already RBA has mobilized an additional \$2.3 million



from the European Union leaving a gap of \$0.42 million. RBA expects to easily fill this gap, probably tapping into our ongoing collaboration with the Gates Foundation. Project activities are expected to start in the second quarter of 2009 and to run to the end of 2011.

4. Management of Environmental Services & Financing for Sustainable Development

This project falls within the ambit of the fourth focus area of the RPF - *Energy, environment and sustainable development* – and is directly related to two RPF outcomes, namely (i) Participation of African governments and institutions in environmental/carbon finance, and (ii) Enhanced capacities of regional and sub-regional institutions to manage and deliver environmental services.

These outcomes are expected to be achieved through the support to the following outputs:

1. Countries familiar with building blocks of Bali road map, effectively participate in the post Kyoto post-Kyoto climate change regime and a foundation established for Africa's participation in carbon/environment finance.
2. Sub-regional mechanisms for managing shared environmental resources including instruments & guidelines for land use and tenure options developed and linkages to development and economic benefits strengthened.
3. Capacities of key ministries, private sector, public utilities and local communities strengthened, to actively promote and participate in Payment for Ecosystem Services (PES) using existing PES pilots as a basis for determining areas for capacity strengthening and for addressing constraints).
4. Capacities of Designated National Authorities strengthened with key staff fully familiar with Clean Development Mechanism (CDM) procedures, eligibility criteria and contribution of CDM to national development priorities and CDM projects in the pipeline or under development.

In implementing project activities, operational linkages will be established with regional GEF teams & DDC to align and synchronize activities across sub-regional and national levels and strengthen collaboration with UNEP, ECA, SADC and ECOWAS, to ensure sharing of information and harmonization of actions for improved and sustainable management of shared natural resources such as water and forests.

~~RBA has allocated \$4.5 million, to~~

With a budget of \$3.4 million this project is fully funded. Project activities are expected to start in the second quarter of 2009 and to run to the end of 2011.

Project Management Arrangements

It will be noted that, in line with the corporate policy on decentralization, project implementation will be the direct responsibility of the Deputy Regional Directors in the two ASROs and or an RBA RR/RC, while overall policy oversight will rest with the DRD, Policy and Strategic Division, RBA, under my overall direction. It will be noted too that, in all instances, I will establish Project Boards/Steering Committees for each project and, in order to address one of the gaps found in earlier RPF, I have delegated chairing to one of my deputies and or the relevant RR/RC.



The DEX modality is being requested for all four projects because RBA strongly believes that:

1. This is essential to carry forward UNDP's mandate to provide assistance to developing the capacities of national and regional institutions.
2. This is consistent with the increasing need for enhanced accountability and quality assurance. In line with this, RBA has taken steps to strengthen the operational and financial management and reporting capabilities in the two ASROs to ensure timely recruitment, planning, and reporting on project activities. This includes instructions I've already given for regional programme resources to be transferred directly to the two ASROs to support the recruitment of relevant staff to strengthen their operational services.
3. UNDP has the expertise (through its policy advisory staff at HQ and the ASROs, and in all COs as is the case with the RBA Economists), knowledge and systems to implement these central capacity development initiatives.
4. At the technical level, day to day project management will largely be delegated to the Policy Advisors resident in the ASROs, and where gaps in expertise and experience are detected, these will be supplemented from the market through open and competitive bidding processes.
5. The RBA Evaluation Advisors are already in place and will facilitate regular monitoring and timely evaluation of project activities.

In view of the above, your positive consideration of this request will be highly appreciated.

1 June 2009 - 31 December 2011

Approved by:



Ad Melkert
Associate Administrator, UNDP

Date:

28/5/09

Cleared by OS6:

Deese Sordman

19 May 2009

