

PROJECT DOCUMENT
SUDAN



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Project Title: Strengthening Country Systems and Capacities for Effective Aid Management, Coordination and Partnership to Deliver on Transitional Priorities in Sudan

Project Number: 00130149

Implementing Partner: Ministry of Finance and Economic Planning

Start Date: 1st October 2020 **End Date:** 30 September 2023 **PAC Meeting date:** 21 September 2020

Brief Description

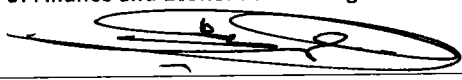
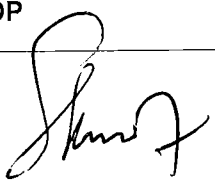
While development assistance for Sudan has been insignificant in the recent past, it is expected to grow substantially during the transition period following the 2019 revolution, with the new pace expected to continue and further expand once an elected government takes over from the transitional Government. This increased level of assistance requires, in addition to sustained political reform and trust-building, a strengthened country system with strong institutional capacities of the Government of Sudan to manage and coordinate on-budget development finance. This includes the capacity to drive harmonization and alignment between national development priorities, as reflected in the transitional constitution and the Covid-19 response, and the strategies of development partners to support Sudan.

The overall objective of this project is to strengthen the country systems that will determine how external aid flows are managed effectively by the Government of Sudan in order to align with national and local development priorities and address the vulnerabilities that lie at the heart of transitional priorities like sustained peace and economic reform as well as vulnerabilities exposed and aggravated by the impact of Covid-19.

This objective will be achieved through (1) reinforced institutional capacities for aid information management and the related system for data-driven decision-making, policy-making and reporting; (2) an updated aid management strategy for post-revolution Sudan, accompanied by an updated set of complementary policies; (3) an immediate capacity injection to key governmental units driving aid effectiveness, in under particular the Ministry of Finance and Economic Planning (MoFEP); (4) a strengthened national system for coordinating aid management with the center of government (PMO), key sectors, local governance systems, and the Central Bureau of Statistics; and (5) a reinforced nationally-led coordination mechanism for systematic dialogue between the Government of Sudan and its development partners.

Contributing Outcome (UNDAF/CPD, RPD or GPD): UNDAF OUTCOME 1: By 2021, people in Sudan, with emphasis on small producers and micro-entrepreneurs, have access to improved productive capacities that contribute to inclusive and sustainable livelihoods, job creation and ending extreme poverty. Indicative Output(s) with gender marker ² : CPD output 1.3. Local planning and service delivery capacities developed. Gender Marker 2	Total resources required:	USD 5,000,000		
	Total resources allocated:	UNDP TRAC:	USD 760,000	
		Donor:	To be mobilized	
		Donor:		
		Government:	USD 138,000	
		In SDG Equivalent		
		In-Kind:		
	Unfunded:	USD 4,102,000		
	Award ID: 00130149	Project/Output ID: 00123600		

Agreed by (signatures):

Government	UNDP
Dr. Hiba Mohamad Ali Ahmed Minister of Finance and Economic Planning 	Dr. Selva Ramachandran Resident Representative, UNDP Sudan 
Date:	Date: 29.09.2020

I. DEVELOPMENT CHALLENGE

After decades of authoritarian rule, Sudan is in a transition to civilian democracy, sustained peace and economic recovery. The transitional procedures were formally defined in the Political Agreement signed on 17 July 2019 and the Constitutional Charter for the Transitional Period signed on 4 August 2019. The enthusiasm for a new Sudan is complemented by the realization that the path forward is fraught with many challenges. The immediate and fundamental challenge is to deliver changes that citizens expect and to navigate the political process towards the end of the transitional period.

With Covid-19 spreading at an increasingly accelerated pace in Sudan, the transitional issues are furthermore compounded by challenges in the country's socio-economic structures, which make Sudan ill-equipped to address the Covid-19 impact. This has significant potential to obstruct the political and economic transition process that started in August 2019.

With urgent action needed to address the most pressing threats to the population's socio-economic possibilities and the prospects of an inclusive and effective governance system prevailing in Sudan, **the influx and management of external aid flows and other forms of international support will be a key determinant in whether Sudan manages to transition to a scenario of sustained peace, resilient fledgling institutions and a burgeoning economic recovery.**

With this in mind, it is important to understand the complex manner in which external assistance for Sudan operates. Sudan's unsustainable external debt exceeding USD 56 billion or 198.2 percent of GDP at end-2019 is limiting its access to external financing. External assistance to Sudan over the past decades has been negatively influenced by issues of conflict, governance and human rights resulting in the decision of most donors to focus their assistance on needs-based approach targeting conflict and disasters affected vulnerable populations. Emphasis has therefore been on humanitarian assistance, although much of this assistance covers recovery and development. External financing constituted on average less than half of the development budget during 2012-2019 but with a declining trend from 42 percent of the development budget in 2012 to 29 percent in 2019 (see table 1).

Table 1 - Indicators of External Financing

	2012	2013	2014	2015	2016	2017	2018	2019 est.
Total government spending	30,607	41,755	56,507	62,642	69,564	91,400	162,800	211,100
Current	25,864	35,078	47,228	53,365	57,978	86,100	155,800	205,300
Development	4,743	6,677	9,279	9,277	11,586	5,300	7,000	5,800
Financing								
Domestic sources								
a) Revenues	21,253	32,279	48,661	52,820	56,107	77,000	124,900	164,800
b) Borrowing	7,386	5,384	3,669	6,707	10,093	14,000	34,400	44,600
External sources	1,968	4,092	4,177	3,115	3,364	400	3,500	1,700
Indicators of external financing								
In percent of total development	41.5	61.3	45.0	33.6	29.0	7.5	50.0	29.3
In percent of GDP	0.9	1.3	0.8	0.6	0.5	0.04	0.3	0.1
Food aid (WFP) indicator								
In percent of GDP	0.6	0.4	0.4	0.5	0.4	0.2		

Source: Ministry of Finance and Economic Planning, Budget General Directorate and Budget Book for 2020

While the Transitional Government of Sudan is determined to respond to the range of challenges to sustained peace, humanitarian action and socio-economic recovery and development in a comprehensive and whole-of-government approach, **it is nonetheless evident from the data displayed above that without the addition of external resources the response and recovery efforts can and will not be fueled by adequate and rapid action.**

However, as evidenced by numerous other global experiences, the determining factor for the way forward is not merely whether or not the international community makes resources available to supplement Sudan's domestic financing. **Rather, the key question that will consequently arise and, in large part, determine the solidity of the way forward is how external development finance can be channeled accountably and transparently to those most in need. For this to happen Sudan's country systems for management of external aid flows need to be strengthened significantly to the point of ensuring a high level of confidence among donors to ensure that aid is delivered on-budget rather than through parallel systems.**

It is to this avail that UNDP has already realigned efforts made over the past months to analyse gaps and design an impact-oriented framework for providing support to the transitional Government's institutional arrangements and capacities for effective aid management and coordination.

The result of this analysis is dual:

First, the regime change and the prospects for an imminent peace agreement to finally settle the ongoing conflicts in Sudan has created a window of opportunity for fundamental change in the relation between development partners and government, from a relation that was characterized by trust deficit to a true partnership. The transitional Government is moreover committed to undertaking the requisite macroeconomic reforms to clear Sudan's external arrears through the HIPC¹ process and create fiscal space to address the country's development challenges and improve the confidence of development partners to boost their assistance. Equally, the recent merger of the Ministry of International Cooperation (MIC) with the Ministry of Finance and Economic Planning (MoFEP) has provided a window of opportunity to have one focal point for aid management compared to the previous fragmentation. Additionally, the Prime Minister's Office (PMO) is explicitly committed to actively supporting a strengthened and streamlined aid management and coordination in Sudan – efforts that UNDP is providing ongoing support to.

Second, major constraints are facing aid management and coordination in Sudan. These include the lack of a strong consistent focal point for aid management, delinking of aid from the economic planning process, weak coordination between the various line ministries as well as between the federal government and the sub-national government, reluctance from some donors to provide the required information that enables a better tracking of the aid, and volatility in the aid coordination institutional set up². Sudan's nascent political relations with the international community complicate

¹ Sudan is eligible for debt relief under the Highly Indebted Poor Countries HIPC's initiative, but has yet to meet all the qualifications which will help pave the way for regular external assistance

² The Ministry of International Cooperation (MIC), which was supposed to coordinate aid in Sudan, established as a separate Ministry in late 1990s, was restructured in 2005; dissolved in 2013, re-established in 2015 and then merged with Ministry of Finance and Economic Planning in September 2018

the situation further. Many grants remain off-plan and off-budget. There is very limited predictability. Even aid information is not easily available for the government. Many donors are operating in an enclave, with their own project cycles and procedures for appraisal, procurement, and disbursement of aid. Many development partners established funding mechanisms for development activities, without channeling them directly through the government, weakening the already poor government capacities in handling external assistance. The Sudanese aid landscape is also characterized by the weak policy dialogue around the key issues of aid. With limited coherence, institutional capacities and coordination, the risk is evident that a trust deficit between the government and development partners will prevail in spite of the political goodwill generated by the political transition. These issues are now exacerbated and infused with increased urgency due to the impact of both Covid-19 itself and the *measures* taken to curtail its spread.

II. STRATEGY – developing aid management and coordination capacity as a core function of the transitional government

With the development challenges and gaps related to aid management in Sudan defined clearly, the needs and priorities are increasingly crystalizing, making it possible to engineer a useful strategy to address the key challenges.

As a foundational aspect for crafting the strategy – and the theory of change it is inspired by – it is critically important that the effective management of development finance (ie aid management) pledged and contributed to Sudan is not regarded merely as a *donor coordination exercise* but is rather accepted, by all development partners, as an indispensable core function of government. While Sudan is struggling with fragility it further takes on outsize importance that aid flows are managed effectively in order to build trust in the interface between State and society. Along with other components of public financial management and SDG financing, the effective, transparent and accountable on-budget management of external aid will, in other words, be an integral part of building and solidifying a new inclusive social contract in Sudan.

Institutional capacities to instrumentalize aid to deliver on transitional promises

From the acceptance of aid management as a core strategic function of government, intimately tied to the ability to deliver on transitional promises, it flows logically that there is a pressing need to develop the national and local institutions responsible for managing aid flows.

The theory of change of the project considers that without strong country systems with capacity to absorb large, and in some cases sudden, volumes of external aid and translate it into tangible dividends for all population groups, trust is likely to erode not only between government and donors but also, and even more critically, between government and society.

Therefore, the project proposes various pathways for developing Sudan's national capacities for aid effectiveness, including the strengthening of aid information management, development of institutional capacities, a reinforced policy framework on aid management to ensure sustainability, and agile but systematic development partner dialogue. These pathways all revolve around the objective of producing an aid management and development cooperation set-up that is coherent and aligned with SDGs based development planning.

Therefore the strategy of this project will be grounded in institutional capacity development for data-driven aid management, as well as efficient coordination both across key governmental units and with key development cooperation actors.

The role of the *Center of Government* in aid management

As part of the strategic considerations, it is central to rally the full strength of the transitional government behind aid management and coordination efforts means that, in addition to the relevant units in the Ministry of Finance and Economic Planning (MoFEP) leading the daily implementation of priorities, the *Center of Government* in Sudan - ie the PMO, MOCA and key Crisis Management Structures – will also need to be leveraged in favour of a revised aid management set-

up. This is required to help direct aid toward strategic priorities of the transitional government, mitigate the effects of aid dependency and eventually manage a transition from recovery to a more steady development partnership with partners.

In the Sudanese context, driving aid management from the Center – with the PMO and the MOCA rallying behind MoFEP as the centerpiece in aid management – is also central to ensuring the interface with the humanitarian sector (ie the Humanitarian Assistance Commission, HAC) which is otherwise likely to be detached from a reinforced and nationally-owned aid management architecture. A scenario of parallel structures which has unfolded in numerous crisis-affected settings and which is crucial to avoid.

It is worth stressing that the importance of the Center of Government does not mean that aid management should be absorbed by the PMO or a crisis management centre, even in the context of Covid-19. Rather it is advisable that it is anchored in the ministry with the most technical capacity to align aid management with core PFM systems in order to ensure all development finance is brought on-budget with maximum fiscal discipline and transparency. In the case of Sudan this ministry is the Ministry of Finance and Economic Planning. This is the only way to genuinely drive consistency, accountability, transparency, continuity and ownership – elements that ultimately amount to effectiveness.

The catalytic role of aid management in sustaining peace

This project intervention emphasizes the key point that delivering on aid management does not only mean building effective institutions, ensuring external aid is put on the budget, strengthening fiscal discipline, collecting data, coordinating support of various development partners with differing interests etc. Rather than these largely technical objectives, the reality is that aid management is inherently political. Each decision either addresses vulnerabilities and grievances or it, conversely, evades the responsibility to do so. Therefore it is partially in the management of aid that the seeds of a crisis – or relapse into crisis – are sowed.

This means that aid management benefits, in particular in the fragile settings where UNDP works, from more alignment to transitional and conflict prevention priorities, including sustained peace and addressing inequalities and vulnerabilities that are at the core of a transitional agenda or a fledgling political settlement.

This is the approach to aid management that this project will support. An approach that ties aid management to sustaining peace by supporting the Government of Sudan and its development partners in engineering systems that help identify and address vulnerabilities and needs at the heart of the nexus between emerging humanitarian, development and peace issues. An approach that explores the full potential of aid management to contribute to mitigating social, gender, geographical and other divisions in Sudan, some of which lie at the heart of the overall threats to a successful consolidation of peace.

Such efforts on directing aid flows toward humanitarian-development-peace nexus priorities; mitigating the effects of aid dependency; and eventually managing a transition from recovery to a more steady development partnership holds significant and currently untapped potential as a strategic entry point for sustaining peace in Sudan and, ultimately, transitioning to sustainable development pathways.

Flow from Strategy to Programmatic Design

It is against these multiple strategic considerations that the development challenges defined in the initial section above, rooted in up-to-date analysis, form the basis for how this project is designed to address (a) the need to strengthen **management of information** on aid flows as well as on the needs and vulnerabilities they must address; (b) **policy and strategy development** to ensure a solid, predictable framework that all development partners can align to; (c) **institutional development needs** in key Ministries and agencies, including but not exclusively³ the relevant units of the Ministry of Finance and Economic Planning; (d) the need to **strengthen coordination across government**, including with the local level of governance, and avoid fragmentation; as well as (e) the need to **strengthen the interface with development partners to ensure transparency and mutual accountability**.

Support to aid management responsibilities of MoFEP as the main counterpart

With this overall programmatic design in mind, the project's main counterpart will be the Ministry of Finance and Economic Planning. As a consequence, it is part of the strategic approach that the project will have a strong lens on building the capacity of MoFEP – and its focal points in sectoral line Ministries/agencies and the states – to be more effective in performing their role of aid coordination and management to improve development results. With MoFEP's clear mandate on aid management, as well as the overwhelming array of activities, partners and synergies it has to coordinate, it will undoubtedly be a key priority to strengthen the institutional capacities of MoFEP.

There is already a dialogue process between MoFEP and the development and humanitarian partners which can be built on.

MOFEP will have to ensure streamlining SDGs and linkages with the “National Mechanism to Supervise the SDGs” and ensuring resource mobilization. Coordination is required across several sectors and mechanisms.

MOFEP is also expected to lead coordination of the National Financing Framework (NFF) in accordance with The Addis Ababa Action Agenda (AAAA). The assessment process which is a nationally owned process based on a holistic approach involves many players. This process is demanding in terms of data, and consistency of policies requiring strong coordination capacities.

The government has signed The United Nations Development Assistance Framework (UNDAF) 2018-2021. The Sudan Joint UNDAF Steering Committee, co-chaired by the Minister of International Cooperation and the UN Resident Coordinator, will serve as the main forum for Government-UN interaction, at the strategic level, to guide the UN's collective efforts towards development results in the country within the context of the UNDAF. The framework which will guide UN agencies specific programs in the country must be considered in the coordination process for synergy, consistency and avoidance of overlapping.

Sudan is one of the countries that has adopted the pilot ‘new way of working’ to bridge the humanitarian-development divide, including the multi-year humanitarian strategy 2017-2019. As the collective outcome is about removing barriers between humanitarian and development actors, it will

³ Supporting relevant units in the PMO, the Central Bureau of Statistics and line ministries is also critical to support the evolution of a well-coordinated ecosystem for effective aid management.

require from the government side the full engagement of HAC, Ministry of Finance and other line agencies in order to reap the full benefits that will accrue from this approach. Areas agreed upon are i) macroeconomic reform and growth ii) basic services provision iii) climate change and iv) governance. MOFEP has agreed with development partners on this collective outcome approach which requires considerable coordination and strong engagement.

The government is now embarking on the preparation of the PRSP based on the 2014 Baseline Household Survey. The PRSP provides a more open dialogue among different stakeholders. The development partners have strongly embraced the principles of the PRSP approach, and are willing to align their assistance programs to support PRSPs. This requires strong coordination between the government and the development partners. The Ministry of Finance and Economic Planning, will play a vital role in organizing and steering this coordination.

The complex coordination tasks requires well trained staff. As MoFEP will act as the secretariat for several coordination fora related to development cooperation, the project seeks to strengthen the staff's knowledge, skills, and capacities to improve the coordination process and to undertake related tasks of aid management assigned to MoFEP as a focal point.

It is also worth emphasizing that the full spectrum of decision-making for effective aid management and coordination will depend on a system for accessible, transparent, and timely information on aid flows to ensure evidence-based decision-making that is aligned to national and local priorities. As a consequence, it is highly strategic for the project to support both a review and development of the already existing SAID (*Sudan Aid Information Database*) system and a boost of monitoring capacity to ensure high-quality reports are produced with regular intervals agreed upon with development partners.

III. RESULTS AND PARTNERSHIPS

With the lens firmly set on the challenges defined above in section one as well as the strategy, conceptual approach and theory of durable change defined in section two, **the overall objective of this intervention is to improve the ability of the Government of Sudan to coordinate and manage external assistance in the transitional setting, with a recovery that is further compounded by the Covid-19 impact.**

The support provided will consequently be solidified and expanded to have direct and positive ramifications on the longer-term ability of the GoS to effectively manage all aspects of development financing (domestic and external) that will be needed on the path to sustained peace, strong institutional frameworks, and socio-economic recovery. Managing aid effectively, relying on strengthened country systems, will be crucial for all these elements – in both the immediate term and in the longer-term.

As such, the current scenario presents an opportunity to develop the aid management architecture in Sudan rooted in analysis⁴ already carried out by UNDP in the past months of what works, what has worked in the past 15 years of UNDP support to aid coordination, and – not least – what elements of the aid management cycle are flawed and in need of imminent support.

Flowing from this analytically-informed objective, UNDP and partners will help introduce and adapt the country system needed for integrating external assistance within the tracking and financial management system of the Government of Sudan, and aim to ensure that MoFEP as the key counterpart is capacitated to adopt a comprehensive approach to coordination, taking into account broad-based national priorities and the obligations of the international community.

In sum, the overall outcome that this project will make a clear contribution to is a significantly strengthened country system for the transitional government of Sudan to effectively manage and coordinate aid flows and other development cooperation contributions pledged and contributed to Sudan.

The development impact that this will contribute to is more effective and responsive delivery on the promises of the transitional constitution to address the needs of all population groups in Sudan, including those groups most affected by poverty, social exclusion, gender-based discrimination, conflict dynamics, regional disparities, and other vulnerabilities.

Expected Results

The aspirations outlined above are manifested in three expected results which are firmly within the span of control of the project.

⁴ Including consultations with key national counterparts, notably the Ministry of Finance and Economic Planning.

- ❖ First, information on aid flows will be strengthened to ensure that aid is tracked comprehensively and that the data is transparent and available for evidence-based decision- and policy-making.
- ❖ Second, the strategic policy framework on aid management will be updated and institutional capacities will be reinforced to enable implementation of relevant strategies and policies.
- ❖ Third, development effectiveness will be increased through coordination across government as well as with development partners with a view to replace fragmentation with dialogue, heighten transparency and enhance mutual accountability.

These results, in turn, flow logically into the following related outputs and sub-outputs.

Output 1: Sudan’s aid information management system (SAID) is revamped and customised to ensure access to the data needed for evidence-based policy- and decision-making at national and local level

The aim of this output is that the Sudan Aid Information Database (SAID) is revamped and customised to the current context and global good practices and systematically collects data; make information publicly available through strategic external communication⁵; support M&E and reporting requirements of donors; and apply information for data-driven decision-making which can ensure that development finance targets the most vulnerable population groups in terms of (a) covid-19 impact and response needs; and (b) development, recovery, peace and humanitarian needs for the transitional period and beyond⁶.

Sudan’s Aid Information Database (SAID), which was launched in April 2010, was developed as part of the UNDP-supported Capacity Development for Aid Management and Coordination project. The system tracks funds and mapping for proposed and approved programs/projects by sector and location. It has features to show project or program information in geographical target areas; key financial data such as total aid provided, total commitments, disbursements divided into years; and it has a general reporting tool with the ability to produce data grouped by state, region or executing agency. However, SAID is not fully functional in terms of producing reliable data due to data availability problems. The data entered for 2005-2015 has considerable weaknesses and inconsistency and requires considerable revision. The plan now is to move to a scenario where each donor uploads its data in the SAID system, starting with 2018 data. Success of this endeavor will depend on all donors’ willingness to provide the needed information and upload it into the system. Success of the system will also depend on a strong leadership by MOFEP to ensure that complementary data from HAC and humanitarian partners is incorporated in the overall picture of aid flows in Sudan.

The availability of accurate and timely data of aid flows, and development cooperation information will enhance the government capacity to manage development finance on-budget and will assist in

⁵ In collaboration with the Strat Comms of the PMO.

⁶ vulnerable groups are likely to include covid-19 or otherwise health-affected people as well as IDPs, women, children, neglected geographical regions (identified by the NSO/CBS) etc) as well as areas/sectors that are deemed particularly catalytic for delivering on the priorities of the Sudanese Covid-19 response and, in the more medium-term, for delivering on the Transitional Constitution and its Framework.

evidence-based policy dialogue by providing an updated picture on the status of development cooperation in Sudan, both as a country and down to the levels of results from programmes and projects supported by various development partners.

This component will build on previous investments made by the UNDP *Capacity Development for Aid Monitoring and Coordination Project* which already helped establish the SAID.

The support to aid information management will be supplemented by efforts to harmonize it with Monitoring and Evaluation system which will be endorsed and led by MoFEP. As such, the SAID will be aligned with the national M&E framework for development in the country to give a clear picture of where and how the development cooperation is contributing to the national development plans. The harmonized SAID and M&E systems will advise the coordination forums.

Finally, as a key addition to the revamped SAID, the database will be designed to integrate information on socio-economic and other needs of vulnerable populations in order to ensure that demand and supply is matched as well as possible. The project will solicit the support of local level authorities, including at state level, to help provide timely needed information to MoFEP for ensuring the integration of local level needs and development cooperation in the SAID.

Output 2: The existing policy framework, institutional arrangements, and institutional capacities of the Government of Sudan to effectively manage external aid is strengthened

This output will be achieved by delivering the following two sub-outputs:

- ❖ Aid management and coordination policies as well as the draft Sudan Aid Management Strategy (from 2015) are updated, and a mechanism across the *Center of Government* (MOFEP joint with PMO, MOCA, Central Bureau of Statistics) is established and supported with a view to facilitating data-driven policy-making to immediately align aid with transitional constitution priorities and socio-economic vulnerabilities, factoring in Covid-19 response priorities.
- ❖ An immediate injection of capacity to the MoFEP to (i) strengthen linkages between the Finance Secretariat (Budget General Directorate and Development Directorate) and the Planning Secretariat, and (ii) bolster technical capacity across key units through advisory support, training to decision-makers on aid management, development of policy options and procedures for aid management, and monitoring processes.

This capacity development will be targeted primarily to (a) the *Aid Coordination Unit (ACU)* of the MoFEP which is currently severely under-resourced, under-staffed and in need of a higher profile in the organizational structure of MoFEP as well as training on the SAID system for data management; (b) the PMO to strengthen the interface with the MoFEP ACU and increasingly underpin and support the aid management agenda from the political center; (c) the current emergency management architecture⁷; (d) the Ministry of Federal Governance (MoFG) as well as relevant local authorities; and (e) the Central Bureau of Statistics.

⁷ As of early April 2020 two structures coordinate and respond to the COVID-19 crisis, these are the High Council on Emergency (HCE) and the Sudanese Platform to Confront Corona (SPCC). Both were created in March to respond to the emerging COVID-19. In addition the National Centre for Crisis Management (NCCM) is playing an increasing role in terms of coordination and decision-making.

The capacity of government counterparts, including all MoFEP ACU staff, and their focal points will be developed in areas like basic planning and budgeting process, macroeconomic fundamentals and public financial management. Capacity development efforts will also ensure that all partners understand Sudan's strategies and plans to ensure linking of development partners' resources within overall annual plans, budgets and public expenditure programs, leading to stronger national ownership. Capacity will also be developed on understanding of the key components of international development effectiveness, including the Paris Declaration, Accra Agenda for Action, SDGs, Poverty Reduction Strategy Papers, HIPC initiative, and how they have potential to influence government choices.

MoFEP staff is required to prepare documents and assist the ministry's leadership in writing memos or making presentations to the line agencies, development partners, Cabinet and National Assembly, so the project will support skills development for MoFEP staff and the new graduates including in computer skills, report writing and presentation skills.

Writing project proposals with inputs from technical line agencies is important to ensure government driven priorities. Weak skills in this area make project proposals and designs donors driven. The project will therefore boost the capacity of MoFEP (including all ACU staff), line agencies and focal points in the states in the area of writing good quality project proposals, through both direct technical support and through capacity transfer and on-the-job training.

Moreover, the project will provide support to ensure that the MoFEP ACU is capacitated to drive effective aid management and coordination through a result-based management approach. The project will equally support capacity development of focal points in line agencies and the states on aid coordination, result-based management, reporting and M&E.

Output 3: Government-led coordination mechanisms for aid management are reinforced

This output has a dual focus on (a) supporting the set-up of systematic and strengthened dialogue between the transitional government and development partners, including through a new Government-Partner Coordination Forum as well as support to the Sudan International Partners Forum (SIPF) secretariat; and (b) domestic sector coordination to assist the government in designing a streamlined effective and nationally owned process for an aid coordination architecture.

To deliver this output, the project will support management of dialogue and coordination forums and will provide both support to the technical and national secretariat/s for the forums and the policy advice required to manage the dialogue and coordination in these forums. In this regard, the harmonized and customized information and M&E systems will also play an important role in providing useful inputs required to support the dialogue in the forums.

While MoFEP will chair, organize and play the secretariat role for the intra-government forum on aid management and coordination, the forum is expected to anchor its progress in inputs and advice from technical participants. Members of the forum are planned to include the government ministries which have direct relations with development cooperation. This includes line ministries

such as the Ministry of Health (which has an outside role during the Covid-19 response), the Ministry of Education, Ministry of Welfare and Social Security, Ministry of Foreign Affairs, Ministry of Federal Government which coordinates the local level of government, as well as other agencies such as the Humanitarian Aid Commission, the National Intelligence and Security Service, the Central Bureau for Statistics and any other entities with a lead role on SDG monitoring and implementation.

The role of MoFEP in leading coordination with external donors will be rooted in updated aid information and good evidence-based international practices in aid coordination and aid effectiveness, including through south-south and triangular cooperation.

Agenda and issues for dialogue in the forums will include the revised national aid strategy, related policies and legislation, decisions and actions required to improve utilization of development cooperation in addressing the gaps in resources and capacities required to achieve national development goals and priorities. In this regard, the issues expected to be discussed in the forums are the approaches to coordinate cooperation needed to support mainstreaming and implementing the international development agendas to which Sudan is committed to such as the SDGs, the Paris Climate Change Conference (COP21), and the International Financing for Development Conferences. As a consequence of the transitional government's strong commitment to these global agendas, the project will support national and local stakeholders in aligning development cooperation in Sudan with the new global development effectiveness approach, including alignment to SDG financing initiatives.

The forums are expected to discuss study and exchange views and provide recommendations on development issues such as humanitarian assistance and development cooperation interlinkages and the efforts which will be needed to implement the upcoming Poverty Reduction and Strategy Paper (PRSP). In addition to this, and in light of the new global approach for development cooperation, the Global Partnership for Effective Development Cooperation and Financing for Development, issues to be discussed in the forums are expected to cover exploring ways to provide required cooperation to support development of local resources for development, Public Private Partnerships and Corporate Social Responsibility, Science, technology, innovation and capacity development.

To ensure all stakeholders in the government are working in harmony, this capacity development efforts will also be offered to representatives from selected line agencies and focal points with local authorities/states. Informing and sensitizing key high-level policy makers particularly at state level to solicit their support for new initiatives will be important for the role of MoFEP in aid coordination. This is particularly true as aid information in the states spreads across several line agencies and coherence becomes challenging. The project will support workshops for policy- and decision-makers including Governors, Ministers and General Directors of States Ministries of Finance and of other line ministries. The Director of HAC, and members of the state assemblies will also be targeted through these workshops to raise their awareness and gain their support for aid coordination and provision of aid information.

The work of both the intra-government and the government-partner aid coordination platforms will be informed by the updated SAID (output 1).

Project Implementation Modality

For this project, a National Implementation Unit will be created within MOFEP.

The National implementation Modality is a modality that provides non UN partners with an opportunity to implement development cooperation projects funded by UNDP in a much flexible manner that ensures national ownership, utilization of national capacities and lower operation costs. Under NIM and as implementing partners, government institutions are responsible for the technical and administrative implementation of a development cooperation project pursuant to UNDP Rules and Regulations.

Realizing the immense potential that such a modality can offer to Sudan, in terms of lowering project implementation costs and making use of local capacities, UNDP Sudan is embarking on a process intended to build local capacities for the use of national implementation as a modality in the implementation of UNDP funded projects. An important initial milestone in this process, is the initiation of a due diligence process intended to set the necessary structures, tools and procedures for NIM to be effectively established. An inherent element in this process is the elaboration of guidelines that are used in the NIM process. These guidelines will be reflected in an operational manual for National Implementation that was developed by UNDP experts.

The National Implementation Unit within MOFEP will be entrusted with the role of overseeing the development and operationalization of the NIM in Sudan in a more structured and coherent manner. The role of the Unit will be to build capacities, ensure synergies, advocate for the concepts behind NIM and support all NIM partners in the country. The National Implementation Unit will also act as a PIU for this Project, where the independently recruited NIM Unit Manager will also act as the Project Manager for this Project. In addition to the Project Manager, the Project Implementation/NIM Unit will be staffed with a Project Assistant. The Project will use the services of a short term IT Expert as well as an M&E Expert to provide support in key strategic areas relating to the SAID System/M&E System and other aid information flow actions.

MOFEP will ensure cost effectiveness and efficiency in utilizing the technical assistance resources by coordinating the project activities with technical assistance provided by other development partners to MOFEP. A unified oversight for technical assistance provided to MOFEP will be required.

For efficient utilization of the project resources, MOFEP may need to undertake some internal reorganizational arrangements for aid coordination. The aid coordination unit and the M&E unit are separate units under different administrations, within MOFEP, despite their complementary nature of their work and, notably, the Aid Coordination Unit is understaffed with only two staff members. It is therefore a requirement for successful implementation of the project that the MoFEP Aid Coordination Unit is boosted with fresh human resources.

Resources Required to Achieve the Expected Results

The project will be funded partially from UNDP TRAC resources. The Government of Sudan is expected to provide domestic cost sharing contribution to the project. The cost-sharing of the

Government will be in cash and kind. The Government cost sharing will cover the provision of office space for the project within the Government premises, covering the costs of utilities for the project offices and seconding government staff to the project. The Government will also provide local counterpart costs to the project to cover the costs of other operational expenses, including salary topping for Government staff.

Partnerships

The main implementing partners will be UNDP and MoFEP. These core partners will be accountable for delivering the results indicated above and in the results framework on output level.

The ACU and other relevant staff in MoFEP will, in addition to the federal and states focal points responsible for development cooperation, be targeted particularly for capacity development efforts. The ACU will thus be a direct beneficiary of the project in support of their lead role on Aid Management and Coordination, Aid Information Systems, Aid Monitoring and Evaluation, and support to intra-government and government-development partner dialogue and coordination forums.

Through partnership with MoFEP and through work on issues such as Public Private Partnerships, Corporate Social Responsibilities and Civil Society, the project will also have other partners in the Ministry of Finance and Economic Planning (MoFEP), Ministry of Labour and Social Welfare (MoLSW), the Humanitarian Aid Commission (HAC) and the Sudan Global Compact Network.

The project will also work closely with key states and other local authorities where development cooperation activities are being implemented. To ensure better response from focal points in the states, MoFEP needs to adjust its current system of appointing one individual as a focal point in the state, and move more towards the institutional focal point by making the Directorate of Planning in the State Ministries of Finance as the focal point.

International development cooperation agencies and other donors – multilateral, bilateral, foundations INGOs etc – will be key partners for the project. Without their full proactive engagement progress on parameters like transparency, accountability, coherence and coordination will not be possible.

Risks and Assumptions

A key assumption is that the government of Sudan, including the center of government (ie the PMO and MoCA) will rally behind finalizing the endorsement of the national Aid Strategy and complete establishment of the dialogue forums which will include both intra-government and government-development partner forums.

There is also the assumption that development partners will be willing to engage actively and transparently with the dialogue forums. In this regard, the risks which may be encountered may include delays or failure to endorse the Aid Strategy, and/or the delay or failure to complete establishment of the dialogue forums.

Without the support and cooperation of all stakeholders in providing MoFEP with required data on external assistance, aid coordination and management may not be effective. The commitment of all the development partners as well as HAC to provide the needed information is therefore of paramount importance.

Finally, financial resources have not yet been secured for full-fledged implementation.

Some potential risks and proposed risks mitigation actions are listed below:

Risk	Risk Mitigation
The institutional set up of MOFEP changes once more	The staff and the facilities will still be needed to perform the same functions within the government irrespective of the future organizational set up. Improving the capacities of GoS staff will serve as an incentive for the new body if so decided to absorb them and this will enhance aid management for the country
Focal points in the states are not engaging with aid management and coordination mechanisms to provide information on needs and ongoing development cooperation	<ol style="list-style-type: none"> 1. MoFEP will reach out and conduct regular field visits 2. The project will engage regularly with the Director of HAC 3. The project will conduct awareness workshops in the initial phase to demonstrate the importance of information in aid coordination activities 4. Training of state-level staff and continued communication between MOFEP and the Directorates of Planning in the states
The humanitarian sector does not export information on humanitarian aid to the SAID to enable a comprehensive picture of external assistance	Ongoing high-level meetings to ensure engagement of HAC with the aid coordination mechanisms developed under this project
Lack of resources available for project implementation	UNDP and MoFEP will work together to mobilize additional resources, based on a resource mobilization plan developed for the project.
Potential incidents of fraud by suppliers in delivering defective goods	UNDP and MOFNEP will conduct joint monitoring of all deliveries and ensuring that defective goods are accordingly replaces
Inability or delay in implementation due to COVID-19 and contraction of the virus	<p>Engage with the Sudan COVID-19 working group to get updated on the status and needs.</p> <p>Review and modify the work plan with Project Executive Board when required.</p> <p>Embedment of a budget implication for PPEs to be used especially for capacity building activities</p>

Stakeholder Engagement

The main stakeholders will be the staff from MoFEP, PMO, HAC, State Ministries of Finance, relevant Federal Ministries as well as members of the civil society and a range of the most important development partners active in supporting the transition in Sudan. Stakeholders also includes other UNDP Funded NIM Projects which will benefit from the support of the NIM Unit and some of the training that it will provide, especially on the NIM Manual.

The project will take a multi-stakeholder approach to reaching its expected results. Specifically, the project will, already from the inception phase, promote and strengthen a national and local multi-stakeholder platform for aid management and coordination. Other strategies for engaging stakeholders through the project cycle will include: multi-stakeholder workshops, including at the

project's inception phase, recurring learning events, making assessments and mappings as well as learning activities as participatory as possible.

At the global and regional level, UNDP, MoFEP and other partners will facilitate engagement through existing partnerships and regional and global mechanism and through global knowledge networks and community of practices.

South-South and Triangular Cooperation

Supported by UNDP the project will share experiences and facilitate South-South exchanges on aid management and coordination with other countries, especially countries in fragile and/or political transition settings. In addition, the project will organize development effectiveness forums where participants from countries in the relevant regions would be invited to provide inputs and enrich the discussions with a positive impact on the expected results of the project.

Knowledge Management

With the update of the SAID, the project commits to producing an up-to-date database on international development cooperation in Sudan including grants, technical assistance and loans. The database will be linked, and harmonized, with the national database on international humanitarian assistance to Sudan. This will result in a wealth of new opportunities for data-driven decision-making on development issues that are vital to sustaining the transition in Sudan as well as responding to pressing issues like the Covid-19 .

The project will also ensure dissemination of lessons learned during implementation, including to (and from) other countries. This will be done primarily through the network of UNDP and partners, with the support of UNDP's Global Policy Network, but can also involve all other interested partners.

Sustainability and Scaling Up

The project implementation modality will be national implementation. Therefore, the national capacities to plan and implement capacity development initiatives for strengthening development effectiveness in Sudan are expected to be enhanced, with a view to ensuring that the Government of Sudan will be able to sustain the activities of the project.

The entry point for building this level of durable capacities is the Ministry of Finance and Economic Planning and, in particular, its Aid Coordination Unit which the project will endeavor to support in developing long-lasting capacities. As part of the project's sustainability strategy, it will also make a concerted effort to scale these capacities out to sub-regional offices across Sudan to ensure long-term durable institutionalization, and thereby sustainability, of the results delivered through this project.

IV. PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

The proposed project approach and interventions will focus on developing effective partnerships for development and maximize the gains out of these partnerships through following a partnership

approach which is aligned with new approaches for financing development required to accelerate achievement of SDGs. In this regard, it is worth highlighting the fact that the specific project collaboration between MoFEP and other branches of the national and local government, and governance systems, is important.

With its central focus on managing and coordination aid flows in more effective ways, the project is catalytic from its onset. Successful implementation will lead to more concerted, accountable and transparent development cooperation from all partners supporting the aim of ensuring sustained peace and socio-economic recovery of the Sudanese population.

Project Management

The project unit will be housed in the offices of MoFEP and the project will work closely with other development projects, aiming to forge catalytic partnerships. The project will also provide support to other NIM Projects especially newly established projects which require support in the NIM Modality. Being a nationally implemented project, the project will be audited once a year following the procedures of UNDP annual audit.

V. RESULTS FRAMEWORK²

<p>Intended Outcome as stated in the UNDAF/Country [or Global/Regional] Programme Results and Resource Framework: UNDAF OUTCOME 1: People in Sudan, with special attention to youth, women and populations in need, have improved opportunities for decent work and sustainable livelihoods and are better protected from external shocks, thereby reducing poverty.</p> <p>Outcome indicators as stated in the Country Programme [or Global/Regional] Results and Resources Framework, including baseline and targets: 1. Number of evidence-based strategies to reduce poverty and achieve the SDGs implemented /Baseline: One national strategy endorsed /Target: Additional one national strategy and two state-level strategies implemented in all states.</p> <p>Applicable Output(s) from the UNDP Strategic Plan:</p> <p>SP (2018-2021) Tier 2: Development Outcomes: SP outcome 1: Eradicate poverty in all its forms. SP outcome 2: Accelerate transformation for sustainable development Under the SP Tier Three Results: Organizational Performance Outcome 1: Accelerated delivery of top-quality programmatic results for the SDGs</p>											
<p>Project title and Atlas Project Number: xxx</p>											
EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)					DATA COLLECTION METHODS	
			Value	Year	Year 1	Year 2	Y 3	Y4	FINAL		
Output 1: Sudan's aid information management system (SAID) is revamped and customised to ensure access to the data needed for evidence-based policy- and decision-making at national and local level	1.1 % of development cooperation actors providing valid data to SAID	SAID	xx %	2020	60 %	80 %		100% of all country programmes of Sudan development partners included in SAID and data for them is regularly updated (including programmes of Direct Financial Cooperation, Regional Organizations	-	100% of all contributions and interventions of Sudan development partners are included in SAID and data for them is regularly updated (including programmes of Direct Financial Cooperation, Regional Organizations and UN System agencies)	Review of SAID data & Programme/Project Reports

<p>Output 2:</p> <p>The existing policy framework, institutional arrangements, and institutional capacities of the Government of Sudan to effectively manage external aid is strengthened</p>	1.2 Sudan aid information and development cooperation report produced on an annual basis and rooted in SAID data	Report	0	2020	1	1	1	1	and UN System agencies)	1	From Annual Report Produced
	1.3 % of key development planning policies and decisions that draw on data and reports produced by the SAID	Reports and inputs from key GoS Staff	xx %	2020	50 %	65 %	-	Minimum 75 % of all significant development planning policies, processes, decisions and strategies explicitly reference SAID data.	-	Reports produced on quarterly basis reflecting changes in policies and budgets	Review of Government reports and discussions with senior Government Staff
	2.1 Revised and up-to-date Sudan Aid Strategy in place, including options for aid management institutional arrangements rooted in international practices	Report	0	2020	1	1	1	2 (an initial strategy with revised institutional set-up delivered in 2020, and a review of the aid strategy conducted in 2022).	-	2 (an initial strategy with revised institutional set-up delivered in 2020, and a review of the aid strategy conducted in 2022).	Review of Government reports and discussions with senior Government Staff
2.2 % of relevant policies on aid management reviewed and updated, especially those related to the new Aid Strategy	GoS Report	0	2020	50 % (review)	90 %	100 %	-	-	-	100 %	Review of government reports
2.3 Capacity gaps identified and capacity strengthened to fill those gaps in the MoFEP ACU and other GoS agencies/units with responsibility related to	Review by external expert on capacity needs	0	2020	1 (gaps analysis)	1 (aid management capacity development)	1 (aid management capacity development update)	1 (aid management capacity development update)	1 (aid management capacity development update)	Initial aid management capacity gaps analysis, followed by annual updates on capacity development results	Review of project progress reports	

	aid management, including at local/state level	Project Report	0	2020	3	4	update)	4 (quarterly)	-	4 (quarterly) aid coordination meetings, with active participation from relevant national and local agencies, including MoFEP (as lead), PMO, sectoral ministries, CBS, states etc.	Project report
Output 3: Government-led coordination mechanisms for aid management are reinforced	3.1 Regular, productive intra-government meetings held, through effective mechanism on aid management, with participation from key GoS agencies and decision-making driven by real-time data on aid flows	Project Report	0	2020	3	4		4 (quarterly)	-	4 (quarterly) aid coordination meetings, with active participation from relevant national and local agencies, including MoFEP (as lead), PMO, sectoral ministries, CBS, states etc.	Project report
	3.2 Regular, productive government-donor aid coordination meetings engaging all major stakeholders held.	Project Report	0	2020	3	4		4 (quarterly)	-	4 (quarterly) aid coordination meetings, with active participation from relevant national and local stakeholders as well as development partners.	Project report
	3.3 Mutual Accountability Framework among GoS and key development partners agreed and consistently updated	Recurring progress reports	0	2020	1	1		1 (with all major DPs committed to the MAF)	-	All major DPs committed to the MAF	Project reports and MAF agreements
Project Management	National project implementation unit within MoFEP established, with equipment procured and staff in place	Progress Report	0	2020	1 - unit functional	1		Unit is set up and functional	-	Unit is set up and functional	Review of Progress Reports

VII. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans:

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 analyzed to assess the progress of the project in achieving the agreed outputs.	Quarterly	Slower than expected progress will be addressed by project management.		
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	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.		

	policy to manage financial risk.					
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.	Annually	Relevant lessons are captured by the project team and used to inform management decisions.			
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.			
Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	Annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.			
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 log with mitigation measures, and any evaluation or review reports prepared over the period.	Annually, and at the end of the project (final report)				

<p>Project Review (Project Board)</p>	<p>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.</p>	<p>Annually</p>	<p>Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.</p>	
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Evaluation Plan*

Evaluation Title	Partners (if joint)	Related Strategic Plan Output	UNDAF/CPD Outcome	Planned Completion Date	Key Evaluation Stakeholders	Cost Source and Funding
Mid-Term Evaluation	MoFEP, UNDP, other involved Development Partners	SP output: 1.1.1 Capacities developed across the whole of government to integrate the 2030 Agenda, the Paris Agreement and other international agreements ⁹ in development plans and budgets, and to analyse progress towards the SDGs, using innovative and data-driven solutions	UNDAF OUTCOME 1: People in Sudan, with special attention to youth, women and populations in need, have improved opportunities for decent work and sustainable livelihoods and are better protected from external shocks, thereby reducing poverty.	January 2021	MoFEP, UNDP, other involved Development Partners	

*Optional, if needed

⁹ Includes Addis, Beijing, Istanbul, Quito, SAMOA and Sendai (Need to spell out agreements in Board version)

Final Project Evaluation	MoFEP, UNDP, other involved Development Partners	SP output: 1.3.1 National capacities and evidence-based assessment and planning tools enable gender-responsive and risk-informed response to and recovery from crisis	UNDAF OUTCOME 1: People in Sudan, with special attention to youth, women and populations in need, have improved opportunities for decent work and sustainable livelihoods and are better protected from external shocks, thereby reducing poverty.	June 2022	MoFEP, UNDP, other involved Development Partners
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VIII. MULTI-YEAR WORK PLAN ¹⁰¹¹

Project Duration: 2020 -2023

Resources Summary	
Total Resources Required	760,000.00
Available Fund	760,000.00
Foreign Component	760,000.00
Local Component	-

¹⁰Cost 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

¹¹Changes 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.

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year			RESPONSIBLE PARTY	PLANNED BUDGET		
		Y1	Y2	Y3		Funding Source	Budget Description	Amount
		<p>Output 1</p> <p>Sudan's aid information management system (SAID) is revamped and customised to ensure access to the data needed for evidence-based policy- and decision-making at national and local level</p>	<p>1.1 Revise, update and develop the existing database (SAID), keeping in mind the needs of the main users.</p> <p>1.2 Revise, approve and upload the development indicators inside SAID system Daily management of the SAID</p> <p>1.3 Review the focal points at different levels, federal, states and localities.</p> <p>1.4 Harmonization and integration of SAID and M&E systems with other national systems reports on the use of aid</p> <p>1.5 Design a full-fledged M&E system and align it with the SAID system</p> <p>1.6 Train users of SAID (both primary and secondary), including on RBM and evidence-based decision-</p>	16,000		20,000		MOFEP
			5000					

	making				20,000	
	1.7 Produce quarterly and annual reports containing full disclosure on aid expenditure.					
	1.8 Launch SAID system and conduct user surveys and implement conclusions.					
	Sub-Total for Output 1	31,000	40,000	5,000		
Output 2 The existing policy framework, institutional arrangements, and institutional capacities of the Government of Sudan to effectively manage external aid is strengthened	2.1 Review and re-design the Sudan Aid Strategy (2015 draft) through an inclusive multistakeholder process (International consultant)		MoFEP	UNDP TRAC	International Consultant	
	2.2. Develop policy options for aid management and options for aid management architecture (N. Consultants)	15,000	50,000	20,000	24,000	15,000
	2.3 Design and carry out comprehensive training activities for MoFEP Staff (in particular ACU staff), as well as aid management focal points, in Planning, aid management, coordination, budgeting, macroeconomics fundamentals, public financial management and Project Development				UNDP/MoFEP	MoFEP
					International Consultant national consultants and contracts with local training institutes	

2.4 South-South and Triangular exchanges with peer countries with best practices in aid coordination, effectiveness and management										Travel, consultants and procurement	MoFEP	
2.5 Establish coordination mechanisms										Travel, consultants and procurement	MoFEP	
2.6 Undertake awareness raising workshops for key high level policy makers at state levels to explain the importance of aid coordination, development cooperation and management		10,000	10,000	10,000		10,000				Travel, consultants and procurement	UNDP TRA	
2.7 International Training			70,000	70,000		70,000					UNDP TRA	
2.8 Participation in international forums and workshops				10,000								
2.9 study tours				50,000							UNDP TRAC	
2.10 Equip ACU and focal points with work facilities (Vehicles maintenance, communication Center, office materials)	25,000		55,000	3000							UNDP	
Sub-Total for Output 2	40,000	269,000	118,000	80,000								

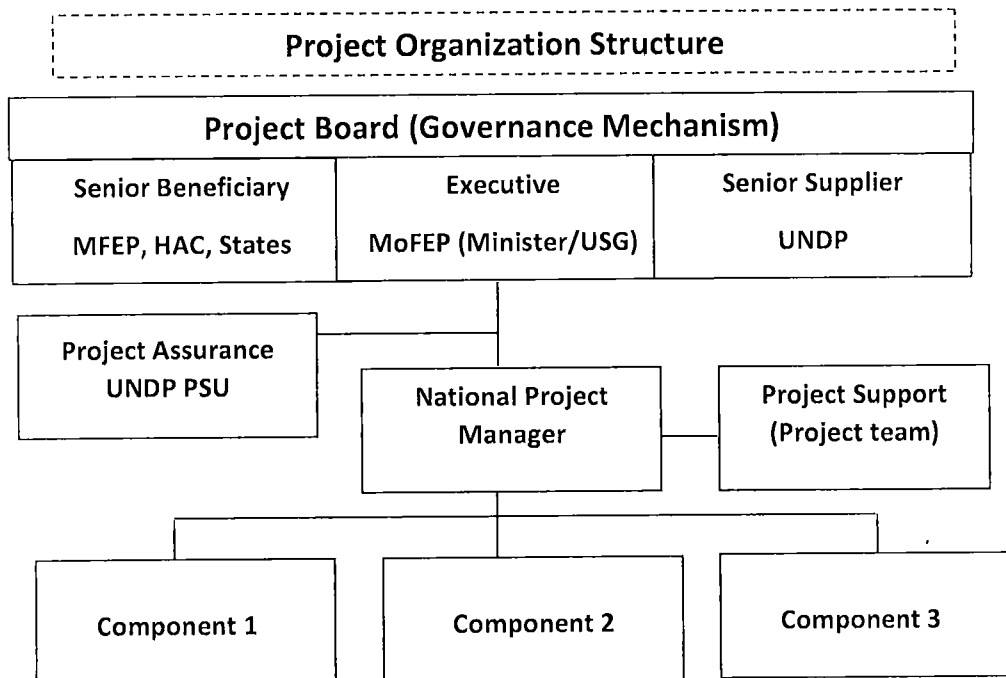
Total General Management Support	4,000	18,600	18,600	18,600	18,600	UNDP	
						TRAC	
TOTAL	75,000	384,800	201,600	98,600			760,000

IX. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

The Project oversight will be provided by a Project Board, which is the group responsible for making consensus management decisions for the project when guidance is required by the Project Manager, including approval of project work plans and revisions. Project Board decisions should ensure best value for money, fairness and transparency.

The Project Board comprises of the following three roles:

- 1) An Executive: Undersecretary, Ministry of Finance and Economic Planning;
- 2) Senior Supplier: UNDP;
- 3) Senior Beneficiary: Ministry of Finance and Economic Planning, HAC, relevant line ministries and States representatives.



The project activities will be managed by the PIU/NIM Unit within MOFEP in accordance with UNDP's national implementation modality (NIM). The National Project Manager will be responsible for guiding the overall management of project activities, ensuring that they are consistent with the signed Project Document. The UNDP Programme officer will ensure that the project is managed in an effective and accountable manner, complying with UNDP reporting and audit requirements.

Annual reviews, work plans and budgets will be prepared and presented by the Project to the Executive and other members of the Project Board for review and approval. Quarterly reports are prepared by the National Project Manager and submitted to UNDP, which shares the narrative and financial reports with other development partners, as applicable.

X. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Sudan and UNDP, signed on October 1978. All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner."

This project will be implemented by the Ministry of International Cooperation in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

XI. RISK MANAGEMENT

1. Consistent with the Article III of the SBAA [or the Supplemental Provisions to the Project Document], the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:
 - a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
 - b) Assume all risks and liabilities related to the Implementing Partner's security, and the full implementation of the security plan.
2. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner's obligations under this Project Document.
3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document 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 http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml.
4. 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>).
5. 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.
6. 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.

7. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds. The Implementing Partner will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
8. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
9. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.
10. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality. Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.
11. UNDP shall be entitled to a refund from the Implementing Partner of any funds provided those have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the Implementing Partner under this or any other agreement. Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.
12. Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.
13. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
14. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, *mutatis mutandis*, in all sub-contracts or sub-agreements entered into further to this Project Document.

ANNEX

❖ **Terms of Reference for the Project Board**

The Project Board (PB) will serve as the project's decision-making body. It will meet according to necessity, at least twice each year, to review project progress, approve project work plans and approve major project deliverables. The PB is responsible for providing the strategic guidance and oversight to project implementation to ensure that it meets the requirements of the approved Project Document and achieves the stated outcomes. The PB's role will include:

- *Provide strategic guidance to project implementation;*
- *Ensure coordination between various donor funded and government funded projects and programmes;*
- *Ensure coordination with various government agencies and their participation in project activities;*
- *Approve annual project work plans and budgets, at the proposal of the Project Manager;*
- *Approve any major changes in project plans or programmes;*
- *Oversee monitoring, evaluation and reporting in line with UNDP and Government requirements;*
- *Ensure commitment of human resources to support project implementation, arbitrating any issues within the project;*
- *Negotiate solutions between the project and any parties beyond the scope of the project;*
- *Ensure that UNDP Social and Environmental Safeguards Policy is applied throughout project implementation; and, address related grievances as necessary.*

❖ **Terms of Reference for the Project Manager**

The Project Manager (PM), will be locally recruited following UNDP procedure, with input to the selection process from the Project partners. The position will be funded entirely from the Project. The PM will be responsible for the overall management of the Project, including the mobilisation of all project inputs, supervision over project staff, consultants and sub-contractors. The PM will report to the Undersecretary or his delegate and will consult with the assigned UNDP Programme Manager for all of the Project's substantive and administrative issues. From the strategic point of view of the Project, the PM will report on a periodic basis to the Project Board. Generally, the PM will be responsible for support in securing government obligations under the Project, under the NIM execution modality. The PM will perform a liaison role with the government, UNDP, CSOs and project partners, and maintain close collaboration with other donor agencies providing co-financing. The PM will work closely with the Project Implementation Units Coordinators of other NIM Projects funded by UNDP.

Duties and Responsibilities

- *Plan the activities of the project and monitor progress against the approved work-plan.*
- *Supervise and coordinate the production of project outputs, as per the project document in a timely and high quality fashion.*
- *Coordinate all project inputs and ensure that they adhere to UNDP procedures for nationally executed projects.*
- *Supervise and coordinate the work of all project staff, consultants and sub-contractors ensuring timing and quality of outputs.*
- *Coordinate the recruitment and selection of project personnel, consultants and sub-contracts, including drafting terms of reference and work specifications and overseeing all contractors' work.*
- *Manage requests for the provision of financial resources by UNDP, through advance of funds, direct payments, or reimbursement using the UNDP provided format.*
- *Prepare, revise and submit project work and financial plans, as required by Project Board and UNDP.*

- Monitor financial resources and accounting to ensure accuracy and reliability of financial reports, submitted on a quarterly basis.
- Manage and monitor the project risks initially identified and submit new risks to the project board for consideration and decision on possible actions if required; update the status of these risks by maintaining the project risks log.
- Liaise with UNDP, Project Board, relevant government agencies, and all project partners, including donor organisations and CSOs for effective coordination of all project activities.
- Facilitate administrative support to subcontractors and training activities supported by the Project.
- Oversee and ensure timely submission of the Inception Report, Project Implementation Report, Technical reports, quarterly financial reports, and other reports as may be required by UNDP, and other partners.
- Disseminate project reports and respond to queries from concerned stakeholders.
- Oversee the exchange and sharing of experiences and lessons learned with relevant community based integrated conservation and development projects nationally and internationally.
- Assist community groups, municipalities, CSOs, staff, students and others with development of essential skills through training workshops and on the job training thereby increasing their institutional capabilities.
- Encourage staff, partners and consultants such that strategic, intentional and demonstrable efforts are made to actively include women in the project, including activity design and planning, budgeting, staff and consultant hiring, subcontracting, purchasing, formal community governance and advocacy, outreach to social organizations, training, participation in meetings; and access to program benefits.
- Assists, supports and advises the Project Implementation Units of other NIM Projects funded by UNDP.

Required skills and expertise

- A university degree (MSc or PhD) in a subject related to international development, political science, public administration or similar.
- At least 10 years of experience in aid coordination, programme management and development cooperation
- At least 5 years of demonstrable project/programme management experience.

Competencies

- Strong leadership, managerial and coordination skills, with a demonstrated ability to effectively coordinate the implementation of large multi-stakeholder projects, including financial and technical aspects.
- Ability to effectively manage technical and administrative teams, work with a wide range of stakeholders across various sectors and at all levels, to develop durable partnerships with collaborating agencies.
- Ability to administer budgets, train and work effectively with counterpart staff at all levels and with all groups involved in the project.
- Ability to coordinate with and support multiple Project Implementation Units of other NIM Projects in administrative and managerial aspects.
- Strong drafting, presentation and reporting skills.
- Strong communication skills, especially in timely and accurate responses to emails.
- Strong computer skills, in particular mastery of all applications of the MS Office package and internet search.
- Strong knowledge about the political and socio-economic context related to Sudan at national and subnational levels.
- Excellent command of English and Arabic languages.

❖ **Terms of Reference, Project Assistant**

Under the guidance and supervision of the Project Manager, the Project Assistant will have the following specific responsibilities:

- Keep records of project funds and expenditures, and ensure all project-related financial documentation are well maintained and readily available when required by the Project Manager;
- Review project expenditures and ensure that project funds are used in compliance with the Project Document and UNDP financial rules and procedures;
- Validate and certify FACE forms before submission to UNDP;
- Provide necessary financial information as and when required for project management decisions;
- Provide necessary financial information during project audit(s);
- Review annual budgets and project expenditure reports, and notify the Project Manager if there are any discrepancies or issues;
- Consolidate financial progress reports submitted by the responsible parties for implementation of project activities;
- Liaise and follow up with the responsible parties for implementation of project activities in matters related to project funds and financial progress reports.

The Project Assistant will be recruited based on the following qualifications:

- A Bachelor's degree or an advanced diploma in accounting/ financial management;
- At least five years of relevant work experience preferably in a project management setting involving multi-lateral/ international funding agency. Previous experience with UN project will be a definite asset;
- Proficiency in the use of computer software applications particularly MS Excel;
- Excellent language skills in English (writing, speaking and reading).



RISK LOG

Project Title: Strengthening Country Systems and Capacities for Effective Aid Management and Coordination to Deliver on Transitional Priorities in Sudan	Award ID: 00130149	Date: xx xxx 2020
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#	Description	Date Identified	Type	Impact & Probability (1 = low, 5= high)	Countermeasures / Mngt response	Owner	Submitted, updated by	Last Update	Status
1	Likelihood that the Government may restructure national government ministries and/or transfer the ACU function to another Ministry	During the Project Design Phase	Organizational/Political	If this risk was to occur the entire project would need to be re-designed to address the new status Probability = 4 Impact = 4	Action that would be taken is to re-design the project after consultations with both UNDP management and the new Government entity in charge of the sector	UNDP	Project Design Team		
2	Focal points in the states are not responsive in terms of providing information	During the Project Design Phase	Operational	If this risk were to occur it may create gaps in data/information Probability = 3 Impact = 3	Action that would be taken would be to ensure that focal points are established in each state to provide information and that those focal points are trained and provided with incentives by the Government. Also engaging senior Government officials through field visits, and awareness workshops showing the importance of information in aid coordination activities	UNDP	Project Design Team		
3	MOFEP and HAC do not export information on external aid	During the Project Design Phase	Operational	If this risk were to occur it may create gaps in data/information	High level meeting to ensure compliance of MOFEP and HAC with the mandate regarding aid	UNDP and MOFEP	Project Design Team		

	received by them to SAID to enable a comprehensive picture of external assistance			Probability = 3 Impact = 3	coordination and the need to supply them with data to perform that function				
4	Staff turnover in target Government ministries and states mitigates benefits of capacity development	During the Project Design Phase	Organizational/Political	If this risk were to occur benefits from the project would be limited Probability = 2 Impact = 4	Selection of highly motivated staff with interest to remain in their positions.	MOFEP	Project Design Team		