

Financing Agreement

dated

between

KfW, Frankfurt am Main

("KfW")

and the

United Nations Development Programme

("UNDP" or "Recipient")

(together the „Parties“ and each also as „Party“)

for

EUR 9,900,990.10

(Coordination Levy to the UN Secretariat in support of the UN Resident Coordinator system: EUR 99,009,90)

(Total Financial Transfer: EUR 10,000,000.00)

- UNDP Employment Initiative for Syria IV

BMZ Nr. 2019.4079.0

UNDP Nr. _____



The Federal Republic of Germany has made available budgetary funds to support the UNDP Employment Initiative for Syria, through KfW. On the basis of the foregoing, the Recipient and KfW hereby enter into the following Financing Agreement (the "Agreement"):

Article 1

Amount and Purpose of the Financial Contribution

- 1.1 KfW shall extend to the Recipient a financial contribution not exceeding
EUR 9,900,990.10 (in words: nine million nine hundred thousand nine hundred
ninety euros and ten cents)

This financial contribution (the "Contribution") shall not be repayable unless
otherwise stipulated in Article 4.3.
- 1.2 In addition to the Contribution, KfW will extend to the Recipient for transfer to
the United Nations Secretariat a Coordination Levy, in accordance with Articles
2, 3.2 and 3.3 below, up to a maximum amount of

EUR 99,009.90

(in words: ninety nine thousand nine euros and ninety cents)
- 1.3 The Recipient shall use the Contribution exclusively for the project UNDP
Employment Initiative for Syria, Phase IV ("Project"). The details of the Project
and the activities to be financed from the Contribution are determined in Annex
1 (*Project Details*), which forms an integral part of this Agreement.
- 1.4 In accordance with Article II of the Convention on the Privileges and Immunities
of the United Nations that provides, inter alia, that the United Nations, including
its subsidiary organs, is exempt from all direct taxes, except charges for public
utility services, and is exempt from customs restrictions, duties, and charges of
a similar nature in respect of articles imported or exported for its official use, it is
expected that no customs duties, import charges or taxes will be imposed with
respect to the import of supplies and equipment procured by UNDP for the
Project and financed by the Contribution made under this Agreement. The
Recipient shall promptly communicate to KfW if, notwithstanding UNDP's
exemption, taxes (such as indirect taxes like VAT of which UNDP is not
automatically exempted), customs duties or import charges are being imposed
and they will be considered a direct cost in the budget.
- 1.5 Interest accrued in connection with this Contribution shall be used in
accordance with the financial regulations, rules and directives of the Recipient.
Insurance recoveries accrued in connection with this financial contribution shall
be used under a programme of the Recipient of the same project type.

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- 1.6 The Recipient shall use the Contribution only for necessary and reasonable expenditures in accordance with sound business principles and the terms and conditions set out in this Agreement.
- 1.7 The Recipient may use the Contribution also for costs for general management services of its headquarter ("Recovery Costs") incurred by the Recipient as stated in Annex 1 (*Project Proposal*). Such Recovery Costs may however not exceed 8 % of the costs incurred for activities financed by the Contribution.

Article 2

Coordination Levy

- 2.1 Pursuant to paragraph 10(a) of United Nations General Assembly Resolution 72/279 of 31 May 2018 KfW agrees that an amount corresponding to 1% of the Contribution to the Recipient shall be paid to fund the United Nations Resident Coordinator System. This amount, for the purposes of this Agreement referred to as the "Coordination Levy", will be held in trust by the Recipient until transfer to the United Nations Secretariat for deposit into the United Nations Special Purpose Trust Fund for the reinvigorated Resident Coordinator system, which has been established to fund the UN Resident Coordinator System and is managed by the United Nations Secretariat.
- 2.2 KfW acknowledges that once the Coordination Levy has been transferred by the Recipient to the United Nations Secretariat, the Recipient is not responsible for the use of the Coordination Levy and does not assume any liability. The fiduciary responsibility lies with the United Nations Secretariat as the manager of the Resident Coordinator system.
- 2.3 The Coordination Levy does not form part of the Recipient's Recovery Costs and is additional to the costs of the Recipient to implement the activity or activities covered by the Contribution. Accordingly, there is no normal obligation for the Recipient to refund the Coordination Levy, in part or in full, even where the activities covered by the Contribution are not carried out in full by the Recipient. As deemed necessary by KfW - and especially where the scale of the resources concerned or reputational risk justify the refund transaction costs, - KfW can submit a request for refund of the Coordination Levy to the United Nations Secretariat directly or through the Recipient. The responsibility to refund the Coordination Levy lies with the United Nations Secretariat and not with the Recipient.
- 2.4 The Coordination Levy for this Agreement is up to EUR 99,009.90. The disbursement schedule in Articles 3.1 and 3.2 provides the breakdown of the disbursements of the Coordination Levy and the payments of the Contribution.

Handwritten signature and initials, possibly "AC", in the bottom right corner of the page.

Article 3

Disbursement

- 3.1 KfW shall disburse the Contribution in 2 tranches as follows:
- a) The first tranche of EUR 5,940,594.06 ("Portion 1") will be disbursed in due course upon signature of this Agreement by both Parties.
 - b) The second tranche of EUR 3,960,396.04 ("Portion 2") will be disbursed upon submission of a disbursement request by the Recipient.
- 3.2 Simultaneously with and on a pro rata basis to each Contribution tranche, but via separate transfer, KfW will disburse the Coordination Levy tranche (subject to the Article 2). The Coordination Levy will be payable as follows:
- a) together with Disbursed Amounts under Portion 1, a maximum amount of EUR 59,405.94;
 - b) together with Disbursed Amounts under Portion 2, a maximum amount of EUR 39,603.96;
- 3.3 The funds of the Contribution and of the Coordination Levy shall be remitted to the following Euro account, held by the Recipient:

Bank Name: Bank of America-London
Account Name/title: UNDP Contribution EUR Account
Account No: 6008-62722022
Bank Address: 5 Canada Square, London 5AQ E14
National Sort Code: 165050
Swift Code: BOFAGB22
IBAN No: GB59BOFA16505062722022

The duly signed Agreement is deemed a request for disbursement of the first tranche of the Contribution. All other tranches will be disbursed upon submission of disbursement requests in the form of the request for disbursement under Annex 2 (*Disbursement Request*). These disbursement requests shall be duly signed by the authorized signatory/signatories previously communicated to KfW in the form of Annex [3] (*List of authorized signatories*). KfW will inform UNDP of the disbursement of each of the tranches via an e-mail message with remittance information to contributions@undp.org providing the following information: 2019.4079.0.



- 3.2 KfW shall have the right to refuse to make disbursements from Portion 1 after December 30th, 2019 and from Portion 2: before January 2nd, 2020 and after December 30th, 2020. The Parties acknowledge and agree that UNDP shall not be obliged to continue with any activity under the Project to the extent funding is not available. UNDP will not pre-finance activities under the Project and/or start any activity until the applicable funding for such activity has been received.

Article 4

Suspension of Disbursements and Repayment

- 4.1 KfW may not suspend disbursements unless
- a) the Recipient fails to perform its obligations to KfW to make payments when due,
 - b) obligations under this Agreement or under separate agreements pertinent to this Agreement have been violated,
 - c) the Recipient is unable to prove that the amounts disbursed by KfW to the Recipient, except for the Coordination Levy, ("Disbursed Amounts") have all been used for the stipulated purpose,
 - d) the fulfilment of KfW's obligations under this Agreement violates applicable law,
 - e) material deviations from agreed plans and budget occur, or
 - f) extraordinary circumstances arise that preclude or seriously jeopardize the implementation, the operation, or the purpose of the Project.
- 4.2 If any of the situations specified in Article 4.1 a) to f) has occurred, KfW may request the Recipient not to use any of the Disbursed Amounts, except for such Disbursed Amounts that have been irrevocably committed by the Recipient prior to KfW's request.
- 4.3 If any of the situations specified in Article 4.1 b), c) or d) has occurred and has not been eliminated within a period determined by KfW, which shall, however, be at least 30 days, KfW may,
- a) in the case of Article 4.1 b), demand the immediate repayment of all Disbursed Amounts except for such Disbursed Amounts that have already been spent or irrevocably committed in good faith and in compliance with this Agreement prior to KfW's repayment request;
 - b) in the case of Article 4.1 c), demand the immediate repayment of such Disbursed Amounts as the Recipient is unable to prove to have been used for the stipulated purpose except for such Disbursed Amounts that



- (i) have already been spent or irrevocably committed prior to KfW's repayment request and (ii) have not been recovered.
- c) in the case of Article 4.1 d), demand the immediate repayment of those Disbursed Amounts whose payment establishes a violation of applicable law except for such Disbursed Amounts that (i) have already been spent or irrevocably committed prior to KfW's repayment request and (ii) have not been recovered.

In cases of Article 4.1 c) and d), the Recipient shall, in coordination with KfW, take reasonable steps and make all reasonable efforts for the recovery of Disbursed Amounts.

Article 5

Costs and Public Charges

The Recipient shall bear all transfer and conversion costs accruing in connection with the disbursement of the Contribution.

Article 6

Contractual Statements and Power of Representation

- 6.1 The Administrator of UNDP and such persons as designated by him or her to KfW and authorised by specimen signatures authenticated by him or her shall represent the Recipient in the execution of this Agreement. The power of representation shall not expire until its express revocation by the representative of the Recipient authorised at the time has been received by KfW.
- 6.2 Amendments or addenda to this Agreement and any notices and statements delivered by the contracting parties under this Agreement shall be in writing. Any such notice or statement shall have been received once it has arrived at the following address of the corresponding contracting party or at such other address of the corresponding contracting party as notified to the other contracting party:

For KfW:

KfW
Postfach 11 11 41
60046 Frankfurt am Main
Federal Republic of Germany
Fax: +49 69 7431-2944



For the Recipient:

United Nations Development Programme
One United Nations Plaza
New York, NY 10017
United States of America

Article 7

The Project

7.1 The Recipient shall

- a) prepare, implement, operate and maintain the Project in conformity with its own Financial Regulations and Rules and procedures (for accounting, reporting, procurement and project management), sound financial and engineering practices, in compliance with environmental and social standards and substantially in accordance with the Project conception agreed upon between the Recipient and KfW;
- b) where applicable, assign the preparation and supervision of construction of the Project to independent, qualified consulting engineers, and the implementation of the Project to qualified firms;
- c) award the contracts for the goods and services to be financed from the Contribution according to the Recipient's internal rules and regulations for procurement and contracts, including international competitive bidding when relevant;
- d) use its best endeavours to ensure the full financing of the Project and, upon request of KfW, furnish to KfW evidence proving that the costs not paid from the Contribution are covered. This does, however, not imply any obligation of UNDP to disclose confidential information on other donors;
- e) maintain, or cause to be maintained, books and records unequivocally showing all costs of goods and services required for the Project and clearly identifying the goods and services financed from the Contribution;
- f) enable the representatives of KfW at any time to visit the Project and all installations related thereto;
- g) subject to the Recipient's Information Disclosure Policy furnish to KfW any and all such information and reports on the Project and its further progress as KfW may request, in particular deliver to KfW on an annual basis - as soon as available - a copy of its certified financial statements and external auditors' report on its financial statements prepared by the United Nations Board of Auditors in accordance with the United Nations



Single Audit Principle. Internal audit reports will be made public by disclosure on the UNDP internet site and will at the same time be made available to KfW by the Recipient. Details on the Project's progress will be reported by the Recipient as further specified in Annex 1;

- h) of its own accord promptly inform KfW of any and all circumstances that preclude or seriously jeopardize the implementation, the operation, or the purpose of the Project;
- i) inform KfW of any material deviation from agreed plans and budgets set out in Annex 1 and request KfW's consent thereof and
- j) unless security concerns requires otherwise, place signage containing the German development cooperation logo on infrastructure measures (if any) funded by the Contribution and make the German contribution visible by press release or appropriate online publications / always indicate in any publication of the Project in an appropriate manner that it is conducting or conducted its activities within the framework of a programme financed or co-financed by the Federal Republic of Germany through KfW.

Article 8

Publication and transfer of project-related information

- 8.1 To comply with internationally accepted principles of utmost transparency and efficiency in the development cooperation, KfW publishes selected information (including evaluation reports) about the Project and how it is financed during pre-contractual negotiations, while the Project-related agreement(s) is (are) being implemented and in the post-contractual stage (hereinafter referred to as the "**Entire Period**")

The information is published regularly on KfW's website for its business area "KfW Development Bank" (<http://transparenz.kfw-entwicklungsbank.de/>).

The publication of information (either by KfW or third parties in accordance with Article 8.3 below) about the Project and how it is financed does not include any contractual documentation or any sensitive financial or business-related detailed information about the parties involved in the Project or its financing, such as

- a) Information about internal financial data;
 - b) business strategies;
 - c) internal corporate guidelines and reports;
 - d) personal data of natural persons;
 - e) KfW's internal rating of the Parties' financial position.
- 8.2 KfW shares selected information about the Project and how it is financed during the Entire Period with the entities mentioned below, particularly to ensure transparency and efficiency:



- a) subsidiaries of KfW;
 - b) the Federal Republic of Germany and its competent bodies, authorities, institutions, agencies or entities;
 - c) other implementing organisations involved in German bilateral development cooperation, particularly the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH;
 - d) international organisations involved in collecting statistical data and their members, especially the Organisation for Economic Cooperation and Development (OECD) and its members.
- 8.3 Furthermore, the Federal Republic of Germany has requested, KfW to share selected information about the Project and how it is financed throughout the Entire Period with the following entities, which publish the sections relevant to the purpose:
- a) Federal Republic of Germany for the purposes of the International Aid Transparency Initiative
(http://www.bmz.de/de/was_wir_machen/wege/transparenz-fuer-mehr-Wirksamkeit/index.html);
 - b) Germany Trade & Invest (GTAI) for the purposes of market information
(<http://www.gtai.de/GTAI/Navigation/DE/trade.FOO>);
 - c) OECD for the purpose of reporting financial flows in the framework of development cooperation (<http://stats.oecd.org/>);
 - d) German Institute for Development Evaluation (DEval) for the purposes of evaluating the overall German development cooperation to ensure transparency and efficiency (<http://www.deval.org/de/>).
- 8.4 KfW further reserves the right to transfer (including for the purposes of publication) information about the Project and how it is financed during the Entire Period to other third parties so as to safeguard legitimate interests.

The information is not transferred by KfW to other third parties if the legitimate interests of the Recipient in the information not being transferred outweigh KfW's interests in it being transferred. The legitimate interests of the Recipient particularly include the confidentiality of the sensitive information mentioned in Article 8.1, which is excluded from publication.

Furthermore, KfW is entitled to transfer information to third parties if this is necessary due to statutory or regulatory requirements or to assert or defend claims or other legal rights in court or administrative proceedings.

Article 9

Miscellaneous Provisions

- 9.1 The Agreement shall come into force on the date of its signature by both Parties.
- 9.2 The Recipient undertakes to comply at all times with the obligations set out in Annex 4 (Compliance Covenants).
- 9.3 If any of the provisions of this Agreement is invalid, all other provisions shall remain unaffected thereby. Any gap resulting therefrom shall be filled by a provision consistent with the purpose of this Agreement.
- 9.4 The Recipient may not assign or transfer, pledge or mortgage any claims from this Agreement.
- 9.5 The Parties to this Agreement shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this Agreement or any breach, termination or invalidity thereof. Where the Parties wish to seek such an amicable solution through direct conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules as at present in force, or such other procedure as may be agreed between the Parties. Unless, any such dispute, controversy or claim between the Parties is settled amicably within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, such dispute, controversy or claim may be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force. The arbitration proceedings shall take place in Geneva, Switzerland. The proceedings will be held in the English language. The arbitral tribunal shall have no authority to award punitive damages. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.
- 9.6 The legal relations established by this Agreement between KfW and the Recipient shall terminate with the end of the useful life of the Project, but not later than 15 years after the signing of this Agreement.
- 9.7 Nothing in or relating to any provision in this Agreement shall be deemed a waiver, express or implied, of the privileges and immunities enjoyed by the United Nations and/or UNDP.

Done in 2 originals in the English language.



Frankfurt am Main,
date _____



KfW

New York,

date 18.12.2019



UNDP

Annex 1: Project details

Annex 2: Disbursement Request

Annex 3: List of authorized signatories

Annex 4: Compliance Covenants



Syria Country Proposal for Partnership for Prospects (P4P) Phase IV

Response to the Syria Crisis: Job creation for resilience building in Syria



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1. Situation Analysis

1.1 Context

With the crisis well in its ninth year, Syria is still witnessing massive destruction of infrastructure and damage to every aspect of life. Despite violent clashes have been continuing and peaking in some specific locations (Eastern Deir-Ezzor, greater Idlib, where a recrudescence of violence is recorded since late April 2019), a sharp decrease has been recorded during 2018 and 2019 in terms of daily violence in the most densely populated regions of the country, with the several formally-besieged areas now becoming accessible --access has enhanced from within Syria to several formerly besieged and hard-to-reach areas, including Deir Ezzor, Raqqa, with limitations in and around the city, Eastern Ghouta, Eastern Qalamoun, the Ar Rastan region between Homs and Hama, and the south-west such as As-Sweida, Qunaitra and Daraa, including the re-opening of the Nassib border crossing with Jordan in October 2018. In most of the abovementioned areas, needs for humanitarian assistance are assessed to be very high and require a coordinated response. The Syria crisis continues with unabated intensity well in its ninth year causing a massive economic and social impact inside and around the country, particularly for the 11.7 million Syrians in need of assistance (2019 HNO).

Across the country, spontaneous returns of IDPs as well as refugees are recorded in the last months: an estimated 1.4 million- mostly IDPs- have returned in 2018, as well as 56,000 refugees. Although the inflow of IDPs returning to certain areas does not change the focus of this action, which aims at tackling the myriad of daily challenges faced by the population, this element needs to be factored-in in terms of situation analysis, as it has a tangible impact on the severity scale, particularly in certain areas of the country (Aleppo, Raqqa, Deir ez Zour, etc.) While responding to the urgent needs of vulnerable groups and communities with interventions that help stabilize their livelihoods, it is equally important to focus on medium- to long-term local economic recovery at community level, including interventions to boost sustainable employment, income generation, integration of IDPs and reintegration of returnees. Such sustainable livelihood can help to recover from shocks and stresses, and maintain or enhance capabilities and assets towards recovery.

In sum, an approximate 85% of the population living in Syria is at present located in areas of relative stability, mainly urban but also rural, distant from frontlines and armed clashes. In these areas, most of them severely impacted by the conflict, acute needs exist and are enhanced by the presence of IDPs as well as by the increased wave of (IDPs) returns; needs are consistently evolving and deserve a targeted response, able to increase the effectiveness and impact of humanitarian assistance¹. Pure life-saving interventions focusing on immediate relief through distribution of food-baskets and non-food items need to be replaced with conflict-sensitive activities able to protect the rights of communities to access socio-economic opportunities and essential services, in a longer-term recovery perspective.

In this complex environment, UNDP established clear and strict methodological and operational rules of engagement in order to ensure higher impact in its interventions, as well as to effectively manage the risk of potential infringements of pre-conflict property rights. UNDP's overall approach is to work under a context sensitive and do-no-harm/do-good

¹ Human Rights Watch - HRW Report on Syria, June 2019, page 5.

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approach as an essential part of local level programming. As a result, local conflict-sensitive context analyses are conducted before proceeding to undertake initiatives and identify priorities within the annual UN Humanitarian Needs Overview, based on the severity of needs.

UNDP undertakes a due diligence procedure through its field offices and regional coordinators, which involves checks and crosschecks with UN partners within the framework of the HRP, communities/returnee leaders, available records and local authorities. This procedure is widely accepted as a fair and standard “background check” given current conditions in the country, both by the UN, the donors and also national and international NGOs. It should be noted that all UNDP projects for basic infrastructure and service rehabilitation adhere squarely to restoration of services/property that existed prior to the crisis and thus preclude any expropriation of the land after the crisis.

UNDP also contributes actively to the UN Working Group on Housing, Land and Property (HLP), and we are one of implementors of EU funded HLP joint programme together with other UN/non-UN agencies.

UNDP only works on projects where it has been ascertained that individual property rights/titles have not changed since before the start of the conflict and ensures legal documents of property ownership are presented by individuals. For example, while removing debris in Aleppo, UNDP deliberately avoided private properties and concentrated on plots housing publicly owned infrastructure and prioritized the facilities most critically needed for restoration of access to crucial services, particularly in the eastern side of the city where massive returns of IDPs have happened (451,000 in 2018 and 524,000 in 2019). Because of the above-mentioned preventive mechanisms, UNDP has not come across a situation of expropriation in the projects it works on.

1.2 Pre-crisis economic growth

Since the beginning of the 1980s, Syria has launched a gradual and measured economic reform process that consisted of increasing the role of the private sector in the economic activity of the country, the liberalization of markets and the downsizing of the productive and direct investment role of the Government. However, the response of the private sector was slow and hesitant, which has created an investment gap leading to a decline in the economic growth and labour demand.

In 2000, the reform process was accelerated – especially after 2005 when, at the 10th Conference of the Baath Party, it was decided to move to a social market economy – in order to deal with the identified gaps and to complete the legal and organizational structure of the economy of the social market. The reform and issuance of laws and regulations were accompanied by economic policies stipulating the downsizing of the direct role of the state in production activities through decreasing investments in direct productive sectors and the role of the State in exports and imports.

The private sector has responded to these reforms with slow or prompt reactions depending on the types of economic sectors. Although the reform process has led to an increase in foreign direct investment, it is the oil and gas sectors that have benefited the most, while the confidence in productive sectors – such as industry and agriculture – remains weak. The composition of pre-crisis GDP shows three main sectors: agriculture (29 %); industry (22%); and services (49%).²

Foreign trade increased from 48 per cent of total GDP in 2000 to 62 per cent in 2008, which demonstrates the growing openness of the Syrian economy as a result of the agreement for an Arab Free Trade Zone and the signature of Trade Exchange Agreements with the Islamic Republic of Iran and Turkey. However, the substantial increase of imports has exceeded the growth of exports and has led to a growing balance of trade deficit since 2004. Exports concentrate

² ESCWA/UN 2016

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strongly on petroleum (65%), while a smaller role was reserved for textiles (10%), manufactured goods (10%), fruits and vegetables (7%), raw cotton (5%), sheep (2%), phosphates (1%).

In short, the macroeconomic environment was rather stable in the decade prior to the crisis, although the challenges existed such as chronic – and growing- youth unemployment and the dearth of decent jobs. Around half of the working age population in Syria participated in the labor market in 2010, which was amongst the lowest in the world in 2010, primarily driven by the extremely low, and decreasing, participation of women in the economy. Unemployment rate amongst women was more than four times higher than that of men at 25.2 percent, which is the highest in the region, compared to 6.1 percent amongst men in 2010. This rate is also very high amongst youth (aged 15-24) at 20 percent in the same year. Around 3 out of 4 unemployed in Syria was below 30 years of age, while this age group correspond to only 37 percent of the labor force in 2010.³ There was a perceived growing disparity in income and wealth between rural and urban areas and within the latter between the middle class and the new rich class of politically well-connected entrepreneurs.

The urban-rural divide was exacerbated during the second half of the 2000s by both the downsizing of state subsidies, particularly in peripheral areas (consequence also of the relative liberalization of the Syrian economy) and the coincident protracted drought that hit the country, especially in the northeastern regions, between 2005 and 2010. This process produced a massive rural-to-urban emigration significantly impacting on the capacity of absorption of cities in terms of job opportunities and services provision.

1.3 Impacts of the crisis at the macro level

Over eight years of crisis brought about massive socioeconomic losses – estimated in 2018 at some \$388 billion in most productive sectors of manufacturing, agriculture, and transport and communications, as well as capital asset loss. From 2011 until the end of 2016, the cumulative losses in gross domestic product (GDP) have been estimated at \$226 billion, about four times the Syrian GDP in 2010 and by 2016, Syria's GDP was estimated to have contracted by 63 percent compared with its 2010 GDP⁴. With eight years of economic contraction reaching a peak of more than 20% of GDP in 2012 and 2013, 2017 saw, for the first time in this crisis, a reversal with GDP growth of 1.9%. GDP growth of 6.2% is estimate for 2018 and as per economists' projection, GDP growth in 2019 will reach 9.9% from a much lower base.

The currency has depreciated to one-tenth of its pre-crisis value, although it recovered by nearly 20% during 2017 and has started to stabilize in 2018 with now the rate of SYP 540, while in early 2019 estimates predict a sharp increase due to the impact of the regime of sanctions established unilaterally on Syria and Iran. Trade with Syria's neighbors is stalled, and international unilateral economic and financial measures are exacerbating the negative economic situation. Agricultural production also registered significant loss. The total area under cultivation has fallen by 40%, and 31 % of Syrian people are food insecure in 2018. In 2018, despite better security conditions and ensuing access to agricultural land in some areas, production of wheat and barley declined due to erratic weather conditions coupled with high production costs, lack of quality inputs and damaged or destroyed infrastructure.

Despite the magnitude of physical destruction, the World Bank notes that the disruptions in economic organization during the first six years of the crisis are about 20 times costlier than capital destruction alone. According to an assessment conducted in 2016, reduced connectivity, higher transportation costs, disruptions in supply chains and networks, increased rent seeking, and erosion of social trust have had a much larger impact on economic production.⁵

³ World Bank (2012) "Jobs for the Syria of Tomorrow: Removing the Barriers to Productive Employment-Intensive Development"

⁴ The toll of war: the economic and social consequences of the conflict in Syria, World Bank, 2017.

⁵ World Bank (2017). The Toll of War: The Economic and Social Consequences of the Conflict in Syria

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In 2018, however, improvements occurred, including growth of internal trade due to unblocking of most of the main highways and opening of the border with Jordan.

2.4 Impact on livelihoods and employment

The crisis impact has been quite devastating, and the country is rapidly losing its human, physical, financial, social, and natural assets and potentials. Growing dependence on more uncertain source of income, such as through self-employment, remittances and humanitarian aid, combined with the deteriorating purchasing power of local currency, has forced many households to develop different coping strategies in order to cover their basic needs.

In 2018, 31 % of Syrian populations are food insecure, and access to employment opportunities is the top priority for all governorates according to the 2018 food security assessment. Much of the deterioration in income sources can be associated with structural changes in the labour market as most of young people over the age of 18 years have been driven into military service, if they did not leave the country as refugees. Moreover, the closure of many workplaces has led to massive job losses. Indeed, the economic sector lost 2.1 million actual and potential jobs between 2010 to 2015. The unemployment rate increased from 8.6% in 2010 to more than 50% in 2015. Youth has been particularly affected with an unemployment rate of 78% in 2015, and an even higher percentage among women. The projection of future labour market is also worrisome- Syrian Centre for Policy Research (SCPR) estimated in 2014 that the loss of years of schooling by children represents a human capital deficit of \$5 billion in education investment. A recent UNICEF report placed the loss in human capital at \$10.5 billion from the loss of education of Syrian children and youth. Many children have been born into conflict and exposed to violence, and studies show that exposure to violent conflicts has long-term effects on generations to come.

Falling income, widespread unemployment and diminished purchasing power have been leading millions of Syrians to poverty. Given that there has been no Household Income and Expenditure Survey (HIES) conducted after 2009, the credibility of the estimates of poverty rates depends on the availability and quality of micro-level data preceding the crisis and the information available on the scope and geographical concentration of the crisis. World Bank's simulation models indicate that about 60 % of Syrians live in the extreme poverty in 2016, which is similar to Syrian Center for Policy Research's estimate of 64.7 % at the end of 2014.

Women and girls in Syria are disproportionately affected by gender-based violence (GBV) such as early marriage, sexual violence and domestic violence, particularly displaced women and girls. Syria has dropped from 111st in 2010 to 151st out of 189 countries in 2018 on the Human Development Index (HDI) ranking.⁶ In 2018, Syria ranked 155th out of 189 countries on Gender Inequality Index.

In terms of health, more than half of the Syrian population is unable to access appropriate health services. Medicines are only available for 13 per cent of the total population, compared to 93% before the crisis. The deterioration of health services is reported at the rate of 26% of public hospitals not functioning. This resulted in the transition from injury to impairment and disability manifesting in an increased pace and higher severity. Prevalence of injuries, impairment and disability during the crisis is extremely high with 30,000 monthly traumatic injuries resulting in 9,000 monthly permanent disability cases, including: 450 monthly spinal cord injuries and 1,350 monthly amputation cases. It is estimated that over 100,000 cases of amputation have resulted from war injury alone, and a total number of disabilities reached 2.9 million. Latent socioeconomic problems also result from the fact that non-rehabilitated persons with disabilities are fully dependent on family members and care givers in conducting activities of daily life. This factor will gradually present its negative impact on early socioeconomic recovery and development of the whole society.

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Without security, jobs, basic services and infrastructure, the living conditions of Syrians and their livelihoods prospects have significantly eroded, severely increasing their vulnerability and undermining their ability to cope with the consequences of the crisis.

2. Strategy

2.1 Humanitarian Response Plan 2019

The 2019 Humanitarian Response Plan (HRP) sets out the framework within which the humanitarian community will respond to large-scale humanitarian and protection needs in Syria on the basis of the prioritization undertaken across and within sectors. The strategic objectives for draft 2019 HRP build upon the humanitarian community's efforts in previous years and continue to aim for contributing in three areas: i) save lives and alleviate the suffering of the most vulnerable people; ii) enhance the prevention, mitigation and response to protection needs; and iii) increase resilience, livelihoods and access to basic services.

The third objective aims to increase resilience and livelihood opportunities as well as improve affected people's sustained access to basic social services. It reflects the need to invest in actions to prevent a further deterioration of living conditions, and growing aid dependency. Focused efforts will aim to bolster household and community-level resilience to shocks. The humanitarian community recognizes the need for resilience and development actors to increase investment in sustainable activities in relatively stable areas and will identify these areas to relevant partners where possible. UNDP, through its lead role in the Early Recovery and Livelihoods Cluster, strives to contribute to achieve this strategic objective.

2.2 Country Programme Document for the Syrian Arab Republic (2016-2019)

There has been no United Nations Development Assistance Framework or country programme developed since the last cycle (2007-2011). Instead, the United Nations organizations have operated under annual humanitarian response plans, the most recent of which is the Syria Strategic Response Plan 2015 agreed between the Government of Syria and the UN agencies, funds and programmes. UNDP has in turn adapted to the operating context, realigning its work from previous country programme focus areas (economic growth, governance, environmental management, and disaster risk management) to an approach focused on emergency livelihoods and early recovery through its resilience and livelihoods programme. Since the onset of the crisis, UNDP has focused on the most vulnerable communities to support coping mechanisms and prevent further destitution, while laying the ground work for mid- to longer-term sustainable, resilience-oriented activities.

UNDP recognizes that a rapid de-escalation of the crisis is necessary for bringing Syria back to a sustainable development pathway. In order to establish the basis for a sustainable recovery, UNDP's country programme is founded on a resilience-based approach which is integral to and complements the ongoing humanitarian response while expanding its scope to effectively bridge humanitarian and early recovery interventions.

Given this context, the strategic goal of the UNDP country programme for 2016-2019 is *"enhancing the resilience and socio-economic stabilization of individual and communities"* by *a) restoring the disrupted livelihoods of the affected communities; and b) restoring, rehabilitating and maintaining sustainable basic services and infrastructure in damaged areas and host communities*. It is composed of the below interlined two Outcomes:

- Outcome 1: Households and communities benefit from sustainable livelihoods opportunities, including economic recovery and social cohesion

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- Outcome 2: Basic and social services and infrastructure restored, improved and sustained to enhance community resilience.

The UNDP country programme is linked to the Humanitarian Response Plan, in particular the strategic objective of iii) increase resilience, livelihoods and access to basic services.

This proposal is designed within the Humanitarian Response Plan 2019 (draft) and UNDP's country programme and seeks to translate the objective of the Partnership for Prospects (P4P) through addressing the challenges in response to the deteriorating livelihoods and economic situations in the country, while enhancing social cohesion. It is designed to build a economic recovery and development pathway for Syria through cohesively linking livelihoods stabilization to sustainable livelihoods creation, and ensuring the buildup of a more resilience and forward-thinking economy.

2.3 UNDP Syria's Livelihoods and Economic Recovery Strategy

2.3.1 UNDP's comparative advantage

The rationale for UNDP's engagement in livelihoods and economic recovery derives from its roles as the UN's global development network, the importance of jobs and livelihoods to human development, the objectives set forth in UNDP's Strategic Plan 2018-2021 and beyond, and its proven comparative advantages and strengths. The Strategic Plan embraces an intended Outcome with direct relevance to jobs and livelihoods in crisis and post-crisis situations as follows:

- **Strategic Plan Outcome 3: Strengthen resilience to shocks and crises.**
Output 3.1.1 Core government functions and inclusive basic services restored post-crisis for stabilization, durable solutions to displace and return to sustainable development path within the framework of national policies and frameworks

Toward this Outcome, UNDP envisions supporting globally the generation of jobs and other environmentally sustainable livelihoods opportunities for crisis-affected men and women, including those in fragile situations. In designing and implementing livelihoods and economic recovery initiatives, the multi-sectoral/issue based, and area-based recovery and development are made possible building on UNDP's key areas of focus in the Strategic Plan: Democratic governance, sustainable development and resilience, with gender and youth as key cross cutting pillars.

UNDP's capacity for an integrated approach is its central comparative advantage in job and livelihoods. Looking ahead, UNDP enhances the integration of three dimensions of: 1) across sectors and issues (horizontal); 2) from the macro-level coordination and recovery planning to projects on the ground (vertical); and 3) across interventions focused on the short, medium, and long-term (temporal):

- 1) **Integration across sectors and issues (horizontal):** To achieve greater impact, activities are designed and implemented in a complementary manner for the implementation of P4P. For instance, the restoration of basic services and public infrastructure, and clearing and recycling of debris are at the same time creating employment opportunities. By bringing people together to work for the community cause, UNDP promotes social dialogues and cohesion. Women, youth, and PWDs are given special attention in all livelihoods interventions. Interventions are also implemented in partnership with local partners starting from planning, delivering and following up to ensure capacity development and sustainability.

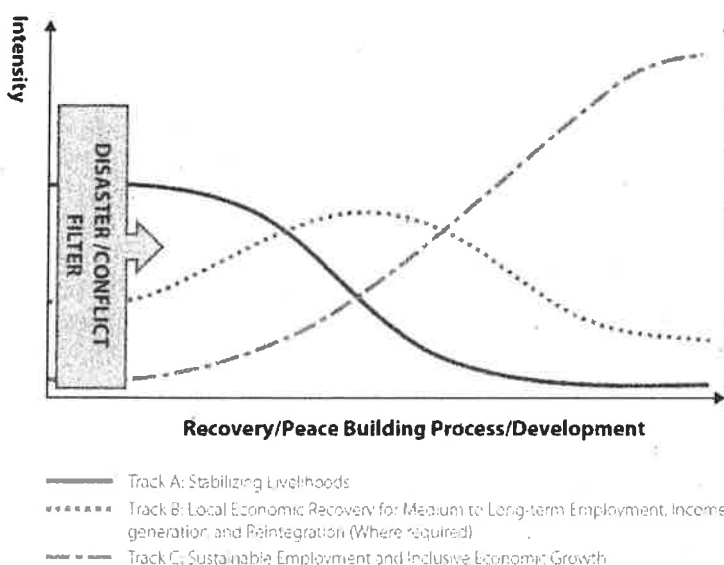
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- 2) **Macro-micro integration (vertical):** UNDP's approaches aim at linking humanitarian response to sustainable recovery through implementing scalable activities and with system approach.
- 3) **Short- Medium, and – long-term integration (temporal):** UNDP has globally adapted the three-track (Track A, B and C) approach of the UN Policy for Post-Conflict Employment Creation, Income Generation and Reintegration (2009) for its livelihoods and economic recovery programming in crisis situations. Track A programming responds to the urgent needs of crisis-affected groups with interventions to help stabilize livelihoods. Track B programming focuses on medium- to long-term local economic recovery, including interventions to boost sustainable employment, income generation, and reintegration. Track C programming focuses on long-term employment creation and inclusive economic growth. Interventions in Track C help to



strengthen the national systems and policies that are needed in order to sustain the progress achieved in Tracks A and B. These three tracks are represented through all phases of recovery, however their intensity peaks at different times in the post-crisis period, as shown on the left in a continuum. UNDP, with P4P support, has gradually shifted its weight towards Track B, where conditions allow, while noting that Track C will not be scope of the project

2.3.2 Definitions and concepts jobs and livelihoods

of

UNDP defines a job as a position of regular employment- a package of duties that an employee is hired to perform. Employment is a relationship between an employer and an employee in which the employee provides labour on a regular basis in exchange for a salary, wages, or another form of compensation. Self-employment is a situation in which a person works for him or herself, for example in the form of a micro or small business.

The concept of **livelihoods** is broader, comprising all the ways that people bring together their assets, capabilities, and activities to support themselves and their families or communities. In addition to the generation of income, livelihoods encompass any reliable ways that people access food, shelter, health care, education, safe water and sanitation, security, and protection.

They include as following:

- 1) **Human Assets:** Skill levels and educational attainment; The extent to which local skills match the needs of existing or emerging local businesses; Knowledge base and local use of science and technology; Livelihood aspirations; and Access to food, education, and health care
- 2) **Natural capital assets:** Environmental conditions in which people live and work; and Natural resource management issues affecting livelihoods (e.g., land tenure, disputed natural resources)

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- 3) **Physical capital assets:** Access to adequate housing; Access to safe water and sanitation; and Access to and use of infrastructure (roads, bridges, schools, hospitals, agriculture systems, etc.)
- 4) **Financial capital assets:** Access to finance, including microcredit; and coping and adaptive strategies for responding to financial shocks (e.g., drawing down savings, borrowing from friends, relatives, or money-lenders, and selling or trading assets)
- 5) **Social capital assets:** Participation in social groups and networks that provide support (financial or psychosocial), e.g., community-based organizations, NGOs, faith-based organizations, women's organizations, and extended family networks; and Perceived levels of safety and security
- 6) **Political/governance capital assets:** Access to and participation in government decision-making processes; Gender relations and power structures influencing control over decision making within households, communities, and the wider society; and Access to judicial systems and security sector institutions.

In Syria, these important capital assets have been tremendously lost, destroyed, or stolen, as described in the situation analysis. The prolonged crisis has been posing threats to the stocks of assets that people use to maintain their livelihoods. People have been responding to shocks and stresses with coping and adaptive strategies. Some shocks—such as those adversely affecting health, interrupting education and training, destroying property, severing social ties, and damaging ecosystems—can reduce assets in ways that have long-term impacts on livelihoods and human development.

The core principle of UNDP's approach is to create a sustainable livelihood that can recover from shocks and stresses and maintain or enhance its capabilities and these six assets without undermining the natural resources base. UNDP Syria's jobs and livelihoods programming aims to strengthen six assets through the above mentioned horizontal and vertical approaches, while paving a way for longer-term economic recovery.

The expansion and diversification of livelihoods is central to the ability of Syrian people in Syria, and their communities, and the country to return to the mainstream of sustainable development.

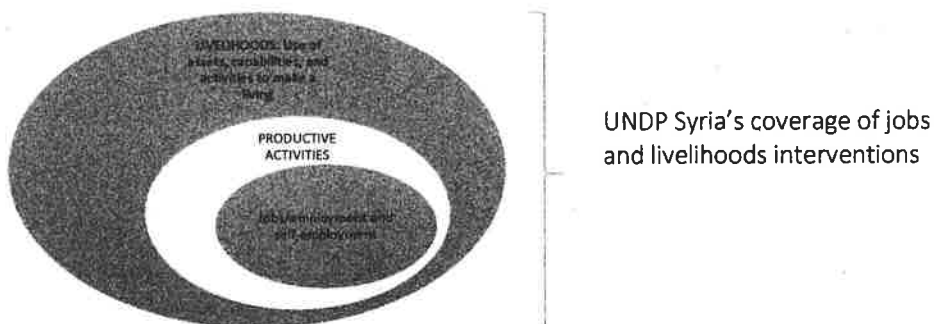


Figure: The relationship among jobs/employment, productive activities and livelihoods.

2.3.3 UNDP Syria's achievements under P4P

The partnership between UNDP Syria and the Federal Republic of Germany through KfW, has produced a framework that, focusing on livelihoods, job creation and income-generating activities is now implemented across the country regardless of the areas of control, providing probably the first country-wide mechanism for provision of assistance in both emergency and longer-term job creation within Syria during the crisis.

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So far, UNDP-BMZ/kfW partnership under P4P has undergone three phases. The first phase was kick-started by an agreement signed in late 2016 for six months, with a total funding of Euro 20 million. The initiative aimed at creating 33,190 job opportunities through rehabilitation of basic infrastructure and income generation to foster the recovery of disrupted livelihoods across Syria. It was implemented through 130 local projects whereby almost 3.5 million Syrians benefitted from enhanced access to basic infrastructure and delivery of essential services. Moreover, 46,988 job opportunities were created, overachieving by almost 50% the established main target.

The second phase of P4P started in December 2017, with a total funding of Euro 10 million is to complete by September 2019. It targets job creation with an emphasis on medium to longer-term job opportunities for the most vulnerable Syrians. Despite a suspension of four months requested by the donor in April 2018, activities resumed in August 2018 and it has resulted in the creation of 13,453 jobs thus far, and the projects are now being completed, with an overachievement against the initially targeted 11,860 jobs. Through job creation, this project is designed to contribute at generating an enabling environment for enhancing resilience in affected communities for both IDPs and host communities, reducing their dependence on humanitarian assistance as the sole source of food and non-food items.

Third phase of P4P with a total funding of Euro 10 million for a duration of two years is currently ongoing in 30 sub-districts distributed in 10 governorates across the country, including cross-line, with a focus on sustainable livelihoods creation (Track B) while providing emergency job opportunities in geographical areas where this approach (Track A) is still needed. It aims at the creation of a total 8.179 jobs.

2.4 UNDP Syria's Strategy for P4P

Building upon the achievements made through the previous two phases of P4P, UNDP Syria proposes this current proposal with interventions to translate the vision and objective of P4P to create jobs with two outputs along lines of three tracks (Track A, B and C), with a focus on Track A and B. The current proposal further emphasizes Track B to enhance resilience building and sustainable livelihoods creation.

Key objective: Building resilience in Syria through livelihoods stabilization and longer-term job creation

Targets:

1) Beneficiary target:

UNDP defines that greatest vulnerability in terms of jobs and livelihoods are those with low access to and ownership of livelihood assets, those surviving on negative coping strategies, those working informally, vulnerable workers, those engaged in unpaid family work, workers in temporary arrangements or without contracts, those with low skills or whose skills are poorly matched to the market, the unemployed. IDPs, host communities, and the families and communities left behind, IDP returnees and PWDs are becoming increasingly relevant in UNDP's targeting in Syria.

Each activity will have slightly different selection criteria to match with types of activities, however the common selection process especially for Output 2 (sustainable job creation) is as below:

First, community outreach and selection of the participants will be conducted through collaborating with NGOs and local committee. Following the collection of applications, the applicants will be shortlisted according to the eligibility criteria of:

- Age: above 18 years old
- Unemployed for more than 3 months; and
- Living in the targeted sub-district.

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The shortlisted applicants will be interviewed by the local committee composed of balanced and diversified representatives of communities and UNDP. The list of beneficiaries will be finalized based on the below Selection Criteria:

- Vulnerability (PWDs, women-headed households);
- Candidates who are members of households with income of less than 100 USD/month;
- Candidates who are members of households without any cash assistance from other projects; and
- Candidates within age group between 18 and 30

It will be ensured that at least 40 percent of the beneficiaries are women.

2) Geographical target:

The administrative structure of Syria consists of 14 governorates, 61 districts and 272 sub-districts, each has boundaries, local governance mechanisms, populations and settlements. Total number of settlements in the country exceeds 7,000 villages and towns, in which around 18 million Syrian citizens live and work. To prioritize UNDP's geographical targets, UNDP developed a scenario of indexes, where four indicators have been combined to define the locations of UNDP's interventions at sub-districts level. The four indicators are:

1. Presence of IDPs
2. Accessibility
3. UNDP Severity scale (built on data collected yearly in the 272 sub-districts across the country)
4. Complementarity between UNDP portfolios

The indicators are then combined with their respective weight into one single list of ranked locations, which form the long-list of locations to be discussed and agreed upon with KfW.

Once the selection of the sub-districts covered by this proposal has been finalized UNDP will provide a list of all sub-districts, including the indicators to KfW on a no-objection basis. The implementation of the following activities cannot start without completing this process.

Key indicators and targets:

- Overall indicator:
 - A total number of jobs created for men and women (=a total number of direct beneficiaries)
 - Target (direct beneficiaries): 8,179 jobs created (6,752 short-term jobs, and 1,427 longer-term jobs)
- Sub-indicators:
 - i) 6,752 men and women provided with short-term employment opportunities for a minimum of two months (minimum 20 working days/month) or stabilization of agricultural livelihoods.
 - ii) 1,427 men and women provided support for longer-term employment creation (Out of 2,087 men and women, 660 are through vocational and skills training and career counseling services, therefore 1427 men and women are counted for job creation)

UNDP Syria also makes available gender and disability disaggregated data. A minimum of 35 % of the whole targets will be women and 4 % will be PWDs. UNDP and UN Women are the focal points to coordinate implementation and reporting on the indicator 18 in the annual report of the Secretary-General on women and peace and security in tracking the implementation of resolution 1325 (2000). The indicator 18, "percentage of (monetary equivalent, estimate) benefits from temporary employment in the context of early economic recovery programmes received by women and girls" seeks to measure the proportion of payments – both direct monetary payments and the equivalent

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value of in-kind payments – received by women and girls. As a key agency in coordinating the implementation of this indicator, UNDP sees it paramount to include the achievement of P4P in reporting against this indicator 18 as a show of commitment, as well as scaling up its own support to women’s economic empowerment.

In terms of quality of jobs, UNDP Syria respects the ILO-defined criteria for decent work, such as fair income, security in the workplace, social protection for families, prospects for personal development and social integration, and equality of opportunity and treatment.

3. Programme Outputs and Activities

Output 1 (Track A Stabilizing Livelihoods): Strengthening positive local coping mechanism for individuals, communities, institutions and networks through emergency employment

Activity 1-1. Emergency Employment

The extreme rise in mass poverty, destruction of health and education services, and large-scale displacement of Syrians pose huge challenges. Considerable resources will need to go to rebuilding the lives of internally displaced people, and to encouraging the return and reintegration of IDPs and refugees⁷. Further, the conflict has exacerbated existing, and created new, sectarian divisions and tensions between different communities across the country that will need to be addressed in a meaningful way to promote social cohesion. In this regard, emergency employment projects are intended to bring people together and reduce vulnerability, while rehabilitating key socio-economic infrastructure, enhancing basic service delivery and social cohesion. The short-term work created under these projects aims to boost the purchasing power and consumption of crisis-affected communities, enabling them to meet their immediate needs and reduce their vulnerability to additional shocks.

a) Waste and Debris Management; and Rehabilitation of Socio-Economic Community Infrastructure

UNDP in cooperation with local partners identifies and implements the community initiatives in the field of basic infrastructure rehabilitation and solid waste removal and disposal in highly affected governorates with the aim to bolster the livelihoods of the most vulnerable and accelerate return to homes. The concept of infrastructure encompasses both social services (schools & health care facilities) and basic infrastructure (water, sewage, electricity networks). Under this component 4,096 men and women will be provided with short-term employment opportunities for restoring/ sustaining increasing demands for solid waste and debris management services, quick social services repairs in schools and health centers and other basic infrastructure such as water, sewage, and electricity networks. This will provide the chance for local communities to improve their income while improving their surrounding and services.

Through the activities around 82,500 Ton of SW/Debris will be removed, 3 of social services and 22 Km of basic infrastructure networks will be rehabilitated/maintained. Furthermore, tools and materials will be provided to undertake the work.

To implement this component, UNDP will undertake the following course of actions:

⁷ Since late march 2017 an average of 10,000 IDPs have returned to Aleppo. During May and June 2017 around 20,000 Syrian refugees have returned from host neighboring countries.

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- Select locations for waste and debris management, and infrastructure rehabilitation based on need and feasibility assessment, and develop action plans.
- Select local private sector partners for conducting activities.
- Conduct awareness raising in target communities to ensure community engagement and inclusiveness.
- Select beneficiaries for short-term labor-intensive work in waste and debris management, and infrastructure rehabilitation based on a set of selection criteria that ensure inclusiveness of women and PWDs.
- Conduct labor intensive waste and debris management, and infrastructure rehabilitation.
- Develop maintenance plans for rehabilitated infrastructure.
- Procure necessary tools and equipment

The modalities that UNDP uses include: contracting private sector companies with a condition to hire vulnerable populations, cash for work, and hybrid of these two. It applies the wage of **\$150/month for 20 to 22 working days/month**. It creates short-term employment opportunities for crisis-affected populations for a minimum of **two months**, enable infusion of cash into the local economy, and mobilize initiatives that benefit the community as a whole. It targets a total of 4,096 men and women for two months (12-15 % women and a 4 % PWDs).

The key principles of UNDP Syria's debris and solid management and infrastructure rehabilitation are as below:

- **Community involvement:** UNDP selects schemes based on community needs, priorities and aspirations with a vision for community participation in implementation, monitoring, and follow-up maintenance, including the utilization of local, unskilled and skilled labor.
- **Inclusiveness:** UNDP uses schemes that should enable women and PWDs and other vulnerable groups to participate in implementation at the extent possible. **PWDs are targeted at minimum of 4 %**, and UNDP provides technical support to private sector companies to ensure building codes are integrated in designs of infrastructure for accessibility and inclusive use of the resulting infrastructure.
- **Maintenance plan:** Maintenance is an integral part of the lifecycle of infrastructure for sustainability and for ensuring access of the whole community and enhancing social cohesion. The design of infrastructure scheme will include maintenance systems that utilize local available resources and skill, and sustainable management of spaces with inclusiveness.
- **Environmental responsibility:** The selection of infrastructure rehabilitation and waste and debris management should be informed by the risks and opportunities that local ecosystems and natural resources present. Priority is given to initiatives that utilize green materials, minimize waste, pollution and energy consumption.

b) Youth engagement and Social cohesion through cash for work modality

It focusses on youth's participation for three months in community services to develop community-oriented projects aimed to stabilize livelihoods, reinforce social cohesion by working together. This will start to prepare the youth participants with training to strengthen first, self-awareness, communication skills and values, second; the professional; planning, designing the initiatives and skills to help youth develop critical thinking, third; a responsible citizen; which incorporates civic engagement, awareness on all aspects of the social cohesion, community participation and environment.

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Prioritization will be given to two types of activities: i) activities to foster community trust and enhance social cohesion including participatory and innovative communications such as community theatres covering the dilemmas and choices faced by people in the crisis in day to day life, examining events around social cohesion from the viewpoint of a range of characters and explore the interplay of individuals, families and communities and the impact of decisions of people's actions on wider society. It will be complementary to a wide array of community members as participants; and ii) rehabilitation of the infrastructure that plays a key role in enhancing dialogue and trust within the communities to promote social cohesion (i.e. common spaces, cultural centers, youth centers, etc.); and in facilitating the restoration of the local economy (i.e. agricultural livelihoods assets, markets, small roads etc.). Activities will include the following:

- Select and train 16 team leaders on team building and community organizing; conflict response; and respecting the other; positive thinking and Problem solving; inclusiveness (disability, diversity on religious and/or ethnic backgrounds); stress management; and life skills and communication skills.
- Select 1,650 beneficiaries and implement social cohesion community initiatives through the cash for work modality for two months. The selected beneficiaries will be attached with the team leaders and enrolled in a soft skill training to prepare the beneficiaries to design and implement social cohesion community initiatives.
- Train team leaders on conflict analysis, response planning, dialogue facilitation, dispute mediation and negotiation skills to be community-based peace-agents.

Community services (cash for work activities) provide immediate individual income (i.e. incentive) in the amount of **\$150/month for 20 to 22 working days/month**, injects money into local economies and helps revive the production and service sectors, which are potential sources of more sustainable income and employment. It targets 1666 young men and women.

Key Indicators and targets:

6,762 jobs created

- i) 6,762 men and women provided with short-term employment opportunities (cash for work) for at least of the two months (minimum 20 working days/month);

Activity 1-2. Targeted self-employment of small fodder farmers in rural areas

The major livelihoods in rural areas in Syria has been agriculture, which used to account for 40 percent of employment and 27 percent of GDP. The agricultural sector has been devastated by the loss of cultivated land, destruction of farm machinery and irrigation systems, shortages of and high costs of farming inputs and fuel, severely damaged infrastructure, compromised power supplies and out-migration of farmers towards more secure areas. Stabilizing agricultural livelihoods in rural areas, especially in the newly accessible areas and targeting returnees, it is critical to start with distribution of agricultural productive assets including livestock, seedlings, and rudimentary tools as emergency job creation that will then lead towards more sustainable agricultural livelihoods with access to market. This activity targets 990 beneficiaries.

Key indicator and target:

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990 jobs created

- 990 of men and women provided with agricultural productive assets

Output 2 (Track B: Local Economic Recovery for Income, Employment and Reintegration of IDPs): Strengthening Labour Market and MSME Development for Sustainable Employment Creation

Addressing economic stabilization must be inclusive and equitable, addressing regional disparities that have existed since prior to the crisis, and facilitating equal and decent opportunities for all, especially for vulnerable population such as women, youth, and persons with disabilities. This output focuses on longer-term local economic recovery in both rural and urban areas through rural-focused sustainable livelihoods support such as value chain development and vocational and skills training, leading to self-employment; and MSMEs development to boost sustainable employment and income generation. UNDP will ensure that all interventions to promote employment, income generation, and reintegration of IDPs and future returnees maintains a careful balance between stimulating local economic growth and ensuring that growth is inclusive.

Activity 2-1. Rural Economic Recovery through Rural-based Sustainable Livelihoods

The current context of Syria is characterized by substantial differences in the realities and development challenges between rural and urban areas, and between regions and governorates. With continuing marked development disparities between urban and rural areas, focused interventions for rural recovery will be crucial in order to reduce inequality and facilitate return and reintegration. Each rural local context and economic condition requires to look at issues in a concerted and systemic manner to bring new and innovative ideas for overcoming (or bypassing) key barriers that currently hamper the rural recovery of Syria. This is particularly important in the revival of agricultural sector in rural areas, which require strong emphasis on climate change adaptation.

Under this activity, UNDP aims to support sustainable and climate smart agricultural livelihoods through developing value chains on key commodities, supporting new innovative business ideas for rural areas⁸, and the establishment and management of cooperatives, farmers' markets and rural development centres targeting a total of 300 men and women.

Key indicator and target:

300 jobs created

- 300 men and women provided with support for longer-term employment creation

Activity 2-2. Inclusive and sustainable Micro-Small and Medium Enterprises recovery and development

The underpinnings of private sector activities—including a business-friendly policy environment, access to finance and markets, capacity, and infrastructure—are heavily damaged, destroyed, or in an early stage of development in Syria. As a result, markets tend to favour existing elites and to reinforce established patterns of inequality and social exclusion. When obstacles can be overcome, the micro, small, and medium enterprise (MSME) sector can

⁸ The current P4P III supports various initiatives in an innovative way, such as "Innovation Challenge for Rural Recovery and Development", which turned to be successful.

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be the most resilient part of the economy recovery process, with the potential to generate broad-based employment and income generation. UNDP aims at both strengthening local market systems and improving the provision of crisis-affected people and communities that are adversely affected by the conflict.

The project aims to support both start-up and acceleration of new and existing MSMEs, targeting 465 men and women. Support will include entrepreneurship training and start-up support, acceleration support with advance business training, access to finance and access to market (e.g. branding, marketing etc.). UNDP promotes supportive initiatives of social enterprises with a high potential for competitiveness, job creation and social innovation, focusing on the needs of communities, and specialized workshops targeting PWDs. The approaches also include innovative entrepreneurship development such as innovation challenges and hackathon.

Key indicator and target:

465 jobs created

- 465 men and women provided with support for longer-term employment creation

Activity 2-3. Market-driven vocational and skills training and placement services

UNDP designs training matched with the demand for skills in the labour market in order to prepare people for productive participation in the labour market through providing with the knowledge and skills that are required for particular occupations. Vocational and skills training of crisis-affected population is efficient, as it can prevent the deterioration and obsolescence of skills and qualification and raise enterprise productivity.

a) Targeted on the job training :

Vocational and skills training prepares the crisis-affected Syrians for productive participation in the labour market by providing them with the knowledge and skills that are required for occupations. UNDP will facilitate to create on the job opportunities with private sector enterprises for 385 men and women.

Support will include the following:

- Identify skills and interests of target groups. The appropriate selection criteria will be developed with communities and other stakeholders, placing a priority on women, youth and vulnerable groups. Once the target groups are selected, a profile of their existing knowledge, skills, experience, and interests will be developed.
- Identify private sector enterprises that are willing to provide on-the-job training and assess their capacity to accommodate trainees, and provide support to private sector enterprises including technical training on women's empowerment and accessibility of PWDs, as well as equipment and tools for scale up their businesses to accommodate trainees.
- Facilitate matching of employees and 385 trainees and monitor on-the-job training for a duration of minimum two months.

b) Employment Services (job placement and apprenticeship):

UNDP will facilitate employment services including apprenticeship and job placement for a total of 275 men and women. Employment opportunities with private sectors- both informal and formal- will be mapped for facilitation

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of job placement. Based on mapping, UNDP will identify employers and facilitate apprenticeship and job-placement with incentives for employers to expand their businesses.

c) Youth in Transition Support- Linking Higher Education to Labour Market:

Youth has been particularly affected with an unemployment rate of 78% in 2015, and an even higher percentage among women. Support youth in transition at higher education to enter labour market is critical to empower youth and equip them with skills and options for future career. UNDP will support 500 youth at higher education with career counseling, internship opportunities, and soft skills training, and also support 50 graduation projects to be start-up micro-businesses.

Key indicator and target:

825 jobs created (275 with employment services and 550 with graduation support)

- 1,210 men and women provided support (vocational and skills training, career counseling, internship opportunities, soft skill training and start-up) for long-term employment creation

Activity 2-4. Sustainable job creation for Persons with Disabilities (PWDs) provided with physical support PWDs face increased level of vulnerability during crises as they are more prone and at risk of marginalization due to physical barriers, social attitude and legislative norms related to the disabling environment they live and interact with. Adding to that other aspects such as gender, age, poverty makes it substantially challenging to break these multi-layers of vulnerability. Tackling only the activity limitation resulting from body function impairment will not necessarily result in increased participation. More support is needed on the psychosocial level and improving accessibility to socioeconomic opportunities. UNDP is committed to support the vulnerable groups of PWDs in Syria including physical impairment resulting from amputation that is reported to account for 15% of conflict related trauma. In this regard, this activity is dedicated to PWDs in addition to mainstreaming PWDs across aforementioned various economic recovery activities.

Syria has only three functional national prosthetic service centers (Ministry of Defense, Ministry of Health and Syrian Arab Red Crescent facilities) and are all located in Damascus, providing free of charge services and they struggle to keep steady production facing the high demands and scarcity of resources. Several private workshops provide wide range of quality prosthetic services; however, the cost is extremely high and still incapable of covering the national needs. UNDP has adopted the strategy to support CBOs capacities to deliver this technically and financially depending services, and thus far five prosthetic workshops have been supported in Hasake, Aleppo, Damascus (two workshops) and Tartous with including the support from KFW through the previous P4P.

The current activity will continue to support PWDs with prosthetic services for them to be ready for access to job opportunities, and with livelihoods opportunities for them to be self-reliant. Prosthetic services will be provided through already established prosthetic workshops. Activities will include the following:

- Select three workshops to support for continued and expanded services.
- Select 140 PWDs with lower limb amputation and Support the to provide lower limb prosthetic devices and other rehabilitation treatment to selected beneficiaries.

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- Support 112 PWDs through provision of sustainable livelihoods opportunities. Types of livelihoods support will be identified based on the feasibilities of PWDs and also market and livelihoods conditions in targeted areas.

Key indicator and target:

112 jobs created

- 112 PWDs (disaggregated by gender) provided with sustainable livelihoods support (vocational and skills training; apprenticeship; job placement) for employment creation

4. Cross-cutting themes and principles

- **“Humanitarian (, Peace) and Development Nexus”**: Bridging the gap between humanitarian, recovery and development: The Programme strives to contribute to longer-term recovery and development, emphasizing continued resilience building through implementing quick wins to pave the way for a medium to longer term gains.
- **Gender equality and women’s empowerment**: Reflecting the pivotal significance of gender equality and women’s empowerment, the interventions target women at an average of 35 %. In order to ensure such, safe and fair working conditions will be ensured. In addition to ensuring equitable wages, the projects will involve arrangement for separate and secure latrine, transportation to worksites, childcare assistance, supervision by both men and women, and confidential reporting procedures for addressing gender-related concerns.
- **Conflict sensitivity**: All proposed livelihoods and economic recovery interventions are intended to bring people together and reduce vulnerability. All the interventions will contain safeguard against the risks of creating social divisions or exacerbating conflict, and further strive to prevent future conflicts. Given that the projects potentially involve young ex-fighters, substance abuse and a lack of education and skills can compromise participants’ ability to make constructive use of the cash payments they receive, which can then dissipate into negative channels that do not support longer- term economic security in the target communities. The interventions will include soft skills training to turn youth into peace agents in the communities, while having them economically active and contribute to local economic recovery.
- **Market sensitivity**: To avoid the market distortions that livelihoods interventions, especially emergency employment interventions can create, such as wage and price inflation, the project design will consider all available information about local market. The design will include information on the markets for skilled and unskilled labour and the markets for other inputs (equipment, tools materials, and supplies) to be procured for the emergency employment interventions. Also, through the Early Recovery and Livelihoods Cluster, UNDP will take the lead in coordinating and standardizing wage and work condition.
- **Combating Child Labor**: Recognizing the importance of combating child labour in Syria, the interventions will incorporate specific activities to combat the worst forms of child labour, including advocacy against the use of child labour at the MSMEs level.
- **Environmental sustainability and Disaster Risk Reduction**: The sustainable use of natural resources and environmental sustainability of livelihoods activities are a priority for UNDP. Important entry points in rehabilitation of infrastructure are the creation of green jobs as well as opportunities for recycling and reduction of waste, and climate smart rehabilitation of energy and water supply systems. It will be essential that the identification and implementation of livelihoods and local economic activities operate through a disaster risk reduction lens to ensure that initiatives do not per se contribute to disasters or

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have negative impacts; and that concerted efforts are made to safeguard recovery and development gains.

- **Partnership, communication and coordination:** Throughout the implementation, UNDP promotes coherent and coordinated efforts amongst all partnerships to ensure harmonization, avoid conflict and reduce duplication. Through its lead role in the Early Recovery and Livelihoods Cluster, UNDP coordinates, acts as a catalyst to advocate for resilience building. Achievements and lessons-learnt of this programme will feed into the development of a livelihoods and economic recovery strategy.

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5. Implementation Modality

UNDP will identify the best modality among two key modalities for each component based on an assessment of feasibility: i) direct implementation and ii) implementing and responsible party agreements with implementing partners. The former is often used in crisis and post-crisis situations to facilitate delivery and decision-making swiftly, starting the project faster. The latter will facilitate the implementation through both implementing and responsible parties based on an assessment of the partner's capacity to effectively manage the project and deliver the intended outputs. UNDP's experience demonstrates that engaging existing organizations (e.g. NGO/CBOs, local partners) as responsible parties and building their capacity, wherever possible, will yield more sustainable results than establishing new institutions. This partnership/implementation modality will include, where an added value is evident, non-Syrian organizations with specific expertise useful to support the achievements foreseen by the project and strengthen its impact on the ground. In addition, UNDP, by adopting an area-based approach to all its interventions, supports the development of local committees and engages them to ensure local ownership in selecting and implementing the interventions.

For activities to be implemented from inside Syria, relevant coordination/clearances will be sought with concerned ministries and contractual agreements established with implementing partners (NGOs, CBOs and FBOs).

Moreover, UNDP will engage through its NGOs/CBOs capacity development programme, in line with the adopted UNDP's strategy set for CSOs Capacity Development, in order to reinforce the capacities of implementing partners on the ground, which will also increase efficiency and impact of KfW resources.

- More specifically, below a description of what kind of support to NGOs will be provided (what and how):
 - o On the level of skills and knowledge of staff and volunteers: Interactive training workshops for 200 NGOs' staff members and volunteers, with special focus on management, reporting and financial management, participatory planning, productive workshops management, social enterprises management, in addition to soft skills for services providers including: effective communication, negotiation skills and conflict management.
 - o On institutional level of the NGOs:
 - Mentoring and coaching that is tailored to bridging the gap of institutional capacity of the targeted NGOs, with special focus on strategy and organizational structure, communication and visual identity for better communication and positioning of the NGOs, Effective utilization of ICT to better manage outreach and beneficiaries' follow-up, among other organization's activities.
 - Exchange visits to provide exposure to best practices with special focus on: Job placement and entrepreneurship.
- Selection criteria for NGOs (who and why):
 - The selection criteria will focus on NGOs implementing projects with UNDP and the prospected NGOs with collaborative advantages of outreach to targeted people in need in prioritized locations, as well as the technical knowledge.
 - An invitation letter to express interest will be shared with the targeted NGOs to nominate staff and volunteers, the nominees will be asked to fill an application, covering their background and experiences as well as a narrative to explain why they are interested in

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the training workshops, and how they are planning to invest the obtained skills and knowledge for the best of the NGOs beneficiaries.

Both lists of partnering NGOs and CBOs and private sector companies for procurement will be shared with KfW for clearance, and for UNDP to expedite implementation. The Financing Agreement will keep article 8 of the latest Financing Agreement between KfW and UNDP, specifically its paragraph 8.4, as per KfW request and in accordance with the status, privileges and immunities of the United Nations and its applicable rules, policies and procedures.

Recruitment of staff and procurement of all necessary inputs will take place in accordance with UNDP's rules and regulations.

6. Monitoring, Evaluation and Reporting

This programme is designed with various interventions with a focus on two Tracks of the Three-Track Approach to achieve the impact with an aggregated key indicator of "number of jobs created" and to contribute to the overall objective of P4P. Monitoring evidence indicates whether, to what extent, and how efficiently the expected outputs are produced and the activities are implemented. The lessons learned can contribute to the development of livelihoods and economic recovery strategy through the Early Recovery and Livelihoods Cluster, and to global knowledge on early recovery.

As for Track A, UNDP ensures within its in-house capacity, technical expertise for effective M&E for infrastructure rehabilitation projects. The M&E process will ascertain, for example, whether start-up packages and grants reach participants, how they are used, impacts on local markets, impacts on participants' households, and the project's overall contribution to livelihoods and economic recovery. The monitoring process captures key issues and lessons learned.

Under Track B, in addition to the aggregated key indicator of job creation, UNDP aims to measure the expected result of sustainable livelihoods creation. For instance, the following will be collected among samples of the participants beyond the completion of vocational and skills training.

- # percent of graduates are employed or are self-employed six months after training
- # percent have increased income three months after leaving training

Monitoring of such determines the quality of the training provided, whether participants are attending their training and making progress with the curriculum, whether training, job placement, and referrals are effectively leading to employment, and whether graduates achieve sustained employment and income generation using the skills they obtained.

The collected data (baselines, monitoring data, etc.) will feed the UNDP's information management system that can generate reports using both quantitative and qualitative data. This information management system will support UNDP in the following:

- Greater accountability for resources allocated and efforts made in promoting sustainable livelihoods in the targeted communities
- Greater opportunities for management decisions informed by reliable data.

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- Greater opportunities to learn lessons (almost on real time) and influence policy with evidence-based information.

It will allow UNDP to assess the impacts of activity, output and objective levels, which will be captured in the below reports and evaluation:

- An Issue Log: An issue log shall be activated in Atlas and updated by UNDP.
- Risk Log: A risk log shall be activated in UNDPs project management system and will be regularly updated.
- Field visits and quarterly reports: UNDP will prepare regular progress reports for the Project Review Board (PRB), accompanied by financial reports.
- Review Meetings: UNDP will be responsible for organizing these meetings and for following up on the recommendations and decisions taken in the meetings.
- Annual Work-Plan and Budget: The annual work plan and budget will serve as the primary reference documents for the purpose of monitoring the achievement of results.
- Lessons Learnt: A project Lesson-learned log shall be activated and regularly updated.
- Evaluation and Audit: The project will be part of the Country office outcome evaluations. The audit of the project will be made through the regular external (UN Board of Auditors) or internal audits (audits managed by UNDP's Office of Audit and Performance Review.
- IMRP as an internal monitoring and reporting system that tracks and monitors progress achieved against the preset targets
- UNDP Transparency Dashboard will capture achieved results versus targets at the output and corporate levels.
- Monthly update spreadsheets, a mid-term report and final report capturing the progress of activities and disbursements shall also be submitted to KfW.

The above, in addition to regular reporting to the donor across the two-year duration of the project: two progress reports per year plus the progress overview shared every other month with KfW.

A final narrative and financial report will be submitted to KfW at the end of the project, as per previous phases, in accordance to UNDP standards, rules and regulations.

7. Risk Log

Area	Conflict/Disaster/Risk	Impact & Probability	Mitigation Measures	Management Options & Response
Change in context	- Unstable and/or unpredictable security situation within the target areas	P 3 I 4	- Continuous monitoring of the security situation will be undertaken and work plan revised at regular stages. In the case of serious worsening of the local context, activities will be contained to safer areas / issues.	- Scale down of project activities - In case of drastic change, UNDP will withhold any further support until acceptable level of stability is restored

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Area	Conflict/Disaster/Risk	Impact & Probability	Mitigation Measures	Management Options & Response
			<ul style="list-style-type: none"> - Encourage continuous dialogues at the local level - Implementation through local partners 	
	<ul style="list-style-type: none"> - Increase of tensions within the target areas 	P3 I3	<ul style="list-style-type: none"> - Continuous monitoring of the situation - Partnerships established with communities and local authorities - Monitoring communicated to KfW for preparedness 	<ul style="list-style-type: none"> - Adjust the programme to focus on means that are more likely to diffuse tensions - Focus on short-term aspects of the programme, depending on the situation - Expand rapid responses and conflict mitigation mechanisms
Financial	<ul style="list-style-type: none"> - Downturn and worsening of economic conditions, exchange rate change and inflation rates. 	P4 I3	<ul style="list-style-type: none"> - Proper planning and execution, transparent budget monitoring mechanism, analysis of spending trends and early adjustment 	<ul style="list-style-type: none"> - Downscale activities in case of serious shortfall of financial resources

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Area	Conflict/Disaster/Risk	Impact & Probability	Mitigation Measures	Management Options & Response
Management	<ul style="list-style-type: none"> - Government approval process taking longer, causing delay in the implementation - Biased, non-participatory selection criteria of beneficiaries and interventions - Ad-hoc coordination mechanisms - Limited market capacities and high prices of material, tools and equipment 	<p>P4 I4</p>	<ul style="list-style-type: none"> - Consult with PICC early on to expedite the approval process - Develop and facilitate consensus on the project selection criteria for equitable and inclusive resource distribution - Adopt participatory consultation mechanisms for the identification and design of projects targeting women and youth - Continuous context monitoring to ensure no harm approach and implementation of results - Institutionalization of sustainable coordination mechanism and ensure synergies and coherence with on-going mechanism - Carry out ad-hoc market price surveys of certain commodities and in the market 	<ul style="list-style-type: none"> - Consultations with PICC and preparation of the implementation in parallel to minimize the delay. - Consultations with communities and their representatives - Regular board meetings to review progress and mitigate any potential conflict situation - Continue to lead coordination of Early Recovery and Livelihoods Cluster/Sector

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Area	Conflict/Disaster/Risk	Impact & Probability	Mitigation Measures	Management Options & Response
Environmental/physical	<ul style="list-style-type: none"> - Decisions on intervention types and locations do not take into consideration environmental issues - Difficulty in integrating community projects into wider sector planning for future maintenance and development 	<p>P3 I3</p>	<ul style="list-style-type: none"> - Include environmental selection criteria - Establish standard operating procedures - Involve concerned local community members as early as possible to foster ownership and synergies 	<ul style="list-style-type: none"> - Mainstream awareness raising on environment as part of interventions - Constant monitoring
Institutional	<ul style="list-style-type: none"> - Limited capacities of local implementing institutions - Lack of clarity on division of responsibilities as well as different agenda amongst stakeholders. 	<p>P4 I3</p>	<ul style="list-style-type: none"> - Provide NGOs/CBOs capacity development to ensure appropriate project and financial management, transparent implementation, monitoring and reporting - Depend on diversified implementation modalities that include engaging and contracting of local authorities, community based organizations, NGOs, and private sector. - Follow a participatory consultative approach to assist NGOs/CBOs in reaching a consensus and agreement on division of labour 	<ul style="list-style-type: none"> - Engage a wide range of local project partners and stakeholders to facilitate and enable the implementation and ensure the ownership by the communities/target groups - Web based information management and reporting system to monitor the progress online

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Area	Conflict/Disaster/Risk	Impact & Probability	Mitigation Measures	Management Options & Response
High Expectations	<ul style="list-style-type: none"> - Negative perception of segments of the public regarding project due to limited information of the programme activities and un-managed expectation 	<p>P2 I2</p>	<ul style="list-style-type: none"> - Stronger focus on communicating results and working with communities - In critical locations UNDP focuses on rapid delivery of highly visible support to communities 	<ul style="list-style-type: none"> - Communication strategy (Ensuring information on the action objective and eligibility clear to all stakeholders from the onset in orientation meetings and media campaigns.)



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Syria Country Proposal for Partnership for Prospects (P4P) Phase IV Response to the Syria Crisis: *Job creation for resilience building in Syria*

Job creation for resilience building in Syria

Objective: Building resilience in Syria through stabilisation of livelihoods and sustainable job creation

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INTENDED OUTPUTS	OUTPUT TARGETS	INDICATIVE ACTIVITIES
<p>Output 1 (Track A Stabilizing Livelihoods): Strengthening positive local coping mechanism for individuals, communities, institutions and networks through emergency employment, targeted self-employment support, social cohesion and rehabilitation of PWDs</p>		
<p>Activity 1-1. Emergency Employment</p>	<p>Targets: 5,762 jobs created</p> <p>1.1.a (4,096 jobs)</p> <ul style="list-style-type: none"> - 4,096 men and women provided with short-term employment opportunities for at least two months (minimum 20 working days/month). - 82,500 Ton of SW/Debris removal & collection. - 3 of social services rehabilitated. - 22 Km of basic infrastructure rehabilitated/maintained. <p>1.1.b (1,666 jobs)</p> <ul style="list-style-type: none"> - 1650 men and women 	<p>Activity Result 1.1.a: Waste and Debris Management; and Rehabilitation of Socio-Economic Infrastructure through private sector engagement</p> <ul style="list-style-type: none"> - Select locations for waste and debris management, and infrastructure rehabilitation based on need and feasibility assessment, and development of action plans. - Select local private sector partners for conducting activities. - Conduct awareness raising in target communities to ensure community engagement and inclusiveness. - Select 4,096 beneficiaries for short-term labour intensive work based on a set of selection criteria. - Ensure inclusiveness of women and PWDs in selection process and work place through facilitating separated latrines, both female and male supervisors and child care facilities for women, and accessibility for PWDs. - Conduct labour intensive waste and debris management, and infrastructure rehabilitation. - Develop maintenance plans for rehabilitated infrastructure. <p>Activity Result 1.1.b: Youth engagement and Social cohesion through cash for work modality</p>

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<p>implemented for enhancing social cohesion</p> <ul style="list-style-type: none"> - No. of youth trained to be peace-agents in communities 	<p>provided with short-term employment opportunities for at least two months (minimum 20 working days/month).</p> <ul style="list-style-type: none"> - At least 16 community initiatives implemented for enhancing social cohesion - 16 youth trained to be peace-agents in communities. 	<ul style="list-style-type: none"> - Select social cohesion community initiatives to foster community trust and enhance social cohesion. - Select and train 16 team leaders on team building and community organizing; conflict management; and respecting the other; positive thinking and Problem solving; inclusiveness (disability, diversity on religious and/or ethnic backgrounds); stress management; and life skills and communication skills. - Select 1650 beneficiaries. - Implement social cohesion community initiatives through the cash for work modality for two months. - Train team leaders to be become the community-based peace agents with more specialized training Conflict analysis, response planning, Dialogue facilitation, Dispute mediation and Negotiation skills.
<p>Activity 1-2. Targeted self-employment of small folder farmers in rural areas</p> <p>Baseline:</p> <ul style="list-style-type: none"> - People lost agricultural livelihoods assets in rural areas <p>Indicators:</p> <ul style="list-style-type: none"> - No. of men and women provided with agricultural productive assets 	<p>Target:</p> <p><u>990 jobs created</u></p> <ul style="list-style-type: none"> - 990 men and women provided with agricultural productive assets 	<p>Activity Result 1.2: Targeted self-employment of small fodder farmers in rural areas</p> <ul style="list-style-type: none"> - Conduct rapid assessment in rural areas to identify the needs of productive assets to kick start livelihoods activities - Identify areas and target populations and distribute productive assets in conflict sensitive ways
<p>Output 2 (Track B: Local Economic Recovery for Income, Employment and Reintegration of IDPs): Strengthening</p>		

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MSME Development and Sustainable Employment Creation		
<p>Activity 2-1. Rural Economic Recovery through Rural-based Sustainable Livelihoods</p> <p>Baselines:</p> <ul style="list-style-type: none"> - Job opportunities not available in target areas <p>Indicators:</p> <ul style="list-style-type: none"> - No. of men and women provided with support for long-term employment creation 	<p>Target: <u>300 jobs created</u></p> <ul style="list-style-type: none"> - 300 men and women provided with support for longer-term employment creation 	<p>Activity result 2-1. Rural Economic Recovery through Rural-based Sustainable Livelihoods</p> <ul style="list-style-type: none"> - Identify sustainable and diversified livelihoods activities in rural areas (value chain development, cooperative development, innovation challenge for rural areas etc.) - Support implementation of three initiatives in rural areas, benefitting 300 men and women
<p>Activity 2-2. Inclusive and sustainable private sector recovery and development</p> <p>Baselines:</p> <ul style="list-style-type: none"> - Job opportunities not available in target areas <p>Indicators:</p> <ul style="list-style-type: none"> - No. of men and women provided with support for longer-term employment creation - # percent of graduates are 	<p>Target: <u>465 jobs created</u></p> <ul style="list-style-type: none"> - 465 men and women provided with support for longer-term employment creation - 70 percent of graduates are employed or are self-employed six months after training and other support 	<p>Activity result 2-2. Inclusive and sustainable Micro-Small and Medium Enterprises recovery and development</p> <ul style="list-style-type: none"> - Provide business revival, start-up (entrepreneurship development) and acceleration support to 465 men and women through various approaches including innovation challenges, business development centres and MFIs.

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<p>employed or are self-employed six months after training</p>		
<p>Activity 2-3. Market-driven vocational and skills training and placement services</p> <p>Baseline:</p> <ul style="list-style-type: none"> - Job opportunities not available in target areas <p>Indicators:</p> <ul style="list-style-type: none"> - No. of men and women provided with support for longer-term employment creation; - # percent of graduates are employed or are self-employed six months after training 	<p>Target: 550 jobs created</p> <ul style="list-style-type: none"> a) 385: on the job training; b) 275 job placement and apprenticeship; and c) 550 youth in transition support <ul style="list-style-type: none"> - 1,210 men and women provided with support for longer-term employment creation - 70 percent of graduates are employed or are self-employed six months after training 	<p>Activity result 2-3. a) Targeted vocational and Skills Training:</p> <ul style="list-style-type: none"> - Identify skills and interests of target groups. - Conduct market assessment. - Develop the appropriate selection criteria and select 385 men and women with a profile of their existing knowledge, skills, experience - Identify private sector enterprises to accommodate on-the-job training for 385 beneficiaries and provide support to them - Conduct on the job-training for 385 men and women. <p>Activity result 2-3. b) Job placement and self-employment support:</p> <ul style="list-style-type: none"> - Identify private sector companies (both informal and formal). - Conduct job placement and apprenticeship for 275 men and women - Provide equipment support as incentives for employers <p>Activity Result 2-3. c) Youth in Transition Support</p> <ul style="list-style-type: none"> - Provide soft skill training, career counseling and internship opportunities to 500 youth at higher education - Provide support to 50 graduation projects to be start-up microbusinesses
<p>Activity 2.4 Longer-term job creation for Persons with Disabilities (PWDs) provided with physical support</p> <p>Baseline:</p> <ul style="list-style-type: none"> - Physical and psychosocial rehabilitation services for PWDs 	<p>Target:</p> <p>112 jobs created</p> <ul style="list-style-type: none"> - 140 PWDs provided with physical and psychosocial support - 112 PWDs provided support for longer-term employment creation 	<p>Activity Result 2.4: Targeted self-employment of Persons with Disabilities (PWDs) provided with physical and psychosocial support</p> <ul style="list-style-type: none"> - Conduct assessment to identify persons in dire need for prosthetic services namely lower limb amputation and whose livelihood has been disrupted by the impact of the crisis and can benefit from self-employment. - Select 140 PWDs with lower limb amputation who can be linked with sustainable livelihoods opportunities.

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<p>not available in target areas</p> <p>Indicators:</p> <ul style="list-style-type: none"> - No. of PWDs provided with physical and psychosocial support - No. of PWDs provided with support for longer-term employment creation 		<ul style="list-style-type: none"> - Support community-based organization to provide lower limb prosthetic devices and other rehabilitation treatment to selected beneficiaries. - Support sustainable livelihoods to 112 PWDs.
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9. Budget

Activity	Item	Unit cost	Total (USD)	Total (Euro) (USD 1 = Euro 0.858 exchange rate)
Output 1 (Track A Stabilizing Livelihoods): Strengthening positive local coping mechanism for individuals, communities, institutions and networks through emergency employment, targeted self-employment support, social cohesion and rehabilitation of PWDs				
Activity 1-1: Emergency Employment				
Activity Result 1.1.a: Waste and Debris Management; and Rehabilitation of Socio-Economic Infrastructure through private sector engagement	Solid Waste Management Monthly salary	2860 men and women X \$150/month X 2 months	Us \$ \$858.000	Euro € 736.164
	Solid Waste Management Tools and materials	\$660.413	Us \$ \$660.413	Euro € 566.634
	Socio-economic infrastructure Monthly salary	1236 men and women X \$160/month X 2 months	Us \$ \$395.520	Euro € 339.356
	Socio-economic infrastructure tool and materials	\$935.000	Us \$ \$935.000	Euro € 802.230
	Training of leaders	\$65.000	Us \$ \$65.000	Euro € 55.770
1.1 a) Subtotal			Us \$ \$2.848.933	Euro € 2.444.384
Activity Result 1.1.b: Youth engagement and Social cohesion			Us \$ \$65.000	Euro € 55.770

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through cash for work modality	Soft skills training and development of community initiatives	\$165.000	Us \$	\$165.000	Euro	€ 141.570
	Cash incentives	\$150X1650X2m onths	Us \$	\$495.000	Euro	€ 424.710
	Initiatives	\$20,000 X16initiatives	Us \$	\$320.000	Euro	€ 274.560
1.1. b) Subtotal			Us \$	\$1.045.000	Euro	€ 896.610
1.1 Subtotal			Us \$	\$3.893.933	Euro	€ 3.340.994
Activity 1-2. Targeted self-employment of small fodder farmers in rural areas						
Activity Result 1.2: Targeted self-employment of small fodder farmers in rural areas	Rapid assessment in agricultural livelihoods in rural areas	\$5.500	Us \$	\$5.500	Euro	€ 4.719
	Revival of Agricultural productive activities	990X\$ 800	Us \$	\$792.000	Euro	€ 679.536
1.2 Sub-Total:			Us \$	\$797.500	Euro	€ 684.255
Output 1 Total:			Us \$	\$4.691.433	Euro	€ 4.025.249
Output 2 (Track B: Local Economic Recovery for Income, Employment and Reintegration of IDPs): Strengthening MSME Development and Sustainable Employment Creation						
Activity 2-1. Rural Economic Recovery through Rural-based Sustainable Livelihoods						
Activity result 2-1. Rural Economic	Assessment	\$5.500	Us \$	\$5.500	Euro	€ 4.719

Syria Country Proposal for Partnership for Prospects (P4P) Phase IV Response to the Syria Crisis: Job creation for resilience building in Syria



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Recovery through Rural-based Sustainable Livelihoods	Rural Development, Cooperative support and Value Chain Development	\$200,000X3	Us \$	\$600.000	Euro	€ 514.800
2.1 Sub-total:			Us \$	\$605.500	Euro	€ 519.519
Activity 2-2. Inclusive and sustainable Micro-Small and Medium Enterprises recovery and development						
Activity result 2-2. Inclusive and sustainable Micro-Small and Medium Enterprises recovery and development	Assessment	\$20.000	Us \$	\$20.000	Euro	€ 17.160
	Business start-up and acceleration support	\$3500X465	Us \$	\$1.627.500	Euro	€ 1.396.395
2.2 Sub-Total			Us \$	\$1.647.500	Euro	€ 1.413.555
Activity 2-3. Market driven vocational and skills training and placement services						
Activity result 2-3. a) Targeted vocational and Skills Training	Market Assessment	\$11.000	Us \$	\$11.000	Euro	€ 9.438
	Equipment support to private sector	\$150.276	Us \$	\$153.500	Euro	€ 131.703
	Vocational and skills training targeting 385 men and women	\$2500X385	Us \$	\$962.500	Euro	€ 825.825
2.3. a) total:			Us \$	\$1.127.000	Euro	€ 966.966
Activity Result 2.3 b) Job placement and self-employment support	Assessment	\$5.500	Us \$	\$5.500	Euro	€ 4.719
	Matching and mentoring services targeting 275 men and women	\$500X275	Us \$	\$137.500	Euro	€ 117.975
	Equipment support to 275 employers	\$500X275	Us \$	\$137.500	Euro	€ 117.975
2.3. b) total			Us \$	\$280.500	Euro	€ 240.669
Activity Result 2.3. c) Youth in	Assessment	\$5.500	Us \$	\$5.500	Euro	€ 4.719

Syria Country Proposal for Partnership for Prospects (P4P) Phase IV Response to the Syria Crisis: Job creation for resilience building in Syria



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Transition Support	Support to 500 students at higher education (career counseling, soft-skill training, internship)	\$500X500	Us \$	\$250.000	Euro	€ 214.500
	Support for 50 start-up of graduation support	\$5000X50	Us \$	\$250.000	Euro	€ 214.500
2.3. c) total			Us \$	\$505.500	Euro	€ 433.719
2.3 Sub-Total			Us \$	\$1.913.000	Euro	€ 1.641.354
Activity 2-4. Sustainable job creation for Persons with Disabilities (PWDs) provided with physical support						
Activity 2.4 Sustainable job creation for Persons with Disabilities (PWDs) provided with physical support	Physical rehabilitation	140PWDsX\$1800/device and medical	Us \$	\$252.000	Euro	€ 216.216
	Livelihoods support	112PWDsX\$2800	Us \$	\$313.600	Euro	€ 269.069
2.4. Sub-total			Us \$	\$565.600	Euro	€ 485.285
NGO/CBO capacity development			Us \$	\$185.000	Euro	€ 158.730
Information and knowledge management			Us \$	\$30.000	Euro	€ 25.740
Output 2 Total:			Us \$	\$4.946.600	Euro	€ 4.244.183
Technical Assurance (Technical Specialist)			Us \$	\$75.449	Euro	€ 64.735
Net Programmable - Sub-Total			Us \$	\$9.713.481	Euro	€ 8.334.167
DPC (10%):			Us \$	\$971.348	Euro	€ 833.417
GMS (8 %)			Us \$	\$854.786	Euro	€ 733.407
Programme Grand Total			Us \$	\$11.539.615	Euro	€ 9.900.990
Coordination levy (1%)				\$115.396		€ 99.010

**Syria Country Proposal for Partnership for
Prospects (P4P) Phase IV
Response to the Syria Crisis:
Job creation for resilience building in Syria**



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Total Contribution					\$11.655.011				€ 10.000.000
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MODEL FOR DISBURSEMENT REQUEST (DISBURSEMENT in TRANCHES)

Annex 2

Sender:

.....
Name and Address

.....
Date

KfW Bankengruppe
Attn. TMa
Palmengartenstr. 5-9
60325 Frankfurt am Main
GERMANY

**German Financial Cooperation with UNDP
Financing Agreement dated for EUR
Project/ Programme Name:
KfW Project No./ BMZ No.:**

**Disbursement Request No.
DISBURSEMENT PROCEDURE in TRANCHES**

We refer to Article 2 of the above mentioned Financing Agreement and we hereby request to disburse an amount of:

Currency / Amount

EUR _____

We kindly ask KfW to disburse the total amount requested for disbursement from the above-mentioned Financing Agreement as follows:

UNDP (name/ address)	
Account no./ IBAN (if applicable)	
Account-holding bank/ BIC	
Correspondent bank ¹ / BIC	

We hereby confirm that to be the best of our knowledge none of the circumstances set out under Article 3 of the above mentioned Financing Agreement have occurred or are continuing as of the date hereof.

.....
Signature of the authorized signatory

¹ Only applicable if the account-holding bank is not located in the requested currency's currency area. In this case, please enter the account-holding bank's correspondent bank in the requested currency's currency area.

MODEL FOR LETTER DESIGNATING AUTHORIZED SIGNATORIES

[Please use official letterhead]

To:
KfW Bankengruppe
Attn. Lac5
Palmengartenstr. 5-9
60325 Frankfurt am Main
GERMANY

German Financial Cooperation with UNDP
 Loan/Financing Agreement dated _____ for EUR
 Project/Programme Name:
 KfW Project No. / BMZ No.:

Dear Sir/ Madam,

With reference to the Agreement mentioned above, we would like to inform you that any one¹ of the persons whose authenticated specimen signature appears below is authorized to sign disbursement requests on behalf of the Borrower/ Recipient ("Authorized Signatory/ Signatories").

NAME	
FUNCTION	
SPECIMEN SIGNATURE	

NAME	
FUNCTION	
SPECIMEN SIGNATURE	

NAME	
FUNCTION	
SPECIMEN SIGNATURE	

Any previous designations of Authorized Signatories are hereby revoked. To comply with KfW's identification requirements, we hereby enclose legible and certified copies of the identification papers of a) each Authorized Signatory and b) the Authorized Representative. Their authenticity must either have been confirmed by an employee of KfW or the copies must be certified by a notary public or person equivalently empowered.

Yours sincerely,

 Date/ Signature/ Name/ Office of Authorized Representative as designated in Loan/ Financing Agreement

¹ Please change wording if joint signatures are required.

Compliance Covenants

1. DEFINITIONS

Coercive Practice: the impairing or harming, or threatening to impair or harm, directly or indirectly, any Person or the property of the person with a view to influencing improperly the actions of a person.

Collusive Practice: an arrangement between two or more Persons designed to achieve an improper purpose, including to influence improperly the actions of another Person.

Corrupt Practice: the promising, offering, giving, making, insisting on, receiving, accepting or soliciting, directly or indirectly, of any illegal payment or undue advantage of any nature, to or by any Person, with the intention of influencing the actions of any Person or causing any Person to refrain from any action.

Designated Categories of Offences: the following categories of offences as defined in internationally accepted standards : participation in an organized criminal group and racketeering; terrorism, including financing of terrorism; trafficking in human beings and migrant smuggling; sexual exploitation, including sexual exploitation of children; illicit trafficking in narcotic drugs and psychotropic substances; illicit arms trafficking; illicit trafficking in stolen and other goods; corruption and bribery; fraud; counterfeiting currency; counterfeiting and piracy of products; environmental crime; murder, grievous bodily injury; kidnapping, illegal restraint and hostage-taking; robbery or theft; smuggling (including in relation to customs and excise duties and taxes); tax crimes (related to direct taxes and indirect taxes); extortion; forgery; piracy; insider trading and market manipulation.

Fraudulent Practice: any action or omission, including misrepresentation that knowingly or recklessly misleads, or attempts to mislead, a Person to obtain a financial benefit or to avoid an obligation.

Illicit Origin: the origin of funds obtained through

- a) any offence listed in the Designated Categories of Offences;
- b) any Corrupt Practice;
- c) any Fraudulent Practice; or
- d) money laundering.

Obstructive Practice: (i) deliberately destroying, falsifying, altering or concealing evidence material to the investigation or the making of false statements to investigators, in order to materially impede an official investigation into allegations of a Corrupt

Practice, Fraudulent Practice, Coercive Practice or Collusive Practice, or threatening, harassing or intimidating any Person to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or (ii) any act intended to materially impede the exercise of KfW's access to contractually required information in connection with an official investigation into allegations of a Corrupt Practice, Fraudulent Practice, Coercive Practice or Collusive Practice.

Disclosure Limitations: The Parties acknowledge and agree that KfW's access to contractually required/project related information from the Recipient shall be subject to (a) The privileges and immunities of the United Nations and (b) The United Nations Single Audit Principle.

Furthermore, the Recipient shall not disclose such contractually required/project related information if (also defined as "**Disclosure Limitations**"):

- (a) This disclosure could threaten the safety, security or due process rights of any individual or Member State of the United Nations or the political relationship of the Recipient with Member States of the United Nations;
- (b) This disclosure is covered by legal privilege.

Finally, the Parties further acknowledge and agree that the Parties are respectively not obliged to provide original or copies of confidential and/or transactional procurement documents to each other. However, the Party in possession of the confidential and/or transactional procurement documents will present, upon request by the other party and subject to the aforementioned limitations and the considerations made above in this clause, a comprehensible reporting summary of facts and information relevant to the other party contained in such documents.

Person: any natural person, legal entity, partnership or unincorporated association.

Sanctionable Practice: any Coercive Practice, Collusive Practice, Corrupt Practice, Fraudulent Practice or Obstructive Practice (as such terms are defined herein), which (i) is unlawful under any applicable law, and (ii) which has, or potentially could have, a material legal or reputational effect on this Agreement between the Recipient and KfW or its implementation.

2. INFORMATION UNDERTAKING

Subject to the privileges and immunities of the United Nations, the UN Single Audit and the Disclosure Limitations the Recipient shall

- a) promptly make available through a report to KfW on demand all relevant "know your customer" or similar information about the Recipient as KfW may request;

- b) promptly furnish to KfW on demand all Project-related information and documents (or a reporting summary of such information and documents) of the Recipient and its (sub)contracting and other related parties which KfW requires to fulfil its obligations to prevent any Sanctionable Practice, money laundering and/or terrorism financing as well as for the continuous monitoring of the business relationship with the Recipient which is necessary for this purpose;
- c) inform KfW, promptly and of its own accord, as soon as it becomes aware of any credible allegations of Sanctionable Practice, act of money laundering and/or terrorism financing related to the Project;
- d) furnish to KfW any and all such information and reports on the Project and its further progress as KfW may request for the purposes of this Annex; and
- e) enable KfW and its agents at any time to evaluate the Project being implemented by the Recipient and its (sub)contracting and other related parties, and to visit the Project and all installations related thereto for the purposes of this Annex. The costs of such evaluation and visits shall be borne by KfW.

3. REPRESENTATION AND WARRANTIES

- 3.1 With regard to any applicable law, the Recipient represents and warrants that the following is true and correct:
- a) In entering into and implementing this Financing Agreement the Recipient acts in its own name and for its own account.
 - b) To the best of its knowledge and only in relation to the shareholders known to the Recipient pursuant to applicable stock market regulations, neither the Recipient's equity nor the funds invested in the Project are of Illicit Origin.
 - c) None of the Recipient, its affiliates, subsidiaries or any other Person acting on its or their behalf, has committed or is engaged in any Sanctionable Practice, money laundering or financing of terrorism.
- 3.2 The representation and warranty set forth in this Article is made for the first time by execution of this Agreement. It will be deemed to be repeated upon each drawing of the financial Contribution by reference to the circumstances prevailing at that date.

4. POSITIVE UNDERTAKINGS

Subject to the privileges and immunities of the United Nations, the United Nations Single Audit Principle and the Disclosure Limitations, the Recipient undertakes, as soon as the Recipient or KfW becomes aware of or suspects any Sanctionable Practice, act of money laundering or financing of terrorism, to fully cooperate with KfW and its

agents, in determining whether such compliance incident has occurred. In particular, the Recipient shall respond promptly and in reasonable detail to any notice from KfW and shall furnish documentary support for such response upon KfW's request.

5. UNDERTAKINGS REGARDING SANCTIONS

- 5.1 The Recipient represents that it does not maintain any business relationship or has not engaged in any other activity (i) with or in favour of persons, organisations or entities which are listed on a sanctions list issued by the United Nations Security Council ("Sanctions Lists"), or (ii) which would constitute a breach of embargoes regulating foreign trade or of so-called financial sanctions issued by the aforementioned institution (together "Sanctions").

The Recipient will not enter into or continue any business relationship with persons, organisations or entities listed on a Sanctions List and will not engage in any other activity that would constitute a breach of Sanctions.

The Recipient will inform KfW, promptly and of its own accord, of the occurrence of any event which results in (i) the Recipient, (ii) any member of its management bodies or (iii) other governing bodies or any of its shareholders, being listed on a Sanctions List.

- 5.2 With regard to sanctions obligations, the Recipient will, subject to the privileges and immunities of the United Nations, the United Nations Single Audit Principle and the Disclosure Limitations, provide KfW, as soon as the respective relevant information is available, with a list detailing the partners who will receive funds in connection with the implementation of the Project (the "KfW List"). The KfW list contains the following information: Name of the contractor/supplier/implementing partner and country of registration. The Recipient will notify KfW of any changes to the KfW list without undue delay. To the extent required by KfW, and subject to the privileges and immunities of the United Nations, the United Nations Single Audit Principle and the Disclosure Limitations, the Recipient will make reasonable endeavors to provide additional details in order to assist KfW to establish the identity of specific contractors/suppliers/implementing partners on the KfW List. If, from the perspective of KfW, an entry in the KfW List presents any concerns, KfW will inform the Recipient accordingly. In this case, considering the Recipient as the ultimate and final procurement authority in the procurement process, the Recipient will be free to proceed under its own responsibility with the award with funding from other source (donors) and not KfW funding. If, after a notice by KfW that the use of its funds is excluded, no additional funding is available for such award and taking into account the obligations of both parties under the compliance covenants, the parties will engage in a dialogue aiming to reach a mutually agreed solution including, but not limited to, a new design of a project phase that may (a) allow a new tendering process and/or (b) the suspension and/or termination of a project

phase and/or the termination of the Agreement. Regarding the new design, the provisions of this Annex will fully apply, including in particular, but not limited to, the provisions of this Article 5.2. All costs incurred by the Recipient until that moment will be considered eligible costs.

