



## **Project Document**

**The Government of the Republic of Tajikistan**  
Ministry of Economic Development and Trade  
and  
United Nations Development Programme

**STRENGTHENING NDS/PRS IMPLEMENTATION  
MANAGEMENT AND M&E)**

**May-2011**

**Project Title**

STRENGTHENING NDS/PRS IMPLEMENTATION  
MANAGEMENT AND M&E

**UNDAF Outcome(s):**

Good governance and economic and social growth are jointly enhanced to reduce poverty, unlock human potential, protect rights, and improve core public functions

**Expected CP Outcome(s):**

*(Those linked to the project and extracted from the CP)*

Poverty reduction and economic development programmes are enhanced, with particular focus on the rural poor, women and marginalized people.

1.1 Sectoral strategies and policies in selected economic and social sectors are formulated and implemented to support achievement of MDGs and implementation of National Development Strategy (NDS).

*Indicator:* Number of sectoral strategies/ policies developed that support implementation to achieve MDGs & NDS

*Target:* One strategy / year developed and implemented

1.4. National capacities are strengthened to negotiate and efficiently coordinate development finance with international donors, such that trade and foreign direct investments increase.

*Indicators:* % increase in foreign direct investment and exports

Number of information tools and reports developed to coordinate and manage foreign aid;

*Target:* Effective promotion of investments, such that international direct investment increases and exports increase by 20% from 2008

Creation of foreign aid and development partners reports, as well as new information tools such as website and database implemented to support effective aid coordination

**Expected Output(s):**

*(Those that will result from the project)*

**Implementing Agencies:**

Ministry of Economic Development and Trade of the Republic of Tajikistan

## Brief description

The National Development Strategy (NDS) 2007-2015 and Poverty Reduction Strategy (PRS) 3 for 2010-2012 both emphasise the importance of foreign assistance, in particular concessional loans and grants, to supplement national budget funds for alleviating poverty and facilitating Tajikistan's development. Improving aid coordination remains a priority both of the Government and development partners, to ensure effective use of resources and developing national capacity to mobilize increased assistance. DFID's current project through UNDP is aimed at strengthening the institutional structure and capacity of the State Committee on Investment and State Property Management (SCISPM) for improving external aid coordination and monitoring.

Development partners with no exception highlight weak capacity of the government at all levels to efficiently implement agreed reforms and implement and monitor the NDS/PRS - in particular poor planning capacity, outdated knowledge, and lack of skills and techniques. Local authorities (Hukumats) have a particular lack of capacity in these areas. This initiative is focused on capacity development so that planning and communication is strengthened between national and sub-national levels of government.

There is an urgent need to strengthen the capacity of MEDT and selected pilot line ministries (Health, Education, Agriculture, Industry & Energy) in implementation and monitoring of NDS/PRS. The project will provide technical assistance to MEDT focusing on improving M&E systems in terms of rationalising the number of monitoring indicators and linking these with a data tracking system for NDS/PRS implementation horizontally across government through pilot line ministries, and linked vertically with the DDP process in pilot districts (25 of the 65 districts). As the DDP process is intended to be inclusive and participatory, the voice of all strata of society is intended to feature in NDS/PRS monitoring.

UNDP will also exploit synergies with the ongoing UNDP/UNEP Poverty and Environment Initiative (PEI) to identify and integrate poverty-environment (P-E) indicators into national and sub-national planning. The feedback system will also be improved through an Electronic Citizen Report Card system.

Programme Period:	<b>2011-2012</b>	Total:	<b>\$695,000</b>
Key Result Area :	<b>Poverty Reduction and Achievement of MDGs</b>	• Other:	
Atlas Award ID:		○ DFID	<b>\$620,000</b>
Start date:	<b>17/05/2011</b>	Unfunded budget:	<b>\$0</b>
End Date	<b>31/12/2012</b>	In-kind/Parallel Contributions:	
PAC Meeting Date		- Poverty and Environment Initiative	<b>\$75,000</b>
Management Arrangements	<b>NIM</b>	(parallel)	
		- Government Contribution:	
		(SCISPM and MEDT will provide: office premise, tel. lines, furniture, conference hall, LAN, office equipment)	

Agreed by MEDT

  
Mr. Farrukh Hamraliev, Minister of Economic Development and Trade, Republic of Tajikistan

Agreed by UNDP

  
Mr. Rastislav Vrbensky, UNDP Tajikistan Country Director

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## I. SITUATION ANALYSIS

Tajikistan is a landlocked Central Asian country with almost 93% of its territory is mountainous; only less than 10% is suitable for cultivation. The mountains complicate internal transport and communication, though they endow the country with rich hydropower potential as well as mineral resources. Significant water resources allow intensive agriculture and the cultivation of cotton, the country's cash crop. The population of Tajikistan is approximately 7.4 million (2009), more than 70% of whom live in rural areas. This reflects the traditionally higher fertility rate in the countryside and reduced employment opportunities in urban centers.

The transition in Tajikistan has put extraordinary demands on the government to change its policies and regulatory environment in order to manage an open-market economy and democratization. Over the past decade, despite the negative disruptions, the government has made a good progress towards economic development. Tajikistan has a complex governance arrangement shaped by a Soviet legacy. Collectives and traditional structures dominate life at the local level, overseen by a strong national government. The result is a squeeze in the middle – regions (oblast) and districts (rayons) are weak with little national support and limited resources for delivery. UNDP has worked already with districts in developing District Development Plans outlining priorities. However, lack of authority and finances have frustrated progress. UNDP has a long relationship with MEDT, the Ministry with responsibility for local government and coordinating national planning. Moreover UNDP has a new Governance Strategy that is focused on capacity development and institutional strengthening. The strategy proposes an initial Public Administration Report with MEDT for institutional development of its a) policy coordination and b) monitoring function as well as regional development and local governance.

The transition in Tajikistan has put extraordinary demands on the government to change the fiscal policy, and regulatory environment in order to manage an open-market economy and democratization. Over the past decade, despite significant disruptions of post-Soviet transition, the civil war, and regional instability, the government has made good progress towards developing an economic management framework and more effective government institutions.

Despite those efforts, Tajikistan's GDP is still hovering around 5.6 billion USD or over \$730 per capita, the lowest in the CIS and one of the lowest in the northern hemisphere. Poverty is still extremely high, with more than half of the population living on less than \$2.15 per day. However, the economy is growing fast, at an average rate of over 7% per year, for the past years bringing some hope to an otherwise difficult situation.

In response to all these trends, the government of Tajikistan jointly with the UNDP published the Millennium Development Goals Needs Assessment in 2005, outlining the necessary reforms and estimating the resources required to achieve MDGs. Based on this assessment, the long-term National Development Strategy 2007-2015 (NDS) was developed taking into consideration the MDGs and the target indicators. In 2009, the Republic of Tajikistan concluded implementing its second Poverty Reduction Strategy (PRS-2).

With the conclusion of the PRS-2 cycle in the end of 2009, the government initiated a process of developing a new PRS-3 for the following three year period of 2010-2012. PRS-3 maintains continuity with PRS-2 in addressing priorities of the long-term National Development Strategy

(NDS), at the same time setting out urgent measures as a result of the consequences from the global economic crisis of 2008-2009 compounded with acute water and energy crisis. PRS-3 was approved by the Government of Tajikistan on 29 January 2010 and adopted by Parliament on 25 February 2010. PRS-3 sets out vital development priorities and measures for a medium-term three year perspective.

The quality of all of the Tajikistan PRS documents has been rather weak. This has been largely due to poor institutional capacities, poor and vaguely defined objectives, and importantly the low quality of M&E indicators - mostly focused at the national level and weakly connected to an evidence based sub-national database. While the Government has been able to measure some macroeconomic improvements in poverty alleviation using the central statistical database, the quality of sectoral and sub-national PRS progress reports has remained largely inadequate. The government's capacity to deliver strategic goals also remains constrained by poor implementation of strategic plans and the lack of links with the budget process. Policy decisions are often made without considering expenditure implications. Cuts in funding are made without changing the policies that drive expenditures, leading to mismatches between political promises (especially during elections) and what is affordable. As a consequence, too many activities are included in strategic plans in relation to available resources, resulting in ad hoc in-year expenditure cuts and many unfunded mandates. Moreover as priority services are not clearly defined by policy they are not protected from within-year budget cuts.

For PRS implementation, Tajikistan needs to mobilize greater foreign aid volume. As major recipient of development partners' assistance, Tajikistan doesn't possess adequate resources for ensuring poverty alleviation and socio-economic development by itself, therefore, requiring continuous and effective external financial and technical assistance from international community. Meanwhile, the country faces certain problems related to the effective management of the increasing in-flows in foreign aid.

Development partners have pledged to work with Tajikistan to implement the NDS/PRS, and both have committed to improving aid effectiveness, in accordance with the Paris Declaration and the Accra Agenda for Action.

The Ministry of Economic Development and Trade coordinates monitoring and evaluation and implementation management of the strategic programs realization. For supporting of the monitoring and evaluation and implementation management the technical assistance was provided by the development partners. In particular the following technical assistances were provided: (i) by Asian Development Bank on Strengthening Results Management in Support of Poverty Reduction in Tajikistan within the PRS-2; and (ii) by UNDP on Improvement of the NDS/PRS Implementation Management and its Monitoring and Evaluation within the PRS-3 (1<sup>st</sup> year). Within implementation of the mentioned TA there were a number of lessons learnt:

- (i) The line ministries and state agencies responsible for PRS and other sector-based strategies implementation are still in need for capacity development on M&E and implementation management of the strategic programs;
- (ii) Demand from the government agencies for the products of the PRS monitoring system remained weak;
- (iii) Analytical skills of the government agencies' monitoring and evaluation system is weak and need to be improved;

- (iv) The measures should be taken into account for the staff turnover in the monitoring and evaluation system of the government agencies.

The ADB provided TA conducted series of trainings and seminars for the line ministries staff to build / strengthen capacity on monitoring and evaluation and result management. Also the technical capacity of MEDT Monitoring and Evaluation Department was strengthened by installation of new computers and establishment of a network, as well as the development of a database for management of PRS monitoring data inputs from the line ministries and agencies. The UNDP provided TA assessed line ministries M&E system needs for the IT equipment, which is planning to be installed in the M&E units of the line ministries.

The National Development Council (NDC) and its Secretariat: MEDT will provide continued guidance and support to the line ministries and state agencies to ensure effective M&E and implementation management within the NDS/PRS realization. The line ministries and state agencies currently provide to NDC Secretariat-MEDT regular information on PRS measures implementation. The first interim report on PRS implementation is already prepared and submitted to the Government as required. The first Annual Progress Report under preparation now.

## **II. STRATEGY**

Development partners with no exception highlight weak capacity of the government at all levels to efficiently implement agreed reforms and implement and monitor the NDS/PRS - in particular poor planning capacity, outdated knowledge, and lack of skills and techniques. Local authorities (Hukumats) have a particular lack of capacity in these areas. This initiative is focused on capacity development so that planning and communication is strengthened between national and sub-national levels of government.

There is an urgent need to strengthen the capacity of MEDT and selected pilot line ministries (Health, Education, Agriculture, Industry & Energy) in implementation and monitoring of NDS/PRS. The project will provide technical assistance to MEDT focusing on improving M&E systems in terms of rationalising the number of monitoring indicators and linking these with a data tracking system for NDS/PRS implementation horizontally across government through pilot line ministries, and linked vertically with the DDP process in pilot districts (25 of the 69 districts in Tajikistan). As the DDP process is intended to be inclusive and participatory, the voice of all strata of society is intended to feature in NDS/PRS monitoring.

MEDT is recognized by the Government as the lead agency in PRS monitoring and evaluation, and a monitoring department has been established within the MEDT. During the implementation of PRS1 and PRS2 it was clear that MEDT capacity on PRS monitoring and analysis was low, with its functions process oriented and bureaucratic rather than analytical in nature. Similar to other Government institutions, MEDT has difficulty in attracting and retaining suitable qualified staff. ADB and UNDP have been providing continuous technical assistance to operate project units and retain core staff to lead key work areas. It will remain a challenge for MEDT to operate the PRS M&E system once UNDP support is over.

UNDP will also exploit synergies with the ongoing UNDP/UNEP Poverty and Environment Initiative (PEI) to identify and integrate poverty–environment (P-E) indicators into national and

sub-national planning. The feedback system will also be improved through an Electronic Citizen Report Card system.

The initial one year UNDP project focused on the recruitment and establishment of the M&E unit in MEDT, initial support for the NDC and its secretariat, and procurement of IT equipment for the cross-government M&E system. All significant technical and training inputs were postponed to the next phase.

This next phase/component will continue the work to improve the government's monitoring and evaluation system and enhance the analytical skills of the M&E staff in MEDT, the State Statistics Agency, and key line ministries such as Education, Health, Agriculture, Finance, and Industry and Energy. The linkage between the government's strategic programmes in the line ministries and the joint MEDT/UNDP initiative at district level related to District Development Planning will also be improved (the District Development Plans, or DDPs, reflect the localized strategic priorities at the district level, with M&E indicators similar to the NDS/PRS M&E indicators). This will link the horizontal level through line ministries with the vertical level through districts in improving the implementation and monitoring of NDS/PRS.

The expected project outcomes, improving the effectiveness of PRS implementation management and integrating this with the aid coordination mechanism, are:

- Establishment and implementation of an effective and sustainable M&E system mechanisms in the MEDT, line ministries and agencies for the monitoring and implementation of the NDS and PRS; and
- The Government successfully adopting more pro-poor policies, laws and expenditures and receiving greater support for this from the international community.

The National Development Council (NDC) and its Secretariat in MEDT will need to provide continued guidance and support to the line ministries and state agencies to ensure effective M&E and implementation management of the NDS/PRS. The line ministries and state agencies currently provide to NDC Secretariat regular information on PRS implementation, however the quality of information is poor and it is provided on an ad-hoc, unsystematized basis. Poverty monitoring is also weak in MEDT and line ministries, and very weak capacity in MEDT to analyse information from the line ministries. There is also no information currently coming from the district level to supplement and cross-check against information provided by line ministries.

Intervention logic:

This project is aimed at increasing the effectiveness of the national poverty reduction and development strategy via a sustainable PRS M&E system utilising better quantitative indicators of progress. This should lead to:

- (a) increased development financing and a narrowing finance gap for PRS activities, and
- (b) closer integration between PRS priorities and the budgetary framework,

An effective PRS M&E system consists of the following elements:

- indicators system;
- data collection system;
- data analysis system;



- data dissemination system.

If no attention is paid to developing an effective PRS/NDS M&E system at both the horizontal and vertical levels (central Ministries and local government), PRS documents will continue to remain declarative and largely disconnected from the national budgetary framework and public investment plans. This will likely continue to result in a bad ‘habit’ of large and unrealistic PRS financing gaps (\$8,101 million for 2010-2012).

An improved PRS/NDS M&E system coordinated by the Ministry of Economic Development and Trade, contributing to improving national policy development and coordination capacity. A sound M&E system for the NDS and PRS will provide a platform for better implementation and coordination of donor/Government programmes to reduce poverty in Tajikistan through economic growth and development. Better quality PRS M&E indicators developed and maintained by trained staff at all levels (central and local) will enable better measurement and feedback on trends in poverty reduction in the country, and better responses through the budgetary framework.

Benefits:

Although small in size, this intervention is highly strategic in nature, with a range of important potential value for money benefits – in terms of more needs based and evidence based policy design as a function of:

- Better quality of next PRS design, and re-design of current PRS using evidence based PRS progress reports, utilizing better M&E indicators with a greater proportion of quantifiable indicators especially at household level;
- A stronger and more sustainable PRS M&E system at key sectoral ministries and at local government level;
- A better regulatory and budgetary framework which clearly defines the status of PRS activities within both MTEF and PIP (public investment planning) documents.

The project's main purpose is to remove the identified capacity constraints, through strengthening relevant MEDT institutional capacity. The key target is to establish sustainable M&E structures with strong and motivated staff, and an automated system of NDS/PRS monitoring data collection and analysis.

In terms of environmental effect, the project will include a component helping government to link poverty reduction with environmentally sustainable socio-economic development. The project will cooperate with the UNDP/UNEP Poverty and Environment Initiative (PEI) that will support capacity development of the MEDT and other ministries to monitor and evaluate PRS/NDS implementation in terms of its contribution to poverty reduction and environmentally sustainable development, by improving use of existing (and potentially new) data and indicators.

### **Outputs and activities**

The main output will be a strengthened/ built capacity in the MEDT and pilot line ministries and agencies such as Ministry of Finance, Agriculture, Health, Education, Energy and Industry, State Statistics Agency for the NDS/PRS management and implementation. This will be based

on operationalising the existing automated M&E system and on a competent staff capable of analyzing and assessing the PRS implementation progress and achievement of the indicators.

**Output/Activity Result 1: Regulative documents for financing of NDS/PRS analyzed and necessary amendments introduced**

***Activity 1.1: Expert to conduct an analysis of the PRS financing plan, national budget, MTEF, Public Investment Programme and other possible related programmes.***

UNDP will provide short-term international assistance for conducting an analysis of the PRS financing plan, national budget, MTEF, Public Investment Programme and other possible related programmes. The international-individual expert will analyze the existing investment and fiscal programmes, which have direct relationship with PRS financing plan and develop a mechanism for ensuring linkage between the country strategic documents to be prepared further. This analysis in particular will focus on:

- Weaknesses of the country strategic documents development process with regard to ensuring linkage between the developed strategies.
- Reviewing PRS financing plan and identification of the real gaps to agree for the financing more measures PRS aligned etc.

The international expert will draft concrete recommendations and develop a mechanism for ensuring linkage between the country strategic documents to be prepared further.

**Output/Activity Result 2: Effective M&E structures and units in MEDT and in the pilot line ministries**

***Activity 2.1: Updating and improvement of the existing M&E system for PRS implementation and its implementation mechanism.***

Within the planned TA a small survey/needs assessment will be conducted in the line ministries and government agencies to identify the needs for establishing the M&E units and capacity building/ strengthening in PRS implementation management. The existing automated NDS/PRS and M&E systems in line ministries and agencies will also be assessed.

The international and local experts (Project staff) in close cooperation with the MEDT and NDC Secretariat will conduct a survey/needs assessment in the line ministries and government agencies seeking to identify the number of ministries/government agencies that need to establish M&E units. The assignment will also identify staff members from the ministries/government agencies who need to be trained in PRS implementation management and M&E.

Based on the results of the survey/needs assessment, the international and local experts will draft recommendations on:

- How many units for monitoring and evaluation should be established and equipped, if necessary;
- What the estimated resource budget is needed for establishing and maintaining monitoring units within line ministries and agencies;
- How the existing monitoring and evaluation system of the NDS/PRS implementation management should be updated and accordingly improved;

- How the existing automated NDS/PRS monitoring and evaluation system should be updated and accordingly improved;
- How to develop the mechanism for good cooperation between the line ministries and government agencies in PRS implementation management and its M&E; and
- How to enhance the line ministries and government agencies demand for the products of PRS monitoring.

***Activity 2.2: Capacity building/strengthening of the MEDT's, line ministries and agency-related staff in the monitoring and evaluation of the PRS implementation.***

The international consultant will be hired to provide training for the PRS implementation management and M&E for related staff of the line ministries and government agencies. The international consultant will develop a training programme based on the needs assessment results and in cooperation with the MEDT's M&E staff, drafting training plans and contingencies. The on-the-job training also will be provided for related staff-members.

The training and workshops will cover:

- Data collection and analysis;
- Assessment of PRS measures realization;
- Use of software for data management and analytical tools; and
- Study tour for related staff of the ministries and government agencies to study international experience in monitoring development strategies.

Approximately 60 specialists of different levels of the ministries and government agencies will be trained on NDS/PRS monitoring and evaluation topics. Other training maybe considered according to needs if additional funds become available.

**Output/Activity Result 3: NDS/PRS feedback system and environment mainstreaming improved**

***Activity 3.1: Preparation of annual progress reports and final report on PRS implementation***

The progress reports on PRS implementation will be produced on a quarterly, semi-annual and annual basis. The final report will be drafted upon completion of the measures planned by PRS.

The structure of the progress reports will reflect the key sections of the PRS. The sector-based information on the PRS implementation will be collected from line ministries and government agencies. The methodology of the assessment in the progress report essentially includes collecting and analysing up-to-date statistics on PRS indicators and comparing it with the baseline.

The main steps in the preparation of the PRS progress reports include the following:

- Collect all available statistics on PRS indicators and actions taken from the line ministries and government agencies.
- Analyse up-to-date statistics and analytical evidence comparing the most recent and base line data in order to determine progress against PRS.
- Assess the achievability of the targets as defined for the relevant indicators.
- Draft the report based on assessment of progress towards PRS using all sources of information.

The final report on PRS implementation will be produced after completion of the Strategy period and achievement of the planned indicators. The final report will be printed according to the UNDP rules and distributed to the respected agencies.

***Activity 3.2: Utilize poverty-environment indicators in the PRS3 implementation, monitoring and evaluation***

The UNDP TA to build national capacity for PRS monitoring and evaluation will use synergies with the UNDP-UNEP Country Poverty and Environment Programme, as part of the global UNDP and UNEP Poverty and Environment Initiative (PEI). These help to integrate poverty – environment (P-E) indicators into national and sub-national planning processes via the PRS (and potentially NDS) monitoring and evaluation frameworks. The PEI Country Programme will provide international and national consultants that will contribute to the training activities on M&E while supporting P-E mainstreaming through PRS evaluation. In particular this will occur through supporting the production of PRS-3 evaluation reports. PEI activities that can support the project are as follows:

- Apply the P-E indicators, defined within the PEI country programme implementation<sup>1</sup>, in the review the PRS-3 objectives, proposed measures, M&E framework, the process of PRS development, as well as its implementation and coordination arrangements and provide recommendations for better addressing poverty – environment links in the PRS-3 revision and its implementation, and/or elaboration of the next PRS.
- Reflect the outputs of the above interventions in the annual or semi-annual monitoring of PRS-3 implementation and potential revision of the monitoring and evaluation framework (eventually revision of the whole PRS-3 itself).
- Support capacity development of the Ministry of Economy and Trade, to monitor and evaluate PRS (and NDS) implementation in terms of its contribution to poverty reduction and environmentally sustainable development by improving use of existing (and potentially new) data and indicators. Possibility and level of involvement of the Committee for Environmental Protection and Forestry in this intervention will be identified during the inception phase of PEI implementation.

***Activity 3.3: Strengthening local governments for NDS/PRS implementation and monitoring:***

Actions:

- Develop capacity of the MoEDT and its branches on improved service provision and piloting best methodologies for advanced service delivery at rayon level.
- Develop modern management skills, such as leadership, communication, planning, evaluation, financial management;
- Enhance localization of national strategies through creating better interrelationship of national institutions with local governments (oblast and rayon levels) including coordination of sectoral development programmes;

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<sup>1</sup> Process of identification of the poverty – environment (P-E) indicators by the Poverty Environment Initiative country programme will be as follows: Review and evaluate, separately, the existing poverty and environmental indicators being used by GosKomStat (State Statistics Committee), including their effectiveness in guiding national and sub-national planning, budgeting, monitoring and evaluation, as well as the availability of data and cost of data collection for each indicator. Based on that identify measurable poverty-environment (P-E) indicators that can support national planning as well as sub-national development planning, budgeting, monitoring and evaluation.

- Facilitate for implementation of the Public Administration Strategy within the MoEDT with the purpose of reform implementation.
- Apply new mechanisms of community feedback collection and analysis through adaptation of Electronic Citizen Report Card System approach in the targeted districts
- Application of e-governance approaches through strengthening technical base of the targeted institutions and improvement of their capacities on experiencing best e-governance practices.

### III. RESULTS AND RESOURCES FRAMEWORK

<b>Intended outcome:</b> Sustainable monitoring and evaluation system and implementation mechanisms in the line ministries and agencies capable to provide stable management of the government development programmes.
<b>Outcome Indicator:</b> Established M&E structures with strong and motivated staff, technical capacity and efficient M&E system in each line ministry and agency, which is ensuring sustainability of the government development programmes management.
<b>Applicable MYFF service line</b> – Pro-poor policy reforms.
<b>Partnership strategy:</b> The project implementation process is based on close dialogue between the Government (MEDT as executing agency) and the international community under UNDP leadership.
<b>Project title and ID (ATLAS Award ID):</b> – Improvement of the NDS/PRS implementation management and its monitoring and evaluation.

INTENDED OUTPUTS	OUTPUT TARGETS FOR (YEARS)	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
<p><b>Strengthened / built capacity in MEDT and line ministries and agencies to assess and manage the government development programmes</b></p> <p><b>Baseline:</b></p> <ol style="list-style-type: none"> <li>The PRS financing plan is not completely linked to the national budget, MTEF and Public Investment Programme</li> <li>Regulative documents for linking of financing plan with NDS/PRS is weak</li> <li>Not all ministries/ agencies have M&amp;E structure and experienced staff; the established automated M&amp;E system of NDS/PRS does not work properly</li> <li>MEDT's and line ministries and agencies staff lack skills and are not confident in monitoring and evaluation of the NDS/PRS</li> <li>Very little analytical content in</li> </ol>	<p><b>Targets:</b></p> <ol style="list-style-type: none"> <li>The mechanism for ensuring linkage between the country strategic documents is developed;</li> <li>Recommendations for improving regulative documents for financing NDS/PRS accepted and adapted</li> <li>M&amp;E structures with strong and motivated staff, automated M&amp;E system of NDS/PRS in each pilot line ministries established and functional;</li> <li>All staff responsible M&amp;E staff (with at least 30% of females) in MEDT and other pilot line ministries have relevant analytical skills</li> <li>Significant analytical content, influencing government and donor decisions on PRS implementation.</li> <li>P-E indicators mainstreamed into PRS Action Plan</li> <li>NDS/PRS linked with local development plans and e-governance effectively used and evidenced through CRC system</li> </ol>	<p><b>Activity Result 1: Regulative documents for financing of NDS/PRS analyzed and necessary amendments introduced</b></p> <p>Action:</p> <ol style="list-style-type: none"> <li>Expert support to improvement of the normative and legislation framework for implementation of NDS/PRS</li> </ol> <p>Sub-activities:</p> <ul style="list-style-type: none"> <li>The international expert will draft concrete recommendations and develop a mechanism for ensuring linkage between the country strategic documents to be prepared further</li> <li>Translation of materials</li> </ul> <p><b>Activity Result 2: Effective M&amp;E structures and units in MEDT and in the pilot line ministries</b></p> <p>Action:</p> <ol style="list-style-type: none"> <li>Updating and improvement of the existing automated M&amp;E system for PRS implementation and its implementation mechanisms</li> </ol> <p>Sub-activities:</p> <ul style="list-style-type: none"> <li>The international consultant with the Project staff conduct survey/ needs assessment to identify the number of ministries/ government agencies need for establishment of the M&amp;E units</li> <li>Translation of materials</li> </ul>	<p>Ministry of Economic Development and Trade, UNDP</p>	<p>International Consultant - \$45,000</p> <p>Contractual services- Individuals - \$5,000</p> <p>International consultant - \$90,000</p> <p>Contractual services-</p>

INTENDED OUTPUTS	OUTPUT TARGETS FOR (YEARS)	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
<p>PRs progress reports.</p> <p>6. Poverty and environment indicators are not linked in the current system of national planning, budgeting, its monitoring and evaluation.</p> <p>7. Weak localization of national strategies, no perception survey on implementation of national strategies and lack of e-governance</p> <p><b>Indicators:</b></p> <p>1. Level of alignment between PRS financing plan with the national budget, as well as Mid Term Expenditure Framework (MTEF) and Public Investment Programme (PIP)</p> <p>2. Effectiveness of regulative document for financing NDS/PRS</p> <p>3. Status of M&amp;E systems in MEDT and Line Ministries</p> <p>4. Capacity of staff (% of female) in MEDT and pilot line ministries to monitor PRS progress</p> <p>5. Level of analysis in PRS progress reports.</p> <p>6. Extend of use of P-E indicators in national planning and budgeting</p> <p>7. Extend of linkage between NDS/PRS and local development plans</p>		<p>2.2. Capacity building/ strengthening of the MEDT's and line ministries and agencies related staff in monitoring and evaluation of the PRS implementation</p> <p>Sub-activities:</p> <ul style="list-style-type: none"> <li>- Conduct workshops for the related staff-members of the line ministries and agencies on monitoring and evaluation, data analysis</li> <li>- On-job trainings on use of software for data management and analytical tool</li> <li>- Study tour for related staff of the ministries and government agencies to study international experience in monitoring development strategies</li> </ul> <p><b>Activity Result 3: NDS/PRS feedback system and environment mainstreaming improved</b></p> <p>3.1. Preparation of annual progress reports and final report on PRS implementation</p> <p>Sub-activities:</p> <ul style="list-style-type: none"> <li>- Publication of the progress and final reports</li> </ul> <p>3.2.Utilize poverty-environment (P-E) indicators in the PRS-3 implementation, monitoring and Evaluation</p> <p>Sub-activities:</p> <ul style="list-style-type: none"> <li>- Apply linked P-E indicators in review of current PRS3, its development process and implementation arrangements in terms of its address of P-E links and provide recommendations for its future revision and its implementation via relevant sectoral and sub-national planning plans and programmes;</li> <li>- Support capacity development of the Ministry of Economy and Trade and other relevant actors, to monitor and evaluate PRS (and NDS) implementation in terms of its address of P-E links</li> </ul> <p>3.2. Strengthening local governments on NDS/PRS implementation and M&amp;E:</p> <p>Sub-activities:</p> <ul style="list-style-type: none"> <li>- Develop capacity of the MoEDT and its branches on improved service provision and piloting best</li> </ul>		<p>Individuals - \$10,000</p> <p>Contractual services – Companies - \$50,000</p> <p>Contractual services – Companies - \$25,000</p> <p>Contractual services – Companies - \$50,000</p> <p>Contractual services – Companies - \$40,000</p> <p>International Consultant - \$70,000</p> <p>International Consultant - \$105,000</p>

INTENDED OUTPUTS	OUTPUT TARGETS FOR (YEARS)	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
		<p>methodologies for advanced service delivery at rayon level.</p> <ul style="list-style-type: none"> <li>- Develop modern management skills, such as leadership, communication, planning, evaluation, financial management;</li> <li>- Enhance localization of national strategies through creating better interrelationship of national institutions with local governments (oblast and rayon levels) including coordination of sectoral development programmes;</li> <li>- Facilitate implementation of the Public Administration Strategy within the MoEDT with the purpose of reform implementation.</li> <li>- Apply new mechanisms of community feedback collection and analysis through adaptation of Electronic Citizen Report Card System approach in the targeted districts</li> <li>- Application of e-governance approaches through strengthening technical base of the targeted institutions and improvement of their capacities on experiencing best e-governance practices.</li> </ul>		<p>International Consultant - \$40,000</p> <p>Local Consultant - \$20,000</p> <p>Contractual services – Individuals - \$20,000</p> <p>Contractual services – Companies - \$20,000</p> <p>Contractual services – Companies - \$20,000</p> <p>Contractual services – Companies - \$20,000</p> <p>Miscellaneous expenses - \$4,000</p>
		<b>Total</b>		<b>\$695,000</b>



## IV. ANNUAL WORK PLAN

Year: 2011

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET			
		Q1	Q2	Q3	Q4		Funding Source	Budget Description	Amount	
<p><b>Strengthened / built capacity in MEDT and line ministries and agencies to assess and manage the government development programmes</b></p> <p><b>Baseline:</b></p> <p>1. The PRS financing plan is not completely linked to the national budget, MTEF and Public Investment Programme</p> <p>2. Regulative documents for linking of financing plan with NDS/PRS is weak</p> <p>3. Not all ministries/ agencies have M&amp;E structure and experienced staff; the established automated M&amp;E system of NDS/PRS does not work properly</p> <p>4. MEDT's and line ministries and agencies staff lack skills and are not confident in monitoring and evaluation of the NDS/PRS</p> <p>5. Very little analytical content in PRS progress reports.</p> <p>6. Poverty and environment indicators are not linked in the current system of national planning, budgeting, its monitoring and evaluation.</p> <p>7. Weak localization of national strategies, no perception survey on implementation of national strategies and lack of e-governance</p> <p><b>Indicators:</b></p> <p>1. Level of alignment between PRS financing plan with the national budget, as well as Mid Term Expenditure Framework (MTEF) and Public Investment Programme (PIP)</p> <p>2. Effectiveness of regulative document for financing NDS/PRS</p>	<p><b>1.1. Expert support to improvement of the normative and legislation framework for implementation of NDS/PRS</b></p>					MEDT, UNDP	DFID, UNDP PEI			
	<ul style="list-style-type: none"> <li>- The international expert will draft concrete recommendations and develop a mechanism for ensuring linkage between the country strategic documents to be prepared further</li> </ul>	X	X	X					International Consultant	\$20,000
	<ul style="list-style-type: none"> <li>- Translation of materials</li> </ul>	X	X	X					Contractual services-Individuals	\$2,500
	<p><b>2.1. Updating and improvement of the existing automated M&amp;E system for PRS implementation and its implementation mechanisms</b></p>									
	<ul style="list-style-type: none"> <li>- The international consultant with the Project staff conduct survey/ needs assessment to identify the number of ministries/ government agencies need for establishment of the M&amp;E units</li> </ul>	X	X	X	X				International consultant	\$45,000
	<ul style="list-style-type: none"> <li>- Translation of materials</li> </ul>	X	X	X	X				Contractual services-Individuals	\$5,000
	<p><b>2.2. Capacity building/ strengthening of the MEDT's and line ministries and agencies related staff in monitoring and evaluation of the PRS implementation</b></p>									
	<ul style="list-style-type: none"> <li>- Conduct workshops for the related staff-members of the line ministries and agencies on monitoring and evaluation, data analysis</li> </ul>				X			X	Contractual services – Companies	\$25,000
	<ul style="list-style-type: none"> <li>- On-job trainings on use of software for data management and analytical tool</li> </ul>				X			X	Contractual services – Companies	\$12,500
	<ul style="list-style-type: none"> <li>- Study tour for related staff of the ministries and government agencies to study international experience in monitoring development strategies</li> </ul>				X			X	Contractual services – Companies	\$25,000
<p><b>3.1. Preparation of annual progress reports and final report on PRS implementation</b></p>										
<ul style="list-style-type: none"> <li>- Publication of the progress and final reports</li> </ul>						Contractual services – Companies	\$20,000			

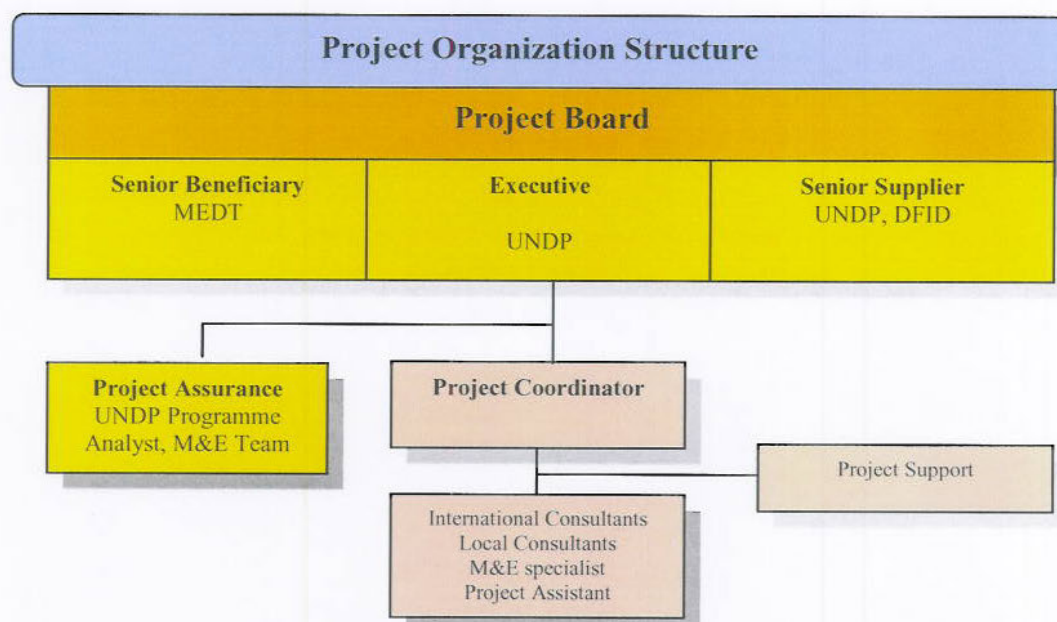
3. Status of M&E systems in MEDT and Line Ministries	<b>3.2.Utilize poverty-environment (P-E) indicators in the PRS-3 implementation, monitoring and Evaluation</b> - Apply linked P-E indicators in review of current PRS3, its development process and implementation arrangements in terms of its address of P-E links and provide recommendations for its future revision and its implementation via relevant sectoral and sub-national planning plans and programmes; - Support capacity development of the Ministry of Economy and Trade and other relevant actors, to monitor and evaluate PRS (and NDS) implementation in terms of its address of P-E links	X	X	X	X		Contractual services – Companies	\$35,000	
4. Capacity of staff (% of female) in MEDT and pilot line ministries to monitor PRS progress							International Consultant		
5. Level of analysis in PRS progress reports.									
6. Extend of use of P-E indicators in national planning and budgeting		X	X	X	X		International Consultant	\$90,000	
7. Level of linkage between NDS/PRS and local development plans									
<b>Targets for 2011</b>	<b>3.3.Strengthening local governments on NDS/PRS implementation and M&amp;E:</b>								
1. The mechanism for ensuring linkage between the country strategic documents is developed;	- Develop capacity of the MoEDT and its brunches on improved service provision and piloting best methodologies for advanced service delivery at rayon level.	X	X	X	X			\$20,000	
2. Recommendations for improving regulative documents for financing NDS/PRS accepted and adapted	- Develop modern management skills, such as leadership, communication, planning, evaluation, financial management;	X	X	X	X		International Consultant	\$10,000	
3. M&E structures with strong and motivated staff, automated M&E system of NDS/PRS in each pilot line ministries established and functional:	- Enhance localization of national strategies through creating better interrelationship of national institutions with local governments (oblast and rayon levels) including coordination of sectoral development programmes;	X	X	X	X		Local Consultant	\$10,000	
4. All staff responsible M&E staff (with at least 30% of females) in MEDT and other pilot line ministries have relevant analytical skills	- Facilitate implementation of the Public Administration Strategy within the MoEDT with the purpose of reform implementation.	X	X	X	X		Contractual services – Individuals	\$10,000	
5. Significant analytical content, influencing government and donor decisions on PRS implementation.	- Apply new mechanisms of community feedback collection and analysis through adaptation of Electronic Citizen Report Card System approach in the targeted districts	X	X	X	X		Contractual services – Companies	\$10,000	
6. P-E indicators mainstreamed into PRS Action Plan									
7. NDS/PRS linked with local development plans and e-governance effectively used and evidenced through CRC system	- Application of e-governance approaches through strengthening technical base of the targeted institutions and improvement of their capacities on experiencing best e-governance practices.	X	X	X	X		Contractual services – Companies	\$10,000	
							Contractual services – Companies	\$20,000	
							Miscellaneous expenses		
<b>Total</b>									<b>\$370,000</b>

## V. MANAGEMENT ARRANGEMENTS

MEDT will be the Implementing Partner and Beneficiary, with substantive implementation support provided by the UNDP Country Office. In its capacity as Implementing Partner, MEDT will be responsible for overall project management under strict oversight of UNDP. UNDP will facilitate procurement above \$10,000 in accordance with its rules and regulations. Procurement under \$10,000 will be delegated to MEDT under direct supervision of UNDP. MEDT will ensure that procurement and contracting will be consistent with UNDP Rules and Procedures. As the Implementing Partner, MEDT will also be responsible for the facilitation of all international consultant missions undertaken under the project. UNDP will provide support and services as detailed in the project annual and quarterly work plans. The transfer of assets' ownership to MEDT will be made upon completion of the project in accordance with the relevant policies and procedures of UNDP.

The project NDS/PRS monitoring will have a Project Coordinator. The Component Coordinator will be responsible for project coordination and implementation, consolidation of work plans and project papers, preparation of quarterly progress reports, and closely coordinating project activities with relevant Government institutions. This work will include the reception of reports and holding regular consultations with project stakeholders.

Under the direct guidance and supervision of the Component Coordinator as well as MEDT, a Monitoring and Evaluation Specialist will perform activities related to the M&E of Project indicators and PRS implementation processes in cooperation with the line ministries. She/he will provide analytical services ensuring the high quality, accuracy and consistency of work. All necessary support to the Monitoring and Evaluation Specialist will be provided by UNDP office in Dushanbe and MEDT. Under the direct guidance and supervision of the Component Coordinator, a Project Assistant will be responsible for performing activities related to data collection and analysis under the Project. Project team members will be based at MEDT. UNDP's Communities Programme will provide administrative support services as required. Local and International Consulting services will be procured as necessary, according to UNDP rules and regulations.



The project will be subject to an independent audit as required by UNDP/NIM Guidelines. UNDP standards and regulations on monitoring and evaluation will be used for measuring

project implementation and achievement of results. Monitoring and evaluation will be organized by project staff and any external consultants upon requests from donors or UNDP.

Monitoring and evaluation matrix will be developed by project staff, which further will be used as an instrument for inspection of project implementation course and expected results' achievement.

Reports on the project will be prepared by the Project Coordinator and will be submitted to the UNDP management on monthly, quarterly and semi-annual basis. The Project team will also prepare annual and final reports. The reports can be submitted to the Ministry of Economic Development upon request.

## **VI. MONITORING FRAMEWORK AND EVALUATION**

DFID will receive 6 monthly progress reports, based on the project logframe, and will participate in an Annual Steering Committee meeting on the project. A final evaluation will be conducted on after completion of the project. In accordance with the programming policies and procedures outlined in the UNDP User Guide, the project will be monitored through the following:

### **Within the annual cycle**

- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below.
- An Issue Log shall be activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted (see annex), a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, a Project Progress Reports (PPR) shall be submitted by the Project Manager to the Project Board through Project Assurance, using the standard report format available in the Executive Snapshot.
- A project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project
- Quarterly Progress Reports (QPRs) reflecting all aspects of project implementation will be prepared and submitted to UNDP.
- A Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events

### **Annually**

- **Annual Review Report.** An Annual Review Report shall be prepared by the Project Manager and shared with the Project Board and the Outcome Board. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the

QPR as well as a summary of results achieved against pre-defined annual targets at the output level.

- **Annual Project Review.** Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review is driven by the Project Board and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes.

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## VII. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the SBAA between the Government of Tajikistan and UNDP, signed on December 3, 1993.

This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together a Project Document as referred to in the SBAA [or other appropriate governing agreement] and all CPAP provisions apply to this document. Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner.

The implementing partner shall:

- a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document".

## ANNEX I

### Risk Analysis:

#	Description	Category	Impact & Probability	Counter-measures / Management Response	Owner	Author	Date Identified	Last Update	Status
	Change in the SCISPM and MEDT leadership	Organizational Political Strategic	The occurrence of the risk could impact project success. P=3 I=5	SCISPM/MEDT leadership remains relatively stable, but the political situation will be continuously assessed.	IA	IA	February 2009	February 2009	
	High staff rotation within SCISPM and other relevant Government bodies/ departments impedes efficient and sustainable capacity building	Organizational Strategic	The occurrence of the risk would determine the failure of the project for the staff concerned P=2 I=5	During the selection of the target groups the necessity of establishing long term cooperation will be clearly explained to the practitioners. At least two participants per Departments will be selected.	IA	IA	February 2009	February 2009	
	The currency fluctuation might determine lack of resources for the project activities	Financial	The occurrence of the risk will force the downscaling of the activities P=3 I=3	Contingency provision	IA	IA	February 2009	February 2009	
1	Engagement of Government representatives in PRS development is constrained by low motivation and lack of capacity	Organizational	This risk is considerable as the capacity development will take time I=2 P=2	MEDT and UNDP maintain active dialogue with other counterparts at high level of Government to ensure engagement and motivation.	IA	IA	15.03.2009	15.03.2009	

3	The effects of the economic crisis and the need for crisis response prevents implementation of PRS measures	Economic, financial and political	This Risk is considered high. I=4 P=4	Anti-crisis measures are given priority and incorporated in the medium-term development framework; medium-term measures reprioritise and scaled down leaving space for contingency planning	IA	IA	15.03.2009	15.03.2009	
4	Lack of budgetary data constrains costing of policy measures and linking them to the budget	Political	This risk is considered to be moderate. I=3 P=3	Active engagement of Ministry of Finance in the PRS process	IA	IA	15.03.2009	15.03.2009	

## ANNEX II

### Work plan for Improvement of the NDS/PRS implementation management and its monitoring and evaluation, Strengthening national capacity for support of local government

Project Outputs and Activities	YEAR 1												YEAR 2											
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
<b>Strengthened / built capacity in MEDT and line ministries and agencies to assess and manage of the government development programmes</b>																								
1. Expert support to improvement of the normative and legislation framework for implementation of NDS/PRS	■																							
2. Updating and improvement of the existing automated M&E system for PRS implementation and its implementation mechanisms	■																							
3. Capacity building/ strengthening of the MEDT's and line ministries and agencies related staff in monitoring and evaluation of the PRS implementation							■																	
4. Preparation of annual progress reports and final report on PRS implementation													■											
5. Utilize poverty-environment (P-E) indicators in the PRS-3 implementation, monitoring and Evaluation	■																							
6. Strengthening local governments on NDS/PRS implementation and M&E:	■																							
7. Contingency provision (5%)																								