



Country: AZERBAIJAN
Initiation Plan

Project Title: Global Compact and Support to Entrepreneurship Development

Expected CP Outcome(s): National policies and institutions are strengthened to increase private sector competitiveness, remove trade barriers, especially for exports, while reducing the vulnerability of the economy and population to external shocks.

Initiation Plan Start Date: June 2011

Initiation Plan End Date: April 2012

Implementing Partners: UNDP

Brief Description

The overall goal is two-fold: 1) to support the private sector of Azerbaijan in advancing sustainable business models through creating a Global Compact Network in the country and expanding its regional coverage, and 2) boosting the competitiveness of local businesses by meeting international standards of modern business practice. The project will also contribute to building partnerships between various stakeholders, facilitating a dialogue with the private sector and enhancing the business environment in the country.

Programme Period: 2011-2015

CPAP Programme Component: Economic Development

Atlas Award ID: 00062257

Project ID: 00079667

PAC Meeting Date _____

Total resources required **100,000 USD**

Total allocated resources: _____

- Regular 55,000 USD

- Other: _____

- Statoil 45,000 USD

- Government _____

Unfunded budget: _____

In-kind Contributions _____

Agreed by UNDP: _____

I. PURPOSE

The UN Global Compact (GC) is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. The GC process was initiated in Azerbaijan in 2006, when a number of private enterprises and aid organizations indicated their interest in participating in the GC. During the past period UNDP, in partnership with AZPROMO and with funding from Statoil, has supported awareness-raising of GC and CSR among private sector and civil society organizations and participation of Azerbaijani GC members in global forums and networks.

This Initiation Plan introduces substantially different stage in the project's life, while building on the previous approaches and achievements. The overall strategy of the new approach is to contribute to the private sector development through ensuring sustainable presence of GC in Azerbaijan and strengthening its capacity as a mechanism for stronger CSR and social participation. Through establishment of GC Local Network project aims at 1) promoting and advocating CSR through the commitment of the key companies to the GC principles, 2) boosting the competitiveness of local businesses by meeting international standards of modern business practice.

II. EXPECTED OUTPUT

The project output will be two-fold:

1. GC network officially launched and further expanded, with sustainable "operations and governance" structures in place.
2. Based on the GC experience, at least one project idea researched and developed for potential UNDP support to the development of non-oil sector, entrepreneurship and/or rural SMEs.

UNDP will proceed as follows to achieve the expected deliverables:

1. Recruitment of project staff
 - a. Terms of reference for project management developed and advertised.
 - b. One project manager hired to ensure proper project implementation, monitoring and reporting.
2. Launch of GC network in Azerbaijan and promotion of CSR principles
 - a. One meeting of current and potential GC members and one pre-launch seminar organized for sharing local case studies and international experiences on CSR. During the pre-launch seminar media representatives can also be invited. UNDP Regional Centre in Bratislava and other agencies involved in GC/CSR will be invited to contribute to the learning and commitment-building in these activities and to highlight the benefits to the Government, civil society and companies.
 - b. GC network officially launched with participation of prominent international guest speaker(s)
 - c. Post-launch activities carried out to ensure the sustainability of the GC network (e.g. establishment of GC network governance board). One flyer on GC/CSR developed and disseminated for awareness-raising.
3. Expansion of GC network activities
 - a. Promotion of GC network to increase membership of domestic and international businesses operating in Azerbaijan
 - b. One or more companies identified as the national champion(s) for the GC network. One network contact person (with duties regarding daily operative issues, giving information and checking the use of the logo) and one representative (well respected in the business community that can represent the network nationally and internationally) will be identified.

- c. National Global Compact web-site created, either by supporting the organization that will act as the representative of the GC network, or the project directly doing the webpage and outsourcing the updating of the webpage for a certain time period after which it becomes the responsibility of the GCLN (i.e. network contact person).
 - d. Establishing linkages with other GC networks operating in neighbouring countries (Turkey, Georgia, Kazakhstan, and other CIS and EE countries)
 - e. GC Local Network report produced
4. Identification of UNDP interventions to develop non-oil sector. The end result of this activity will be the Project Document on potential UNDP support to non-oil development.
- a. Develop a project idea targeting SME sector leading to accelerated private sector's inclusive growth for broad based and sustainable local economy development in Azerbaijan.

Partnership Approach

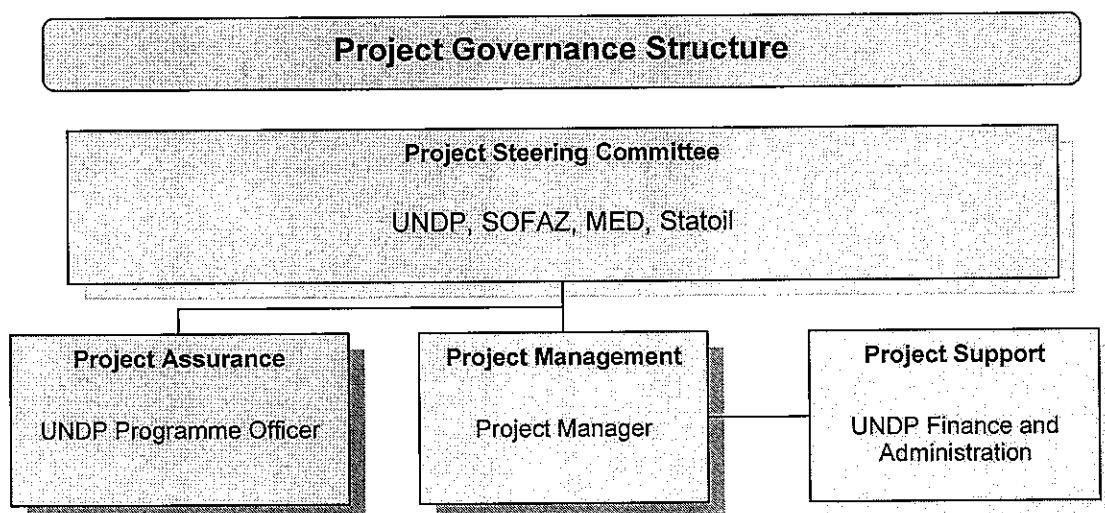
In the implementation of the project, UNDP will collaborate with the following national and international agencies:

- 1) StatoilHydro has recognised the importance of application of CSR principles in Azerbaijan and supported GC pre-launch activities
- 2) State Oil Fund of Azerbaijan Republic (SOFAZ): SOFAZ is known for high quality standards in performance and is potential champion for the cause of the GC and CSR in the country.
- 3) Ministry of Economic Development (MED) is the key ministry overseeing the government support for the development of Azerbaijani entrepreneurship.

III. MANAGEMENT ARRANGEMENTS

I. Project Governance. The project will be governed by the Steering Committee, a decision-making body for the project, including the representatives of the SOFAZ, MED, Statoil, and UNDP. The SC will provide strategic guidance and take decisions related to the project implementation including approval of project plan, budget and revisions. The Steering Committee will meet twice a year, or more frequently, if deemed appropriate at the start-up phase, to build common understanding and to ensure that the Project is initiated properly.

For the purposes of Initiation Plan, UNDP will serve as the Implementing Agency and will be responsible for providing procurement, recruitment and financial services in compliance with UNDP policies and procedures. The Governance Structure is as follows:



II. Project Management. Project Manager (PM) will be recruited and tasked with the day-to-day management of project activities, as well as with substantive, financial and administrative reporting. PM will be responsible for project implementation, routine management and monitoring. His/her primary responsibility is to ensure that the planned outputs are produced by undertaking necessary activities in accordance with the project plan and meeting the required standards of quality and within the specified constraints of time and cost.

III. Project Assurance. UNDP will designate a Programme Advisor to provide independent project oversight and monitoring functions, to ensure that project activities are managed and milestones accomplished. The UNDP Programme Advisor will be responsible for reviewing the project reports, produced by the PM.

IV. Project Support. UNDP will provide financial and administrative support to the project including procurement, contracting, travel and payments.

IV. MONITORING

In accordance with the programming policies and procedures outlined in the *UNDP User Guide*, the project will be monitored through the following:

- PM will carry out on-going monitoring and quality assurance, along with the oversight of daily project implementation.
- PM will submit Project Progress Report (PPR) at the end of the initiation plan, using the standard report format available in the Executive Snapshot;
- With inputs from PM, Issue Log shall be activated in Atlas and updated to facilitate tracking and resolution of potential problems or requests for change;
- With inputs from PM, Risk Log shall be activated in Atlas to capture the potential risks on the implementation of both the piloting activities and the future full-fledged project. Risk Logs will be regularly updated by reviewing the external environment that may affect the project implementation;
- With inputs from PM, Project Lessons-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization.

<p>exports, while reducing the vulnerability of the economy and population to external shocks,</p>	<p>Activity Result 3: Identification of UNDP interventions to develop non-oil sector. a) Project Document developed on potential UNDP support to non-oil sector</p>			X	X		UNDP	<p>Contractual Services Communications Supplies Transportation Audio/Visual/Printing</p>	<p>20,000 2,000 5,000 4,000 1,400 32,400</p>
<p>Activity Result 4: Project Management a) ToR advertised b) One PM hired to ensure proper project implementation, monitoring and reporting. c) General operating expenditures</p>			X	X	UNDP	Statoil UNDP	<p>Contractual Services – individuals Communications Supplies Transportation Facilities and Admin</p>	<p>25,000 600 500 500 850 27,450</p>	
TOTAL									100,000

TERMS OF REFERENCE

Projects:	Launching of Local Global Compact Network in Azerbaijan
Title:	Project Manager
Duration:	Seven months (June-December 2011), starting immediately
Duty station:	Baku

Project Description/Background:

In 2008, with financial support from StatoilHydro Company, UNDP started an initiative aimed at supporting the launch of the UN's Global Compact initiative in Azerbaijan. The Global Compact is the UN's mechanism for encouraging the private sector to be socially responsible by agreeing to apply ten universally accepted principles in the areas of human rights, labour, the environment and anti-corruption in their business activities. Under the project "launching of the Global Compact", UNDP aims to introduce local and international companies operating in Azerbaijan to the Global Compact Initiative as well as facilitate the establishment of a Global Compact network in the country and the signing of Azerbaijani chapter of the Global Compact. Thereby, the project contributes to building partnerships between companies, facilitating the dialogue with the private sector and increasing the competitiveness of local businesses by meeting international standards of modern business practices.

In 2011 UNDP plans to administer one seminar/meeting of private sector enterprises to refresh their commitments to Global Compact and corporate social responsibility (CSR) and to share best practices from around the world. In this meeting it would also be discussed the representation of the network (i.e. choosing the local network contact and representative) and the next steps in the development of the local network. The launch of the Local Global Compact Network should take place in September 2011 and followed up by activities to ensure sustainability of LGCN operations. The main objective of establishing the LGCN in Azerbaijan is to create an open forum for different companies and promoting GC/CSR principles in the society.

Organizational context:

The Project Manager (PM) assumes overall responsibility for the successful implementation of project activities and the achievement of planned project outputs. He/she oversees the day-to-day implementation of the project and is responsible for both organizational and substantive matters. The PM reports to the UNDP Programme Officer and cooperates with StatoilHydro Company and SOFAZ on project issues as appropriate.

Key functions and responsibilities:

The Project Manager will perform the following functions:

- Collect project related information and data, as appropriate, and maintain project files;
- Prepare project annual work plans and budget revisions, if required;
- Ensure the timely and effective management of the activities as scheduled in the project document and annual work plan;
- Coordinate all activities for seminars/workshops/launch to be held under the Project, including logistic/administrative arrangements;
- Develop a roadmap for the Global Compact post-launch next steps, ensuring a sustainable framework for the future activities of Global Compact network in Azerbaijan;

- Act as advocate of the Global Compact principles and ensure outreach to private companies;
- Draft correspondence and documents; finalize correspondence of administrative nature; edit reports and other documents for correctness of form and content;
- Ensure that the project related documentation and budget revisions are followed up and communicated on time, in accordance with the established UNDP procedures;
- Ensure the coordination between all organizations and agencies related to the Project;
- Make proposals on predictable changes, real amendments to the work plans and budget preparation and revisions;
- If appropriate, submit to UNDP job descriptions of national consultants to be recruited under the project;
- Supervise, coordinate and support the work of all experts involved in the Project, and ensure that they perform their duties in line with the Terms of Reference;
- Prepare and submit to UNDP equipment requisition forms, after ensuring that detailed specifications and realistic estimates are available;
- Monitor progress of the project according to the work plan and inform UNDP in advance of any foreseeable delays;
- Prepare in English periodic progress reports/disbursement reports reflecting achievements, expenses and completion of works and final reports, and submit them to UNDP;
- Draft the minutes of project Steering Committee meetings and submit them to UNDP; and
- Control and monitor project expenditures and ensure proper management of the resources as approved.

Competencies:

Corporate Competencies

- ❑ Demonstrates integrity by modeling the UN's values and ethical standards
- ❑ Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability
- ❑ Treats all people fairly without favouritism

Functional Competencies

Knowledge Management and Learning

- ❑ Promotes a knowledge sharing and learning culture in the office
- ❑ Ability to advocate and provide policy advice

Development and Operational Effectiveness

- ❑ Ability to lead strategic planning, results-based management and reporting
- ❑ Strong IT skills

Management and Leadership

- ❑ Focuses on impact and result for the client and responds positively to feedback
- ❑ Leads teams effectively and shows conflict resolution skills
- ❑ Consistently approaches work with energy and a positive, constructive attitude
- ❑ Demonstrates strong oral and written communication skills
- ❑ Builds strong relationships with clients and external actors
- ❑ Remains calm, in control and good humored even under pressure

- Demonstrates openness to change and ability to manage complexities
- Outstanding time-management, organizational, communication and inter-personal skills
- A demonstrated ability in managing projects and partnerships.

Required qualifications and experience:

- An advanced university degree (Master's degree) in management, business administration or another field relevant to the projects;
- At least 3 years of relevant working experience;
- Excellent knowledge of the private sector in Azerbaijan;
- Excellent computer literacy (Word, Excel, Access, Internet, PowerPoint).
- Fluency in written and spoken English and Azeri required, knowledge of Russian will be an asset.