United Nations Development Programme
Country: Bangladesh
Project Document

Project Title:	**Strengthening Capacity for Aid Effectiveness in Bangladesh**
Expected UNDAF Outcome:	By 2016, Civil Service and local governments are more responsive and better able to deliver public services. Economic growth is achieved in an inclusive manner, extending opportunities to the rural and urban poor and protecting the vulnerable from shocks. (2012-2016)
Expected UNDAF Output:	Government and non-government stakeholders are better able to improve aid effectiveness with a special focus on achieving the MDGs and pro-poor growth.
Executing Entity:	UNDP
Implementing Agencies:	ERD

Brief Description

Accounting for almost 50% of the national development budget, foreign aid plays an important role in Bangladesh. The effectiveness of foreign assistance as a means to contribute to sustainable development in the country has, at times, been drawn into question. A number of assessments have come to the conclusion that the development assistance provided by a wide range of partners should be better coordinated, as well as more harmonized and aligned with national priorities and systems, in order to result in greater benefits for the country. Similarly, it has been pointed out that strong Government leadership, as well as effective and efficient government institutions are crucial to ensure that foreign aid is effectively utilized.

The objective of the project is to increase the effectiveness, transparency and accountability in allocation, management and use of foreign assistance by strengthening national aid management capacities and systems, as well as by enhancing collective dialogue and coordination mechanisms, in order to achieve improved development results. This is to be achieved by: (1) enhancing GoB's aid information management capacities and access to aid information by Parliament and civil society; (2) strengthening aid management capacities of the Economic Relations Division and selected Line Ministries and (3) strengthening the Local Consultative Group Mechanism.

Programme Period:	4 Years
Key Result Area (Strategic Plan)	
Atlas Award ID:	
Start date:	September 2011
End Date	June 2015
PAC Meeting Date	21 June 2011
Management Arrangements	

Total resources required	$ 4,475,000
Total allocated resources:	
• Regular	$1,000,000
• Other:	
○ DFID	$1,000,000
○ DANIDA	$400,000
○ SIDA	TBC
○ AusAID	TBC
Hard-pipe line budget:	$2,075,000
Contributions (GoB) – In Kind	$330,000
Contributions (GoB) – Cash	$70,000

Agreed by (GoB): Mr. M Musharraf Hossain Bhuiyan, Secretary, Economic Relations Division

16/9/2011

Agreed by (UNDP): Mr. Stefan Priesner, Country Director, UNDP

14/09/201

Overview

Foreign aid plays an important role in Bangladesh's development. Over the last ten years, Bangladesh received foreign assistance amounting on average to US$ 1.54 billion per year. Although aid only accounts for roughly 2% of GNI, it constitutes almost 50% of Bangladesh's development budget. Approximately 70% of foreign aid is provided in form of loans, which results in increasing national debts and related debt service charges.[1]

The effectiveness of foreign assistance as a means to contribute to sustainable development in the country has, at times, been drawn into question. A number of surveys and evaluations on aid effectiveness have been conducted in Bangladesh.[2] Overall, they have found that some progress in improving aid effectiveness has been made. However, significant challenges remain to deliver on the aid effectiveness commitments made in Paris and Accra.

In particular, different assessments have come to the conclusion that the development assistance provided by a wide range of partners should be better coordinated, as well as more harmonized and aligned with national priorities and systems, in order to result in greater benefits for the country.[3] Similarly, it has been pointed out that strong Government leadership, as well as effective and efficient Government institutions are crucial to ensure that foreign aid is effectively utilized. Every year, implementation delays force Bangladesh to revise the planned development outlay downward. Even then, the actual implementation remains lower than the revised target. Cumbersome project approval and review procedures, as well as suboptimal allocation of resources are among the reasons for the observed implementation delays.[4]

The Government of Bangladesh (GoB) and its development partners (DPs) have taken considerable steps towards local implementation of the global aid effectiveness agenda. On the Government side, related initiatives are primarily spearheaded by a mainly donor-funded Aid Effectiveness Unit (AEU) that was established within the Economic Relations Division of the Ministry of Finance.

Bangladesh has the basic structure of a good formal machinery of collective dialogue in form of the Local Consultative Group (LCG) mechanism. However, this mechanism has not yet reached its full potential as effective coordination tool, especially regarding development cooperation activities at sector level.

GoB and DPs have taken various initiatives to reform their relationships and to establish a mutual accountability mechanism, culminating in the recent formulation of a Joint Cooperation Strategy (JCS). The JCS consists of a core document, which outlines a joint vision for aid effectiveness in Bangladesh and contains corresponding partnership commitments by GoB and DPs. A JCS Action Plan was formulated in order to translate policy level commitments into practical changes at the operational level. The overall goal of the JCS is to make aid in Bangladesh more effective by creating common platforms for national and sector-level dialogue and coordination, as well as a nationally owned change process for improving the provision and utilization of foreign aid. Concrete actions laid out in the JCS Action Plan include formulation of an aid policy, formulation of development results frameworks, introduction of an aid information management system, and reinforcement of the LCG and its Sector Working Groups. Aid effectiveness

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[1] Through effective fiscal measures, the Government of Bangladesh (GoB) has been able to stabilize the debt-GDP ratio at roughly 50% during 1990-2006. While the external debt-GDP ratio has declined from 44% in the 1980s to 33% during 2001-2006, domestic borrowing accounts for an increasingly large share of budget deficit financing in recent years. This project does not foresee specific activities to enhance GoB's debt management capacities, as related issues are being addressed through the 'Strengthening Public Expenditure Management Programme'. This project will, however, provide complementary support, such as strengthening of analytical skills of concerned GoB institutions, especially regarding analysis of aid flows.

[2] For example, *Paris Declaration Monitoring Surveys* (2006 and 2008) and *Donor Coordination and Harmonization in Bangladesh – A Joint Evaluation Paper*, World Bank, Asian Development Bank, Japan and the UK, 2009.

[3] For example, Natural Resources Planners Ltd. (2010): *Evaluation of the Implementation of the Paris Declaration, Phase – II, Country Evaluation Bangladesh*, Draft Final Report, 25th November 2010 and Nadoll, Jorg (2010): *Improving Aid Effectiveness in Bangladesh*, Mission Report, April.

[4] ERD (2010): *GOB Project Approval Process. A Scoping Study*, August.

through systems strengthening to improve public service delivery is one of the areas reflected in the United Nations Development Assistance Framework (UNDAF) 2012-2016, which was jointly signed by the Government of Bangladesh and the UN System in Bangladesh on 01 June 2011.

Despite laudable achievements at the policy level, progress towards integrating aid and development effectiveness considerations into the national development planning, programming and budgeting process has been limited. Technical and leadership challenges remain, including ensuring that development policy dialogue is more inclusive of civil society, regional partners and private sector; ensuring development partner supported projects foster local ownership and align to national systems; and that development partner harmonize in a fragmented aid environment. On the Government side, progress towards implementing global aid effectiveness commitments has also been hampered by institutional weaknesses and capacity constraints. Aid and development effectiveness in Bangladesh is less than it could be due to a number of interlinked and interdependent structural, procedural and capacity problems.[5] Some of the key challenges that this project is meant to address are outlined below.

Aid Effectiveness Challenges

▸ *Lack of comprehensive, timely and easily accessible aid data affects transparency and evidence-based dialogue*

A crucial precondition for enabling the Government of Bangladesh to coordinate development partners and manage aid flows effectively is the availability of accurate and timely aid data, as well as the ability of Government staff to analyze the data, as well as package and present it in a way that allows informing and influencing decision-making. At the moment, there is a lack of comprehensive and timely data to inform decision-making, as well as evidence-based dialogue with development partners. Experiences from other developing countries (e.g. Cambodia, Indonesia, Pakistan, Sri Lanka and Viet Nam) show that an online, government-owned aid information management system, in which development partners regularly enter information on their assistance portfolios, can play a crucial role in improving the coordination and in turn the overall effectiveness of foreign aid.

Despite various existing information management systems (see Box 1), the overarching problem of obtaining timely and accurate data from development partners on their assistance (especially off-budget aid) in a harmonized format that is in line with GoB's information needs has not yet been addressed appropriately. None of the existing systems contains a suitable interface to allow development partners to enter information on their assistance directly into a central system that is accessible to all stakeholders. Instead, development partners receive requests for the same type of information from different GoB institutions and provide information in diverse formats, which makes it difficult for GoB to compile and analyze the information. The lack of comprehensive information on foreign aid flows makes alignment of foreign assistance with national priorities a real challenge, in particular as a considerable part of foreign aid is not being disbursed to the government sector and not recorded in the national budget. The lack of comprehensive aid data also prevents a more evidence-based dialogue among development partners on a rationalization of sector support. Comprehensive aid data that is accessible to various Government institutions, including Ministries, and development partners could inform discussions within LCG Working Groups and play a crucial role in tracking aid flows against the background of joint results frameworks.

▸ *Limited transparency, public oversight and accountability*

The role of Parliament and civil society has been relatively muted with regard to the aid effectiveness agenda in Bangladesh. Lack of comprehensive and easily accessible aid data reduces transparency and limits options for effective public oversight of resource allocation and use. Transparency is a pre-condition for accountability. A stronger culture of accountability and responsiveness in public life is likely to have a positive effect on the quality and equitability of development projects and programmes. Increasing transparency of resource allocations and expenditure patterns is a crucial first step in this direction.

In this respect, supply-side interventions to strengthen capacities of key Government institutions (e.g. to collect and analyze aid data) should be complemented by demand-side measures targeting representatives of the general public such parliamentarians and civil society organizations. Extending partnerships with Parliament and with civil society, including strengthening the capacity of representatives of the general public to access and analyze information on foreign assistance flows and results, will be an important focus

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[5] For details see Nadoll, Jorg (2010): *Improving Aid Effectiveness in Bangladesh*, Mission Report, April,

of the project. This includes proactive dissemination of information on planned and ongoing assistance at sectoral and geographical level.

Box 1: Assessment of Bangladesh's (Aid) Information Management Systems

> The Government of Bangladesh has a number of information management systems that contain data on foreign assistance. For example:
>
> ❑ *Integrated Budgeting and Accounting System* (IBAS), which is maintained by the Finance Division and primarily used for budget preparation and expenditure monitoring. This system is currently not fully operational.
>
> ❑ *Debt Management and Financial Analysis System* (DMFAS), which is maintained by FABA and primarily used to track loan disbursements, as well as manage and monitor interest payments as well as repayment of principals.
>
> In addition, the following IT systems are being developed through the ASICT project:
>
> ❑ *Project Planning System*, which will enable online submission and approval of project proposals.
>
> ❑ *Annual Development Programme Management System*, which will facilitate the compilation of the ADP.
>
> ❑ *Project Information Management System*, which will enable online reporting on physical and financial progress to IMED.
>
> ❑ *Foreign Aid Monitoring System*, which will facilitate online tracking of negotiations between ERD and Development Partners and storage of related agreements.
>
> All four systems will be linked to reduce the data entry burden and to provide a more comprehensive picture of funding flows. However, a number of **shortcomings** are currently not sufficiently addressed by the planned or existing IT systems. These include:
>
> ❑ Lack of information on "off-budget" aid flows;
>
> ❑ Limited electronic records on grant disbursements by donors, consolidated manually by FABA;
>
> ❑ Limited disaggregation of aid data by sector, as recording follows PC's sector classification;
>
> ❑ Lack of a joined GoB-donor information sharing platform that would support collective dialogue under the LCG mechanism;
>
> ❑ Lack of a standardized aid reporting process for development partners.

▸ *There is scope for ERD to play a more comprehensive role in aid coordination and management*

Within the Government, many different agencies play a role at different stages of the aid management cycle (identification, formulation, negotiation, implementation, monitoring and evaluation). According to GoB's Rules of Business, the Economic Relations Division (ERD) acts as nodal agency between Government and development partner agencies and has the function to assess, mobilize and coordinate the allocation of all foreign assistance in relation to the country's development priorities. As the Government's aid coordinating authority, ERD is tasked with undertaking aid programming, budgeting, initiating, negotiating and signing of agreements. The Rules of Business explicitly mandate ERD to examine and scrutinize foreign aid proposals, as well as to coordinate and monitor the utilization of foreign aid. In practice, however, ERD currently plays a less comprehensive role than foreseen in its mandate.

At the moment, ERD performs primarily an administrative function by processing the exchange of aid proposals and other related documents between Government agencies and development partners (DPs). In addition, ERD should play a more prominent role in assessing and actually coordinating foreign assistance in line with sectoral and geographical needs. This would include scrutinizing assistance proposals, as well as assessing DPs' performance, in order to be able to rationalize external assistance according to country needs and DPs' comparative advantages. Further, ERD should take more proactive measures to improve the comparatively low rate of aid disbursement. Moreover, there is a need to strengthen ERD's resource mobilization capacities to ensure Bangladesh is able to access new funding windows beyond the traditional bilateral and multilateral aid channels, for example funding available in the context of the global agenda on climate change. Further, ERD should be the lead Government agency for all matters related to aid

effectiveness (AE), such as formulation and monitoring of the national AE agenda, sensitization of other Government agencies on AE issues and representing Bangladesh at regional and global AE events. Related functions are currently performed by the mainly donor-funded Aid Effectiveness Unit (AEU). In order to foster ownership and sustainability, the AEU needs to be nationalized and fully integrated in ERD's formal structure and related functions mainstreamed in the entire Division.

In addition to establishing principles and practices of effective aid management more widely within ERD, they need to be integrated into sector programmes. Hence, the task for ERD in supporting effective aid management in the context of sector programmes is to facilitate the integration of aid management practices in Line Ministry work and associated reform programmes to ensure development partner support, including technical cooperation, adheres to aid effectiveness principles. At the moment, the capacity of ERD to perform this advisory and support function is rather limited.

ERD officials come from various cadres and some, therefore, lack the qualifications and skills required to perform mandated functions effectively and efficiently. ERD is currently implementing a three-year capacity building project funded through the Japan Debt Cancellation Fund. This project, which is in its second year, focuses on enhancing ERD's ICT infrastructure, as well as skill development of ERD officials, mainly in the following areas: ERD functions and related legal documents, English language, ICT, office management, and procurement. In addition, there is a need for more comprehensive training (formal and on-the-job) in areas such as aid coordination, negotiation and communication, as well as project-cycle management, in order to enable ERD to play a stronger role in the mobilization, coordination and assessment of foreign aid in line with its mandate.

At the moment, officers stay in ERD for 2-3 years. In order to ensure that capacity development efforts have a long-lasting effect and contribute to enhancing individual and institutional performance, it is important to review and, if necessary, revise internal business procedures and strengthen Government systems as part of a comprehensive capacity development strategy. As far as enhancing individual capacities is concerned, it has to be agreed with the concerned Government authorities that the primary target group will consist of a core group of officers, which joined ERD recently, and/or will remain in the Division for at least 4-5 years. Furthermore, gender concerns will be considered when selecting Government officials that receive dedicated training through the project.

> *The collective dialogue mechanism has not yet reached its full potential as coordination tool*

Bangladesh has the basic structure of a good formal machinery of dialogue. Government and development partners in Bangladesh can look back on a comparatively long history of structured collective dialogue, which has been established in form of the Local Consultative Group (LCG) mechanism, consisting of institutionalized dialogue forums at national and sectoral/thematic level. However, past experiences with the LCG mechanism have been mixed. Especially the limited Government ownership and low level of involvement of the relevant Government agencies in many LCG Working Groups (WGs) have been identified as major concerns.

Overall, the LCG mechanism has not yet reached its full potential as an effective coordination tool, especially at sector level. The quality and frequency of dialogue within the individual WGs varies, while the effectiveness of individual groups largely depends on who is chairing them. LCG WGs tend to be more effective in sectors that receive support through a programme-based approach. There is a need to support the Government Co-Chairs of many LCG WGs and strengthen the capacity of concerned Government officials to lead WG discussions, the formulation and monitoring of work plans, as well as to use WGs more strategically as a tool for collective dialogue and aid coordination, in line with sector needs and Government priorities.

Further, the role of the LCG Plenary as a decision making body should be strengthened. For example, it has been suggested that LCG WGs should be obliged to report back to the LCG Plenary on progress towards implementation of their work plans – which does not always happen at the moment – and that the Plenary should be given authority to give specific instructions to individual working groups. A competent, efficient and well-resourced LCG Secretariat accountable to the Plenary Co-Chairs is a pre-requisite for the Plenary to be an effective decision-making body and for the LCG mechanism as a whole to become a more effective coordination tool. In order to foster national ownership and leadership, it has been suggested to move the LCG Secretariat from the Office of the UN Resident Coordinator to ERD and to assign secretarial functions to Government officials accordingly. Especially during the transition period, ERD will require external support to develop the necessary business procedures and staff capacities.

▸ *There is scope for Ministries to play a stronger role in aid coordination and management*

Formulation and implementation of the national aid effectiveness agenda have been spearheaded by the donor-funded AEU. Related initiatives have mainly focused on the policy level and included the formulation of a Joint Cooperation Strategy and the implementation of reviews and surveys, many in the context of the global aid effectiveness agenda. While programme-based approaches have recently been established in a few sectors, progress towards implementing effective aid management principles at sector level has generally been limited. Many Ministries struggle with fragmented aid portfolios, which impose high transaction costs on capacity constrained Government officials. The resulting negative effects are augmented by a lack of information on aid flows that are channelled through the non-governmental sector. Many Ministries are not yet able to lead LCG WGs effectively and use them as coordination tool. Moreover, the capacity of Ministries to assess project proposals submitted by Line Agencies and development partners, as well as to monitor and quality control project implementation, is often limited.

Strategy

This project is designed to promote aid effectiveness in Bangladesh and in particular to strengthen GoB's aid management capacities and systems. The project is aligned with the Joint Cooperation Strategy and is meant to serve as a resource platform supporting its implementation.

The main objective of this project is to increase the effectiveness, transparency and accountability in allocation, management and use of foreign assistance by strengthening national aid management capacities and systems, as well as by enhancing collective dialogue and coordination mechanisms, in order to achieve improved development results. The project consists of four interlinked and mutually reinforcing components, for which individual outputs have been defined. Indicators are used to add clarity to outputs, where required.

The cornerstone of contemporary thinking about aid and development effectiveness is country ownership. Yet country ownership of policies and programmes is premised on the capacity to exercise it. Ownership will not begin to emerge in the absence of sufficient local capacity. Understood as the ability of people, organizations and societies to manage their affairs successfully, capacity obviously depends on more than the experience, knowledge and technical skills of individuals. Capacity development at the individual level, although important, depends crucially on the organizations in which people work. In turn, the operation of particular organizations is influenced by the enabling environment – including the institutional framework and the structures of power and influence – in which they are embedded. Therefore, this project will follow a systemic approach to capacity development by considering and addressing capacity needs at three levels, i.e. (1) individual, (2) organizational and (3) enabling environment, as well as the interactions between the levels. Specific activities will be identified within the course of comprehensive capacity needs assessments of Government institutions targeted by this project. The needs assessments will be carried out during the first months of the project and result in capacity development strategies tailored to the country and organizational context, including the existing incentive structures and enabling conditions, or lack thereof.

The project will promote and support the application of aid effectiveness principles in development cooperation activities in Bangladesh and work in close coordination with other initiatives, especially those that aim to improve the management of public resources and/or to increase public oversight of government spending, such as the *'Strengthening Public Expenditure Programme'*.

Component 1:	Enhancing aid transparency and GoB's aid information management capacity

This Component will standardize and harmonize reporting on foreign aid flows by establishing an online aid information management system (AIMS) that will serve as single-entry window for aid information. This will improve GoB's aid coordination capacity and thereby contribute to a further alignment and rationalization of foreign aid allocations in line with national and sectoral priorities.

The AIMS will be built around and linked to exiting information management systems, such as DMFAS. The system will be fully owned and managed by the Government (ERD), while the development partners will be the custodians of the data. In order to ensure sustainability of the AIMS, the project will focus on institutionalizing the three AIMS-related core functions (see below) by developing standard operating

procedures and corresponding guidelines. These functions will be assigned to specific ERD Wings/Branches and concerned staff will be trained to perform these functions soon after the system has been established.

(1) *System maintenance*: during the inception phase, the existing IT infrastructure within ERD and at the Planning Commission Campus will be assessed. Depending on the findings, it will be decided whether to locate the database servers in ERD or in an Internet Service Provider. In either case, ERD ICT staff will be trained in managing and maintaining all AIMS-related hardware and software.

(2) *Management of data entry process*: Each development partner will be requested to assign data entry focal points. ERD Wings will be responsible for managing the data entry process, i.e. ERD desk officers will regularly review the data and follow up with their respective development partner counterparts to ensure that they frequently enter and update information on their agency's aid portfolio. It is expected that – over time – the number of ad hoc requests for information from development partners by different Government agencies will decrease significantly, as the system will serve as main repository for aid data, accessible to all Government and development partner agencies.

(3) *Data analysis*: In line with its mandate, ERD/FABA will be responsible for ensuring data integrity, by performing regular data verification exercises, and for using the data to produce analytical reports that can inform collective dialogue and decision making. The project will second an Aid Analyst into FABA to support Government officials in data mining and preparation of analytical reports, as well as to enhance analytical capacity in FABA through trainings and coaching. The AIMS will allow recording of sex-disaggregated data and trainings to enhance analytical skills will also cover gender analysis of aid flows.

Further, this Component will enhance opportunities for public oversight and strengthen mutual accountability by increasing transparency in allocation and use of foreign assistance, among others through outreach work and proactive dissemination of analytical reports among Government and development partner agencies, as well as Parliament and civil society organizations (CSOs). The project will support direct consultations with Parliament and civil society, assisting them to perform their accountability role in participating effectively in the monitoring of foreign-funded development activities.

Expected Outputs
1.1 Web-based aid information management system established and fully functional.

- *Proportion of development partners, who have entered complete data*
- *At least two annual development cooperation reports prepared*

1.2 Aid transparency increased.

- *Number of times website has been accessed by visitors*
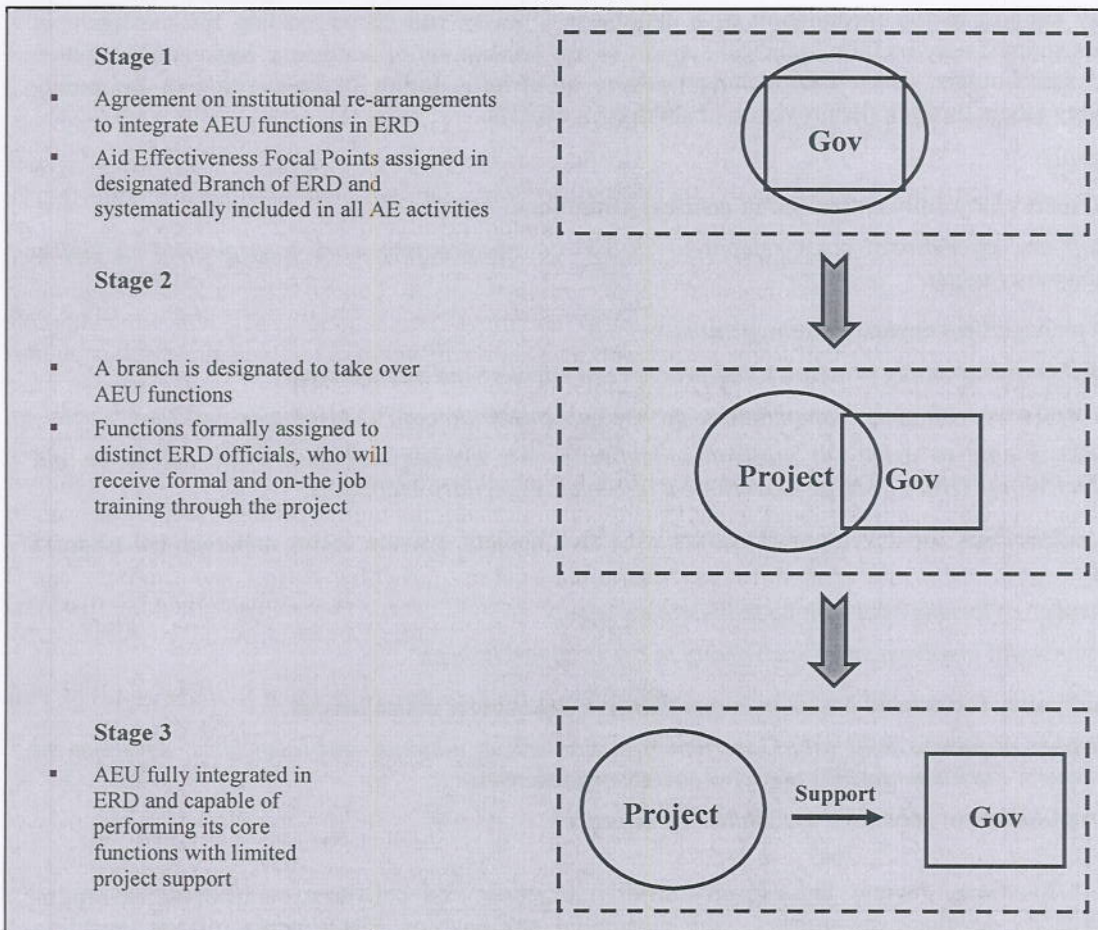- *Number of CSOs that use AIMS data*

Key Actions
□ Establish an aid information management system (AIMS) and ensure adequate linkages with existing IT systems, such as DMFAS;

□ Institutionalize data entry process, train data entry focal points in development partner agencies and ensure concerned ERD officials can perform AIMS-related core functions;

□ Link AIMS to national planning, programming and budgeting processes, as well as the LCG mechanism;

□ Prepare and disseminate analytical reports and strengthen analytical capacity of ERD;

□ Outreach work with, and direct support to, Ministries, in order to facilitate government-led, evidence-based collective dialogue in LCG Working Groups;

□ Outreach work with, and direct support to, Parliament and CSOs, in order to contribute to increasing transparency and public scrutiny of foreign assistance.

The strategy adopted by this project is based on providing continued capacity development services to ERD, enabling it to better fulfil its mandate as national aid management focal point and to extend aid management advice and support services to Ministries while developing closer partnerships and working arrangements, with civil society and other non-governmental actors, as well as regional partners as part of South-South Cooperation. Project support will focus on preparation of knowledge products (e.g. guidance notes and manuals), as well as strengthening of systems and workflows, in order to promote sustainable capacity above the level of the individual.

This Component will facilitate the integration of the currently donor-funded Aid Effectiveness Unit (AEU) and the incorporation of corresponding functions into ERD's mainstream working procedures. This will be achieved by using a step-by-step approach. The project will continue the present level of support while building newer capacity needed to perform crucial aid management tasks. Gradually the project will strengthen the capacity of designated Government officials through training and coaching, and progressively retreat from performing Government functions (see Box 2 for a simplified graphical illustration). After it has been decided where in ERD's organizational structure the AEU will be located, e.g. as a separate Branch, the project will support ERD in making the necessary institutional rearrangements. ERD is expected to assign Aid Effectiveness Focal Points that will work closely with the Project Team on all issues related to formulation and implementation of the national aid effectiveness agenda. Within the first one and half years of project implementation, certain administrative and management functions that receive initial support from the project will be handed over to ERD. Once the AEU functions has been formally integrated into a distinct Branch and properly staffed with civil servants, aid effectiveness functions previously performed by project staff will gradually be handed over.

Box 2: Integration of Aid Effectiveness Unit (*simplified*)

Stage 1
- Agreement on institutional re-arrangements to integrate AEU functions in ERD
- Aid Effectiveness Focal Points assigned in designated Branch of ERD and systematically included in all AE activities

Stage 2
- A branch is designated to take over AEU functions
- Functions formally assigned to distinct ERD officials, who will receive formal and on-the job training through the project

Stage 3
- AEU fully integrated in ERD and capable of performing its core functions with limited project support

Guided by ERD's mandate, as defined in the Rules of Business, and informed by a functional review and capacity needs assessment, this Component will develop and implement a comprehensive strategy to enhance ERD's aid management capacity at individual and institutional level (organizational, systems and staff strengthening). Related activities will include formal and on-the-job training. This package of support may include strengthening of analytical, negotiation, communication and project appraisal skills, as well as training programmes in leadership, aid management and relevant technical areas e.g. SWAps/PBAs, managing for results, etc.

In order to promote aid and development effectiveness more broadly, this Component will furthermore support ERD in developing and utilizing relationships and partnerships with the following:[6]

- Civil society organizations
- Private sector
- Parliament
- Regional governments as part of South-South Cooperation

While different rules and regulations related to aid and debt management exist there is currently no single, consolidated statement of aid policies that outlines GoB's priorities regarding the provision of foreign assistance, including preferred aid modalities, basic principles to be followed, the main procedures and corresponding roles and responsibilities for the provision, acceptance, coordination and management of foreign assistance, etc. An aid policy could provide a vehicle for GoB to assert greater leadership in the local implementation of the Paris Declaration and the Accra Agenda for Action and should enable the Government to derive greater benefit from the assistance provided by its partners, and to reduce the often high transactions costs associated with this assistance. This Component will provide logistical, technical and policy advisory support to the formulation of a national aid policy and corresponding aid management guidelines. This support may include logistical support to and facilitation of necessary consultations with a wide range of stakeholders, as well as technical advice on specific topics to be covered in the policy document, among others through the provision of short-term experts.

Expected Outputs

2.1 Aid Effectiveness Unit fully embedded in national institutions.

- *Staff and operational costs related to GoB's aid effectiveness work incorporated in GoB's recurrent budget*

2.2 ERD's aid management capacities strengthened.

- *ERD is able to apply principles and practices of effective aid management*
- *Compliance with global commitments for the implementation of PD principles and AAA*
- *ERD is able to drive the national aid effectiveness agenda and to provide advice on aid effectiveness issues to other Government agencies, especially Ministries*

2.3 Effective partnerships for development results with civil society, private sector and regional partners established.

- *Number of forums held with each individual group*
- *Meaningful involvement of each group in the LCG mechanism*

2.4 National aid policy formulated based on comprehensive stakeholder consultations.

- *Number of forums held with Government institutions at national and local level, development partners, Parliamentarians and civil society organizations*
- *Draft document submitted to Cabinet for approval*

Key Actions

- Carry out a functional review and capacity needs assessment and deliver a comprehensive, multi-pronged capacity development strategy, which complements ongoing ERD-internal efforts, enabling ERD to implement its mandate as national aid management focal point;

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[6] The project will make linkages with development partners that work in related areas, e.g. UNDP's project on *'Institutionalizing Parliamentary Democracy'* or work on strengthening civil society undertaken by the Netherlands, in order to promote synergies.

- Provide technical and policy advisory support to ERD to ensure that the Division is equipped to lead the formulation, implementation and monitoring of the national aid effectiveness agenda, including monitoring and reporting on progress towards the implementation of the JCS Action Plan, and preparation and dissemination of an annual aid effectiveness report, as well as other analytical and position papers;

- Strengthen capacity in ERD to take proactive actions to ensure that officials engaged in managing development cooperation activities in Ministries and Agencies are provided information and training on concepts, methodologies, and operational/implementation issues on topics related to improving aid effectiveness, thereby empowering Ministries and Agencies to take the lead in addressing aid effectiveness issues at sector level;

- Strengthen ERD's resource mobilization capacities and skills, among other by providing technical and policy advisory support to access new funding windows, e.g. climate change financing;

- Strengthen capacity in ERD to effectively engage in policy discussion on aid effectiveness in the OECD/DAC and other international forums; and to lead the process to promote harmonized donor practices, promote strengthening of national systems and procedures that meet international standards in order to encourage a greater use of these systems and procedures by development partners;

- Promote involvement of CSOs and NGOs in collective dialogue mechanisms at national, sectoral and thematic level;

- Identify and implement an appropriate framework for engaging regional partners at a technical level, based on South-South Cooperation principles, so that their support can be fully aligned with national priorities;

- Structure and organize a dialogue with the private sector that explores the complementary roles of the private sector and ODA in supporting national development;

- Provide logistical, technical and policy advisory support to the formulation of an aid policy and aid management guidelines.

Component 3:   Strengthening LCG mechanism

This Component will strengthen the LCG mechanism to ensure it serves as an effective coordination tool, a platform for discussing and addressing policy issues, as well as for reviewing results in a transparent framework that is guided by the principles of mutual accountability. In this respect, the Project Team will work closely with and provide logistical and technical support to the LCG Secretariat, as well as to individual LCG Working Groups (WGs).

The Government has requested that the LCG Secretariat will be housed in ERD. This reflects GoB's ownership, commitment and lead role in promoting dialogue on aid and development effectiveness in Bangladesh. After it has been decided where within ERD the Secretariat will be housed and corresponding functions have been assigned to Government officials, the Project Team will support the development and institutionalization of working procedures and provide training to concerned officials. It is foreseen that existing staff within the UN Resident Coordinator's Office that performed secretarial functions in the past, will provide back-up support for a transitional period until the necessary capacity has been built in ERD.

Further, this Component will facilitate a potential adjustment of the LCG structure, in line with priorities identified in the 6th Five-Year Plan. Following a review of experiences made by existing LCG WGs, tailored support will be provided to those groups and their Government Co-Chairs that experienced challenges in the past. This may include technical advice on formulation of results-oriented action plans in line with joint development results frameworks, as well as provision of short-term staff to support secretarial and/or facilitation functions.

Expected Outputs

3.1 LCG Secretariat formally established in ERD and fully functional.

- *Relocated secretariat is staffed and able to support LCG Plenary*

3.2 Collective dialogue at sector level strengthened.

- *LCG WGs meet regularly, have results-oriented work plans and are able to drive sector-level results and resources frameworks*

Key Actions

- Review past experiences of LCG WGs and capture lessons learned;
- Provide technical, logistical and policy advisory support to the relocated LCG Secretariat;
- Review experiences made by individual LCG WGs and capture lessons learned;
- Facilitate a potential adjustment of the LCG structure in line with priorities identified in the 6th Five-Year Plan;
- On-demand training and support to LCG WGs in all areas of aid management (policy development, technical guidance, information systems, capacity development and trainings);
- Provide technical and logistical support to preparation and implementation of the Bangladesh Development Forum.

Component 4:   *Strengthening aid coordination & management capacities of selected ministries*

This Component will strengthen aid management capacities and systems at sector level, as well as support GoB's efforts regarding a rationalization of sector support, based on national priorities and comparative advantages of aid providers. This will involve the promotion of programme-based approaches (PBAs) at sector, thematic and reform level with the ultimate aim to strengthen national ownership, promote more coherent and sustainable capacity development, align and manage diverse resources of funding in an integrated medium-term sector strategy and focus on delivering development results. The development and use of common capacity assessments will be promoted and applied to ensure that technical cooperation activities are better coordinated and resources more focused on strengthening national systems rather than on programme and project-level delivery.

In addition to providing policy advice and technical support to a number of pilot ministries (see below), the Component will focus on strengthening systems and on developing tools and other knowledge products that can be used by ERD and other stakeholders to promote the application of principles and practices of effective aid management in other sectors.

Project support will focus on a limited number of pilot ministries (3-4) that will be identified on the basis of a set of criteria to be determined during the inception phase. Potential selection criteria could, for example, include: the aid volume and number of development partners managed; the primary type of aid received (e.g. loan or grant); and the existence of a PBA in the respective (sub-) sector. Against this set of criteria, Ministries should be targeted that receive a large amount of grant aid and have to coordinate a large number of development partners, and in whose (sub-) sector a PBA has not been established yet. Ministries that seem to fit with all or most of these criteria and could be considered include: Ministry of LGRD and Cooperatives, Ministry of Environment and Forests, and Ministry of Food and Disaster Management. Following a needs assessment, a comprehensive package of support will be designed. This could include strengthening analytical skills and project cycle management capacities, as well as measures to address bottlenecks in project implementation. Related support will be provided in coordination with the *'Strengthening Public Expenditure Management Programme'*.

In order to strengthen GoB's project appraisal and approval process, as well as to improve collaboration between the Planning Division and Ministries/Agencies and to rationalize related business processes, the project will also support to the full implementation of a number of business process tools, such as the on-line project submission and approval system (Digital ECNEC), as well as the roll-out of other management tools that are already available with the Planning Division.

Expected Outputs

4.1 Comprehensive capacity development strategy for selected Ministries in place.

- *Proportion of development partners that align and coordinate their technical cooperation activities*

4.2 Aid management capacity of selected ministries enhanced.

- *Ministries are able to apply practices and principles of effective aid management and to use LCG WGs effectively to coordinate foreign assistance in line with sector priorities*

4.3 Project/programme management capacity of the Planning Division enhanced

- *Planning Division would be able to manage project approval/revision processes in a swift and transparent manner.*

4.4 Internal ERD processes such as personnel management strengthened

- *ERD replicates the 10 functional automation systems developed and implemented in the planning division.*

Key Actions

- ☐ Carry out comprehensive functional reviews and capacity needs assessments of pilot Ministries;

- ☐ Formulate and implement an aid management capacity development strategy for 3-4 pilot Line Ministry that complements potentially ongoing support by other development partners, focusing on strengthening analytical, negotiation, and communication skills, as well as project cycle management capacities, incl. project design, appraisal and monitoring;

- ☐ Enhance pilot Ministries' capacity to lead collective dialogue and coordinate development partner support in line with national priorities and procedures;

- ☐ Enhance the capacity of pilot Ministries to use the aid information management system to improve planning and budgeting, including efforts to increase the share of external resources that are recorded on budget; strengthen their abilities to use the AIMS as a tool to strengthen the monitoring of project outputs, and to use AIMS reports and analyses to strengthen the LCG mechanism and their dialogue with development partners;

- ☐ Review experiences made with programme-based approaches (PBA) and prepare a PBA Guidance Note for Ministries and development partners;

- ☐ Develop knowledge products on how to apply principles and practices on effective aid management at sector level.

- ☐ Roll out the 'Digital ECNEC' tool in Planning Division and pilot ministries

- ☐ Roll out business automation tools in ERD

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Results and Resources Framework

Intended Outcome as stated in the Country Programme Results and Resource Framework:
By 2016, Civil Service and local governments are more responsive and better able to deliver public services.
Economic growth is achieved in an inclusive manner, ensuring that the vulnerable & disadvantaged groups participate more equitably in the economy & are protected from external shock.

Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets:

Applicable Key Result Area (from 2008-11 Strategic Plan):

Partnership Strategy

Project title and ID (ATLAS Award ID):

INTENDED OUTPUTS	OUTPUT TARGETS	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
Output 1 **Aid transparency and GoB's aid information management capacities and systems enhanced.**	**1.2 Web-based aid information management system established and fully functional.** ▪ *Proportion of development partners, who have entered complete data* **1.2 Aid transparency increased.** ▪ *Number of times website has been accessed by visitors* ▪ *Number of CSOs that use AIMS data*	**Key Actions** ☐ Establish an aid information management system (AIMS) and ensure adequate linkages with existing IT systems, such as DMFAS; ☐ Institutionalize data entry process, train data entry focal points in development partner agencies and ensure concerned ERD officials can perform AIMS-related core functions; ☐ Link AIMS to national planning, programming and budgeting processes, as well as the LCG mechanism; ☐ Prepare and disseminate analytical reports and strengthen analytical capacity of ERD; ☐ Outreach work with, and direct support to, Ministries, in order to facilitate government-led, evidence-based collective dialogue in LCG Working Groups; ☐ Outreach work with, and direct support to, Parliament and CSOs, in order to contribute to	ERD, UNDP	US$ 490,200 ▪ ICT Specialist ▪ Web Manager

INTENDED OUTPUTS	OUTPUT TARGETS	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
		increasing transparency and public scrutiny of foreign assistance. □ Improve businesses processes of ministries and respective divisions to expedite plan preparation and approval processes		
Output 2 **ERD's aid coordination & aid management capacities enhanced**	**2.1 Aid Effectiveness Unit fully embedded in national institutions.** • *Staff and operational costs related to GoB's aid effectiveness work incorporated in GoB's recurrent budget* **2.2 ERD's aid management capacities strengthened.** • *ERD is able to apply principles and practices of effective aid management* • *ERD is able to drive the national aid effectiveness agenda and to provide advice on aid effectiveness issues to other Government agencies, especially Ministries* **2.3 Effective partnerships for development results with civil society, private sector and regional partners established.** • *Number of forums held with each individual group*	**Key Actions** □ Carry out a functional review and capacity needs assessment and deliver a comprehensive, multi-pronged capacity development strategy, which complements ongoing ERD-internal efforts, enabling ERD to implement its mandate as national aid management focal point; □ Provide technical and policy advisory support to ERD to ensure the Division is equipped to lead the formulation, implementation and monitoring of the national aid effectiveness agenda, including monitoring and reporting on progress towards the implementation of the JCS Action Plan, and preparation and dissemination of an annual aid effectiveness report, as well as other analytical and position papers; □ Strengthen capacity in ERD to take proactive actions to ensure that officials engaged in managing development cooperation activities in Ministries and Agencies are provided information and training on concepts, methodologies, and operational/ implementation issues on topics related to improving aid effectiveness, thereby empowering Ministries and Agencies to take the lead in addressing aid effectiveness issues at sector level; □ Strengthen ERD's resource mobilization capacities	ERD, UNDP	US$ 2,152,000 ▪ AE Advisor ▪ Policy Specialist ▪ Coordination Specialist

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INTENDED OUTPUTS	OUTPUT TARGETS	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
	Meaningful involvement of each group in the LCG mechanism **2.4 National aid policy formulated based on comprehensive stakeholder consultations.** *Number of forums held with Government institutions at national and local level, development partners, Parliamentarians and civil society organizations* *Draft document submitted to Cabinet for approval*	and skills, among other by providing technical and policy advisory support to access new funding windows, e.g. climate change financing; ☐ Strengthen capacity in ERD to effectively engage in policy discussion on aid effectiveness in the OECD/DAC and other international forums; and to lead the process to promote harmonized donor practices, promote strengthening of national systems and procedures that meet international standards in order to encourage a greater use of these systems and procedures by development partners; ☐ Identify and implement an appropriate framework for engaging regional partners at a technical level, based on South-South Cooperation principles, so that their support can be fully aligned with national priorities; ☐ Structure and organize a dialogue with the private sector that explores the complementary roles of the private sector and ODA in supporting national development; ☐ Provide logistical, technical and policy advisory support to the formulation of an aid policy and aid management guidelines.		
Output 3 **LCG Mechanism strengthened**	**3.1 LCG Secretariat formally established in ERD and fully functional.** *Relocated secretariat is staffed and able to support LCG Plenary* **3.2 Collective dialogue at sector level strengthened.**	**Key Actions** ☐ Review past experiences of LCG WGs and capture lessons learned; ☐ Provide technical, logistical and policy advisory support to the relocated LCG Secretariat; ☐ Review experiences made by individual LCG WGs and capture lessons learned;	ERD, UNDP	US$ 530,200 ▪ AE Advisor ▪ Sr. Policy Specialist ▪ Monitoring Specialist

INTENDED OUTPUTS	OUTPUT TARGETS	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
	LCG WGs meet regularly, have results-oriented work plans and are able to drive sector-level results and resources frameworks	☐ Facilitate a potential adjustment of the LCG structure in line with priorities identified in the 6th Five-Year Plan; ☐ On-demand training and support to LCG WGs in all areas of aid management (policy development, technical guidance, information systems, capacity development and trainings); ▪ Provide technical and logistical support to BDF preparation and implementation.		▪ Aid Analyst
Output 4 **Aid coordination & management capacities of selected Ministries strengthened**	**4.1 Comprehensive capacity development strategy for selected Ministries in place.** ▪ *Proportion of development partners that align and coordinate their technical cooperation activities* **4.2 Aid management capacity of selected ministries enhanced.** ▪ *Ministries are able to apply practices and principles of effective aid management and to use LCG WGs effectively to coordinate foreign assistance in line with sector priorities* **4.3 Project/programme management capacity of the Planning Division enhanced** ▪ *Days required to approve a project by Bangladesh Planning Commission*	**Key Actions** ☐ Carry out comprehensive functional reviews and capacity needs assessments of pilot Ministries; ☐ Formulate and implement an aid management capacity development strategy for 3-4 pilot Line Ministry that complements potentially ongoing support by other development partners, focusing on strengthening analytical, negotiation, and communication skills, as well as project cycle management capacities, incl. project design, appraisal and monitoring; ☐ Enhance pilot Ministries' capacity to lead collective dialogue and coordinate development partner support in line with national priorities and procedures; ☐ Enhance the capacity of pilot Ministries to use the aid information management system to improve planning and budgeting, including efforts to increase the share of external resources that are recorded on budget; strengthen their abilities to use the AIMS as a tool to strengthen the monitoring of project outputs, and to use AIMS reports and	Ministries, UNDP	US$ 813,500 ▪ Coordination Specialist ▪ Short-term Experts

INTENDED OUTPUTS	OUTPUT TARGETS	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
	4.4 Internal ERD processes such as personal management strengthened ■ *ERD's internal processes made efficient.*	analyses to strengthen the LCG mechanism and their dialogue with development partners; □ Review experiences made with programme-based approaches (PBA) and prepare a PBA Guidance Note for Ministries and development partners; □ Develop knowledge products on how to apply principles and practices on effective aid management at sector level. □ Roll out the 'Digital ECNEC' tool in Planning Division and pilot ministries □ Roll out business automation tools in ERD		

Annual Work Plan

Year: July 2011 – December 2011

Expected Outputs	Key Activities	Budget Description	Resp. Party	Quant.	Mths.	Cost Jul-Dec 2011
	1. Provide technical support to procure, customize and establish an AIMS and ensure linkages to existing systems and core business procedures (MTBF, LCG Mechanism, etc.)	Contractual Services				22,500
		Database customization & technical support	UNDP		3	22,500
1. Aid transparency and GoB's aid information management capacity enhanced		Information Technology				6,250
		Local hosting of database server	UNDP		3	750
		Stationary, printer cartridges, etc.	UNDP			1,000
		Telephone, Fax, Mobile (rents)	ERD		6	4,500
		Workshops				3,250
		One-day workshop with Media, CSO, Parliament Members, Ministries, etc. (50 participants)	ERD	1		3,250
2. ERD's aid coordination & management capacities enhanced	1. Carry out functional review and capacity needs assessment and deliver a comprehensive capacity development strategy	Staff Costs				203,600
		Int Aid Effectiveness Adviser (P5)	UNDP	1	5	82,500
		National Project Manager	UNDP	1	6	19,500
		Short-term AIMS outreach staff	UNDP	4	2	8,000
		Administrative Assistant	UNDP	1	6	6,000
		Coordination Specialist	UNDP	1	6	13,500
		Monitoring Specialist	UNDP	1	6	13,500
		Policy Specialist	UNDP	1	6	13,500
	2. Provide technical and policy advisory support to the formulation of an aid policy and aid management guidelines	Senior Policy Specialist	UNDP	1	6	19,500
		Aid Analyst	UNDP	1	6	13,500
		ICT Specialist	UNDP	1	6	12,000
	3. Strengthen ERD's resource mobilization capacities	Messenger	UNDP	1	6	2,100
		Contractual Services				5,000
		Workshops, refreshments	ERD			5,000
		Travel				35,000
		Study visits	UNDP	1		5,000
		Participation in regional & global AE events as approved by project technical committee	UNDP	2		30,000

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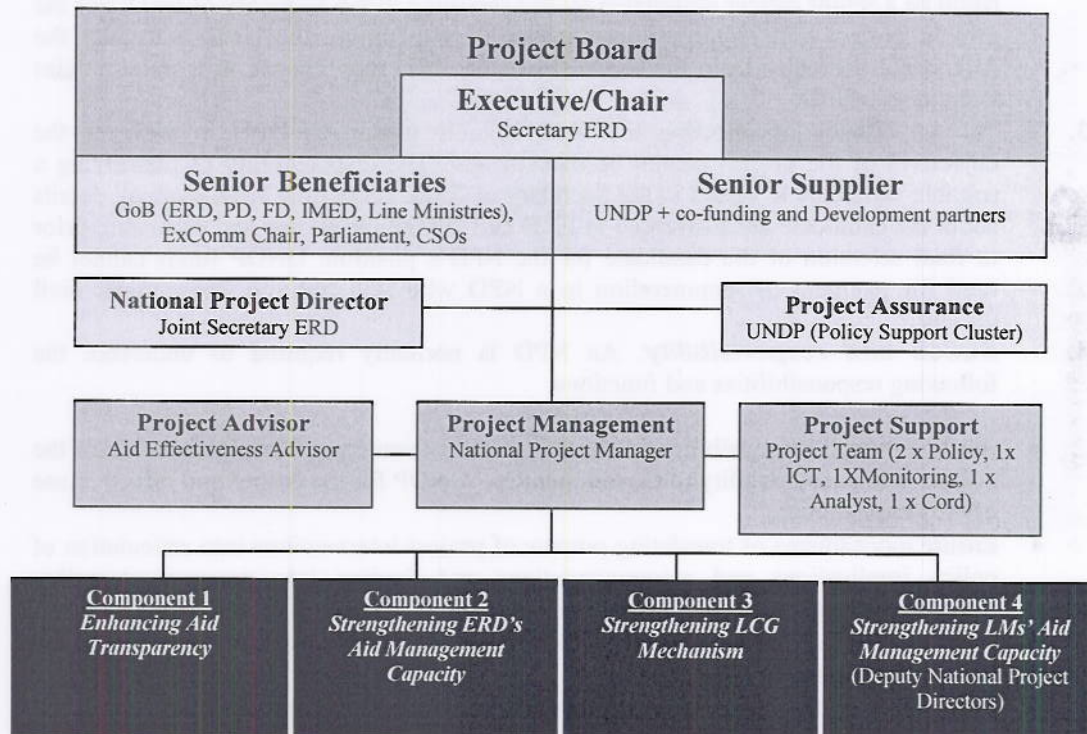| Output	Activity	Item	Agency			Amount
		Print Production Costs				5,000
		JCS progress reports, etc.	UNDP			5,000
		Equipment and Furniture				8,000
		Office Equipment	UNDP			3,500
		Project car & petrol (rental in first year)	UNDP		6	4,500
	1. Integrate LCG Secretariat in ERD	Contractual Services				57,500
	2. Provide technical, logistical and policy advisory support to relocated LCG Secretariat and LCG Working Groups	Bangladesh Development Forum	UNDP			50,000
		BDF Follow-up	UNDP			7,500
3. LCG mechanism strengthened		Information Technology				7,900
		Website hosting	UNDP		6	900
		Computers, Printers, stationary, catridges	UNDP			7,000
		Local Consultants				15,600
		Web Manager	UNDP	1	6	6,000
		LCG Secretariat Support Officer (RCO)	UNDP	1	6	9,600
	1. Carry out functional review and capacity needs assessment and deliver a comprehensive capacity development strategy	Contractual Services				56,250
		Training conducted on Digital ECNEC in PD and LMs (1 day workshop for 50 participants each)	UNDP	4		13,000
4. Aid coordination & management capacities of selected ministries enhanced	4. Internal ERD processes such as personnel management strengthened	Customization of Planning Division tools	UNDP			25,000
		Training for ERD Staff	ERD	1		3,250
		Roll out support to ERD	ERD			15,000
		Contingency				20,000
		Contingency	UNDP			20,000
		Sub-Total				445,850
		UNDP GMS (7%)	UNDP			31,210
		TOTAL				477,060

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Management Arrangements

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

The Project Board comprises of the following three roles:

1. An **Executive**: Secretary, Economic Relations Division, Ministry of Finance;
2. **Senior Supplier**: UNDP and co-funding development partners;
3. **Senior Beneficiary**: Government of Bangladesh (Economic Relations Division, Planning Division, Finance Division, Implementation, Monitoring and Evaluation Division, Ministries), LCG ExComm Chair (development partner), Parliament and CSO representatives.

Project Management and Implementation Structure

Project Board		
	Executive/Chair Secretary ERD	
Senior Beneficiaries GoB (ERD, PD, FD, IMED, Line Ministries), ExComm Chair, Parliament, CSOs		**Senior Supplier** UNDP + co-funding and Development partners
National Project Director Joint Secretary ERD		**Project Assurance** UNDP (Policy Support Cluster)
Project Advisor Aid Effectiveness Advisor	**Project Management** National Project Manager	**Project Support** Project Team (2 x Policy, 1x ICT, 1XMonitoring, 1 x Analyst, 1 x Cord)

Component 1 *Enhancing Aid Transparency*	Component 2 *Strengthening ERD's Aid Management Capacity*	Component 3 *Strengthening LCG Mechanism*	Component 4 *Strengthening LMs' Aid Management Capacity* (Deputy National Project Directors)

Project activities will be managed by ERD in accordance with UNDP's national implementation modality (NEX). The National Project Director will be responsible for guiding the overall management of project activities, ensuring that they are consistent with the signed Project Document. Deputy National Project Directors will be appointed in each Line Ministry targeted under Component 4 and will be responsible for facilitating the implementation of agreed project activities. The Project Manager, working with the Project Adviser, is responsible for ensuring that the project is managed in an effective and accountable manner, complying with UNDP reporting and audit arrangements.

Annual reviews, work plans and budgets will be prepared and presented by the Project Manager to the Executive and other members of the Project Board for review and approval. Quarterly reports are prepared by the Project Manager, under the

guidance of the National Project Director, and submitted to UNDP, who shares narrative and financial reports with co-funding development partners.

National Project Director

1. ***Background and professional status***. As per the NEX manual, ERD shall appoint and National Project Director (NPD) for the project who is responsible for overall management of the project and assumes responsibility for day-to-day management of project activities, including substantive, financial and administrative matters. The success or failure of a project depends largely on how effectively the National Project Director (NPD) performs her/his duties and responsibilities.

2. The NPD shall be a senior Government officer with policy decision-making authority. This designation of NPD position allows for the presence of decision-making authority at the project level. In the executive branch of the Government, the NPD is usually a senior official in a Ministry. In the legislative branch, the NPD could be a senior officer designated by and reporting to the Secretary of ERD. For the present project that requires inter-ministerial cooperation, the NPD is usually the Additional Secretary from the NEA. However, ERD may choose to appoint a Joint Secretary as NPD.

3. The importance of selecting the most suitable person as NPD in view of the objectives of the project cannot be overstressed. The responsibility of identifying a suitable candidate is vested in the Secretary of ERD. As per the NEX manual, details about the candidate are forwarded to ERD and UNDP for review and comment, prior to final selection of the candidate for the NPD's position. UNDP funds cannot be used for payment of remuneration to a NPD who is a fulltime Government civil servant.

4. ***Duties and responsibility***. An NPD is normally required to undertake the following responsibilities and functions:

    *   Assume overall responsibility for the successful execution and implementation of the project, and accountability to Government and UNDP for the proper and effective use of project resources.
    *   Ensure mechanisms of translating outputs of project interventions into articulation of policy implications and recommendations and feeding into government policy decision-making.
    *   Open and operate project bank account, and petty cash account as per approval of the Principal Accounting Officer of ERD.
    *   Ensure that prior obligations and prerequisites of the Government to the project are met.
    *   Prepare, regularly update, and ensure the implementation of project Workplans consistent with the provisions of the Prodoc.
    *   Exercise overall technical, financial and administrative oversight of the project.
    *   Ensure that the project outputs are produced as stipulated in the Prodoc, and the immediate objectives of the project are realised
    *   Ensure timely recruitment and supervision of project personnel.
    *   Ensure timely mobilisation of project inputs including subcontracts, equipment, training
    *   Ensure the project budget is regularly updated so that it reflects the current status of financial delivery and estimated requirements for the future quarters and years as accurately as possible.
    *   Ensure timely submission of required reports, including Inception Reports, Workplans, Progress Reports, Financial Reports, Annual Project Report (APR), and technical reports of consultants, study tour/training reports.
    *   Participate in monitoring, review and evaluation of the project and all other policy related meetings.

- Establish effective working relationships with UNDP, the relevant UN and other implementing agencies, and with other officials and entities with which the project must interact.
- Coordinate and maintain liaison with other development partners whose support is critical to achieving outcomes of the project intervention.

Project Staffs

▪ *Project Manager*

The Project Manager is responsible for the day-to-day operational management of the project, including developing and overseeing work & procurement plans, financial management, and preparation of project progress reports. S/he is responsible for regular reporting to the Project Board and will seek guidance of the Board on critical issues that might arise during the implementation.

▪ *Aid Effectiveness Advisor*

The Aid Effectiveness Advisor reports to the ERD Secretary and supports the National Project Director and the Project Manager in developing programme activities and provides substantive technical and policy advice on project implementation related to policy formulation, aid (information) management, organisational development and capacity-related work. S/he advices the ERD Secretary and other senior Government officials on all issues related to advancing the national aid effectiveness agenda, as well as external resource management functions, including relevant aspects of related reform initiatives, such as the public financial management reform, in order to ensure adequate linkages and synergies with the wider reform agenda.

▪ *Policy Specialist (2)*

The Policy Specialists support ERD in formulation and implementation of the national aid effectiveness agenda, including by advising Government officials on and support preparation for national, regional and global aid effectiveness events, as well as monitoring of the Joint Cooperation Strategy, policy formulation and strengthening of the LCG mechanism, especially at sector level. Working closely with the Aid Effectiveness Advisor, they provide technical advice to ERD and Ministries on aid effectiveness issues and support the capacity development of Aid Effectiveness Focal Points by delivering seminars and trainings and providing coaching in a task environment. The Policy Specialists actively facilitate the formal institutionalization of functions performed by the existing donor-funded AEU within ERD (see Box 2) by coaching designated Government officials and progressively retreating from performing Government functions. They support the necessary institutional rearrangements within ERD, as well as the preparation of knowledge products and the strengthening of systems and workflows, in order to promote sustainable capacity above the level of the individual.

▪ *Aid Analyst*

The Aid Analyst is responsible for providing effective aid information services to the Government and to development partners, as well as Parliament and the general public. Making use of the AIMS, s/he prepares various analytical reports on foreign assistance (e.g. annual Development Cooperation Report, Sector & Donor Profiles, etc), responds to queries on aid flows from Government and development partner agencies and contribute to enhancing analytical capacities within ERD.

▪ *Coordination Specialist*

The Coordination Specialist supports ERD in carrying out its ongoing activities under GoB's aid effectiveness agenda, including the management of the day-to-day liaison with other ERD

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Wings, ministries and other stakeholders on aid effectiveness issues. Working closely with the National Project Manager, s/he will maintain effective communication with selected ministries and other stakeholders on aid effectiveness issues to ensure overall coherence of related initiatives. The Coordination Specialist will actively facilitate the formal institutionalization of functions performed by the existing donor-funded AEU within ERD. S/he supports the necessary institutional rearrangements within ERD.

- *Monitoring Specialist*

The Monitoring Specialist will support ERD in monitoring progress towards implementation of the national aid effectiveness agenda and related initiatives. In particular, s/he will support the institutionalization of monitoring arrangements to measure progress towards implementation of the 'Development Results Framework'. The Monitoring Specialist will also be responsible for supporting relevant surveys that need participation of ERD or other ministries. The Monitoring Specialist actively facilitates formal institutionalization of functions performed by the existing donor-funded AEU within ERD by coaching designated Government officials and progressively retreating from performing Government functions.

- *ICT Specialist*

The ICT Specialist oversees the customization of the aid information management system by a private sector contractor, ensuring that information needs of the Government and development partners are fully reflected in the system. Once the system is established, s/he supports the data entry process by training data entry focal points and providing continuous user support. Further, s/he is responsible for maintenance and security of the database servers and related software, as well as for providing support to capacity development by coaching Government ICT staff on all issues related to ensuring proper functioning of the aid information management system.

- *Administrative Assistant*

The Administrative Assistant supports the Project Manager in the management of operational/administrative aspects of the project and serves as liaison to UNDP staff on related matters.

The services of other short-term experts (national and international) will be retained as required based on the agreed work plan and budget each year. The Project Team is, however, expected to provide sufficient expertise to support all technical and operational roles; the retention of additional experts is usually associated with exercises that require an independent or impartial perspective (e.g. audits and evaluations) or are highly specialized. The size and functions of the Project Support Team will be reviewed by the Project Board on annual basis.

UNDP, as part of its quality assurance function, shall be responsible for arranging the annual external audit of this project, including interim audits or spot check in between. The terms of reference for such audits shall follow UNDP requirements. The UNDP Country Office will draw up an annual audit plan and inform the respective Implementing Partner. Findings are referred to the Project Team for response and appropriate remedial action.

Role of AEU

The Aid Effectiveness Unit is mostly a donor funded entity within ERD. As the project progress, desk officers and support staffs from government would be designated to the Unit to initiate the process of fully integrating it within ERD. As explained in Box 2 (page 9), it is expected that by the end of the project AEU would be transformed into a fully integrated government entity within the ERD under revenue budget.

The AEU on behalf of ERD would be initially hosting the project and the annual work plan of the project and the work plan of the unit would be the same. Gradually, starting from the 2nd year the Coordination Wing which would ultimately take AEU over will start undertaking function on of its own which remains beyond the financial support of the project.

Monitoring Framework And Evaluation

The project will be monitored on a quarterly basis and 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. Project reports shall be submitted by the National Project Manager to Project Board members through the UNDP Policy Support Cluster, which is responsible for quality assurance.

Risk and issues will also be captured and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.

Lesson-learned shall also be regularly updated as part of the quarterly reporting 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.

An Annual Review Report shall be prepared by the Project Manager under the guidance of the National Project Director, and shared with the Project Board, based on which, 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.

An evaluation will be scheduled at the mid-term point to review project implementation and the requirement for further support to national aid management and aid effectiveness efforts beyond the project end date.

Quality Management for Project Results
(To be reviewed and finalized during inception phase)

OUTPUT 1: Web-based aid information management system established and fully functional.		
Result 1 (Atlas Activity ID)	AIMS established and functioning	Start Date: 1 July 2011 End Date: 1 July 2012
Purpose	*To enhance GoB's aid information management capacities*	
Description	• Establish an aid information management system (AIMS) and ensure adequate linkages with existing IT systems, such as DMFAS; • Institutionalize data entry process, train data entry focal points in development partner agencies and ensure concerned ERD officials can perform AIMS-related core functions; • Link AIMS to national planning, programming and budgeting processes, as well as the LCG mechanism.	
Quality Criteria	**Quality Method**	**Date of Assessment**
• Proportion of development partners, who have entered complete data • System used to prepare analytical reports	• Prepare data integrity report and verify data • Review annual development cooperation reports prepared	Quarterly Annually (July)

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Result 2 (Atlas Activity ID)	Aid transparency enhanced		Start Date: 1 July 2011 End Date: 30 June 2015
Purpose	*To strengthen public oversight and enhance accountability of GoB and development partners for the use of foreign assistance*		
Description	▪ Prepare and disseminate analytical reports and strengthen analytical capacity of ERD; ▪ Outreach work with, and direct support to, Ministries, in order to facilitate government-led, evidence-based collective dialogue in LCG Working Groups; ▪ Outreach work with, and direct support to, Parliament and CSOs, in order to contribute to increasing transparency and public scrutiny of foreign assistance.		
Quality Criteria	**Quality Method**		**Date of Assessment**
▪ Number of times website has been accessed by visitors ▪ Number of CSOs that use AIMS data	▪ Hit tracker on website ▪ User survey		Quarterly Annually (July)

OUTPUT 2: ERD's aid coordination & aid management capacities enhanced

Result 1 (Atlas Activity ID)	AEU embedded in national institutions		Start Date: 1 July 2011 End Date: 1 July 2012
Purpose	*To ensure sustainability and strengthen national ownership of the aid effectiveness agenda*		
Description	▪ Carry out functional review of ERD ▪ Provide technical advice on institutional rearrangement ▪ Provide training to assigned Government officials		
Quality Criteria	**Quality Method**		**Date of Assessment**
▪ Staff and operational costs related GoB's aid effectiveness work incorporated in GoB's national budget	▪ Review national budget		Annually (July)
Result 2 (Atlas Activity ID)	ERD's aid management capacities strengthened		Start Date: 1 July 2011 End Date: 30 June 2015
Purpose	▪ *To increase GoB's ownership and leadership of the national aid effectiveness agenda* ▪ *To transform ERD into an effective nodal agency for aid coordination and management, as well as an effective service provider to Ministries on AE issues*		
Description	▪ Carry out a functional review and capacity needs assessment and deliver a comprehensive, multi-pronged capacity development strategy, which complements ongoing ERD-internal efforts, enabling ERD to implement its mandate as national aid management focal point; ▪ Provide technical and policy advisory support to ERD to ensure the Division is equipped to lead the formulation, implementation and monitoring of the national aid effectiveness agenda, including monitoring and reporting on progress towards the implementation of the JCS Action Plan, and preparation and dissemination of an annual aid effectiveness report, as well as other analytical and position papers; ▪ Strengthen capacity in ERD to take proactive actions to ensure that officials		

	engaged in managing development cooperation activities in Ministries and Agencies are provided information and training on concepts, methodologies, and operational/implementation issues on topics related to improving aid effectiveness, thereby empowering Ministries and Agencies to take the lead in addressing aid effectiveness issues at sector level; • Strengthen ERD's resource mobilization capacities and skills, among other by providing technical and policy advisory support to access new funding windows, e.g. climate change financing; • Strengthen capacity in ERD to effectively engage in policy discussion on aid effectiveness in the OECD/DAC and other international forums; and to lead the process to promote harmonized donor practices, promote strengthening of national systems and procedures that meet international standards in order to encourage a greater use of these systems and procedures by development partners.

Quality Criteria	Quality Method	Date of Assessment
• ERD is able to apply principles and practices of effective aid management • ERD is able to drive the national aid effectiveness agenda and to provide advice on aid effectiveness issues to other Government agencies, especially Ministries	• Review of aid management practices and JCS Action Plan • Client survey	Annually (July)

Result 3 (Atlas Activity ID)	Partnerships for development results established	Start Date: 1 July 2011 End Date: 30 June 2015
Purpose	*To promote aid and development effectiveness more broadly strengthen the role and contribution of CSOs, private sector, regional partners to national development*	
Description	• Promote involvement of CSOs and NGOs in collective dialogue mechanisms at national, sectoral and thematic level; • Identify and implement an appropriate framework for engaging regional partners at a technical level, based on South-South Cooperation principles, so that their support can be fully aligned with national priorities; • Structure and organize a dialogue with the private sector that explores the complementary roles of the private sector and ODA in supporting national development.	

Quality Criteria	Quality Method	Date of Assessment
• Number of forums held with each individual group • Meaningful involvement of CSOs, private sector and regional partners in the LCG mechanism	• Review of workshop reports • Review of LCG WG work plans • Stakeholder survey	Annually (July)

Result 4 (Atlas Activity ID)	Aid policy formulated	Start Date: 1 July 2011 End Date: 30 June 2015

Purpose	*To foster national ownership and leadership of foreign assistance and to enable the Government to derive greater benefit from the assistance provided by its partners.*		
Description	▪ Provide logistical, technical and policy advisory support to the formulation of an aid policy and aid management guidelines.		

Quality Criteria	Quality Method	Date of Assessment
▪ Number of forums held with Government institutions at national and local level, development partners, Parliamentarians and civil society organizations	▪ Review comments provided by different groups and verify how related issues have been addressed in the draft document	Annually (July)

OUTPUT 3: LCG Mechanism strengthened

Result 1 (Atlas Activity ID)	LCG Secretariat established in ERD	Start Date: 1 July 2011 End Date: 30 June 2011
Purpose	*To foster national ownership and strengthen collective dialogue and coordination*	
Description	▪ Provide technical, logistical and policy advisory support to the relocated LCG Secretariat; ▪ Provide technical and logistical support to BDF preparation and implementation.	

Quality Criteria	Quality Method	Date of Assessment
▪ Relocated secretariat is staffed and able to support LCG Plenary	▪ Client survey	Annually (July)

Result 2 (Atlas Activity ID)	Collective dialogue at sector level strengthened	Start Date: 1 July 2011 End Date: 30 June 2015
Purpose	*To ensure that LCG WGs serve as effective coordination tools*	
Description	▪ Review experiences made by individual LCG WGs and capture lessons learned; ▪ Facilitate a potential adjustment of the LCG structure in line with priorities identified in the 6th Five-Year Plan; ▪ On-demand training and support to LCG WGs in all areas of aid management (policy development, technical guidance, information systems, capacity development and trainings);	

Quality Criteria	Quality Method	Date of Assessment
▪ LCG WGs meet regularly, have results-oriented work plans and are able to drive sector-level results and resources frameworks	▪ Review LCG WG minutes and work plans ▪ Review sector plans and compare with aid allocations	Annually (July)

OUTPUT 4: Aid coordination & management capacities of selected Ministries Strengthened

Result 1 (Atlas Activity ID)	Capacity development strategies in place	Start Date: 1 July 2011 End Date: 1 July 2012
Purpose	*To enhance capacities of Ministries and foster better coordination of*	

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	technical cooperation activities		
Description	▪ Carry out comprehensive functional reviews and capacity needs assessments of pilot Ministries; ▪ Formulate and implement an aid management capacity development strategy for 3-4 pilot Ministry that complements potentially ongoing support by other development partners.		
Quality Criteria	**Quality Method**		**Date of Assessment**
▪ Proportion of development partners that align and coordinate their technical cooperation activities	▪ Review findings of PD Survey (or of subsequent AE monitoring tool) and AE Report ▪ Key informant interview		Annually (July)
Result 2 (Atlas Activity ID)	Aid management capacity of selected Ministries enhanced		Start Date: 1 July 2012 End Date: 30 June 2015
Purpose	*To increase the application of principles and practices of effective aid management at sector level*		
Description	▪ Enhance pilot Ministries' capacity to lead collective dialogue and coordinate development partner support in line with national priorities and procedures; ▪ Enhance the capacity of pilot Ministries to use the aid information management system to improve planning and budgeting, including efforts to increase the share of external resources that are recorded on budget; strengthen their abilities to use the AIMS as a tool to strengthen the monitoring of project outputs, and to use AIMS reports and analyses to strengthen the LCG mechanism and their dialogue with development partners; ▪ Review experiences made with programme-based approaches (PBA) and prepare a PBA Guidance Note for Ministries and development partners; ▪ Develop knowledge products on how to apply principles and practices on effective aid management at sector level.		
Quality Criteria	**Quality Method**		**Date of Assessment**
▪ ministries are able to apply practices and principles of effective aid management and to use LCG WGs effectively to coordinate foreign assistance in line with sector priorities	▪ Review aid fragmentation index ▪ Review change in number of PBAs ▪ Compare aid allocations with sector plans		Annually (July)

Legal Context

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 executing agency and its personnel and property, and of UNDP's property in the executing agency's custody, rests with the executing agency.

The executing agency 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 executing agency'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 executing agency 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.

Payments
The value of the payment, if made in a currency other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Should there be a change in the United Nations operational rate of exchange prior to the full utilization by the UNDP of the payment, the value of the balance of funds still held at that time will be adjusted accordingly. If, in such a case, a loss in the value of the balance of funds is recorded, UNDP shall inform the Government with a view to determining whether any further financing could be provided by the Government. Should such further financing not be available, the assistance to be provided to the project may be reduced, suspended or terminated by UNDP.
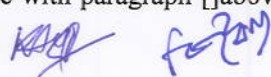
The above schedule of payments takes into account the requirement that the payments shall be made in advance of the implementation of planned activities. It may be amended to be consistent with the progress of project delivery.

UNDP shall receive and administer the payment in accordance with the regulations, rules and directives of UNDP.

All financial accounts and statements shall be expressed in United States dollars.

If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to the government on a timely basis a supplementary estimate showing the further financing that will be necessary. The Government shall use its best endeavours to obtain the additional funds required.

If the payments referred above are not received in accordance with the payment schedule, or if the additional financing required in accordance with paragraph []above is not forthcoming

from the Government or other sources, the assistance to be provided to the project under this Agreement may be reduced, suspended or terminated by UNDP.

Any interest income attributable to the contribution shall be credited to UNDP Account and shall be utilized in accordance with established UNDP procedures.

In accordance with the decisions and directives of UNDP's Executive Board:

The contribution shall be charged:

(a) 7% cost recovery for the provision of general management support (GMS) by UNDP headquarters and country offices

(b) Direct cost for implementation support services (ISS) provided by UNDP and/or an executing entity/implementing partner.

Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP.

ANNEXES

1. **Risk Log**
2. **Terms of Reference**
2.a) **Project Manager**
2.b) **Aid Effectiveness Advisor**
2.c) **Policy Specialist**
2.d) **Aid Analyst**
2.e) **Coordination Specialist**
2.f) **Monitoring Specialist**
2.g) **ICT Specialist**
3. **Budget**

Annex 1: Risk Log [7]

Project Title:	Capacity Development for Aid Effectiveness		Award ID:		Date:			

To be reviewed and finalized during the inception phase

#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Management response	Owner	Submitted, updated by	Last Update	Status
1	ERD's organizational structure is not rearranged to formally establish/ integrate AEU and ERD officials are not assigned to perform related AE functions (within the first 6-12 months)	February 2011	Organizational	Limited ownership by GoB of AE agenda and limited sustainability of capacity development activities Probability = 2 Impact = 5	Dialogue between ERD and UNDP senior management during the inception phase Proactive technical advice by the Project Team on how institutional restructuring could enhance ERD's performance	PM/PD and UNDP	Project design team		No change
2	Approved ICT positions in ERD are not filled within the first 6-12 months	February 2011	Organizational	Full institutionalization of AIMS within ERD will be delayed, system might be perceived as 'UNDP System', which may reduce government ownership, sustainability and compliance by development partners. Probability = 2 Impact = 3	Dialogue between ERD and UNDP senior management during the inception phase	PM/PD and UNDP	Project design team		No change
3	High staff turnover mitigates benefits of capacity development activities in ERD & Line Ministries	February 2011	Political, Organizational	High staff turnover among ERD and/or Line Ministry officials reduces benefits of capacity development activities	Discussion with Government authorities to reach agreement that the primary target group will consist of a core group of officers, which joined ERD/ Line Ministry recently, and/or will remain in the respective	PM/PD and UNDP	Project design team		

[7] Probability and impact are expressed on a scale ranging from low (1) to high (5), whereby 'probability' refers to the likelihood of the potential risk to actually occur and 'impact' to the expected negative consequences of the risk on the project implementation and/or sustainability of its expected results.

#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Management response	Owner	Submitted, updated by	Last Update	Status
				Rotation of current ERD Secretary may affect ERD's interest in AE and result in reduced political support of project activities Probability = 2 Impact = 4	Division for at least 4-5 years. Capacity development measures will focus on strengthening work flows and systems, as well as on development of knowledge products				
4	Decrease in interest in aid effectiveness after 4th High Level Forum, resulting in loss of momentum	February 2011	Political, Strategic	After the hype during the preparation for the 4th HLF global AE activities are likely to reduce, resulting potentially in an overall slowdown of the AE agenda. Buy-in and support from Government and development partners might decrease if 4th HLF does not lead to satisfactory results. This could affect interest in and support of national AE agenda, as well as project activities. Probability = 2 Impact = 4	The project will proactively support the further formulation and implementation of the national AE agenda, including through preparation and dissemination of analytical reports highlighting challenges and outlining potential solutions.	PM/PD and UNDP	Project design team		
5	Development partners and/or GoB are reluctant to use AIMS (e.g. to enter or share data)	February 2011	Political, Operational	Development partner's reluctance to enter and update data or GoB's reluctance to give access to data will quickly reduce support for the system, which will affect not only achievement of outputs under Component 1, but also under Component 3 and 4. Probability = 2 Impact = 4	The project will support DPs during the initial data entry period through provision of short-term staff. An Aid Analyst recruited by the project will progressively prepare and disseminate analytical reports generated through the AIMS to demonstrate its usefulness. User satisfaction will regularly be assessed through surveys. Reports indicating the completeness of data entered in the systems by individual DP agencies will regularly be published.	PM/PD and UNDP	Project design team		

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#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Management response	Owner	Submitted, updated by	Last Update	Status
6	Broadening partnerships requires collaboration from both sides which may not come through	February 2011	Political, Strategic	Lack of willingness to engage on either side will undermine efforts to improve aid management practices and accountability Probability = 3 Impact = 5	A proactive approach built on mutual interest and providing support that is relevant will increase the take-up of project support	PM/PD and UNDP	Project design team		

Annex 2a: Terms of Reference – Project Manager (abridged)

The Project Manager has the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Board. The Project Manager is responsible for day-to-day management and decision-making for the Project. The Project Manager's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost.

Specific responsibilities include:

Overall project management:

- Manage the realization of project outputs through activities;
- Provide direction and guidance to the Project Team and other parties responsible for delivery of or contribution to project results;
- Liaise with the Project Board or its appointed Project Assurance roles to assure the overall direction and integrity of the project;
- Identify and obtain any support and advice required for the management, planning and control of the project;
- Be responsible for project administration;
- Liaise with any suppliers;
- May also perform Team Manager and Project Support roles;

Running the project

- Plan the activities of the project and monitor progress against the initial quality criteria;
- Mobilize goods and services to initiative activities, including drafting TORs and work specifications;
- Monitor events as determined in the Monitoring & Communication Plan, and update the plan as required;
- Manage requests for the provision of financial resources by UNDP, using advance of funds, direct payments, or reimbursement;
- Monitor financial resources and accounting to ensure accuracy and reliability of financial reports;
- Manage and monitor the project risks as initially identified in the project document, submit new risks to the Project Board for consideration and decision on possible actions if required; update the status of these risks by maintaining the Project Risks Log;
- Be responsible for managing issues and requests for change by maintaining an Issues Log;
- Prepare the Project Quarterly Progress Report (progress against planned activities, update on Risks and Issues, expenditures) and submit the report to the Project Board and Project Assurance;
- Prepare the Annual Review Report, and submit the report to the Project Board;
- Based on the review, prepare the AWP for the following year, as well as Quarterly Plans if required.

Closing the project

- Prepare Final Project Review Reports to be submitted to the Project Board and the Outcome Board;
- Identify follow-up actions and submit them for consideration to the Project Board;

- Manage the transfer of project deliverables, documents, files, equipment and materials to national beneficiaries;

Required Qualification and Experiences

Education:

- Master's Degree in Business Administration, Public Administration, Finance, Economics, or related fields.

Experience:

- At least seven years of experience in field of development cooperation, business administration or public administration, at national and/or international level;
- Hands-on experience in design, monitoring and overseeing implementation of technical cooperation projects, including proven managerial experience;
- Considerable knowledge of results-based management principles and practices, as well as project management tools and techniques, such as Prince2; knowledge of UNDP's rules and regulations would be an advantage;
- Experience in building and managing partnerships, including with national and international stakeholders;
- Excellent oral and written communication skills, in both Bangla and English;
- Excellent analytical, organizational and managerial skills;
- Strong negotiation skills and interpersonal skills;
- Strong service and client orientation;
- Experience in the usage of computers and office software packages, including MS Office (especially Word and Excel).

Annex 2b: Terms of Reference – Aid Effectiveness Advisor (abridged)

The Aid Effectiveness Advisor will provide technical and policy advisory services to the ERD Secretary and other senior Government officials on how to improve aid and development effectiveness in Bangladesh. He/she shall provide capacity development support to ERD and Line Ministries to ensure Government institutions are able to apply principles and practices of effective aid management. In addition, the incumbent will facilitate partnerships between Government, development partners and national stakeholders to enhance development cooperation management and partnerships based on established global aid effectiveness principles (e.g. the Paris Declaration) adapted to the Bangladesh context.

The Aid Effectiveness Advisor supports the Project Manager in the implementation of the *'Capacity Development for Aid Effectiveness Project'* and is responsible for overseeing all capacity development activities. **Specific tasks** include:

Enhancing aid transparency and GoB's aid information management capacity

- Provide technical and policy advisory support to GoB to establish an aid information management system (AIMS) and ensure adequate linkages with existing IT systems, such as the Debt Management and Financial Analysis System maintained by ERD's Foreign Aid Budget and Accounts Branch;
- Provide technical and policy advisory support to link AIMS to national planning, programming and budgeting processes, as well as the LCG mechanism;
- Support the skills development and training of the responsible government officials regarding analysis of aid flows to Bangladesh and preparation of analytical reports to inform collective dialogue and decision-making;
- Support AIMS-related outreach to line ministries, in order to facilitate government-led, evidence-based collective dialogue in LCG Working Groups, as well as to Parliament and CSOs, in order to contribute to increasing transparency and public scrutiny of foreign assistance.

Strengthening ERD's aid management capacities

- Advice and assist ERD in implementing a functional review and capacity needs assessment with regard to aid management functions and support the formulation and implementation of a comprehensive capacity development plan for ERD;
- Facilitate nationalization of the donor-funded Aid Effectiveness Unit, by providing advice on the necessary institutional rearrangements within ERD, and supporting capacity development of assigned Government officials;
- Assist in the review of foreign aid portfolios, ensuring that government officials are equipped to conduct an in-depth assessment of the strengths and weaknesses of projects and programmes within an assistance portfolio of individual development partners;
- Provide policy advisory support to the formulation of an aid policy and aid management guidelines;
- Provide advice and technical support to strengthen ERD's resource mobilization capacities and skills, among other by providing technical and policy advisory support to access new funding windows, e.g. climate change financing;
- Support ERD in its outreach to other government agencies to increase the awareness and strengthen the capacity of civil servants regarding aid effectiveness principles and concepts, including communication on the JCS and other aid effectiveness initiatives;
- Provide technical and policy advisory support to ERD to monitor and report on progress towards the implementation of the JCS Action Plan and to prepare and disseminate an annual aid effectiveness report, as well as other analytical and position papers;

- Support appropriate follow-up to the 2009 Evaluation of the Implementation of the Paris Declaration and the 2011 Paris Declaration Monitoring Survey, in order to ensure that the findings are used to improve and strengthen existing aid relationships, as well as the broader aid management framework;
- Advise the Government on how Bangladesh can actively participate in and benefit from regional and global conferences and other events on aid effectiveness; including preparation for the High-Level Forum on Aid Effectiveness in Seoul in 2011.

Strengthening LCG mechanism

- Provide technical and policy advisory support to the LCG Secretariat and the LCG Working Groups on aid effectiveness issues
- Facilitate information flow between the Government and development partners, including by working towards strengthening existing collective dialogue mechanisms;
- Facilitate a potential adjustment of the LCG structure in line with priorities identified in the 6th Five-Year Plan;
- Support the LCG Aid Effectiveness Working Group Chair in monitoring the implementation of the JCS Action Plan, including other key products as outlined in the JCS Action Plan, and in leading the related dialogue with development partners, in order to identify and address potential bottlenecks timely and effectively;
- Support the LCG Aid Effectiveness Working Group in formulation and implementation of its annual, results-oriented work plan;
- Advise the LCG Aid Effectiveness Working Group on the implementation of the local aid effectiveness agenda, inform about related challenges in and recommend practical options to overcome them, including through joint development partner initiatives;
- Liaise closely with the DP Executive Committee and the ERD-led inter-ministerial group to keep them informed about progress and challenges regarding implementation of the JCS.

Enhancing aid coordination & management capacities of selected line ministries

- Provide technical and policy advice to enhance the capacity of selected line ministries to lead collective dialogue and coordinate development partner support in line with national priorities and procedures;
- Support the formulation and implementation of an aid coordination capacity development strategy in selected line ministries, following a functional review and capacity needs assessment;
- Provide technical and policy advice to enhance the capacity of line ministries to use the aid information management system to improve planning and budgeting, including efforts to increase the share of external resources that are recorded on budget; strengthen their abilities to use the AIMS as a tool to strengthen the monitoring of project outputs, and to use AIMS reports and analyses to strengthen the LCG mechanism and their dialogue with development partners.

Required Qualification and Experiences

Education:

- Master's degree or equivalent in Economics, Development Studies, Public Administration, Political Science, Social Science or related fields.

Experience:

- At least ten years of experience in field of development or humanitarian aid coordination, national budgets, finance or public administration, good governance, information management at national and/or international level;

- Extensive experience at the national or international level in providing policy advisory services on aid coordination and management, including aid tracking, collective dialogue mechanisms, and aid modalities;

- Hands-on experience in design, monitoring and overseeing implementation of support to building national capacity for aid coordination and establishing inter-relationships among international organizations and national governments;

- Relevant work experience in developing countries, preferably in the region, would be an asset;

- Knowledge of ongoing aid effectiveness initiatives, as well as administration and resource management reforms in Bangladesh would be an advantage;

- Excellent communication and negotiation skills;

- Strong analytical and organizational skills;

- Experience in the usage of computers and office software packages, experience in handling of web based information management systems (e.g. Development Assistance Database, Aid Management Platform).

Annex 2c: Terms of Reference – (Senior) Policy Specialist (abridged)

The Policy Specialists support ERD in formulation and implementation of the national aid effectiveness agenda, including by advising Government officials on and support preparation for national, regional and global aid effectiveness events, as well as monitoring of the Joint Cooperation Strategy, policy formulation and strengthening of the LCG mechanism, especially at sector level. Working closely with the Aid Effectiveness Advisor, they provide technical advice to ERD and Line Ministries on aid effectiveness issues and support the capacity development of Aid Effectiveness Focal Points by delivering seminars and trainings and providing coaching in a task environment. The Policy Specialists actively facilitate the formal institutionalization of functions performed by the existing donor-funded AEU within ERD by coaching designated Government officials and progressively retreating from performing Government functions. They support the necessary institutional rearrangements within ERD, as well as the preparation of knowledge products and the strengthening of systems and workflows, in order to promote sustainable capacity above the level of the individual.

Specific tasks include:

Enhancing aid transparency and GoB's aid information management capacity

- Support GoB in establishing an aid information management system (AIMS);
- Support AIMS-related outreach to line ministries, in order to facilitate government-led, evidence-based collective dialogue in LCG Working Groups, as well as to Parliament and CSOs, in order to contribute to increasing transparency and public scrutiny of foreign assistance;

Strengthening ERD's aid management capacities

- Under the guidance of the Aid Effectiveness Advisor, support nationalization of the donor-funded Aid Effectiveness Unit, by providing advice on the necessary institutional rearrangements within ERD, and supporting capacity development of assigned Government officials;
- Under the guidance of the Aid Effectiveness Advisor, assist in the review of foreign aid portfolios, ensuring that government officials are equipped to conduct an in-depth assessment of the strengths and weaknesses of projects and programmes within an assistance portfolio of individual development partners;
- Provide research and analytical services on aid effectiveness issues to ERD and contribute to the preparation of knowledge products;
- Support ERD in carrying out assessments and surveys in the context of the national and global aid effectiveness agenda;
- Provide support to the formulation of an aid policy and aid management guidelines;
- Support ERD in its outreach to other government agencies to increase the awareness and strengthen the capacity of civil servants regarding aid effectiveness principles and concepts, including communication on the JCS and other aid effectiveness initiatives;
- Provide technical support to ERD to monitor and report on progress towards the implementation of the JCS Action Plan and to prepare and disseminate an annual aid effectiveness report, as well as other analytical and position papers;
- Support appropriate follow-up to the 2009 Evaluation of the Implementation of the Paris Declaration and the 2011 Paris Declaration Monitoring Survey, in order to ensure that the findings are used to improve and strengthen existing aid relationships, as well as the broader aid management framework;

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- Advise the Government on how Bangladesh can actively participate in and benefit from regional and global conferences and other events on aid effectiveness; including preparation for the High-Level Forum on Aid Effectiveness in Seoul in 2011.

Strengthening LCG mechanism

- Provide technical support to the relocated LCG Secretariat and to the LCG Working Groups;
- Facilitate a potential adjustment of the LCG structure in line with priorities identified in the 6th Five-Year Plan;
- Support the LCG Aid Effectiveness Working Group Chair in monitoring the implementation of the JCS Action Plan, including other key products as outlined in the JCS Action Plan, and in leading the related dialogue with development partners, in order to identify and address potential bottlenecks timely and effectively;
- Support the LCG Aid Effectiveness Working Group in formulation and implementation of its annual, results-oriented work plan.

Enhancing aid coordination & management capacities of selected line ministries

- Support the formulation and implementation of an aid coordination capacity development strategy in selected line ministries, following a functional review and capacity needs assessment;
- Support the capacity development of Line Ministries to enable them to apply principles and practices of effective aid management;
- Provide capacity development services to line ministries to ensure they are able use the aid information management system effectively, including efforts to increase the share of external resources that are recorded on budget; enhance their abilities to use the AIMS as a tool to strengthen the monitoring of project outputs, and to use AIMS reports and analyses to strengthen the LCG mechanism and their dialogue with development partners.
- Provide support to enhance the capacity of selected line ministries to lead collective dialogue and coordinate development partner support in line with national priorities and procedures.

Required Qualification and Experiences

Education:
Master's degree in Economics, Law, Public Administration, Development Studies or Political Science, Social Science or related fields;

Experience:
- At least five years (seven years for Senior Policy Specialist position) of professional experience in the field of aid coordination, public finance or public administration;
- Excellent knowledge of concepts and practices of foreign assistance, as well as aid effectiveness principles and the global aid effectiveness agenda;
- Experiences with collective dialogue mechanisms and programme-based approaches;
- Good analytical and conceptual skills;
- Very good interpersonal, as well as oral and written communication skills, in both English and Bangla;
- Experience in the provision of trainings, as well as coaching or mentoring in a task environment;
- Strong service and client orientation;
- Experience in the usage of computers and office software packages, including MS Office (Word, Excel and PowerPoint).

Annex 2d: Terms of Reference – Aid Analyst (abridged)

The Aid Analyst is responsible for providing effective aid information services to the Government and to development partners, as well as Parliament and the general public. Making use of the Aid Information Management System (AIMS), s/he prepares various analytical reports on foreign assistance, responds to queries on aid flows from Government and development partner agencies and contributes to enhancing analytical capacities within ERD. **Specific tasks** include:

- Working closely with the Foreign Aid Budget and Accounts Branch (FABA) of ERD, promote standardized reporting by development partners through the AIMS, as well as effective use of aid information in line with national priorities;
- Through working with the AIMS, and through proactive outreach work, provide effective aid information services to the Government, development partners, Parliament, CSOs, NGOs, private sector, and the Bangladeshi people;
- Under the guidance of the Aid Effectiveness Advisor, prepare and disseminate on-demand and standard analytical reports, including sector and development partner profiles, as well as an annual Development Cooperation Report based on data captured in the AIMS;
- Based on findings of the analytical work, provide practical recommendation concerning further alignment of international financial and technical assistance with actual needs and priorities;
- Advise Government in tracking and analyzing aid flows;
- Capture and analyze good practices and lessons learnt in aid tracking and analysis;
- Support collective dialogue in LCG Plenary and LCG Working Groups by preparing and disseminating high-quality analytical reports on aid flows;
- Train Government officials in ERD and Line Ministries in using the AIMS to generate various reports and to analyse the assistance portfolios of development partners in line with national and sectoral priorities and needs;
- Assist ERD officials in verifying whether data entered by development partners is complete, timely and accurate, e.g. by performing data integrity checks, and help identifying development partners with whom ERD officials need to follow up to ensure their data is complete;
- Contribute to enhancing analytical capacities of ERD staff, in particular within FABA, by delivering trainings and providing coaching on data mining, information packaging and preparation of high-quality analytical reports;
- Contribute to the customization of the AIMS to ensure it meets the information needs of the Government and other stakeholders;
- Perform other analytical tasks assigned by the Project Manager.

Required Qualification and Experiences

Education:

Master's degree in Economics, Statistics, Public Administration, Development Studies or Political Science;

Experience:

- At least five years professional experience in carrying out economic research or financial analyses;
- Good understanding of concepts and practices of development assistance;
- Excellent analytical and conceptual skills;
- Very good interpersonal, as well as oral and written communication skills in both English and Bangla;
- Experience in the provision of trainings, as well as coaching or mentoring in a task environment;
- Strong service and client orientation;
- Experience in the usage of relational databases, computers and office software packages, including MS Office (Word, Excel and PowerPoint).

- **Annex 2e: Terms of Reference – Coordination Specialist (abridged)**

The Coordination Specialist supports ERD in carrying out ongoing activities under GoB's aid effectiveness agenda, including the management of the day-to-day liaison with other ERD Wings, line ministries and other stakeholders on aid effectiveness issues. Working closely with the National Project Manager, s/he will maintain effective communication with selected line ministries and other stakeholders on aid effectiveness issues to ensure overall coherence of related initiatives. The Coordination Specialist will actively facilitate the formal institutionalization of functions performed by the existing donor-funded AEU within ERD. S/he supports the necessary institutional rearrangements within ERD. **Specific tasks** include:

- Support AIMS-related outreach to line ministries, in order to facilitate government-led, evidence-based collective dialogue in LCG Working Groups, as well as to Parliament and CSOs, in order to contribute to increasing transparency and public scrutiny of foreign assistance and manage the activities of Short-term AIMS outreach staff;
- Attend various working group meetings/inter-ministerial meetings in relation to aid effectiveness issues;
- Organize bilateral meetings with development partners/regional mission on aid/development effectiveness issues;
- Support ERD on following up the BDF Agreed Action Points and holding BDF annually;
- Provide necessary support to ERD in order to implement the JCS Action Plan
- Coordinate conducting of a capacity need assessment of ERD and selected line ministries;
- Provide technical support to the relocated LCG Secretariat and to the LCG Working Groups;
- Support the LCG Aid Effectiveness Working Group Chair in monitoring the implementation of the JCS Action Plan, including other key products as outlined in the JCS Action Plan, and in leading the related dialogue with development partners, in order to identify and address potential bottlenecks timely and effectively;
- Support the formulation and implementation of an aid coordination capacity development strategy in selected line ministries, following a functional review and capacity needs assessment;
- Support the capacity development of Line Ministries to enable them to apply principles and practices of effective aid management;
- Provide capacity development services to line ministries to ensure they are able use the aid information management system effectively, including efforts to increase the share of external resources that are recorded on budget; enhance their abilities to use the AIMS as a tool to strengthen the monitoring of project outputs, and to use AIMS reports and analyses to strengthen the LCG mechanism and their dialogue with development partners.

Required Qualification and Experiences

Education:

Master's degree in Economics, Law, Public Administration, Development Studies, Political Science, Social Science or related fields;

Experience:

- Minimum 5-year experience in coordination and management including professional experience of more than 1 year in aid effectiveness related activities in either government or international organization.
- Excellent knowledge of concepts and practices of foreign assistance, as well as aid effectiveness principles and the global aid effectiveness agenda;
- Good analytical and conceptual skills;
- Good interpersonal, as well as oral and written communication skills, in both English and Bangla;
- Experience in global survey and evaluation (such as Paris Declaration Monitoring Survey and Paris Declaration Evaluation);
- Strong service and client orientation;
- Experience in the usage of computers and office software packages, including MS Office (Word, Excel and PowerPoint).

Annex 2f: Terms of Reference – Monitoring Specialist (abridged)

The Monitoring Specialist will support ERD in monitoring progress towards implementation of the national aid effectiveness agenda and related initiatives. In particular, s/he will support the institutionalization of monitoring arrangements to measure progress towards implementation of the 'Development Results Framework'. The Monitoring Specialist will also be responsible for supporting relevant surveys that need participation of ERD or other line ministries. The Monitoring Specialist actively facilitates formal institutionalization of functions performed by the existing donor-funded AEU within ERD by coaching designated Government officials and progressively retreating from performing Government functions. **Specific tasks** include:

- Work with ERD and GED to mainstream monitoring of 'Development Results Framework' for the 6th five year plan;
- Provide support and guidance to consultants in preparing and conducting surveys;
- Regularly monitor the performance of LCG system and prepare recommendations and support implementation of such recommendations;
- Provide support to enhance the capacity of selected line ministries to lead collective dialogue and coordinate development partner support in line with national priorities and procedures.
- Facilitates and provide all necessary coordination, planning and implementation support to ERD with regard to monitoring and implementation of JCS Action Plans and related follow-ups.
- Support the Project Manager in monitoring of and reporting on project progress, in particular regarding implementation of the overall capacity development strategy.

Required Qualification and Experiences

Education:

Master's degree in Economics, Statistics, Business Administration, Development Studies or Political Science.

Experience:

- Minimum 5 years of relevant experience at the national level in providing management advisory services particularly in the area of aid/development coordination/management and good knowledge on the GoB/Donor initiatives on aid effectiveness principles;
- Knowledge of the national development planning tools, M&E system and national budgeting and process;
- Experience in Paris Declaration monitoring and evaluation will be an added qualification;
- Good understanding of concepts and practices of development assistance;
- Excellent analytical and conceptual skills;
- Very good interpersonal, as well as oral and written communication skills in both English and Bangla;
- Experience in the provision of trainings, as well as coaching or mentoring in a task environment;
- Strong service and client orientation;
- Experience in the usage of relational databases, computers and office software packages, including MS Office (Word, Excel and PowerPoint).

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Annex 2g: Terms of Reference – ICT Specialist (abridged)

The ICT Specialist oversees the customization of the Aid Information Management System (AIMS) by a private sector contractor, ensuring that information needs of the Government and development partners are fully reflected in the system. Once the system is established, s/he supports the data entry process by training data entry focal points and providing continuous user support. Further, s/he is responsible for maintenance and security of the database servers and related software as well as support capacity development by coaching Government ICT staff on all issues related to ensuring proper functioning of the aid information management system.

Specific tasks include:

- Carry out a comprehensive assessment of ERD's IT infrastructure and advice senior management on suitable options regarding the hosting of the AIMS;

- Manage and contribute to the development/ customization of the web-based AIMS to ensure it meets the information needs of the Government, its development partners and other stakeholders;

- Ensure that the AIMS meets the highest standards of user-friendliness, in particular regarding data entry and reporting functions;

- Develop innovative ways of making the AIMS data available to users, including by developing websites and portals;

- Ensure data security by regularly updating the necessary software (e.g. firewalls, anti-virus), as well as developing and implementing a data back-up plan;

- Provide training to Data Entry Focal Points in development partner agencies and perform helpdesk functions;

- Provide training to Government officials in ERD, Line Ministries and other Government institutions in using the AIMS effectively to generate reports;

- Assist in the formulation of standard operating procedures for data entry and database maintenance and prepare related user guides;

- Contribute to enhancing ICT capacities of concerned ERD staff by delivering trainings and providing coaching on ICT, and work towards ensuring that ERD's ICT staff is fully capable of maintaining the AIMS, including related hardware and software, independently;

- Provide ICT support to the Project Team, as well as to ERD.

Required Qualification and Experiences

Education:

Master's degree in Computer Science or IT related fields;

Experience:

- At least five years of professional experience in database design, development and maintenance;

- Excellent IT and database management skills, including knowledge of relevant software and programming languages, such as Visual Basic, MS Visual Studio 6.0, MS Access, MS SQL Server, MySQL, HTML, Java and ASP;

- Good communication and interpersonal skills as well as, strong service and client orientation;

- Experience in the provision of trainings, as well as coaching or mentoring in a task environment.

Annex 3: Indicative Multi-Year budget

Expected Outputs	Key Activities	Budget Description	Resp. Party	Qnt	Mon	Cost Jul-Dec 2011	Qnt	Mon	Cost 2012	Qnt	Mth	Cost 2013	Qnt	Mths	Cost 2014	Qnt	Mon.	Cost Jan-Jun 2015	Cost TOTAL
1. Aid transparency and GoB's aid information management capacity enhanced	1. Provide technical support to procure, customize and establish an AIMS and ensure linkages to existing systems and core business procedures (MTBF, LCG Mechanism, etc.)	**Contractual Services**				22,500			256,000			6,000						-	284,500
		Database customization & technical support	UNDP		3	22,500		12	256,000		12	6,000		-				-	284,500
		Information Technology				6,250			63,200			18,200			15,200			5,600	108,450
		Servers, computers, printers	UNDP			-			50,000			5,000			2,500			-	57,500
		Local hosting of database server	UNDP		3	750		12	3,000		12	3,000	6		1,500			-	8,250
		Stationary, printer cartridges, etc.	UNDP			1,000			3,000			3,000			4,000	6		2,000	13,000
		Telephone, Fax, Mobile (rents)	ERD		6	4,500		12	7,200		12	7,200		12	7,200	6		3,600	29,700
	2. Reach out to line ministries, Parliament, CSOs to facilitate evidence-based collective dialogue and increase transparency and public scrutiny of aid flows	**Print Production Costs**							9,000			12,000			12,000			9,000	42,000
		Production of analytical reports based on AIMS data analysis/mining by Aid Analyst	UNDP						9,000	4		12,000	4		12,000	3		9,000	42,000
		Workshops				3,250			13,000			13,000			13,000			13,000	55,250
		One-day workshop with Media, CSO, Parliament Members, Line Ministries, etc. (50 participants)	ERD	1		3,250	4		13,000	4		13,000	4		13,000			13,000	55,250
2. ERD's aid coordination & management capacities enhanced	1. Carry out functional review and capacity needs assessment and deliver a comprehensive capacity development strategy	**Staff Costs**				203,600			472,200			370,200			346,200			146,100	1,538,300
		Int Aid Effectiveness Adviser (P5)	UNDP	1	5	82,500	1	12	198,000	1	12	198,000	1	12	198,000	1	6	99,000	775,500
		National Project Manager	UNDP	1	6	19,500	1	12	39,000	1	12	39,000	1	12	39,000	1	6	19,500	156,000
		Short-term AIMS outreach staff	UNDP	4	2	8,000	4		48,000	-		-	-		-	-		-	56,000
		Administrative Assistant	UNDP	1	6	6,000	1	12	12,000	1	12	12,000	1	12	12,000	1	6	6,000	48,000
		Coordination Specialist	UNDP	1	6	13,500	1	12	27,000	-		-	-		-	-		-	40,500
		Monitoring Specialist	UNDP	1	6	13,500	1	12	27,000	-		-	-		-	-		-	40,500
		Policy Specialist	UNDP	1	6	13,500	1	12	27,000	1	12	27,000	1	12	27,000	-		-	94,500
	2. Provide technical and policy advisory support to the formulation of an aid policy and aid management guidelines	Senior Policy Specialist	UNDP	1	6	19,500	1	12	39,000	1	12	39,000	1	12	39,000	1	6	19,500	156,000
		Aid Analyst	UNDP	1	6	13,500	1	12	27,000	1	12	27,000	1	12	27,000	-		-	94,500
		ICT Specialist	UNDP	1	6	12,000	1	12	24,000	1	12	24,000	1	0	-	-		-	60,000
	3. Strengthen ERD's resource mobilization capacities	Messenger	UNDP	1	6	2,100	1	12	4,200	1	12	4,200	1	12	4,200	1	6	2,100	16,800
	4. Strengthen capacity in ERD to take proactive actions to ensure that concerned officials in LMs are provided training on concepts related to AE	**Contractual Services**				5,000			130,000			125,000			65,000			3,000	328,000
		Functional review & capacity needs assess.	UNDP	1			1		50,000										50,000
		Short-term consultants for preparation of analyses (e.g. PBA review)	UNDP						30,000			30,000			15,000				75,000
		Aid coordination training	UNDP						45,000			45,000							90,000

Budget table (oriented sideways on page). Funding source column values are "UNDP" unless noted. Year columns show quantity (in parentheses) where given, followed by amount.

Output	Activity	Budget item	Fund	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	5. Strengthen capacity in ERD to effectively engage in policy discussions on aid effectiveness in the OECD/DAC and other international forums	Resource mobilization training	UNDP	—	—	—	—	45,000	45,000
		Communication & negotiation training	UNDP	—	—	—	—	45,000	45,000
		Workshops, refreshments	UNDP	5,000	5,000	5,000	5,000	3,000	23,000
		Travel	ERD	35,000	55,000	55,000	55,000	45,000	245,000
		Study visits	UNDP	(1) 5,000	(2) 10,000	(2) 10,000	(2) 10,000	—	35,000
		Participation in regional & global AE events as approved by project technical committee	UNDP	(2) 30,000	(3) 45,000	(3) 45,000	(3) 45,000	(3) 45,000	210,000
		Print Production Costs		5,000	5,000	5,000	5,000	5,000	25,000
		JCS progress reports, etc.	UNDP	5,000	5,000	5,000	5,000	5,000	25,000
3. LCG mechanism strengthened	1. Integrate LCG Secretariat in ERD	Equipment and Furniture		8,000	44,000	9,000	9,000	6,000	76,000
		Office Equipment	UNDP	3,500	4,000	1,500	1,500	1,500	12,000
		Project car & petrol (rental in first year)	UNDP	(6) 4,500	(12) 40,000	(12) 7,500	(12) 7,500	(6) 4,500	64,000
	2. Provide technical, logistical and policy advisory support to relocated LCG Secretariat and LCG Working Groups	Contractual Services		57,500	72,500	72,500	122,500	72,500	397,500
		Preparation of analyses by short-term consultants	UNDP	—	15,000	15,000	15,000	15,000	60,000
		Bangladesh Development Forum	UNDP	50,000	50,000	50,000	100,000	50,000	300,000
		BDF Follow-up	UNDP	7,500	7,500	7,500	7,500	7,500	37,500
		Information Technology		7,900	9,300	4,300	4,300	4,300	30,100
		Website hosting	UNDP	(6) 900	(12) 1,800	(12) 1,800	(12) 1,800	(12) 1,800	8,100
		Computers, Printers, stationary, cartridges	UNDP	7,000	7,500	2,500	2,500	2,500	22,000
		Local Consultants		15,600	31,200	37,200	18,600	0	102,600
		LCG Secretariat Support Officer (RCO)	UNDP	(6) 9,600	(12) 19,200	(12) 19,200	(6) 9,600	—	57,600
		Web Manager	UNDP	(1) 6,000	(1) 12,000	(1) 18,000	(1) 9,000	—	45,000
4. Aid coordination & management capacities of selected line ministries enhanced	1. Carry out functional review and capacity needs assessment and deliver a comprehensive capacity development strategy	Contractual Services		56,250	350,750	251,500	155,000	0	813,500
		Functional review & capacity needs assess.	UNDP	56,250	(2) 350,750	(2) 251,500	155,000	0	813,500
		Aid coordination training	UNDP	—	45,000	45,000	45,000	—	90,000
	2. Strengthen analytical, negotiation, PCM, etc. skills of selected line ministries	Project Cycle Management training	UNDP	—	45,000	45,000	—	—	90,000
		Project Appraisal (distance course)	UNDP	(20) 60,000	60,000	—	—	—	40,000
		Short-term consultants (PBA) to deployed to line ministries	UNDP	(20) 60,000	60,000	(3) 60,000	(2) —	—	160,000
	3. Enhance LMs' capacity to use AIMS to improve	Communication & negotiation training	UNDP	—	—	—	—	30,000	90,000

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planning & budgeting, to increase share of aid recorded on budget, to inform collective dialogue, etc.	Training conducted on Digital ECNEC in PD and LMs (1 day workshop for 50 participants each)	UNDP	4	13,000	9	29,250	-	-	-	42,250
4. Internal ERD processes such as personnel management strengthened	Customization of Planning Division tools	UNDP		25,000	-	50,000	-	-	-	75,000
	Training for ERD Staff	ERD	1	3,250	2	6,500	6,500	-	-	16,250
	Roll out support to ERD	ERD		15,000		20,000	15,000	-	-	50,000
	Contingency			20,000		30,000	30,000	44,000	12,043	116,043
	Contingency	UNDP		20,000		30,000	30,000	44,000	12,043	116,043
Sub-Total				445,850		1,541,150	1,008,900	864,800	321,443	4,162,243
	UNDP GMS (7%)	UNDP		31,210		107,881	70,623	60,536	22,508	261,548
TOTAL				477,060		1,649,031	1,079,523	925,336	344,051	4,475,000

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