

AGREEMENT LETTER BETWEEN THE UNITED NATIONS DEVELOPMENT PROGRAM AND THE OXFORD UNIVERSITY FOR THE ACTIVITIES TO BE DEVELOPED WHEN THE UNDP RENDERS SUPPORT SERVICES TO THE PROJECT

Dear Ms. Andrews:

1. This document makes reference to the consultation between officials of the United Nations Development Program (hereinafter UNDP) in the Dominican Republic and officials of the Oxford University in representation of the Initiative Oxford on Poverty and Human Development (OPHI) in respect to the activities of OPHI in the implementation of the support services to the Project Number 00083852 on the "Design of a Methodology to measure the multidimensional poverty in the Dominican Republic for the preparation of the social public policies", as it is specified in Enclosure 1: Document of the Project, to which the UNPD has been chosen as responsible party.
2. In agreement with the document of the Project¹ signed between the associated government in the implementation and the UNDP in matters of support services and with the terms and conditions indicated below, we confirm that we accept the activities to be carried out by the Oxford University for this Project, as specified in Enclosure 2: Description of the Activities (hereinafter "the Activities"). The University of Oxford and the UNDP will carry out detailed consultations on all aspects related to the Activities. The Activities will commence on signature of this Agreement by both Parties and run through December 2016.
3. The University of Oxford will be fully responsible for carrying out, with the diligence and efficiency due, all activities in accordance with its Financial Regulations and Detailed Financial Regulations and other directives, only to the extent that they are consistent with the Financial Regulation and the Detailed Financial Regulations of the UNDP.
4. During the performance of the activities referred to in this Letter, the staff and subcontractors of the University of Oxford will not be considered in any way, employees or agents of UNDP. UNDP accepts no responsibility for any claims for acts or omissions of the University of Oxford or its staff, or its contractors and personnel thereof, in the performance of activities or concerning any claim for death, bodily injury, disability, property damage or other circumstances that may affect the University of Oxford or its staff as a result of works related to the Activities.
5. All subcontractors, including NGOs contracted by the University of Oxford, must work under the supervision of an official designated by the Oxford University. These contractors will be held accountable to the University of Oxford for the way they exercise the functions assigned to them

¹ Previously in the format: the Letter of Agreement

2/11

6 After the signature of this Letter, the UNDP will make the corresponding payments of the University of Oxford in representation of OPHI according to the calendar of payments specified in the Enclosure 3: Calendar of Activities, Services and Payment.

7. The University of Oxford will not acquire financial commitments nor incur in any expenses not covered in the budget for the Activities of Annex 3. The Oxford University should regularly consult the UNDP on the status and use of funds and immediately notify the UNDP when the Oxford University is aware of the budget to carry out the activities is insufficient to carry out the project as described in Annex 2. UNDP has no obligation to provide the University of Oxford of any funds or pay to the Oxford University the expenses that may be incurred which exceed the total budget set out in Annex 3.

8. The University of Oxford must present a cumulative financial report every six month (June 30, and December 31). The report will be sent to the UNDP through the Country Director and Resident Representative of UNDP within 30 days from the dates indicated above. It should be delivered in the standard format of the expense reports of the UNDP [Annex 4 includes a model]. UNDP will include the financial report of the Oxford Initiative on Poverty and Human Development Initiative (OPHI) in its financial report of the Project 00083852 "Design of a methodology for measuring multidimensional poverty in Dominican Republic for the formulation of social public policies".

9. The University of Oxford must present the report of the updates of the Activities that the Director of the Project, in the exercise of his duties, considers reasonably opportune.

10. The University of Oxford must facilitate a final report in a term of 6 months from the termination date of the Activities including in this report a list of non-expendable materials purchased by the University of Oxford and of all the statements and audited or certified financial reports in relation with the Activities, according to its Financial Regulations and Detailed Financial Regulations.

For the avoidance of doubt, the University of Oxford shall be entitled to use the outcomes of the Activities for non-commercial academic purposes including future research, publication of academic papers, teaching or other scholarly use which is undertaken for the purpose of education and research. Any such the use of the information shall cite the UN as the source of information, and a notification sent on the matter.

11. The equipment and supplies facilitated by the UNDP or that are purchased using funds of UNDP will be dealt as agreed in writing between the UNDP and the University of Oxford.

12. No modification to this Project² Document between the government associated in the implementation and the UNDP in matters of support service will be recommended if it affects the work developed by the University of Oxford as per the stipulations in Enclosure 2, without a previous consultation between the parties.

13. If any issue arises not addressed in this Letter, the parties will resolve such issues in compliance with the corresponding clauses of the Letter of Agreement of rendering of support services and its reviews as well as in agreement with the pertinent stipulations of the Financial Regulation and Detailed Financial Regulation of the University of Oxford and the UNDP.

14. The stipulations of this Letter will continue to be valid until the end of the Project or until the compliance with the Activities stipulated in Enclosure 2, or until its termination in writing (with 30 days' notice) by any of the parties. The payment calendar included in Enclosure 3 will continue to be valid while the University of Oxford develops its work without interruption unless the UNDP informs differently in writing.

15. The excess funds that have not been used or committed before the conclusion of the Activities must be returned to UNDP within 90 days.

16. An amendment to this Letter shall be made by mutual agreement in writing.

17. The additional correspondence of this Letter, in addition to the signed agreement letters and its amendments, must be addressed to Mr. Lorenzo Jiménez De Luis, Resident Representative of UNDP to the following address: Casa de las Naciones Unidas, Av. Anacaona Num.9, Mirador Sur, Santo Domingo, Dominican Republic.

18. The University of Oxford must duly inform the Director for the Country/Resident Representative of the UNDP of all the actions carried out to comply with the stipulations of this Letter.

19. The UNDP can suspend this Agreement, total or partially, by means of a written communication if there are given circumstances that could endanger the correct compliance of the Activities.

20. Any controversy between the UNDP and the University of Oxford which could arise from this Letter or in relation to it and that is not resolved by negotiation or any other settlement form, will be submitted, at the request of any of the parties, to the consideration of a Tribunal formed by three arbitrators. Each of the parties will designate an arbitrator and these two will appoint a third one who will preside the Tribunal. If within the 15 days terms from the date of the designation of the two arbitrators, if within 15 days from the appointment of the two arbitrators have not

² Previously in the format: the Letter of Agreement

been appointed the third arbitrator, either party may request the President of the International Court of Justice to make such designation. The Tribunal shall determine its own procedures, provided that any two arbitrators shall constitute a quorum for all purposes, and all decisions shall require the agreement of any two arbitrators. Court costs shall be borne by the parties in accordance with the Courts decision. The arbitral award shall contain a statement of its basis and shall be final and binding on the parties.

21. If you agree with the provisions set forth above, please sign and return two copies of this letter to this office. Your acceptance will constitute the basis of the participation of the University of Oxford on behalf of the Oxford Initiative on Poverty and Human Development Initiative (OPHI) in implementing the project.

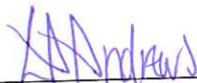
Truly yours,



Lorenzo Jimenez De Luis
UNDP Resident Representative

Date

Signed in representation of the Oxford University:



Ms Linda Andrews

Head of Team, Humanities, Social Sciences, & ASUC,
Research Services, University of Oxford
on behalf of The Chancellor, Masters and Scholars of the University of Oxford

11/12/14
Date

Enclosure 1

PROJECT DOCUMENT

**United Nations Development Program
In Dominican Republic
Project Document**



*Al servicio
de las personas
y las naciones*

Title of the Project: "Design a methodology for the measurement of poverty in the Dominican Republic for the formulation of social public policies"

Effect of the UNDAF: For 2016, the impoverished population will benefit from an economic growth and sustainable social development, with equal opportunities.

Expected Effect of the Country Program: For 2016, the poor population will benefit thanks to an economical sustainable growth with equal opportunities.

Expected Product(s): The technical capacities of the State institutions have been improved in the measurement and analysis of the indicators related with the ODM and the impact of the public policy in obtaining the same.

Associated in the Implementation: Vice Presidency of the Dominican Republic
United Nations Development Program

Responsible Parties: University of Oxford

Brief Description

The project aims to contribute to the adoption of a methodology for measuring multidimensional poverty for the Dominican Republic in order to facilitate the formulation of public policies that impact on reducing poverty and social exclusion. The Multidimensional Poverty Index will help to understand and comprehensively address the factors that influence poverty and improve the design, monitoring and evaluation of policies to their bout, as part of the strategy for poverty reduction at the national level country established the goal of Axis 2 of the National Development Strategy (END).

Period of the Country Program: 2012-2016

Area of Key Result: Social and Economical Inclusion

Code of the Project

Start Date: September 2014

Termination Date: July 2016

Date of the PAC: September 26, 2014

Management Mode: National Execution

Total Budget Required	US\$341,220.00	Allocated Resources:
	Regular	
•	Government	US\$ 341,220.00
General Administration Services (GMS):		US\$ 0.00
Implementation and Support Services (ISS):		US\$ 0.00

 Dra. Margarita Cedeño de Fernández Date
 Vice-president of the Dominican Republic and
 Coordinator of the Coordination Cabinet of Social
 Policies

 Lorenzo Jiménez de Luis Date
 Resident Coordinator of the SNU
 And Resident Representative of the UNDP

I. ANALYSIS OF THE SITUATION

Dominican Republic requires a tool for measuring multidimensional poverty that facilitates the formulation of public policies to fight poverty beyond income, allowing identification of the poorest groups and help identify potential beneficiaries of conditional transfers of cash, assistance or other public programs.

Our country is one of the countries in Latin America with more dynamism in its economy. Except for the period of internal crisis of 2003-2004, the economy registered growth rates above the average for Latin America and the Caribbean. However, despite being an economy with high growth, results obtained in the social sector have made clear that during periods of growth, the generation of wealth has not affected with the intensity required to achieve the improvement of the living conditions of the poor².

A considerable increase of the poor due to the economic crisis and a slow reduction in poverty after the crisis caused that the incidence of poverty in the Dominican Republic went from being below the levels of CLA at the beginning of the decade, to be above the bottom of the same. In 2000, 32% of Dominicans were poor. The economic crisis in the Dominican Republic caused this figure to rise by 17 percentage points, peaking at 50% in 2004, surpassing the average FTA rate stood at 41% .For 2011, poverty in the Dominican Republic was 40.4%, decreasing 9 of the 17 percentage points which had gain during the crisis and exceeding the poverty of the early decade.¹

The data published by the System of Beneficiaries (SIUBEN) gives an idea of the magnitude of poverty by gender status: the 3,153,741 people registered as poor, 50.5% are women; and 840.817 households, 65% are headed by women. According to the Report on Poverty in the Dominican Republic: Achieving Economic Growth to Benefit the Poor - prepared by the World Bank and the Interamerican Development Bank (IDB) - households headed by women, especially single-parent households headed by women, recorded significantly higher rates than the rest of the household poverty. Also, the Dominican Republic recorded unfavorable differences for women in the incidence of poverty at the individual level.

Consequently, the design and implementation of a system or social safety net in the country, governed by the Vice President of the Republic in its role as coordinator of the Office of Coordination of Social Policies, will be vital to support policies oriented to poverty reduction. This includes social safety net programs and initiatives to provide minimum conditions to those in extreme poverty, raise the level of human and social capital of the poor and vulnerable population, and ensure fairness. It is based on three pillars, namely conditional transfer programs, programs for human and social development and economic inclusion programs.

In practice, the social safety net is operationalized through the Conditional Cash Transfer Program of Solidarity; the System of Beneficiaries (SIUBEN) and the Administrator of Social Subsidies (ADESS). These three entities identify poor and vulnerable population, eligible for social protection programs; focus the various initiatives; and execute the transfers and payments.

These programs require a tool for calculating the poverty which allows the identification of those most vulnerable. In the Dominican Republic, similar to other countries, there are measures and exercise of multidimensional poverty for the specific social programs. Currently, the country poverty is measured by the Quality of Life Index (QLI), which is used by the Office of Social Policies to identify poor household potential beneficiaries of social programs. According to the above, a quality index is generated which assigns to the homes points in a scale which

¹World Bank, January 2014. "When Prosperity is not shared: The weakest links between Growth and Equity in Dominican Republic".

varies from 0 to a 100. It is recognized that a home has major needs in the measure that its ICV is close to zero and its quality of life is increased in the measure that the indicator shows values closest to 100.

While it is true that in recent years there has been significant progress in the conceptualization and implementation of a policy of comprehensive social protection, the existing social indicators can be static and do not reflect the complexity of the phenomenon of poverty in all its slopes. Expanding the poverty measure to include non-monetary indicators allow a more complete characterization of the shortages experienced by the most disadvantaged people, helping to design policies and objectives.

As an alternative to traditional measures based on income and seeking more spacious and flexible options, other countries in Latin America have experienced some success through the implementation of the Multidimensional Poverty Index (MPI). The MPI, developed and applied by the Oxford Initiative on Poverty and Human Development (OPHI) with support from UNDP and published in the Human Development Reports from 2010, examines the state of poverty of the population throughout the world and takes into account the multiple deprivations that may suffer the same home. Through this methodology the social situation of the population in the country can be meet and the type of care required by each population group by analyzing the shortcomings social people.

Colombia, for example, is a pioneer in the use of multidimensional poverty methodology for poverty reduction. In 2011, the Colombian government adopted a new strategy to reduce poverty, using the Multidimensional Poverty Index for Colombia (IPM-Colombia), developed by the National Planning Department based on the index developed by OPHI. The characteristics of IPM -Colombia have led to a rich discussion of multisectoral public policies and are a clear guide to coordinate the design and implementation of policies that seek an integrated approach to poverty reduction.

Mexico and El Salvador have also had a good experience in the adaptation and implementation of national Multidimensional Poverty Index with the assistance and technical support of OPHI and the latter with support from UNDP.

As has happened in other countries in the region², Dominican Republic has decided to move towards the calculation of a national IPM, which will focus the development priorities of the country and contribute to monitoring progress in meeting the goals of all social policies and development that it has.

II. STRATEGIES

II.1 Strategies of the Country

development policy of the country, as defined in the National Development Strategy (END) - establishes four strategic areas related to the efficiency of the state; social cohesion, equal opportunities and poverty reduction; competitiveness and sustainability of the economy; and sustainable management of the environment and climate change adaptation. Gender issues, territorial, social participation and use of ICTs are transverse members.

Interventions of this project are justified because the considered activities constitute a substantive aspects for: monitoring and compliance with the commitments in the Government Plan 2012-2016; for the implementation of the END; and compliance with other objectives also linked to the design of policies for human development, based on current information and quality.

²Brasil, Chile, Colombia, El Salvador, México, Uruguay and the country of Eastern Caribbean have received interventions of OPHI for measurement of their multidimensional poverty.

Also the project is directly linked to the goal of Axis 2 of the National Development Strategy (END) which seeks to establish a society with equal rights and opportunities, in which the entire population has guaranteed education, health and basic quality services and promotes the progressive reduction of poverty and social and regional inequality

More specifically, this project supports the implementation of Objective 2.3.3 of the END to reduce poverty through effective and efficient social protection system that takes into account the needs and vulnerabilities throughout the lifecycle.

In addition, the establishment of an IPM in Dominican Republic and the institutional strengthening it entails, requires the country for specific and continuously improvements to manage the social protection sector, to enhance operational efficiency and maintain constant update of the design and formulation of strategies and interventions to reduce poverty in the country, taking into account lessons learned and best international practices

II.2 UNDP Strategies

This Project keeps a close relation with the results expressed in the Assistance Framework of the United Nations for the Development (UNDAF), the Document Country Program (CPD) and its respective Action Plan (CPAP), all with a timeframe from 2012 to 2016 signed by the Government of the Dominican Republic represented by the Ministry of Economy, Planning and Development.

The UNDAF 2012-2016 for the Dominican Republic, which is aligned with national priorities expressed in the NDT 2030, the cooperation of the agencies, funds and programs of the UN system in the DR, and the challenges facing the country to achieve the ODM and advance in the realization of the human rights; the main areas of cooperation as a result of the Common Country Assessment and its Plan of Action were defined. These comprise four main areas: (i) the promotion of social and economic inclusion, (ii) Empowerment and women's rights, (iii) Protection of Children, Adolescents and Young (iv) Environmental Sustainability and comprehensive risk management.

The execution of this Project supports the compliance of the result 1.6 of the Assistance Framework of the United Nations Development Program (UNDAF) which ensures that for 2016, the impoverished population of Dominican Republic will benefit from economic growth and sustainable social development and equal opportunities. And it contributes to the achievement of the expected product of the Country Program: Improved technical capacity of state institutions in the measurement, and analysis related to the ODM and the impact of public policy on achieving the same indicators.

The Project also is linked to the Result No. 7 of the Strategic Plan of the UNDP on: *Debates and measures of the development in all levels with priority on poverty, inequality and exclusion, consequent with our participation principals*. Also it is linked with the specific objective 7.2 of the same document on: *the recollection of worldwide and national data, measure systems and analysis in situ to supervise the progress in the Agenda post 2015 and the Objectives of Sustainable Development*.

With the implementation of this Project, the UNDP will support the Dominican authorities in the achievement of its principal goal, which is directed to perform effective actions which will help reduce the structural factors which contribute to the reproduction of the extreme poverty and social exclusion. Also, to support the Government in its policy of making rational, efficient and transparent use of the public resources available in benefit of the poorest.

The UNDP will be a strategic ally in this road thanks to its commitment to support the national process which will contribute to the progress of the human development and the eradication of poverty.

II.3 Strategies of Action

The Vice President's Office has requested the support of UNDP to conduct a series of activities so that the organization strengthen its ability to measure multidimensional poverty to deliver the social grants efficiently, on time and focused. These activities seek to fundamentally strengthen national capacities to adopt a national methodology for measuring poverty, which adequately reflects the multidimensionality and complexity of the phenomenon in the country generate indicators to identify and monitor the hardships faced by the people in different provinces and has the potential to measure the impact of programs focus on poverty.

The intervention strategy considers a support of UNDP to provide training and technical assistance in the process of defining the methodology for measuring multidimensional poverty for the Dominican Republic. For its part, the Vice Presidency of the Republic shall ensure the proper application of this methodology in prioritizing, monitoring and subsequent evaluation of social programs to develop.

To achieve the objectives of this project the following activities will be carried out with the technical support of the Initiative Oxford on Poverty and Human Development (OPHI):

- 1. Coordination and Institutionalization Strategy to include the index in the existing system of public policies:**
 - a. Assistance in the definition of the institutional aspects and coordination between ministries and program.
 - b. Technical Assistance and validation of the coordination
 - c. Visit to other countries to learn the practice.

- 2. Technical assistance to build a new questionnaire for use by SIUBEN**
 - a. Initial workshop with stakeholders to build common language and purpose.
 - b. Selecting the person with technical ability to keep a detailed account of policy decisions
 - c. Review dimensions and indicators of the current questionnaire
 - d. Review of new measures and dimensions
 - e. Counseling for pilot surveys and possible studies of qualitative check cases
 - f. Advice on the results of pilot studies to define the final questionnaire

- 3. Assistance in constructing a multidimensional index of poverty, including:**
 - a. Technical support to design the methodology of IPM
 - b. Design of indicator thresholds.
 - c. Design weight assigned to each indicator.
 - d. Comparative analysis to contrast the definition of dimensions, weights and thresholds to literature and existing case studies.
 - e. Design of a multidimensional poverty index for targeting
 - f. Disaggregation by rural and urban areas, geographic areas, gender, ethnic groups among other groups of the population.
 - g. Suggestions on the analysis of results, including changes for different periods of time.
 - h. Technical verification for measurement:
 - i. Robustness Tests.
 - ii. Sensibility Tests.
 - iii. Development of alternative measures and definitions for final measurement.
 - i. Continues technical assistance via teleconference and periodical visits.

- 4. Presentation, Launch of the Index in the Country.**
 - a. Communication Strategy for the presentation of the Index.
 - b. Political and Technical Strategy.
 - c. Planning and execution of the event of presentation.
 - d. Validation of Oxford of this initiative.
 - e. Communication Strategy previous to the presentation with immediate follow up.
 - f. Documentation of the experience
 - a. Document that sets out the process of adaptation of IPM in Dominican Republic

II.4 Exit Strategy

Through this project, it is intended to accompany the adoption of a national IPM with the coordinated efforts of the leading institutions in the planning, measurement and monitoring policies for development. This initiative will be chaired by the Vice President of the Republic in its capacity as coordinator of the System of Beneficiaries (SIUBEN) and developed in conjunction with the other institutions that make up the social safety net in the country. It will also have the expertise of the Initiative of Oxford on Poverty and Human Development (OPHI), thanks to its unique experience in measuring multidimensional poverty in other countries around the³.

The leadership of the Multidimensional Poverty Index through the Social Policy Coordination Cabinet (GCPS), whose mission is to define and coordinate the Government's social policy, demonstrates the commitment of the Vice President in relation to this initiative.

In order to ensure the sustainability of the intervention, The Coordinator of the same will be the System of Beneficiaries (SIUBEN). SIUBEN is responsible for creating and managing the database of poor households across the country and the register of eligible households to ensure their access to the benefits offered by various social programs and / or the grant of cash benefits granted by the Government. As an integral part of GCPS the SIUBEN will make use of the IPM to identify the most vulnerable individuals and communities to facilitate the targeting of actions to reduce poverty and improve the living conditions of Dominicans.

Looking ahead, the country expects that the Multidimensional Poverty Index becomes a complementary measure to be used by the corresponding instances to identify and characterize the poor in the country and through its dimensions contribute to the formulation of social policies aimed at reducing and eliminating poverty.

³For more information on OPHI see Annex IX.3

III. FRAME OF RESOURCES AND RESULTS

Expected Products	Planned Activities	Chronogram			Responsible Party	Source of Financing	Budget Description	Estimated Budget Amount (USD)
		T1	T2	T3				
<p>Product 1: Multidimensional poverty Index designed and incorporated officially in the institutional structure to inform the making of decisions related to the Social Policies focused on reducing poverty.</p> <p>Baseline: - The Multidimensional Poverty Index at a National Level does not exist.</p> <p>Indicators: - Creation of the IPM at national level. - No. Of training received by the public institutions on the methodology of</p>	<p>1.1 Technical assistance to build a new questionnaire to be used by SIUBEN in collecting the baseline data for measuring multidimensional poverty in Dominican Republic.</p>	X	X	X	OPHI UNDP	Government	71200 - OPHI International Advisors	145,000.00

Expected results of the Program in the Country: For 2016, the poor population will benefit due to a sustainable economic growth with equal opportunities.

Indicator, Baseline and Goal of the Country Program: N/A

Products of the Country Program: The technical capability of the State institution has improved in the measure and analysis of the indicators related to the ODV and the impact of the public policy in obtaining it.

Areas of Key Results of the Strategic Plan 2012-16 of the UNDP which applies:
This project is implemented to contribute to the efficiency, and transference of the social protection and social Policy.

Association Strategy: Vice Presidency of the Republic (directed by the Coordination of Social Policies Office), Initiative of Oxford on Poverty and Human Development (OPHI).

Denomination and Number of the Project (ATLAS Project ID):

measurement of multidimensional poverty.

- Incorporation of the IPM as a tool to prioritize the interventions to the social protection policies.
- Goals:
 - Dimensions of the chosen, agreed and applied Methodology of Poverty
 - Capacities of the institutions of the government strengthen in the calculation and application of the National IMP.
 - The IPM will be a tool used by the SIUBEN and other institutions to prioritize its interventions.

Alignment to the Strategic Plan of the UNDP 2014-2017: Effect 7, Product 7.2

1.2 Technical assistance to develop a methodology to systematize the choices made for the construction of multidimensional measurement of poverty in Dominican Republic and strengthening the capabilities of the teams responsible for implementation.		71200 - OPHI International Advisors	145,000.00
1.3A Technical Assistance to prepare an explicatory Document containing the communication strategy for the presentation of the Dominican IPM.		74200 - Audiovisuals and printings	10,000.00
		71200 - OPHI International Advisors	16,924.00
		75700 - Workshops	10,000.00
		74500 - Miscellaneous	9,720.00
1.4 Systematization of the design and adaptation of the Multidimensional Poverty Index		71300 - National Advisors	15,000.00
Sub Total 1			351,644.00
Audit			1,500.00
Sub Total 2			353,144.00
GMS			0.00
ISS			0.00
TOTAL			353,144.00

IV. MULTIYEAR WORK PLAN –AWP

Years: 2014 – 2016

Expected Products	Planned Activities	Chronogram			Estimated Budget					
		T	T	T	Source of Financing	Budget Description	Amount (USD)	Year 1 (USD)	Year 2 (USD)	Year 3 (USD)
		1	2	3						
Product 1: Multidimensional poverty Index designed and incorporated officially in the institutional structure to inform the making of decisions related to the Social Policies focused on reducing poverty. Baseline: -The Multidimensional Poverty Index at a National Level does not exist. Indicators: - Creation of the IPM at national level. - No. Of training received by the public institutions on the methodology of measurement of multidimensional poverty. - Incorporation of the IPM as a tool to prioritize the interventions to the social protection policies. Goals: -Dimensions of the chosen, agreed and applied Methodology of Poverty - Capacities of the institutions of the government strengthen in the calculation and application of the National IMP. - The IPM will be a tool used by the	1.1 Technical assistance to build a new questionnaire to be used by SIUBEN in collecting the baseline data for measuring multidimensional poverty in Dominican Republic.					145,000.00	45,000.00	100,000.00		
	1.2 Technical assistance to develop a methodology to systematize the choices made for the construction of multidimensional measurement of poverty in Dominican Republic and strengthening the capabilities of the teams responsible for implementation.			X		Government	71200 - OPHI International Advisors	10,000.00	125,000.00	10,000.00
	1.3 Technical Assistance to prepare an explicatory Document containing the communication strategy for the presentation of the Dominican IPM.						74200 – Audiovisuals and printings 71200 – OPHI International Advisors 75700 - Workshops	10,000.00 16,924.00 10,000.00	8,000.00 5,000.00 8,000.00	2,000.00 5,000.00 2,000.00

SIUBEN and other institutions to prioritize its interventions.									9,720.00	-			
<i>Alignment to the Strategic Plan of the UNDP 2014-2017: Effect 7, Product 7.2</i>	1.4 Systematization of the design and adaptation of the Multidimensional Poverty Index								15,000.00				15,000.00
								74500 - Miscellaneous	9,720.00				
								71300 - National Advisors	15,000.00				
Sub Total 1	Audit								351,644.00	61,924.00		255,720.00	34,000.00
Sub Total 2	GMS								353,144.00	61,924.00		255,720.00	35,500.00
	ISS								0.00	0.00		0.00	0.00
TOTAL									353,144.40	61,924.00		255,720.00	35,500.00

V. MANAGEMENT ARRANGEMENTS

The parties have agreed that the coordination of the Project will be under the System of Beneficiaries, where the Project will have its offices. The Government will grant the funds which will be distributed as established in the Annual Work Plan and will be managed by the UNDP according to its norms and regulations.

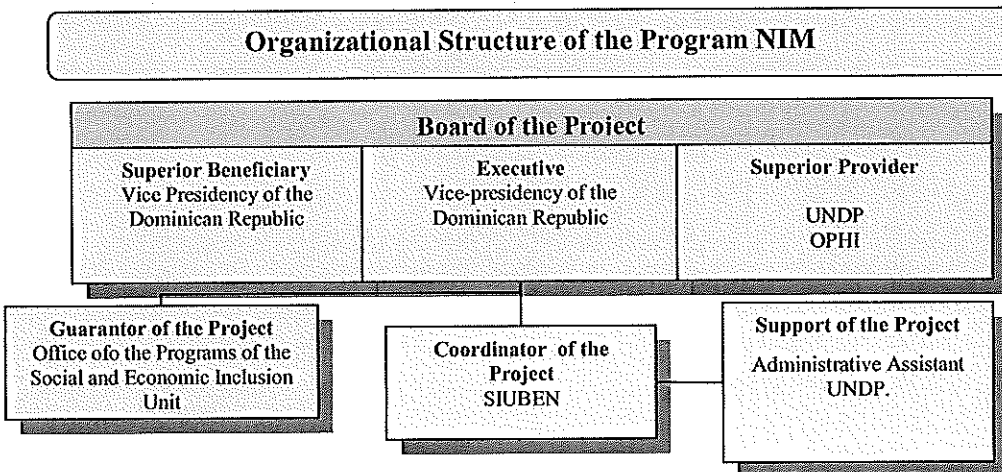
The UNDP will provide technical support for the implementation of the actions, assuring the transparency in the execution of the Project by applying the international norms and standards in acquisition of goods and services, and monitoring.

Also, through its Programs and Acquisitions Unit, it will guarantee the cost effectiveness due to the high level of professionalism of its human resources and the management by results and it will guarantee the flexibility and the quickness of the acquisition process and contract of suppliers and contractors.

The funds for the financing of this Project will come from the Dominican Government and the distribution will be made as established by the Annual Work Plan provided in this document. The parties agree that the administration of the funds will be under the UNDP and the same will be managed according to its norms and regulations.

This Project will be implemented from the signature of this Agreement until its termination.

The UNDP will provide technical support for the implementation of actions in the performance of the project, especially with the involvement of experienced staff in the design and installation methods, procedures, management, human resources training and tools of technical support for the startup of the systems and management of the project funds.



ROLES AND RESPONSIBILITIES

Board of the Project:

The Board of the Project is the group responsible for the strategic decision making. This group is formed by the Superior Beneficiary, The Director of the Project and the Superior Provider. The Board of the project will meet at least once a year with the purpose of evaluating the advance of the Project, the effectiveness of the expected benefits and the methodology of the execution and if necessary to adjust the actions in order to optimize the results.

The institutions participating in the execution of the Project are: Vice Presidency of the Dominican Republic, the Beneficiary System (SIUBEN), The United Nations Development Program (UNDP), The Initiative Oxford on Poverty and Human Development (OPHI) and the rest of the entities which forms the Social Protection Web of the country. In addition to these institutions, others can be added whose participation can contribute to the achievement of the objectives of this project, especially those related to the generation of statistics and monitoring and follow up of the public policies of the country.

-The **Vice Presidency of the Dominican Republic** (implementing partner) will be the main beneficiary of the actions performed in this project. It will assure that the other institutions of the Social Protection Web of the country become an active part in the implementation of the activities.

- **The System of Beneficiaries (SIUBEN)** serves as the project coordinator and will be responsible for implementing the activities under this project document. It will be primarily responsible for the overall planning and management of project activities, monitoring and evaluation. Moreover, under this project document, must ensure the involvement in decision-making of other actors of the public sector and civil society related to poverty alleviation in the country.

- **The Oxford Initiative on Poverty and Human Development (OPHI)**: (responsible party) will be the entity responsible for providing advice to the Vice Presidency and SIUBEN in the implementation of all project activities by providing training and technical assistance, as well as applied collaborative research in the field of multidimensional poverty measurement as set out in this project document.

-**The UNDP** will provide technical support for the implementation of the actions, assuring the transparency in the execution of the Project by applying the international norms and standards in acquisition of goods and services, monitoring, evaluation and audits according to the Manual of "National Implementation by the Government in Projects Supported by the UNDP: Guidelines and Procedures of July 1, 2011 and its updates. Also, through its Program Unit and the Consulting and Services Center, will guarantee guarantees on one hand the cost-effectiveness due to the high level of professionalism of its human resources and the management by results and on the other hand will guarantee flexibility and quickness in the acquisition process and the contracting of suppliers and contractors.

The United Nations Development Program (UNDP) is responsible for the compliance of the objectives and results expected and the efficient use of the allocated resources.

➤ *Coordination Arrangements*

For proper implementation of the monitoring activities, follow up, evaluation and feedback to the project, it will be supported by the Executive Direction of the Project, formed by: the Vice Presidency of the Republic or its delegate, the Resident UNDP Representative or his delegate. Such direction shall meet once a year in order to assess the

progress of the project, the effectiveness of the anticipated benefits and implementation methodology, and if necessary, to adjust actions to optimize the results.

To ensure a rapid and successful implementation, the National Project Director and the UNDP Poverty Officer will have follow up meetings to be held on a monthly basis. During the project implementation the UNDP office in Dominican Republic, will provide administrative and technical follow up through the procedures set out in the Procedural Manual, and through its integrated monitoring project system (ATLAS).

VI. MONITORING AND EVALUATION FRAME

In agreement with the policies and procedures of the program of the UNDP the monitoring of the Project will be carried out through the following:

Within the Annual Cycle

- Quarterly, an assessment of the quality shall record the progress towards achieving key outcomes.
- A record of the programs will be prepared in ATLAS and updated by the UNDPU to facilitate the follow-up and solution of potential problems or requests for changes.
- Based on the initial risk analysis a record of the risks will be prepared in Atlas and updated regularly by checking the external conditions that may affect the implementation of the project.
- Based in the previous information registered in ATLAS and in the information collected in the follow up meetings held, an Advance Quarterly Report will be presented by the Project Coordinator to the Board of the Project through the Warrantor of the Project, using the available standard format.
- A record of lessons learned will be activated in Atlas and regularly updated to ensure learning and adaptation within the organization and to facilitate the preparation of the report on lessons learned at the end of the project.
- A Monitoring Plan will be activated in ATLAS and updated to follow up the management actions and key events.

Annually

- An annual review report will be prepared by the Project Coordinator with assistance from the Social and Economic Inclusion Unit and shared with the Project Board. As a minimum requirement, the Annual Review Report shall contain the standard format with updated information of each element of the quarterly report and a summary of the results achieved in the pre-defined in the annual goals and product level.
- **Annual Review of the Project.** Based in the previous report, an annual review will be carried out during the fourth trimester of the year or as soon after the end of it to review the performance of the Project and the Annual Plan (AWP) for the following year. This review is driven by the Board of the Project and can involve other partners as required. It will focus in the progress of the products and that the same are aligned to the appropriate effects.
- **Acquisition Plan:** Is of the responsibility of the associate in implementation, to prepare an annual acquisition plan with the purpose of programming biddings (goods and services) which will take place in the framework of the project.

VII. AUDIT OF THE PROJECT

The Contribution will be subject exclusively to the procedures of internal and external audit provided in the financial regulations, norms, policies and procedures of the UNDP. If the Annual Audit Report presented by the Board of Auditors of the United Nations to the rector organism of the UNDP includes observations related to the

Contribution, the country office will have this information available to the Donor.

VIII. LEGAL CONTEXT

This document together with the CPAP signed by the Government and the UNDP which is incorporated as reference, constitute the Project Document which is mentioned in the Standard Basic Assistance Agreement (SBAA), and all the stipulations of the CPAP apply to this document.

The UNDP through its Program Unit and the Consulting and Services Center, guarantees on one hand the cost-effectiveness due to the high level of professionalism of its human resources and the management by results and on the other hand will guarantee flexibility and quickness in the acquisition process and the contracting of suppliers and contractors.

IX. ENCLOSURES

IX.1: RISKS ANALYSIS

#	Type of Risks	Description and Type of Risks	Probability/Impact	Control Measures
1	Strategically	That the Dominican Government does not appropriate or use the Multidimensional Poverty Index as planned.	Low / High	Establish a discussion mechanism and inter-institutional validation that will not only assure the knowledge of the tools by the institutions related to the measurement of poverty in the country but that will also promote a possible implementation of the IPM in a coordinated manner.
2	Financially	That does not have in a timely manner the necessary resources for the execution of the activities of the Project.	Low / High	The resources have already been identified and compromised.

IX.2: CPAP.

Please download the document in the link:

http://www.do.undp.org/content/dam/dominican_republic/docs/marcolegal/UNDP_do_progpais12-16.pdf

IX.3: Justification of the identification of the Poverty and Human Development Initiative of the University of Oxford (OPHI) as a Responsible Party of the Project.

Poverty and Human Development Initiative, University of Oxford (OPHI) is an economic research center in the

Department of International Development of the University of Oxford. The Centre was established in 2007 and is led by Sabina Alkire.

OPHI aims to build and advance a more systematic methodological and economic framework for reducing multidimensional poverty, grounded in the values and experiences of the people. OPHI works for:

- **Expanding the measurement of poverty.** OPHI develops and implements multidimensional measures of poverty, welfare and inequality. These measures go beyond traditional approaches of a single dimension and includes dimensions such as health, education, standard of living, quality of work and more innovative dimensions.
- **Improving data on poverty.** OPHI has developed tools to measure five missing dimensions in poverty data that are valued by the poor, but have been overlooked in great measure in the international poverty studies to date: the quality of work, empowerment, physical safety, the ability to live without shame and psychological wellbeing.
- **Capacity building.** OPHI offers academic and technical training programs in multidimensional poverty and human development, and collaborates with universities, development agencies, government and other research institutions and political leaders who use our work.
- **Influence in policies.** The methodologies developed by OPHI have been adopted by top political leaders, including national governments and the Human Development Report of the United Nations Development Program.

OPHI's work is based on the capability approach of Amartya Sen and works to implement this approach by creating real tools as a basis for the formulation of public policies aimed at reducing poverty.

In this sense, the OPHI team is involved in a wide range of activities and collaborations around the world, including survey design and testing, collection of quantitative and qualitative data, training and mentoring, and providing advice to political leaders. Also, OPHI performs a series of seminars and workshops and organizes special events with key figures.

The institution is advised by Sudhir Anand, Sir Tony Atkinson and the professor and Nobel in Economy Amartya Sen. Also arises from the Association of Human Development and Capability (HDCA), which still plays an active part.

In view of the above, it is of vital importance to the Vice President of the Republic to have the training and technical assistance OPHI in the process of defining and appropriation of a multidimensional methodology for measuring poverty for the Dominican Republic. This is so because the same tool, ie, the IPM has been developed through the collaboration of OPHI, who are part of the initiative since its conception. And not only are the pioneers in the conceptualization of this indicator but successfully, now made practical applications of multidimensional poverty methodology in different countries and regions and for different purposes. These practical applications of the IPM has been made in:

- Latin America: Brazil, Chile, Colombia, El Salvador, México, Uruguay and the countries of the Eastern Caribbean.
- Africa: Nigeria, Rwanda, South Africa
- South Asia: Bhutan, Bangladesh and India.
- China, Filipinas, Malaysia, Vietnam

Therefore, to Dominican Republic is of paramount importance to take advantage of the vast experience of this international body which substantially increase the efficiency of the identification of the population in poverty, the

definition of public policies, improving existing programs and monitoring the impacts of social policy.

Enclosure 2

DESCRIPTION OF THE ACTIVITIES

Project No. 00083852: **“Design of a methodology for the measurement of the multidimensional poverty in the Dominican Republic for the formulation of the social public policies”**

The results which must obtain and the tasks that must execute the Oxford Initiative on Poverty and Human Development (OPHI) are as follows:

The contract will require the delivery and development of the following products and activities:

Product 1. Document with the new format for the use of SIUBEN in the recollection of the database for the measurement of the multidimensional poverty in the Dominican Republic.

Proposed Activities for this product:

- a. Workshop with the involved actors to build language and common purposes.
- b. Selection of the person with the technical capacity to carry on a detailed recount of the normative decisions.
- c. Review of the dimensions and indicators of the current questionnaire.
- d. Review of the new indicators and dimensions.
- e. Consultancy for the pilot surveys and possible studies of checkup qualitative cases.
- f. Consultancy in the results of the pilot studies for the definition of the final questionnaire.

Product 2. Methodological document to systematize the choices made for the construction of multidimensional measurement of poverty in Dominican Republic and strengthening the capacities of the teams responsible for implementation.

Proposed Activities for this product:

- a. Technical support to design the IPM methodology.
- b. Design of the threshold of the indicators.
- c. Design of the weight assigned to each indicator.
- d. Comparative analysis to contrast the definition of dimensions, weights and thresholds to literature and existing case studies.
- e. Design of a multidimensional poverty index for targeting
- f. Disaggregated by rural and urban areas, geographic areas, gender, among other population groups.
- g. Suggestions on analysis results, including changes for different periods of time.
- h. Technical Verification of the measurement technique.

- i. Robustness
- iii. Sensitivity Test
- iii. Development of alternative measures and definition of the final measurement.
- i. Ongoing technical assistance via conference calls and regular visits

Product 3. Explicatory document containing the communication strategy for the presentation of the Dominican IPM.

Proposed Activities for this product:

- j. Communication strategy for the presentation of the index.
- k. Political and Technical Strategies.
- l. Planning and execution of the presentation event.
- m. Oxford validation of this initiative.
- n. Communication Strategy after the presentation with immediate follow up.

Product 4. Report on the investigation of the reality of poverty.

Proposed Activities for this product:

- o. Planning and execution of the field investigation

Description of inputs:

For the execution of this Project we will have the professional services of international consultants of the Oxford Initiative on Poverty and Human Development (OPHI). In the execution of the same, the following will take place:

- Workshop with all the involved actors
- Field visits
- Qualitative Investigation
- Trips
- Audiovisual and printouts

Enclosure 3

Calendar of Activities, Services and Payment

Year 2014

EXPECTED PRODUCTS OF THE PP And indicators, including annual objectives	SCHEDULED ACTIVITIES <i>Mention all the activities which will take place during the year to achieve the expected results</i>	Terms				Expected Budget		UNDP Calendar of Payments (USD)
		Q1	Q2	Q3	Q4	Budgetary Description (USD)	Total Amount of the Item (USD)	
<p>Multidimensional Poverty Index Designed and officially incorporated in the institutional structure to inform decision-making on Social Policies aimed at reducing poverty.</p> <p>Baseline: - There is no Multidimensional Poverty Index nationwide.</p> <p>Indicators: - IPM Creation nationwide.</p> <p>- Number of trainings received by the public institutions on the methodology of measurement of the multidimensional poverty.</p>	<p>1.1 Technical Assistance to build a new questionnaire for the use of SIUBEN in the recollection of the database for the measurement of the multidimensional poverty in the Dominican Republic.</p> <p>1.2 Technical assistance to prepare a methodological document to systematize the choices made for the construction of multidimensional measurement of poverty in Dominican Republic and strengthening the capacities of the teams responsible for implementation.</p>				X	OPHI International Consultants	70,000	50,000
						OPHI International Consultants	145,000	-

<p>- Incorporation of the IPM as a tool to prioritize the interventions to the social protection policies.</p>	<p>1.3 Technical assistance to prepare an explicatory Document containing the communication strategy for the presentation of the Dominican IPM.</p>		X	OPHI International Consultants	41,924	5,000
<p>Goals: -Dimensions of the Methodology of Poverty chosen, agreed and applied. - Capacities of the government institution strengthen in the calculation and application of the national IPM. - The IPM be a tool used by the SIUBEN and other institutions for the prioritization of its interventions.</p>	<p>1.4 Report on investigation of the reality of poverty in the Dominican Republic.</p>			OPHI International Consultants	50,000	-
			X	Total	306,924	55,000

Calendar of Activities, Services and Payment

Year 2015

EXPECTED PRODUCTS OF THE PP And indicators, including annual objectives	SCHEDULED ACTIVITIES <i>Mention all the activities which will take place during the year to achieve the expected results</i>	Terms				Expected Budget (USD)		UNDP Calendar of Payments (USD)
		Q1	Q2	Q3	Q4	Budgetary Description	Amount	Year 2
Multidimensional Poverty Index Designed and officially incorporated in the institutional structure to inform decision-making on Social Policies aimed at reducing poverty. Baseline: - There is no Multidimensional Poverty Index nationwide. Indicators: - IPM Creation nationwide. - Number of trainings received by the public institutions on the methodology of measurement of the multidimensional poverty. - Incorporation of the IPM as a tool to prioritize the interventions	1.1 Technical Assistance to build a new questionnaire for the use of SIUBEN in the recollection of the database for the measurement of the multidimensional poverty in the Dominican Republic.	X	X			OPHI International Consultants	70,000	20,000
	1.2 Technical assistance to prepare a methodological document to systematize the choices made for the construction of multidimensional measurement of poverty in Dominican Republic and strengthening the capacities of the teams responsible for implementation.	X	X	X	X	OPHI International Consultants	145,000	100,000

<p>to the social protection policies.</p> <p>Goals:</p> <ul style="list-style-type: none"> -Dimensions of the Methodology of Poverty chosen, agreed and applied. - Capacities of the government institution strengthen in the calculation and application of the national IPM. - The IPM be a tool used by the SIUBEN and other institutions for the prioritization of its interventions. 	1.3 Technical assistance to prepare an explicatory Document containing the communication strategy for the presentation of the Dominican IPM.	X	X	X		OPHI International Consultants	41,924	20,000
	1.4 Report on investigation of the reality of poverty in the Dominican Republic.	X	X	X	X	OPHI International Consultants	50,000	40,000
						Total	306,924	180,000

Calendar of Activities, Services and Payment

Year 2016

EXPECTED PRODUCTS OF THE PP And indicators, including annual objectives	SCHEDULED ACTIVITIES <i>Mention all the activities which will take place during the year to achieve the expected results</i>	Terms				Expected Budget (USD)	UNDP Calendar of Payments (USD) Year 3
		Q1	Q2	Q3	Q4		
Product 1: Multidimensional Poverty Index Designed and officially incorporated in the institutional structure to inform decision-making on Social Policies aimed at reducing poverty.	1.1 Technical Assistance to build a new questionnaire for the use of SIUBEN in the recollection of the database for the measurement of the multidimensional poverty in the Dominican Republic.					Budgetary Description OPHI International Consultants Amount 70,000	

<p>Baseline: - There is no Multidimensional Poverty Index nationwide.</p> <p>Indicators: - IPM Creation nationwide.</p> <p>- Number of trainings received by the public institutions on the methodology of the measurement of the multidimensional poverty.</p>	<p>1.2 Technical assistance to prepare a methodological document to systematize the choices made for the construction of multidimensional measurement of poverty in Dominican Republic and strengthening the capacities of the teams responsible for implementation.</p>	X	X	X	X	OPHI International Consultants	145,000	45,000
<p>- Incorporation of the IPM as a tool to prioritize the interventions to the social protection policies.</p>	<p>1.3 Technical assistance to prepare an explicatory Document containing the communication strategy for the presentation of the Dominican IPM.</p>	X	X	X	X	OPHI International Consultants	41,924	16,924
<p>Goals: - Dimensions of the Methodology of Poverty chosen, agreed and applied. - Capacities of the government institution strengthen in the calculation and application of the national IPM. - The IPM be a tool used by the SIUBEN and other institutions for the prioritization of its interventions.</p>	<p>1.4 Report on investigation of the reality of poverty in the Dominican Republic.</p>	X	X	X	X	OPHI International Consultants	50,000	10,000
						Total	306,924	71,924

Note:

- The expenses of the services in concept of personnel could be limited to salaries, allowances and other benefits, including reimbursement of income tax and travel expenses from the date of hire for the project, official travel within the country or region covered by the program and repatriation costs.
- Settings can be typed in each section after consultation between UNDP and Oxford Initiative on Poverty and Human Development Initiative (OPHI), provided that such adjustments are consistent with the provisions of the Support Document Program or Project Document and if it is determined that they are in favor of the project.

Enclosure 4

MODEL OF THE EXPENSE REPORT OF THE UNDP

Period _____

EXPECTED PRODUCTS OF THE PP And indicators, including annual objectives	SCHEDULE D ACTIVITIES <i>Mention all the activities which will take place during the year to achieve the expected results</i>	Expected Budget		Payment and Expenses		
		Budgetary Description	Amount	Payments Received	Expenses	Balance
		Total				