

Country Programme Action Plan (CPAP) 2006 - 2009

Agreed by

**The Government of Grenada
and
The United Nations Development Programme**



The Framework

The Government of Grenada (hereinafter referred to as “the Government”) and the Sub-regional Office of the United Nations Development Programme for Barbados and the OECS (hereinafter referred to as “UNDP”) are in mutual agreement on the content of this document and their responsibilities in the implementation of the Country Programme.

Furthering their mutual agreement and cooperation for the realisation of the Millennium Development Goals (MDGs) and the United Nations Conventions and UN Summits to which the Government and UNDP are committed, including: the International Covenant on Civil and Political Rights, the International Covenant on Economic and Social Rights, the Convention against Torture, the Convention on the Rights of the Child, the Convention on the Elimination of Discrimination Against Women; the Convention of the Elimination against All Forms of Racial Discrimination, United Nations Conference on Environment and Development; UN Framework Convention on Climate Change; Convention on Biological Diversity; the Millennium Declaration; The Kobe World Conference on Disaster Reduction; the Mauritius International Meeting to Review the Implementation of the Programme of Action for Sustainable Development of SIDS; the UN General Assembly Special Session on HIV/AIDS; and the World Summit on Sustainable Development;

Building upon the experience gained and progress made during the implementation of the previous Sub-regional Programme (2001-2004);

And entering into a new period of cooperation through the present Sub-regional Programme (2005-2009);

The parties declare that these responsibilities, which are further specified in this Country Programme Action Plan (hereinafter, “CPAP”), will be fulfilled in a spirit of close cooperation, and have agreed as follows:

Part 1. Basis of Relationship

- 1.1 Whereas the Government and UNDP entered into a basic agreement governing UNDP’s assistance to Grenada, namely the Standard Basic Assistance Agreement (hereinafter, “SBAA”), which was signed by both parties on 17 May 1976, this CPAP, together with agreed Annual Work Plans (hereinafter, “AWPs”) concluded hereunder and annexed to this CPAP, constitute together the project document as referred to in the SBAA.
- 1.2 Some operations carried out by UNDP in the country will additionally be covered by separate project documents when these are required by particular funding agencies and/or other partners, for example, projects funded by the Global Environment Facility.

Part 2. Situation Analysis

2.1 Grenada is a small tri-island state in the Eastern Caribbean with a population of 102,000, of which 9,000 live on the two sister islands of Carriacou and Petite Martinique, and a per capita gross national product of US\$7,959. Grenada's ranking on UNDP's Human Development index in 2005 is 66. Grenada is a member of the Organisation of Eastern Caribbean States (OECS), which includes as well Anguilla, Antigua and Barbuda, the British Virgin Islands, the Commonwealth of Dominica, Montserrat, St. Lucia, and St. Kitts and Nevis, and St. Vincent and the Grenadines, and also of the Eastern Caribbean Currency Union. It is a small open economy that is vulnerable to external shocks and natural disasters as seen by the effects of 9/11, Hurricane Ivan, which devastated the economy in 2004, and most recently Hurricane Emily, which struck in 2005.

2.2 Following a contraction in economic activity of 0.4% in 2002, the Grenadian economy recovered and registered a positive growth rate of 5.7% in 2003 fuelled by expansion in the hotels and restaurants, transportation, construction, and wholesale and retail trade sectors. The Central Government finances recorded positive current account balances and in 2003, a current account surplus of 38.5m (3.4% of GDP) and an overall deficit of \$57.5m or 4.9% of GDP was recorded. In this scenario, the total disbursed outstanding debt of the Central Government was over 83% of GDP. Projections prior to Hurricane Ivan estimated the economy to grow by 4.7% in 2004, the current accounts deficit to contract by 1.5%, and the economy was expected to grow at a rate of 5% between 2005 and 2007.

2.3 Grenada's economic outlook and social development profile changed dramatically, however, when Hurricane Ivan struck in September 2004, bringing major disruption to an economic recovery process, which had seen the island return to positive economic growth, and improvements in the fiscal and balance of payments situation. Hurricane Emily followed only 10 months later, virtually completing the trail of destruction started by Ivan. The hurricanes impacted on every sector of the economy and society with devastating force. In both the economic and social sectors, the capital stock was severely damaged bringing the overwhelming majority of income, employment, and foreign exchange activities to a halt. Ninety percent of the nation's housing stock was damaged or destroyed after Ivan, with further destruction after Emily; and there was serious damage to the nation's environmental health. Assessment of the damages from Hurricanes Ivan and Emily by Grenada's Agency for Reconstruction and Development and the Ministry of Finance was set at US \$1.2 billion, representing over 250% of the country's GDP.

2.4 The social impact of Hurricanes Ivan and Emily is perhaps their most troublesome legacy. Prior to the hurricanes, the poverty rate in Grenada was estimated at 32% in 2002, with extreme poverty standing at 12.9%. Following the hurricanes, the already fragile situation of a number of vulnerable groups was further endangered. Preliminary estimates of a Core Welfare Indicator Survey conducted by the UNDP after Hurricane Ivan from April – June 2005 reveal an intensification of poverty, especially among women, children, and the elderly, related to unequal or very limited access to resources and unemployment of over 17%, up from 12.1% in 2004. Despite Grenada's high HDI rank and its categorisation as an upper middle-income economy, unless deliberate state and external intervention are undertaken, Grenada may drop out of this category and the country's social gains up to 2003 may be reversed.

2.5 Looking ahead over the medium-term, the government must strive to achieve its broad goal to return the economy to a path of sustained economic growth in the midst of macroeconomic stability and poverty reduction. Achievement of this goal will depend on the ability of the country to mobilise domestic and international resources to finance its reconstruction and development programme; and the readiness of Grenada to take advantage of the opportunities and minimise the negative challenges presented by globalisation. Building on the existing Interim Poverty Reduction Strategy Paper (IPRSP), the forthcoming Poverty Reduction Strategy Paper (PRSP) will detail some of the actions that need to be taken, and will also set national development goals and targets (similar to the global Millennium Development Goals (MDGs) for the short, medium, and long-term. The Government will have to ensure that this important goal-setting is accompanied by the establishment of a monitoring system to measure the extent to which the goals are being achieved.

2.6 Reconstruction activities also need to continue to focus on generating employment, paying particular attention to special categories such as women, especially single heads of households, and young people. Other reconstruction priorities include continued efforts to mainstream disaster risk reduction into economic and development planning; emphasis on rehabilitation schools and human resource development to prepare the country for its insertion into the global knowledge economy; reversing the psychological trauma experienced by the society as a whole, and children in particular; and rebuilding the physical infrastructure with emphasis on completing the general hospital and upgrading other health facilities, and re-housing the population as quickly as possible.

2.7 There is also need for more formal integration of gender analysis into national policies and plans. Very few if any programmes are designed to improve gender equity and equality. Gender disparities in economic power sharing contribute to poverty and have serious implications for the high number of poor female-headed households. In addition, women's involvement in the informal sector, heightened after the recent hurricanes, and the contribution of their unpaid labour to the national economy continue to be ignored because of a lack of gender analysis of macro-economic policies.

2.8 Finally, there is a need to deepen dialogue processes for effective democratic governance and to focus on constitutional reform, judiciary and local government strengthening, and on making government more responsive and accountable. While the recent Core Welfare Indicator Survey, referred to above, and the planned Country Poverty Assessment for 2006 are steps in the right direction, better information systems are needed to provide accurate and timely information for decision makers and the population and to facilitate greater participation of citizens in community and national decision-making.

2.9 Grenada is in the process of preparing a National Strategic Development Plan, which will become the main instrument of the government to promote socio-economic recovery and long-term sustainable human development.

Part 3. Past cooperation and lessons learned

3.1 The first Sub-regional Cooperation Framework 2001-2004 (SCF) for the OECS and Barbados was formulated to address the priorities of (a) sub-regional cooperation and integration, (b) social policy and development planning; (c) capacity development; and (d) employment creation. Gender, environmental management and HIV/AIDS were crosscutting programming issues. Support

provided at the sub-regional level reflected national priorities of Grenada, as the priority areas of focus would have been identified through the ministerial mechanism of the OECS.

3.2 Informed by interrelated national, regional and international policies, programmes and activities, such as national budgets, medium term economic strategy papers, the MDGs, and various international sustainable development agreements – including Agenda 21 and the Barbados Programme of Action (BPOA) – the Sub-regional Office for Barbados and the Eastern Caribbean (hereinafter, “SRO”) supported the formulation of the OECS Development Charter and Strategy as a sub-regional policy framework for OECS Member States. This was a significant outcome, which strengthened sub-regional planning, prioritisation, and policy articulation capacities.

3.3 For the environmental sector, this capacity was enhanced through the implementation of national enabling activities to facilitate the fulfilment of commitments under respective multilateral environmental agreements (MEAs). Grenada also completed its Interim PRSP with UNDP support.

3.4 The need to build capacity for effective systems to manage development assistance was addressed by UNDP-funded reviews of aid coordination systems. The main outcomes of the activities supported by this component of the SCF during the review period, included:

- a) Development of an enhanced Information and Communications Technology (ICT) skills base through training of personnel at the OECS Secretariat;
- b) Preparation of a comprehensive report on the progress of implementation of the BPOA in the OECS, as part of the sub-region’s preparatory activities for the (Barbados + 10) Mauritius Meeting held in January 2005;
- c) Support for updating and promoting the overarching objectives of the OECS Development Charter and Strategy as key development policy instruments that facilitate the sustainable use of physical, financial and human resources; and
- d) Support for a study on the regionalisation of the OECS Prison Service (a related area of support).

3.5 Since the review, UNDP also has supported the development of a Donor Coordination Database to assist the Government of Grenada to more effectively plan for and monitor progress of its recovery from Hurricanes Ivan and Emily, which devastated the country in September 2004 and July 2005, respectively.

3.6 The major outcome of the poverty eradication and social sector development programme was the establishment of a social policy unit for the coordination and management of social development projects. Other outcomes include:

- a) Enhanced capacity of Grenada and other OECS Member States in the formulation of national poverty reduction strategies, including IPRSPs;
- b) Production of an IPRSP for Grenada in 2004;
- c) Formulation of the first OECS Human Development Report and the establishment of a baseline for human development in the sub-region;
- d) Established donor coordination support of UNDP interventions through the framework of the Poverty and Social Sector Development Donor Coordinating Group;
- e) Policy level support complemented by focused assistance inputs on community development and empowerment, including emphasis on ICT and skills training, education and income generation and employment; and

- f) A framework for micro-enterprise development, through the CIDA co-funded Micro-Start Project, which was piloted in Grenada, and also in St. Kitts and Nevis and St. Vincent and the Grenadines.

3.7 Risk reduction and disaster management was not identified as one of the programme areas in the 2001-2004 SCF. However, UNDP supported the development of a *comprehensive approach for disaster management in the Caribbean*, which sought to reduce vulnerability to loss of life and property damage in the Caribbean by embedding the approach as a viable strategy for disaster management; by strengthening the Caribbean Disaster Emergency Response Agency (CDERA; www.cdera.com) to implement the strategy at the regional level; and by building support at the national level.

3.8 A second initiative is supporting *the Search and Rescue capability of CDERA* with the provision of basic search and rescue equipment and training to the beneficiary states, including Grenada, as well as enhancing the coordinating capacity of CDERA. This project is funded by the United Nations Trust Fund for Human Security (www.mofa.go.jp/policy/human_secu/t_fund21/fund.html). The *Caribbean Risk Management Initiative*, which started in 2004, focused on managing and reducing risks associated with natural, environmental and technological hazards, particularly within the larger context of global climate change.

3.9 These initiatives complement the *Caribbean Disaster Mitigation Project*, which supports improving community preparedness, hazard assessments, risk mapping and vulnerability audits of lifeline infrastructure, hazard-resistant building practices, and linking property insurance to the quality of construction in all the countries in the sub-region.

3.10 Lessons learned include the need to apply new modalities to address capacity constraints in the development planning systems and processes in Grenada and the other OECS countries, especially in the formulation and implementation phases of macro-level policy. There is a general lack of integration between the economic, social and environmental aspects of planning, as well as between the national and sub-regional dimensions. There is also insufficient integration of the gender perspective in national policies and planning. The absence of appropriate, effective decision-support systems has affected the ability of planners to make informed policy recommendations and has inhibited civil society engagement in meaningful policy and development dialogue.

3.11 Interventions during the review period highlighted the need for an analytical framework that addresses long-term issues such as the structure, scope, and substance of poverty reduction; social development; and comprehensive disaster management strategies. UNDP will continue to combine its support of a mix of regional and national inputs with macro-level support that ensures that social policy is included in the formulation of macro-economic and environmental policies.

Part 4. Proposed programme

4.1 The Sub-regional Common Assessment (hereinafter, "SRCA") provides an overall review and analysis of the socio-economic situation in Barbados and the OECS. The SRCA was developed in 2004, and drew on a various data sources, including the most recent and available national statistics, research reports, the Progress Report on the Millennium Development Goals in the OECS (2004), poverty assessments, and Poverty Reduction Strategy Papers (PRSPs) and Interim PRSPs prepared for the Windward Islands, including Grenada, St. Lucia, and St. Vincent and the Grenadines. Reference was also made to the OECS Human Development Report (2002), the OECS Development Charter, and several UN documents. The major challenges analysed in the SRCA were identified and prioritised in a participatory process, with the UN Agencies for Barbados and the OECS.

4.2 UNDP's Sub-regional Programme Document (hereinafter, "SPD") for Barbados and the OECS is based on the SRCA. The UNDP Executive Board approved the SPD in June 2005. The comments of the Executive Board were incorporated and the final SPD posted on the UNDP website at <http://www.undp.bb.org>. In preparing the CPAP, which links the outcomes and outputs in the SPD, the SRO worked closely with the Government, particularly the main focal point for UN agencies, namely the Ministry of Finance and Planning, as well as with other Government ministries and institutions, the Agency for Reconstruction and Development, prospective civil society partners, the private sector, the University of the West Indies, and other UN agencies and international development partners. An initial meeting was held with the Ministry of Finance and Planning to start the CPAP preparation process. This was followed by a national consultation with the Ministry of Finance and Planning, other government ministries and institutions, and civil society organizations, among others; potential partners to be involved in implementing components of the programme and/or in contributing towards the outcomes of the SPD. The CPAP document was later reviewed and completed by the Ministry of Finance and Planning and UNDP and approved after final consultations.

4.3 The SRCA identifies key challenges for Grenada in (1) diversifying its economy and stimulating economic growth; (2) improving the quality and availability of data for effective policy making and development planning; (3) developing the human resources; and (4) increasing national capacity to efficiently manage development programmes and projects. After Hurricane Ivan, the main challenge of Grenada has become economic recovery, the reconstruction of its public infrastructure and housing, and the rehabilitation of livelihoods of the poor population.

4.4 The UNDAF process has influenced the preparation of the SPD and the CPAP. UN agencies, taking into account the SRCA and the UNDAF matrices, which reflect the development priorities for the sub-region as seen by the UN System, have agreed six areas for joint action between 2006 and 2009. These are: (1) Integration of MDGs in the planning framework; (2) Data collection, information sharing, and capacity building; (3) HIV/AIDS; (4) Youth Development; (5) Food Security; and (6) Disaster Preparedness and Risk Reduction.

4.5 The SPD reflects the contributions of UNDP and its associated funds, United Nations Volunteers and United Nations Fund for Women, towards the 13 outcomes agreed by the Governments of Barbados and the OECS member countries and UN agencies. In doing so, the SPD acknowledges that the development needs of Barbados and the OECS are not homogeneous and that sub-regional and national programme initiatives must therefore be balanced and strategic. The SPD relates UNDP's comparative advantages to national priorities, and is consistent with UNDP's corporate strategy, as agreed by its Executive Board in the Multi-Year Funding Framework (MYFF). It also attempts to mainstream a number of key crosscutting themes including strengthening civil society participation; capacity building; gender mainstreaming; human resource development in the public sector; and support to countries in the sub-region to work in a more integrated manner.

4.6 Of the 13 outcomes identified in the SPD, which UNDP will pursue in the period 2006 to 2009, eight are considered by Government and UNDP to be most relevant for Grenada. Generally, the outputs anticipated from UNDP's interventions up to 2009 are intended to improve Grenada's chances of achieving the MDGs and other key development priorities. This approach is designed to hasten the pace of development through strengthening national capacity

to develop national evidence-based plans, policies, and strategies to support implementation of the OECS Development strategy, which integrates the MDGs; implementation of governance tools and approaches to deepen improved monitoring and evaluation, and hence improved strategic planning and implementation, at both the national and regional levels; promoting development of systems and institutions of governance; enhancing people's involvement in determining development directions; and enhancement of national capacities to respond to disasters and to stimulate emergency recovery initiatives.

4.7 SP Outcome 1: "Governance Tools: Multi-stakeholder dialogue, sport and cultural development, public information targeting youth, women and communities established and local representative democracy enhanced with increased participation of women". The SPD expects UNDP to generate three outputs that will contribute to this outcome:

- a) Establishment of a secretariat to support institutionalising existing national multi-stakeholder dialogue mechanisms;
- b) Additional Public Information Programmes and Resource Centres created to increase information sharing and access to global, regional, and national development programming; and
- c) Gender mainstreaming implementation plan approved based on the national gender policy.

4.8 The SRO will support the achievement of these outputs through the provision of guidance for the design and definition of operational modalities for the secretariat, and of capacity building support to improve multi-stakeholder dialogue methodologies currently being employed in Grenada in order to broaden and deepen civil society participation. The SRO also will provide access to the technical and advisory resources of UNDP's Democratic Dialogue Regional Project, which seeks to support conflict management, consensus-building, and strengthened democratic participatory governance to ensure the maintenance and promotion of good governance and the implementation of development agendas undertaken by the Government of Grenada. In addition, the SRO will assist the Government to expand the functions of the Community Internet resources Centres, which UNDP is establishing with support from the French Government, to increase information sharing and access to global, regional, and national development information. Gender mainstreaming will be an important objective of UNDP interventions. In particular, UNDP will support capacity building of the staff of the Gender Unit of the Ministry of Social Development to enable them to effectively support the work of a consultant who will be hired to formulate the gender mainstreaming implementation plan, based on the national gender policy that has already been developed with UNIFEM support.

4.9 SP Outcome 2: "Public Sector Modernisation and OECS Economic Union strengthened by HRD, ICT inputs, public/private dialogues, as well as enhanced support to transparency and accountability programmes". The SPD identifies six outputs supported by UNDP (regional multi-donor projects funded CARICAD and CARTAC) to contribute to this outcome:

- a) Support the formulation of the National Strategic Development Plan with the Agency for Reconstruction and Development (ARD), with reference to Public Sector Reform;
- b) Capacity building of the Department of Human Resources, to include distance learning and communication support inputs to enhance public sector performance, and to support efficient service delivery starting with citizens' charters;

- c) Legislative reform/drafting of the Anti-Corruption and Public Service Acts.
- d) Improved macro-economic, fiscal, public finance, and debt management;
- e) Improved financial sector regulation and supervision, revenue policy formulation and effective revenue administration, including issues related to the introduction of VAT reform of the tax consumption system, and modernisation of the customs operations;
- f) Improved the capacity to collect, process, analyse, and publish economic statistics, and countries' capacity to undertake macroeconomic projections and policy analysis.

4.10 The development of a National Strategic Development Plan (NSDP) is a new venture for Grenada. UNDP will support the ARD, which has been given the mandate to lead this process, working together with other major actors, such as the Ministry of Finance, and other agencies that play a role in central, sectoral, and special planning. Specifically, UNDP will assist in defining the overall approach to developing the NSDP, ensuring that four key axes required to develop the plan are in place. These include definition of a strategic planning framework to identify the core values, vision elements, strategic priorities, organising principles and parameters for the NSDP and the processes for developing it, and a framework and processes for integrated technical planning, participatory area-based planning, and for integration of the technical and area-based components. A significant component of UNDP's assistance for developing the plan also will involve capacity building at the community, parish and national levels.

4.11 UNDP's capacity building support also will extend beyond the development of the NSDP to strengthening the Department of Human Resources. Human resource development, and with special attention to youth, is key to the long-term economic and social sustainability of Grenada. Innovative techniques, including distance learning will be encouraged and support provided to public sector workers to boost their capacity for efficient service delivery.

4.12 To encourage increased transparency and accountability, UNDP will provide technical assistance for the development of anti-corruption legislation and reform of legislation governing public service acts. To speed implementation, UNDP will look at options for outsourcing some of the legislative drafting functions, while paying due attention to the need for continued capacity strengthening in this area.

4.13 The SRO will support the production of the latter three outputs through the provision of capacity building support through the multi-donor programming modality. This modality was used to successfully implement and establish the Caribbean Regional Technical Assistance Centre (CARTAC <http://www.cartac.com.bb/>) as a regional resource, based in Barbados, delivering technical assistance and training in core areas of economic and financial management at the request of its participating countries. The CARICOM Council of Ministers of Finance and Planning (COFAP) took the decision to establish the Centre in September 1999, which became operational in November 2001, facilitated by a UNDP cost-sharing project. A similar initiative is proposed to support Public Sector Modernisation, building capacities of the existing regional agency, CARICAD <http://caricad.net/>

4.14 SP Outcome 3: “Developed capacity to monitor, formulate, and implement policies and strategies in poverty and social development”.¹ From the outputs identified in the SPD in its poverty related outcomes, seven apply to Grenada and are elaborated more precisely as follows:

- a) MDGs integrated into the PRSP and other planning and reporting frameworks;
- b) Establishment and operationalisation of a comprehensive poverty and MDG monitoring system, with enhanced human capacity in the public sector and academia in data collection, analysis, monitoring and evaluation of social phenomena;
- c) New market opportunities identified to reduce poverty and income loss focusing on vulnerable groups through participation in agriculture diversification programmes; and
- d) Three community centres equipped to provide access to internet, and ICT skills training to improve employment opportunities for the rural poor;

4.15 To help achieve these outputs, UNDP will ensure that participatory approaches are embedded in all activities. In supporting the integration of the MDGs into Grenada’s planning and reporting framework and processes, traditional knowledge will be valued, gleaned from multi-level consultation with stakeholders across the board through the establishment and operationalisation of an Advisory Task Force with clear and transparent governance arrangements representing all sectors of society and a role in the monitoring and evaluation of social policy. To this end, the role of the National Advisory Council for Reconstruction and Development and the Multi-partite Committee also will be strengthened. Importantly, poverty reduction will be closely linked with disaster risk reduction activities, using the community vulnerability and capacity assessments, six of which have already been conducted with UNDP support, as a primary instrument to identify appropriate community responses to address the challenges of poverty and disaster risk reduction. Further, an enabling environment for victim support and reporting of HIV-AIDS, rape, and violence will be built in the context of respect for privacy, in support of improving the living conditions of this vulnerable group.

4.16 Grenada’s lack of a comprehensive social policy and a systems approach for data collection, together with weak capacity for data analysis has been a persistent challenge. UNDP will assist Government to institutionalise data collection within various institutions as a key public sector reform initiative, recognising that social development is organic and that constant updating is essential. Data sets, statistics, and approaches will be harmonised to reduce duplication of effort and to enable comparisons at the regional and global levels.

4.17 To support the identification and development of new market opportunities for reducing poverty and income loss, UNDP will assist government efforts to decentralise services and investment country-wide and to expand access to remote communities thereby enabling their development. Special focus will be placed on vulnerable groups, including young people. New development and economic diversification initiatives also will be linked to the country’s national export strategy.

¹ While the wording used in this CPAP may differ somewhat from that used in the RRF of the sub-Regional Programme Document in order to gain more precision and specificity in outcomes and outputs as they relate to Grenada, the original intentions and spirit of the RRF are still fully reflected in this CPAP.

4.18 SP Outcome 4: “Sustainable management of the environment and natural resource incorporated into poverty reduction and national development framework.” From the outputs identified in the SPD, four apply to Grenada and are elaborated more precisely as follows:

- a) Environmental policies reviewed, existing policies rationalised, and new policies developed;
- b) Policy on environmental education across sectors developed and implemented;
- c) Environmental legislation enforced; and
- d) Capacity of environmental management partners improved. (e.g., CSOs).

4.19 The strategy to achieve production of these outputs will involve undertaking a major review of existing policies relating to management of the environmental resource, inclusive of broad-based consultations with all national stakeholders to involve the public in policy development, and to lay the foundation for broad public awareness on environmental policies and management of Grenada’s natural resource. In addition, UNDP will undertake a capacity assessment of the relevant agencies and carry out appropriate capacity building exercises to empower environmental agencies to execute their mandate.

4.20 SP Outcome 5: “More effective use of land resources and reduction in factors causing land degradation.” From the outputs identified in the SPD, one is most relevant for Grenada:

- a) Comprehensive land use policy and plan developed and implemented.

4.21 To achieve this outcome, UNDP will undertake a review of existing land use policy and support broad-based consultations with stakeholders in order to develop a land use plan for Grenada. Over the period, attention also will be paid to improving coordination and collaboration among relevant Government departments and civil society organisations in order to improve monitoring and enforcement. Support also will be provided for the establishment of a mechanism for monitoring and enforcing the land use policy and plan that will be developed.

4.22 SP Outcome 6: “Reduce threat to biodiversity and proliferation of agriculturally important biodiversity”. From the outputs identified in the SPD, one applies to Grenada:

- a) National Biodiversity Strategy and Action Plan (NBSAP) implemented.

4.23 Grenada already has developed a NBSAP. In order to ensure implementation of the Strategy and Action Plan, and thereby reduce the threat to biodiversity, UNDP will continue to encourage and support government efforts to increase public awareness of the threats to, and importance of, biodiversity. UNDP will support capacity strengthening activities for the agencies responsible for implementing the NBSAP and also work with the Government of Grenada to source adequate financial and technical resources to support implementation of the NBSAP..

4.24 SP Outcome 7: “Enhanced regional and national capacities for disaster risk reduction associated with natural, environmental, and technological hazards within the broader context of climate change”. The SPD identifies five outputs for Grenada expected from UNDP to contribute to this outcome:

- a) Disaster Risk reduction policy mainstreamed at the national/sectoral/ community levels;
- b) Effectiveness of community training and preparedness initiatives evaluated;

- c) Local Area Plan developed from the draft Physical Development Plan and implemented in a pilot community (Soubise), using hazard mapping and other spatial information;
- d) Increased functional cooperation amongst land use and land management agencies; and
- e) Hazard mapping and other spatial information incorporated into the physical development process

4.25 For comprehensive disaster management, UNDP will assist Grenada in the application of mainstreaming tools largely through regional workshops and within other disaster risk reduction initiatives. An evaluation of community preparedness and awareness activities also will be led by the National Disaster management Agency (NaDMA) and the International Federation of the Red Cross (IFRC), with support from the UNDP in logistical and methodological arrangements and resource mobilisation, to enhance community adaptive capacities.

4.26 Further, the draft Physical Development Plan and available hazard mapping and other spatial databases will be utilised to develop a local area plan for a selected community. This will be an iterative process with the involvement of the community through stakeholder meetings and reviews of proposed plans, and the use of consultants for the planning and coordination activities. UNDP will support this activity through resource mobilisation and technical support. Additionally, the VCA process should assist in refining approaches to describing and reaching consensus on vulnerability at the community level. The government of Grenada is already beginning to address this issue with an e-government approach. The UNDP can assist this activity through its experience in managing cross cutting issues and there will be significant overlap with the governance and environment portfolios.

4.27 Finally, incorporation of hazard mapping into the physical development process will call for significant capacity building in the relevant agencies and particularly the Physical Planning Unit. UNDP can assist this process through the institutional assessment of the PPU and in the area of resource allocation and mobilisation.

4.28 **SP Outcome 8: “Enhanced national capacity for effective disaster recovery”.** The SPD identifies three outputs expected from UNDP to contribute to this outcome:

- a) Country disaster preparedness reviewed and related plans improved;
- b) Pilot district preparedness plan developed; and
- c) National and regional wellness strategy developed.

4.29 The UN Office for the Coordination of Humanitarian Affairs (OCHA) has agreed to support country disaster preparedness assessments. This will be implemented with the formal agreement of the government to identify where the most effective institutional support can be targeted. Addressing the capacity to meet psycho-social counselling needs in the post disaster phase calls for a two step approach. This will involve capacity building at the national and regional levels. Already the UN System has invested in this area through UNICEF and PAHO. UNDP will continue to prioritise this area for post-capacity disaster initiatives and work with the lead agency in coordinating the development of a national strategy.

4.30 Crosscutting Themes: The SPD attempts to mainstream a number of key crosscutting themes including: strengthening civil society participation; capacity building; gender mainstreaming; human resource development in the public sector; and support to countries in the sub-region to work in a more integrated manner. In the case of gender, a gender adviser has been retained to develop a Gender Mainstreaming Strategy and Guidelines for Integrating Gender into CPAPs for the SRO, and to participate in the CPAP development process. Government and UNDP staff thereafter will use the guidelines and action plan to guide their programme development and implementation to ensure that adequate account is taken of gender issues. Each cross cutting theme also has specific outputs expected from the programme by 2009. Special attention will be paid to gender mainstreaming in monitoring and mid-term evaluation of the programme. Steps will be taken to nurture synergies across outcomes in implementing the country programme. It is expected that annual reviews, monitoring and evaluation will systematically seek and identify evidence of the extent to which all the crosscutting themes have been effectively mainstreamed.

4.31 Annual targets and indicators for each output, as well as indicative resource allocations to each output by year, are detailed in the CPAP Results and Resources Framework (hereinafter, "RRF") in the Annex. In summary, resources are expected to be allocated as shown in the following table:

	Expected Outcomes	Regular Resources²	Other Resources³	Regional Resources⁴	Govt Cost Sharing	Total
1	Governance Tools: Multi-stakeholder dialogue, sport and cultural development, public information targeting youth, women and communities established and local representative democracy enhanced with increased participation of women					
2	Public Sector Modernisation and OECS Economic Union strengthened by HRD, ICT inputs, public/private dialogues, as well as enhanced support to transparency and accountability programmes					
3	Developed capacity to monitor, formulate and implement policies and strategies in poverty and social development					
4	Sustainable management of the environment and natural resource incorporated into poverty reduction and national development framework					
5	More effective use of land resources and reduction in factors causing land degradation					
6	Reduce threat to biodiversity and proliferation of agriculturally important biodiversity					

² Includes TRAC 1

³ Includes TRAC 2 & 3, cost-sharing, trust funds, GEF, UNAIDS and all other resources

⁴ Includes TRAC & cost-sharing. The figures depicted here are notional figures based on the average allocation per country under the regional project. In practice, it could be more or less.

	Expected Outcomes	Regular Resources ²	Other Resources ³	Regional Resources ⁴	Govt Cost Sharing	Total
7	Enhanced regional and national capacities for disaster risk reduction associated with natural, environmental and technological hazards, within the broader context of climate change					
8	Enhanced national capacity for effective disaster recovery					
	TOTAL	400				

Part 5. Partnership Strategy

5.1 The complexity and high cost of addressing the development challenges of Grenada compared with limited UNDP resources make sustained partnerships, donor coordination, and resource mobilisation critical to achievement of the country programme outcomes. The results targeted by the programme are ambitious and can only be achieved through close collaboration with Government, civil society, the private sector, UN agencies and other development partners. UNDP will leverage its proven technical leadership in poverty monitoring and analysis, social policy development, deepening civic/participatory dialogue processes, and constitutional support to build sustained and effective partnerships for resource mobilisation.

5.2 UNDP: UNDP will use its comparative advantage in brokering partnerships to mobilise resources and its advantages in political neutrality and as a locally trusted partner to implement directly particularly sensitive areas of the programme. UNDP will also make available to its partners the wealth of knowledge accumulated from its own experience as well as that of others through its network country offices. Where appropriate, UNDP (and its associated funds UNV and UNIFEM) may also implement selected components of the programme.

5.3 Government of Grenada: UNDP's key partner and stakeholder, as well as its primary client for building capacity, will be the Government – at both national and local levels. As most results expected from the programme will involve building capacity in government ministries and agencies, these institutions will, subject to minimum capacities being present, be the main implementing partners in the programme. This should ensure ownership and sustainability of results. The Ministry of Finance and Planning, as the Government's Coordinating authority for UN agencies including UNDP, will play a key role in the CPAP, providing overall policy direction and the lead in monitoring progress towards expected results.

5.4 The UN System: UNDP and other UN agencies that support the development agenda of Grenada are committed to develop the UNDAF to respond to the challenges that have been identified in the SRCA, and to manage their respective programmes so as to contribute to the outcomes expected from the UNDAF by 2009. Notably, the UN System has already agreed, even before finalisation of the UNDAF, to undertake joint programmes in six areas:

- (1) Integration of MDGs in the Planning Framework;
- (2) Data collection; information sharing and capacity building;
- (3) HIV/AIDS;
- (4) Youth Development;

- (5) Food Security; and
- (6) Disaster Preparedness and Risk Reduction.

Outputs in the first 5 areas will contribute to outcome 3, while outputs in latter area will contribute to outcome 7.

The Resident Coordinator will endeavour to mobilise resources for the UN system as a whole in working towards the UNDAF outcomes. Progress towards the UNDAF outcomes will be jointly monitored and evaluated by the UN country team and the monitoring and evaluation of UNDP's country programme will feed into and be guided by this process. Key UN partners for the UNDP programme include UNAIDS, UNICEF, UNFPA, PAHO/WHO, UNV, UNOCHA, FAO, ITU, and UNDP/BCPR.

5.5 Other donors: UNDP will closely coordinate its interventions with significant development partners in Grenada, such as the European Union, CDB, USAID, CIDA, and DfID, the French Government, and private foundations with a view to ensure consistency and maximise impact. Programme co-financing may be sought with some such partners.

5.6 Civil society: Recognising the pivotal role of civil society in deepening democratic governance in Grenada, the programme envisages important partnerships with civil society organisations including NGOs, CSO, academia, and others. Civil society organisations can serve as valuable partners in community mobilisation and community level interventions. Accordingly, civil society organisations, including both NGOs and community-based organisations, are expected to implement selected components of the programme.

5.7 Private Sector: UNDP will deepen its dialogue with private sector companies with a view to mobilising resources and other support for the programme. Some companies are beginning to view a "corporate social responsibility" in doing business and adhere to the principles of the Global Compact.

5.8 The following table lists potential partners in each of the above categories. Implementing partners for each programme output are identified in the annexed results and resources framework.

Key Partners in the Implementation of the UNDP Country Programme		
Government/Parastatals	Civil Society	UN System
Prime Minister's Ministry (NaDMA, PPU, CIMA, GIS)	Selected national NGOs and CBOs that have been formally registered with Government and that are operational. St. George's University T A Marryshow Community College Community Development Committees Parish Development Committees International Federation of the Red Cross Architect's Association Grenada Institute of Professional Engineers	UNDP UNICEF PAHO ITU FAO UNIFEM GEF OCHA
Ministry of Carriacou and Petit Martinique Affairs		
Ministry of Finance and Planning		
Ministry of Agriculture Lands, Forestry, Fisheries, Public Utilities and Energy		
Ministry of Communication Works and Transport		
Ministry of Education and Labour		
Ministry of Health, Social Security (National Insurance Scheme), the Environment and Ecclesiastical Relations	Regional Institutions	Other Donors
Ministry of Legal Affairs	CARICOM OECS CDERA CEHI	United States Agency for International Development (USAID) Canadian International Development Agency (CIDA) Department for International Development (DFID) World Bank Commission of the European Communities (EC) Caribbean Development Bank (CDB) Inter-American Development Bank (IADB) Grenada Relief Foundation
Ministry of Housing and Social Development	Private Sector	
Ministry of Sports, Community Development and Cooperatives	Grenada Chamber of Commerce	
Agency for Reconstruction and Development (ARD)		

Part 6. Programme Management

6.1 The programme will be nationally executed under the overall coordination of the Ministry of Finance and Planning, as the Government Coordinating Authority for UNDP. Government ministries, NGOs, UN agencies including UNDP itself will implement the programme activities. The AWP's describe the specific results to be achieved and will form the basic agreement between UNDP and each implementing partner on the use of resources. In the absence of signatures, expenditures cannot be initiated. To assist and facilitate the coordination, implementation and monitoring of the CPAP, an Operational Focal Point will be appointed by the Government of Grenada in consultation with UNDP. The Operational Focal Point will work under the supervision of the Permanent Secretary of the Ministry of Finance and Planning and he/she will liaise on the day-to-day operations with the various Implementing Partners, UNDP, and other relevant stakeholders.

6.2 In programme design and implementation, UNDP works closely with key partners. The country programme builds on the United Nations reform principles, especially simplification and harmonisation, by operating in line with the harmonised common country programming instruments such as the UNDAF results matrix, monitoring and evaluation, programme resources frameworks, the CPAP, and the AWP. To the extent possible, UNDP and partners will use the minimum documents necessary, namely the signed CPAP and signed AWP, to implement programmatic initiatives. However, when necessary, project documents would be prepared using, *inter alia*, the relevant text from the CPAP and AWP. UNDP will sign the project documents with partners to satisfy local requirements. In line with the new joint programme guidelines, the scope of inter-agency cooperation is strengthened to cultivate new programme and geographical convergence.

6.3 Atlas contributes to timely, efficient delivery of activities; and more effective financial monitoring will be used in the management of projects and the UNDP programme.

6.4 Under this programme, audits will be organised as an integral part of sound financial and administrative management and of the UNDP accountability framework. Audit observations/findings will be used together with monitoring, evaluation, and other reports to continuously improve the quality of the activities and of management.

6.5 Results of assessments of the capacity of Implementing Partners will be used to inform decisions on resource transfer.

6.7 Cash transfers for activities detailed in AWP can be made by UNDP using the following modalities:

1. Cash transferred to the national institution acting as Implementing Partner:
 - a. Prior to the start of activities (direct cash transfer), or
 - b. After activities have been completed (reimbursement).
2. Direct payment to vendors or third parties for obligations incurred by the Implementing Partners on the basis of requests signed by the designated official of the Implementing Partner.
3. Direct payments to vendors or third parties for obligations incurred by UN agencies in support of activities agreed with Implementing Partners

Where cash transfers are made to the national coordinating authority, this shall transfer such cash promptly to the Implementing Partner.

6.8 Direct cash transfers shall be requested and released for programme implementation periods not exceeding three months. Reimbursements of previously authorised expenditures shall be requested and released quarterly or after the completion of activities. The UNDP shall not be obligated to reimburse expenditure made by the Implementing Partner over and above the authorised amounts.

6.9 Following the completion of any activity, any balance of funds shall be reprogrammed by mutual agreement between the Implementing Partner and UNDP, or refunded.

6.10 Cash transfer modalities, the size of disbursements, and the scope and frequency of assurance activities may depend on the findings of a review of the public financial management capacity in the case of a Government Implementing Partner, and of an assessment of the financial management capacity of the non-UN Implementing Partner. A qualified consultant, such as a public accounting firm selected by UNDP, may conduct such an assessment, in which the Implementing Partner shall participate.

6.11 Cash transfer modalities, the size of disbursements, and the scope and frequency of assurance activities may be revised in the course of programme implementation based on the findings of programme monitoring, expenditure monitoring and reporting, and audits.

6.12 Resource mobilisation efforts will be intensified to support the RRF and ensure sustainability of the programme. Mobilisation of other resources in the form of cost sharing, trust funds, or government cash counterpart contributions will be undertaken to secure funding for the programme.

Part 7. Monitoring and Evaluation

7.1 Monitoring and evaluation of the CPAP will be undertaken in line with the UNDAF results matrix and monitoring and evaluation plan, once developed. The Government and UNDP will be responsible for ensuring continuous monitoring and evaluation of the CPAP to ensure efficient utilisation of programme resources, as well as accountability, transparency, and integrity. Implementing partners will provide quarterly reports on the progress, achievements, and results of their projects, outlining the challenges faced in project implementation, as well as resource utilisation as foreseen in the AWP. Reporting will use UNDP's standard formats and will be harmonised with other UN agencies to the extent possible.

7.2 The results-based management approach, as reflected by the indicators, benchmarks, baselines, and targets in the attached RRF, will be used to track progress towards programme outcomes and each expected output.

7.3 Multi-stakeholder annual reviews of the country programme will be convened and led by the Government to track progress towards the programme's expected outcomes and its contributions to UNDAF outcomes. These reviews will recommend changes to the CPAP as necessary, and provide the basis for the preparation of AWP for the following year, as well as for the country office's reporting of its annual results. The first such review will take place in November 2006 and subsequent reviews will take place every year thereafter.

7.4 If the CPAP is supplemented by project documents for specific interventions, detailed results frameworks will be developed in partnership with government and other key stakeholders. Monitoring and evaluation instruments at output (and project) level will include quarterly progress reporting, joint field visits, tri-partite review mechanisms, baseline and other surveys as appropriate, and output/project evaluations. Evaluations may be combined in outcome, cluster, and/or thematic evaluations and will use national expertise to the largest extent possible. Partners surveys will continue on an annual basis to help assess perceptions on the extent to which UNDP is making a difference in Grenada, and where and how and how it might do better.

7.5 Implementing partners will be required to agree to cooperate with UNDP for managing and monitoring all activities supported by UNDP and to facilitate UNDP's access to relevant

financial records and personnel responsible for the administration of resources provided by the UNDP. To that end, Implementing Partners will be required to agree to:

- a) Prepare annually, with UNDP, and sign an annual work plan, to which will be attached a comparable annual plan for monitoring;
- b) Implement the project in accordance with the agreed annual work plan;
- c) Periodic on-site reviews and spot checks of their financial records by UNDP or its representatives;
- d) Monitoring of activities following the standards and procedures of UNDP and its funding agencies (e.g. the Global Environment Facility);
- e) Special or scheduled audits. UNDP, in collaboration with other UN agencies, in joint programmes, and in consultation with the Ministry of Finance and Planning, will establish an annual audit plan, giving priority to audits of Implementing Partners with large amounts of cash assistance provided by UNDP, and those whose financial management capacity needs strengthening.

7.7 To facilitate assurance activities, implementing partners and UNDP may agree to use a programme monitoring and financial control tool allowing data sharing and analysis.

7.8 The Supreme Audit Institution may undertake the audits of government implementing partners. If the SAI chooses not to undertake the audits of specific implementing partners to the frequency and scope required by UNDP, UNDP will commission the audits to be undertaken by private sector audit services.

7.9 Assessments and audits of non-government implementing partners will be conducted in accordance with the policies and procedures of UNDP.

Part 8. Commitments of UNDP

8.1 Regular resource allocation (TRAC 1.1.1) for the country programme for 2006-2009 is US\$350,000. The regional resource allocation, which consists of UNDP and cost-sharing funds, for the period will be approximately US\$_____. UNDP will mobilise at least an additional US\$ _____ as non-core resources, subject to interest by funding partners. These resource allocations do not include emergency funds that may be mobilised in response to any humanitarian or crisis situation. It is also expected that Government funding to UNDP projects developed in partnership will reach \$_____ in 2006-2009, which brings the total estimated funding for the Country Programme duration to \$_____. These resources will be utilised for policy advice, technical assistance, capacity building, systems development and knowledge generation and sharing in the areas covered by this CPAP.

8.2 UNDP will ensure coherence between the CPAP/AWP, UNDAF results matrix, and MDGs, including M&E reporting. Through annual reviews and quarterly progress reporting, joint responsibilities between UNDP, the Government and implementing partners will be emphasised.

8.3 At the Government's request, UNDP will provide support services for activities in the CPAP including, but not necessarily limited to the following:

- a) Identification and assistance with, and/or recruitment of, project and programme personnel; procurement of goods and services in accordance with the UNDP regulations, rules, policies, and procedures;
- b) Identification and facilitation of training activities, including fellowships and study tours;
- c) Access to UNDP-managed global information systems, the network of UNDP country offices and specialised information systems, including rosters of consultants and providers of development services; and
- d) Access to the support provided by the network of UN specialised agencies, funds, and programmes.

8.4 In case of direct cash transfer or reimbursement, UNDP shall notify the implementing partner of the amount approved by UNDP and shall disburse funds to the implementing partner in three working days, subject to prior receipt by UNDP of documentation fully meeting its standard procedures.

8.5 In the case of direct payment to vendors or third parties for obligations incurred by the implementing partners on the basis of requests signed by the designated official of the implementing partner; or to vendors or third parties for obligations incurred by UNDP in support of activities agreed with implementing partners, UNDP shall proceed with the payment within three days, subject to prior receipt by UNDP of documentation fully meeting its standard procedures.

8.6 UNDP shall not have any direct liability under the contractual arrangements concluded between the implementing partner and a third part vendor.

8.7 Where more than one UN agency provides cash to the same implementing partner, programme monitoring, financial monitoring, and audits will be undertaken jointly or coordinated with those UN agencies.

8.8 In providing the abovementioned and other services, UNDP will levy charges to ensure that its costs are fully recovered, in line with UNDP's standard cost recovery policies.

Part 9. Commitments of the Government

9.1 The Government will honour its commitments in accordance with the provisions of the Standard Basic Assistance Agreement (SBAA) of 17 May 1976. The Government shall apply the provisions of the Convention on the Privileges and Immunities of the United Nations agencies to UNDP's property, funds and assets and to its officials and consultants. In addition, the Government will accord to UNDP, the privileges, immunities, and facilities as set out in the SBAA.

9.2 As a contribution to the programme, Government cost sharing arrangements will be pursued.

9.3 Mechanisms for participatory planning, monitoring and evaluation on the progress of the country programme involving civil society and other development partners will be implemented. The Government is also committed to organise periodic programme review, planning and joint strategy meetings and where appropriate, coordination of sectoral and thematic development partners groups to facilitate the participation of donors, civil society, private sector and UN agencies. In addition, the government will facilitate periodic monitoring visits by UNDP staff and/or designated officials for the purpose of monitoring, meeting beneficiaries, assessing the progress, and evaluating the impact of the use of programme resources. The Government will make available to UNDP in a timely manner any information about policy and legislative changes occurring during the implementation of the CPAP that might impact on cooperation.

9.4 A standard Fund Authorisation and Certificate of Expenditures (FACE) report, reflecting the activity lines of the Annual Work Plan (AWP), will be used by implementing partners to request the release of funds, or to secure the agreement that UNDP will reimburse or directly pay for planned expenditure. The implementing partners will use the FACE to report on the utilisation of cash received. The implementing partner shall identify the designated official(s) authorised to provide the account details, request and certify the use of cash. The FACE will be certified by the designated officials(s) of the implementing partner.

9.5 Cash received by the Government and national NGO implementing partners shall be used in accordance with established national regulations, policies, and procedures consistent with international standards, in particular ensuring that cash is expended for activities agreed in the AWP, and ensuring that reports on the full utilisation of all received cash are submitted to UNDP within six months after receipt of the funds. Where any of the national regulations, policies, and procedures is not consistent with international standards, the UN agency regulations, policies, and procedures will apply.

9.6 To facilitate scheduled and special audits, each implementing partner receiving cash from UNDP will provide UNDP or its representative with timely access to:

- a) All financial records which establish the transactional record of the cash transfers provided by UNDP;

- b) All relevant documentation and personnel associated with the functioning of the implementing partner's internal control structure through which the cash transfers have passed.

9.7 The findings of each audit will be reported to the implementing partner and UNDP. Each implementing partner will furthermore:

- a) Receive and review the audit report issued by the auditors.
- b) Provide a timely statement of the acceptance or rejection of any audit recommendation to the UNDP and to the State Audit Institution (SAI).
- c) Undertake timely actions to address the accepted audit recommendations.
- d) Report on the actions taken to implement accepted recommendations to the UN agencies, and to the SAI, on a quarterly basis.

Part 10. Other Provisions

10.1 This CPAP supersedes any previously signed CPAP between the Government of Grenada and UNDP and may be modified by mutual consent of both parties on the recommendations of the joint strategy meeting.

10.2 Nothing in this CPAP shall in any way be construed to waive the protection of UNDP accorded by the contents and substance of the United Nations Convention on Privileges and Immunities to which the Government is a signatory.

IN WITNESS THEREOF the undersigned, being duly authorised, have signed this Country Programme Action Plan on this day _____, January 2006 in St George's, Grenada.

For the Government of Grenada

For the United Nations Development Programme

Signature: Lennox J. Andrews

Signature: Dr. Rosina Wiltshire

Name: Lennox J. Andrews

Name: Dr. Rosina Wiltshire

Title: Permanent Secretary

Title: Resident Representative