UNITED NATIONS DEVELOPMENT PROGRAMME

PROJECT DOCUMENT
[Kiribati]

Project Title: Kiribati trade capacity development and institutional strengthening project (Tier 1 Phase 2)
Project Number: 00128348
Implementing Partner: Government of Kiribati, Ministry of Commerce, Industry and Cooperatives
Start Date: August 2020   **End Date:** August 2022   **PAC Meeting date:**

Brief Description
The second Phase of this Enhanced Integrated Framework tier 1 project will continue to support Kiribati in benefitting from trade by developing national capacities to implement and assess trade-related strategies that are aligned with the Kiribati Development Plan and the 20-Year vision Development plan (KV20). This phase is a continuation of Phase 1 of the project, building on the achievements realized to date, aiming at strengthening the capacity of institutions and stakeholders to implement trade policies that support poverty reduction, inclusive economic growth and equitable sustainable development. In doing so, the project will also continue to address institutional capacity constraints by incorporating sustainable development and gender perspectives. The project will endure to assist Kiribati to develop its inclusive trade development agenda in order to spread the benefits of trade to all I-Kiribati, as envisaged in its Trade Policy Framework 2017-2027 and KV20. The project is expected to enhance linkages between trade, human development and poverty reduction, and maintain the adoption of a whole of government approach to mainstreaming trade and aid coordination and support the inclusive participation of stakeholders in trade Policy implementation. The project will be implemented by the Project Management Unit at the Ministry of Commerce, Industry and Cooperatives in collaboration with UNDP as the Main Implementing Entity.

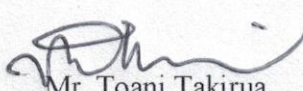| Contributing Outcome (UNDAF/CPD, RPD or GPD):			
UNPS Outcome 3: Sustainable and Inclusive Economic Empowerment. By 2022, people in the Pacific, in particular youth, women and vulnerable groups, benefit from inclusive and sustainable economic development that creates decent jobs, reduces multidimensional poverty and inequalities, and promotes economic empowerment.	**Total resources required:**		USD 600,000
	Total resources allocated:	**UNDP TRAC:**	
Indicative Output(s) with gender marker[2]:		**EIF:**	USD 600,000
Output 1: Kiribati Trade Policies improved for sustainable pro-poor growth (GEN 2)		**Government:**	
Output 2: Increased Presence in International Markets (GEN 2)	**Unfunded:**		

Agreed by (signatures):

Government of Kiribati	UNDP Pacific Office
Mr. Toani Takirua EIF National Focal Point Secretary, Ministry of Commerce, Industry and Cooperatives	Kevin Petrini, a.i Resident Representative
Date:	Date: 04-Aug-2020

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List of Acronyms

ASYCUDA	Automated System for Customs Data
AfT	Aid for Trade
AWP	Annual Work Plan
AUD	Australian Dollar
BPC	Business Promotion Centre
CSDS	Coconut Sector Development Strategy
DTIS	Diagnostic Trade Integration Study
EDF	European Development Fund
EIF	Enhanced Integrated Framework
EIF FP	Enhanced Integrated Framework Focal Point
EPA	Economic Partnership Agreement
EU	European Union
GDP	Gross Domestic Product
GNI	Gross National Income
ITA	International Trade Adviser (EIF)
LDC	Least Developed Country
KCCI	Kiribati Chamber of Commerce and Industry
KDP	Kiribati Development Plan
MELAD	Ministry of Environment, Lands and Agricultural Development
MCIC	Ministry of Commerce, Industry and Cooperatives
MFAI	Ministry of Foreign Affairs and Immigration
MFED	Ministry of Finance and Economic Planning Development
MIE	Main Implementing Entity
NGO	Non-Government Organisation
NIE	National Implementing Entity
NIM	National Implementation Modality (UNDP)
NIU	National Implementing Unit
NPSO	National Private Sector Organisation
NSC	National Steering Committee
OECD	Organization for Economic Cooperation and Development
PACER	Pacific Agreement on Closer Economic Relation
PICTA	Pacific Island Countries Trade Agreement
PSDS	Private Sector Development Strategy
RERF	Revenue Equalization Reserve Fund
SPS	Sanitary and Phytosanitary
TPF	Trade Policy Framework
UN	United Nations
UNDAF	UN Development Assistance Framework

I.   DEVELOPMENT CHALLENGE

Kiribati with a population of 110,136 (2015 Census) is one of the smallest, most remote and geographically dispersed countries in the world. It is comprised of 32 coral atolls and 1 raised atoll spreading across 3.5 million km^2 of ocean. More than 90% of the population is concentrated in the Gilbert Islands group, with over 50% of those living in South Tarawa which is the capital island. The total land area is only 811 square km. About 1,480 km east of the Gilbert Islands lies the Phoenix Islands, a group of eight largely uninhabited low-lying atolls and reef islands. Further east are the Line Islands including Kiritimati Island, which is about 3,330 km from Tarawa. Kiritimati is the world's largest atoll of size 388 square km, accounting for almost half of Kiribati's land area but only about 5 per cent of the population. The Kiribati Government directly accounts for as much as 50 percent of GDP and some 80 percent of formal sector jobs. Beyond subsistence agriculture and fisheries, the private sector remains small, mostly consisting of key industries in the fisheries and coconut sectors including small firms in the wholesale, retail and transport sectors.

The most significant opportunities for private sector development exist in the fisheries sector, with potential opportunities also in tourism. Open unemployment is estimated to exceed 30 percent and youth unemployment is around 50 percent. Economic growth has generally been low and volatile, with real per capita GDP falling between 2007 and 2010. The dramatic increase in fisheries licence revenues from 2011 through to 2015 noticeably improved growth outcomes, with real per capita GDP improving by around 13% over the period. After 10.3% growth in 2015 real GDP growth declined to 1.1% in 2016, due in large part to the completion of major capital works and a decline in fishing revenue from the record highs in 2015. Real GDP growth in 2016 was driven by agriculture and fishing, wholesale and retail trade, and construction, although this improvement was somewhat offset by government spending to support the copra price scheme.

The Government acts as the main distribution mechanism for the national fisheries revenue and, together with development partner programmes, the Government fiscal position is a key determinant of total economic activity. For example, fisheries revenue in 2011 was $29.1 million, but by 2015 this had risen to $197.7 million. The fishing revenue dropped to $147.1 million in 2016. The significant increase in total revenue over the medium term has meant that the Government can more actively engage in development activities that can target growth.   In particular, this has enabled the Government to invest in major capital works and transfer programmes such as the copra subsidy, which have supported the construction industry, wholesale and retail trade. Despite a large increase in public expenditures to support growth (total Government funded expenditure was $174.4 million in 2016, up from $100.2 million in 2011), the conservative bias in estimating volatile fishing revenues has meant a continued budget surplus (the surplus was $33.7 million in 2016). Significant fiscal surpluses since 2014 have enabled the Government to accumulate fiscal buffers and repair the Kiribati sovereign wealth fund: the Revenue Equalisation Reserve Fund (RERF), which reached $1 billion in August 2018. As a small island economy that is exposed to both financial and climate risks, these buffers are a crucial component of managing economic and fiscal shocks. The current cash reserves and a conservative bias in fishing revenue estimates will replace the RERF in the revenue equalisation role and support overall macro-stability.

II. STRATEGY

The figure below outlines the project's Theory of Chain (TOC), covering input to impacts:

The Theory of Change in this case is, Kiribati's institutional & stakeholder capacities are more robust in implementing inclusive, equitable & sustainable trade policies that lead to a more wealthier economy [Impact]. With the ownership of a Trade agenda, coupled with increased international markets presence, made possible with better evidence based-policy inputs, stronger institutional coordination and improved productive capacities, the nation as a whole grows positively[Outcome & Outputs].

Improved local and international trade capacities in terms of policy implementation & market access allows the nation to offer decent jobs, reduce multidimensional poverty and inequalities, and improved economic empowerment as outlined in United Nations Pacific Strategy (UNPS) Outcome 3. The project is also in line with UNDP's Sub regional project document (SRPD, Output 3.2) in that it ensures green/blue economic policies (Output 1) are in place to support private sector initiatives that create sustainable and environmentally friendly jobs and entrepreneurial opportunities for women and youth.

The trade capacities (priority sectors) in Kiribati are under-developed in terms of supply and product/export diversification strategies, thus leading to huge trade deficits, eventually affecting all I-Kiribati. The project's Phase 2 is motivated by the new 20-Year Vision Development Plan 2016-2036 (KV20), which aims to create a healthy, wealthy and peaceful nation by working to formulate and implement trade related strategies, mainstreaming trade in national development planning processes and coordinating the delivery of AfT. The KV20 specifically seeks to: develop inclusive trade and private sector; increase the value of exports, contribution of the private sector to GPD; increase levels of Foreign Direct investment (FDI); increase volume of domestic trade as envisaged in the Government's 20-year Vision Development plan (KV20). The government has developed the Trade Policy Framework 2017-2027, Metrology Capacity Development Plan, National Intellectual Property Strategy, National Quality Policy and Investment Policy Framework in order to achieve the KV20 targets. These policies have identified key gaps and priorities that should be

implemented in order to support the realization of the KV20. While trade has been mainstreamed into the 20-Year Vision Development Plan 2016-2036 (KV20), the government is in the process of developing a new Development Plan 2020-2023 and sector plans 2020-2023 given the potential expiry of the current development plan in December 2019.

In order to foster high level ownership of trade policy related issues in the medium-term planning strategy, there is a need to ensure trade is well mainstreamed into the next Development Plan 2020-2023 and the sector plans. There is a need to build capacity and awareness on emerging trade policy issues like Trade and E-Commerce, Trade and Quality, Producer-Market linkages, Trade and Market access; Trade and KV20 linkages among others.

Much of the Agro-based and fisheries industry activity is currently focused on low-input and output subsistence agriculture instead of production and processing, which is at an undeveloped stage. Among the significant reasons for this are: (i) storage facilities and advisory services, processing technologies/know-how; (ii) difficulties faced by producers in accessing markets due to the poor inter-island connectivity, and (iii) the lack of producer associations in value-added products.

In responding to the bedeviling challenges and priorities, the project seeks to: - progress the implementation of interventions that will strengthen the utilisation of preferential market access in various trade agreements (Outcome 1); increase supply capacity to improve both volume of domestic trade and value of exports (Outcome 2); promote value addition; product development and diversification; establish quality standards and implement quality management system (Outcome 2); strengthen the national capacity of metrology functions; promote the Intellectual Property Development; promote E-commerce development and support the implementation of trade mainstreaming initiatives (Outcomes 1& 2).

III. RESULTS AND PARTNERSHIPS

Expected Results

The Kiribati EIF Tier 1 Phase 2 project will contribute to achieving the following results/outcomes:

- Outcome 1: Kiribati's own a Trade agenda conducive to sustainable pro-poor growth
- Outcome 2: Increased Presence in International Markets

Outcome 1: Kiribati own a Trade agenda conducive to sustainable pro-poor growth

Creating an enabling environment requires effective formulation and implementation of policies to support inclusive trade and private sector development in line with the Kiribati 20-Year Vision development plan. The project will support the formulation of E-Commerce Policy, National Cooperative Policy, and review of Cooperative Ordinance/Legislation in line with the National Trade Policy Framework. While MCIC is working towards integrating the PMU positions as part of the MCIC organisation structure, there is a need to provide resources to support the existing Project Management Unit. In this context, the project will provide funding to cater for Project Manager and Accountant. The MIE will be engaged to provide technical support towards the implementation of the key activities like drafting Terms of Reference for technical outputs to facilitate recruitment of short-term advisors. The MIE will also assist the NIU (MCIC) in drafting Aid for Trade proposals to leverage funding /investment from other development partners. In order for MCIC to effectively deal with the emerging complex trade policies issues, the project will support training in the area of Cooperative Policy formulation and implementation, Verification of Fuel Dispensers and Consumer Protection. Capacity building and awareness of new Trade Policy related laws will also be enhanced in the area of Intellectual Property, Foreign Investment Act, Metrology Act, Company Act, Food Safety Standards and Regulations and E-Commerce to enhance compliance.

Expected Outputs: The activities described above will generate the following outputs:

Output 1.1: Improved evidenced-based policy inputs supporting pro-poor trade

Output 1.2: Strengthened institutional coordination of trade and development

Output 1.3: Enhanced Human Capacity for Trade and development

<u>Outcome 2: Increased Presence in International Markets</u>

In order to increase supply capacity to boost the volume of domestic trade and value of exports, the project will implement strategies to address supply side constraints. Specifically, the project will support the procurement of processing equipment to facilitate value addition for coconut related products, develop Processing Centres for SMEs in selected outer Islands, procurement of Working standards for verification of Fuel Dispensers, review and develop new Mauri Mark Standards for tourism. In order to effectively implement priorities in the TPF, there is a need to mobilise Aid for Trade resources through sound technical Aid for Trade proposals. The project will provide technical support in drafting Aid for Trade funding proposals in the area of Trade and E-Commerce based on the recommendations in the UNCTAD E-Trade readiness assessment report for Kiribati; Coconut Sector and Value chain development in line with Coconut Sector Development Strategy (CSDS) and Tourism and Value Chain Development. The project will also support participation in the EIF Trade-related meetings.

Expected Outputs: The activities described above will generate the following outputs:

2.1.   Support to boost productive capacities and access international markets

2.2:   Support to EIF countries to leverage (directly and indirectly) additional funding

<u>Key activities and outputs</u>

Outcome 1: Kiribati owns a Trade agenda conducive to sustainable pro-poor growth

Key Activities:

- Develop E-Commerce Policy;
- Develop National Cooperative Policy;
- Review Cooperative Ordinance and draft new Cooperative legislation;
- Reviewing Consumer Protection Act 2001 and drafting a new Consumer protection Bill
- Publication and launch of Investment Policy Framework;
- Training on verification of fuel dispensers;
- Procurement of working standards for verification of Fuel Dispensers
- Conduct Trainer of Trainers training on Cooperative Development;
- Training on Consumer Protection and enforcement;
- Sensitisation of stakeholders on Trade Policy related laws (Intellectual Property, Foreign Investment Act, Metrology Act, Company Act, Food Safety Standards and Regulations, E-Commerce to enhance compliance;
- Recruitment of National Experts on CSDS Advisor and Project Proposal writing on Value Addition;
- Staffing of the Project Management Unit.

Expected Outputs:

- Improved evidenced-based policy inputs supporting pro-poor trade
- Strengthened institutional coordination of trade and development
- Enhanced Human Capacity for Trade and development

Outcome 2: increased Presence in International Markets

Key Activities

- Construction of Processing Centre and procurement of equipment to facilitate value addition in selected outer Island(s);
- Review and develop new Mauri Mark Standards for tourism;
- Implementation of Value addition agricultural project
- Designing Aid for Trade Project on E-Trade and E-Commerce
- Designing Aid for Trade Project on Coconut sector and Value Chain Development
- Designing Aid for Trade Project on Tourism and Value Chain Development
- Support to Regional EIF Trade related meetings

Expected Outputs Key
- Support to boost productive capacities and access international markets
- Support to EIF countries to leverage (directly and indirectly) additional funding

Resources Required to Achieve the Expected Results

The total expected resource required is US$600,000.00 with the key input being human resources. This amount includes UNDP indirect costs - i.e. headquarters and country office structures in providing General Management Support (GMS) services - as well as direct costs incurred by UNDP. Refer to section VII (Multi-year work plan) for details.

Partnerships

Partnerships play an vital role in this project: i) at the local level the key stakeholders are the private sector, civil society, government including parliamentarians, women and the youth; ii) at the national level key stakeholders include the Ministry of Commerce, Industry and Cooperatives (MCIC), NSC, NTAC, other ministerial divisions, the private sector, civil society and development partners; iii) at Pacific regional level partners include key regional programmes and development partners on Aid for Trade and UNDP; and, iv) at the international level partners are the Government of India, Australia, World Bank, and EU.

MCIC through its Project Management Unit, oversee EIF project implementation in Kiribati. The National Steering Committee (NSC) functions are executed by the National Trade Advisory Committee (NTAC). The Secretary of MCIC is the EIF Focal Point and the Chairman of the NTAC. NTAC consists of the public sector, the private sector and the civil society, and is a permanent stakeholder consultative forum that will go beyond the Tier 1 project's lifecycle. NTAC comprises of the Kiribati Chamber of Commerce and Industry (KCCI), the Kiribati Women Association (AMAK), Ministry of Commerce Industry and Cooperatives (MCIC), Ministry of Finance and Economic Development (MFED), Ministry of Fisheries and Marine Resource Development (MFMRD), Ministry of Foreign Affairs and Immigration (MFAI), Ministry of Employment and Human Resource Development (MEHRD), Ministry of Environment, Lands and Agricultural Development (MELAD), Ministry of Information, Communication, Transport and Tourism Development (MICTTD) and Ministry of Justice (MOJ - Customs). In addition, there are

sub-committees (IPR, Trade Facilitation, Quality Coordination Committee) constituted to deal with technical tasks related to implementation of specific key policy measures. NTAC meetings are held monthly. However, the EIF Agenda items are discussed in quarterly meetings.

UNDP provides project oversight, quality assurance and support including with procurement and technical backstopping. The Ministry of Commerce Industry and Cooperatives will participate in the Project Board. Finally, financing will be provided by the Government of India. The India-UN Development Partnership Fund will be given visibility and credit for its role supporting this project, including at all public and media engagements, as well as through prominent display of a plaque, flag, logo or relevant partnership signage on project materials and at all relevant opportunities.

Risks and Assumptions

Tentatively the two most significant risks and associated impact, mitigation measures and assumptions are as follows:

- Key Risk 1 – Endogenous Risks (Delayed disbursement of funds; Lack of commitment from development partners; Lack of political and other stakeholder commitment & Retention of skilled staff)

  - Impacts: Slow progress in implementation of the project activities

  - Mitigation measures: UNDP to provide guidance and training with required request and reporting procedures & more details in the Annex XI.3

- Key Risk 2 – Exogenous Risks (Change in government policy; Lack of skilled experts to conduct analytical work; Sufficient and competent staff in MCIC and PMU; Proposed trade strategies for economic gain have negative effect on the community, poverty reduction, environment and climate change adaptation/mitigation efforts & Global Covid-19 pandemic)

  - Impact: Consensus over the TPF was from all areas of government and private sector, so no substantive changes are envisaged

  - Mitigation measures: Ensure that Whole-of-Government approach to trade mainstreamed in government planning processes across sectors is institutionalised. More details in the Annex XI.3

Stakeholder Engagement

Official Development Assistance (ODA) from Japan was directed towards building physical infrastructure. Japan supported marine and fisheries infrastructure and the expansion of the road network. The latter has helped people set up their own mini markets along the roads where they sell local vegetables and handicrafts. Australia Aid provided assistance to the Tax, Customs, Infrastructure development, Education Sector including Kiribati Institute of Technology. New Zealand provided support to the education sector, including the marine training school and support to Fisheries including providing technical assistance to the Fisheries Competent Authority. Both Australia and New Zealand have jointly provided assistance towards Pacific Agreement on Closer Economic Relations Plus negotiations and to facilitate ratification of the PACER Plus trade agreement. PACER plus development assistance supported the review of Customs Act to align it with the Revised Kyoto Convention, development of Sanitary and Phyto Sanitary (SPS) Guidelines; drafting of new Immigration Bill in line with PACER Plus obligations and development of Kiribati National Trade and Investment Portal. In addition, the Government of

Australia and New Zealand through PACER Plus development assistance has committed to modernise Customs procedures through the establishment of ASYCUDA.

The ACP-EU TBT programme provided technical assistance towards the development of National Quality Policy and training on TBT/SPS issues. Standard Trade Development Facility (STDF) provided technical assistance towards designing a project on establishing a Centralised Laboratory in line with the recommendations in the National Quality Policy. The implementation of the Investment Plan requires Aid for Trade support.

Asian Development Bank (ADB) provided technical assistance towards review and drafting of Company Bill, Insolvency Bill and Business Names Act. World Intellectual Property Organisation (WIPO) provided technical assistance towards developing National Intellectual Property Strategy (NIPS), drafting of Copyright Act 2018 and Trademark Bill 2019.

Australia, World Bank, and EU provide support through environment preservation and climate change projects, which have implications on trade and domestic production. UNDP, through financing from the Global Environment Fund (GEF), has improved information flow and knowledge management in disaster risk reduction and climate change at national and community levels.

Renewable energy, water and sanitation are the main areas of focus of the European Development Fund (EDF). World Bank provided support towards Airport Upgrading for both Kiritimati and South Tarawa.

Government also received support from India, Brazil and South Africa (IBSA) Facility towards the development of the CSDS through UNDP. The project supported training and mentorship programmes targeting SMEs in the coconut sector.

The Economic Reform is delivered through National Economic Reforms Taskforce (ERT). The ERT is made up of Government of Kiribati representatives and the development partners who are engaged with Budget Support operations. The key members include the World Bank, the Asian Development Bank, New Zealand and Australia. There is also Development Coordination Committee (DCC) whose membership is drawn from the Secretaries from different ministries to ensure coherence on development projects under consideration and implementation.

South-South and Triangular Cooperation (SSC/TrC)

The project is funded by the India-UN Development Partnership Fund Commonwealth that was established in 2018. This is a sub-window of the India-UN Development Partnership Fund, a facility within the United Nations Fund for South-South Cooperation (UNFSSC). It is supported and lead by the Government of the Republic of India and implemented in collaboration with the UN system. Allocation of resources from this dedicated facility for specific projects is decided by the Board of Directors of the India-UN Development Partnership Fund. Projects supported by this facility advance the implementation of the Sustainable Development Goals (SDGs) through concrete initiatives in response to cooperation requests made by other developing countries who are members of the Commonwealth. These include countries who are located on different continents and are currently categorized as least developed countries (LDCs), landlocked developing countries (LLDCs), and small island developing states (SIDS).

Government also received support from India, Brazil and South Africa (IBSA) Facility towards the development of the CSDS and strengthening the development of coconut value added products through UNDP. The project supported training, and mentorship programmes targeting SMEs in the coconut sector.

Knowledge

Based on Outcome 1 to improve evidenced-based policy inputs supporting pro-poor trade, the Key Activities namely - Develop E-Commerce Policy; Develop National Cooperative Policy; Review consumer Protection Act 2001 and draft new bill; Review and draft Cooperative legislation and Publication and launch of Investment Policy Framework.

Sustainability and Scaling Up

The need to strengthen donor coordination and upscale resource mobilisation efforts through technical support towards Aid for Trade project design will facilitate the implementation of trade-related policies, which will assist in securing donor funding available under the Aid for Trade to facilitate the implementation of the policy goals outlined in the TPF. There is also a need to strengthen collaboration and partnerships with international organisations and development partners to maximise the benefits of Aid for Trade opportunities and mainstream Aid for Trade in the bilateral donor partnership arrangements and in the development partners' forums and dialogues.

Kiribati is in the process of developing a new Development Plan, 2020-2023 and the respective sector plans while different initiatives have been implemented to support trade mainstreaming at the national level,. Government will continue to mainstream trade into the next KDP 2020-2023 to ensure trade forms integral part of the high level donor discussions and implement capacity building and awareness on key trade policy related issues. There is also a need to upscale sensitisation on emerging trade policy issues like Trade and E-Commerce, Trade and Quality, Producer-Market linkages, Trade and Market access, Trade and KV20 linkages among others.

IV. PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

This phase 2 aims to develop the capacities in Kiribati via the formulation, implementation of trade related strategies and mainstreaming trade in national development planning process, coupled with coordinating the delivery of AfT. Inspired by the new 20-Year Vision Development Plan 2016-2036 (KV20) which creates a healthy, wealthy, peaceful nation and specifically seeks to develop inclusive trade and private sector. The KV20 also aims to increase the value of exports, contribution of the private sector to GPD, increase in level of Foreign Direct investment (FDI), increase in volume of domestic trade as envisaged in the Government's 20-year Vision Development plan (KV20). The government of Kiribati has developed the Trade Policy Framework 2017-2027, Metrology Capacity Development Plan, National Intellectual Property Strategy, National Quality Policy and Investment Policy Framework so as to achieve the KV20 targets, and such policies have identified key gaps and priorities that should be implemented in order to support the realization of the KV20. The development of a new Development Plan 2020-2023 and sector plans 2020-2023 are still in progress with government given the potential expiry of the current development plan in December 2019. In order to foster high level ownership of trade policy related issues in the medium term planning strategy, there is a need to ensure trade is well mainstreamed into the next Development Plan 2020-2023 and the sector plans. There is a need to build capacity and awareness on emerging trade policy issues like Trade and E-Commerce, Trade and Quality, Producer-Market linkages, Trade and Market access; Trade and KV20 linkages among others.

With Agro-based and fisheries industry production and processing at an undeveloped stage, its activity is currently focused on low-input and output subsistence agriculture instead, due to: (i) storage facilities and advisory services, processing technologies/know-how; (ii) difficulties faced by producers in accessing markets due to the poor inter-island connectivity, and (iii) the lack of producer associations in value-added products.

In response to the nation's challenges and priorities, the project seeks to progress the implementation of interventions that will strengthen the utilisation of preferential market access in various trade agreements; increase supply capacity to improve both volume of domestic trade and value of exports; promote value addition; product development and diversification; establish quality standards and implement quality management system; strengthen the national capacity of metrology functions; promote the Intellectual Property Development; promote E-commerce development and support the implementation of trade mainstreaming initiatives.

The lack of technical expertise to support the preparation and technical review of Tier 2/AfT proposals represents one of the main capacity constraints within the Trade Promotion Division and MCIC. Without technical assistance, the remaining three staff members in the division cannot fulfil all the scheduled tasks in the work plan and the activities associated with implementation of the Trade Policy and the DTIS Update. The Tier 1 Phase 2 project will need additional technical assistance, preferably by the UNDP (MIE) to assist the Senior Trade Officer who is also the EIF's NIU Coordinator with the implementation of the Trade Policy. This technical assistance will be crucial for proposal preparation, review and implementation of Tier 2/AfT projects and supporting the restructuring/expansion of the MCIC towards project sustainability at the conclusion of Phase 2 of EIF assistance. Under the supervision of the EIF Focal Point, the guidance of the National Trade Advisory Committee (NTAC) and in close collaboration with the EIF Project Coordinator, the MIE will support the effective implementation of the MCIC Strategic Plan, the TPF Implementation matrix, Trade Policy and other related activities required by the EIF Strategic Plan (2019-2022) and enhance the participation of national stakeholders in EIF's activities, including other ministerial divisions, the private sector, civil society and development partners.

The Midterm review of EIF Tier 1 Phase 1 has recommended the need for Phase 2 Project to focus on implementing the major outputs of Phase 1 – particularly TPF, Foreign Investment Act 2018, Foreign Investment Regulations 2019, etc. The Phase 2 Project should continue to work on the activities not completed in Phase 1, such as E-Transactions Act, etc. In addition, the Phase 2 Project could seek novel and innovative financing to demonstrate best practice projects such as fishery industry development project and tourism development project. There is a clear need for a Phase 2 Project – with a focus on finalizing and fully implementing the major outputs delivered by the Project (Phase 1 Project).

Project Management

The project will still be supported by the UNDP Pacific Office in Suva, UNDP Joint Operations Centre in Suva, the UNDP Pacific Centre in Suva and the Bureau for Policy and Programme Support in Geneva, which will also include project oversight, policy advice, technical support, administrative support and quality control. The project EIF Focal Point will continue to be the Secretary of MCIC as practised in the Tier 1 Phase 1 project, with the assistance of the Deputy Secretary, who will oversee the implementation of the EIF project under the strategic guidance of the NTAC/NSC. The EIF Coordinator will be the Director of BPC (DBPC), who will be charge of the EIF programme in Kiribati. The EIF Coordinator will be assisted by the Assistant EIF Coordinator who is the Senior Trade Officer (STO). The EIF Project Office team will comprise of the EIF Project Manager and EIF Accountant. BPC staff will also provide support on need basis. If time permits and the if the EIF Project Manager and EIF Accountant are still in the PMU completing the Kiribati Coconut Project funded by the India, Brazil and South Africa (IBSA) Facility, they will be retained to save costs. Otherwise, new officers will be recruited for this project.

V.   RESULTS FRAMEWORK[1]

Intended Outcome as stated in the UNDAF/Country [or Global/Regional] Programme Results and Resource Framework:
United Nations outcome 3 involving UNDP: By 2022, people in the Pacific, in particular youth, women and vulnerable groups, benefit from inclusive and sustainable economic development that creates decent jobs, reduces multidimensional poverty and inequalities, and promotes economic empowerment.
Outcome indicators as stated in the Country Programme [or Global/Regional] Results and Resources Framework, including baseline and targets:
Indicative indicator 3.2.2. Number of green/blue businesses started and jobs created disaggregated by age, sex and geographical location (rural/urban) Baseline & Target: Indicator: Number of PICTs in which the proportion of men, women, youth and children of all ages living in poverty in all its dimensions, according to national definitions, has decreased, based on the latest available data Baseline (2017): 0 Target: 8.
Applicable Output(s) from the UNDP Strategic Plan:
Output 3.2. Green/blue economic policies in place to support private sector initiatives that create sustainable and environmentally friendly jobs and entrepreneurial opportunities for women and youth.
Project title and Atlas Project Number: Kiribati trade capacity development and institutional strengthening project and 00128348

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[1] UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that indicators are S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable evidence and data, and avoid acronyms so that external audience clearly understand the results of the project.

EXPECTED OUTPUTS	OUTPUT INDICATORS[2]	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)		DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	
Output 1: Kiribati Trade Policies improved for sustainable pro-poor growth (Gender marker: 2)	**1.1** Number of TPF Policy Measures implemented.	Annual Progress Report	1	2019	8	12	Observations, Stakeholder consultations; documents/records;
	1.2 Number of legislations with gender review/analysis papers on Trade pplicy produced.	End of Project Evaluation, Annual Progress Reports	1	2019	1	2	Observations, MCIC documents/records
	1.3 Number of public officials (disaggregated by gender and age) trained in trade related areas.	Meeting minutes; Progress Reports	0	2019	15	10	Method: Observations, documents/records,Reports

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[2] It is recommended that projects use output indicators from the Strategic Plan IRRF, as relevant, in addition to project-specific results indicators. Indicators should be disaggregated by sex or for other targeted groups where relevant.

Output 2: Increased Presence in International Markets (Gender marker: 2)	2.1 Number of new technologies adopted.	End of Project Evaluation, Annual Progress Report, Training Report	0	2019	1	1	Observations, documents/records
	2.2 Number of producers/associations trained in value chain practices in Agriculture and tourism. (disaggregated by gender and age)	End of Project Evaluation, Annual Progress Report, Training Report	0	2019	20^3	30^4	Observations, documents/records
	2.3 Number of AfT proposals developed and funded	End of Project Evaluation ,Annual Progress Report	0	2019	1	2	Ministry of Finance Development Aid documents/records

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[3] 20 Producers trained on value addition and Mauri Mark standards

[4] 30 Producers trained on value addition and Mauri Mark standards

VI. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans:
[Note: monitoring and evaluation plans should be adapted to project context, as needed]

Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly, or in the frequency required for each indicator.	Slower than expected progress will be addressed by project management.	UNDP/MCIC	
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.	UNDP/MCIC	
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.	UNDP/MCIC	
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Every 2 years	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.	UNDP/MCIC	
Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to	UNDP/MCIC/EIF	

			make course corrections.		
Project Report	A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period.	Annually, and at the end of the project (final report)	The Project manager (EIF Project Office) will perform regular progress reporting to the project board as agreed to with the board; UNDP will provide guidance and training on project management including annual work planning and project reporting based on the principles of results based project management	UNDP/MCIC/EIF	
Project Review (Project Board)	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	Specify frequency (i.e., at least annually)	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.	UNDP/MCIC/EIF	

VII. MULTI-YEAR WORK PLAN [56]

All anticipated programmatic and operational costs to support the project, including development effectiveness and implementation support arrangements, need to be identified, estimated and fully costed in the project budget under the relevant output(s). This includes activities that directly support the project, such as communication, human resources, procurement, finance, audit, policy advisory, quality assurance, reporting, management, etc. All services which are directly related to the project need to be disclosed transparently in the project document.

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year			RESPONSIBLE PARTY	PLANNED BUDGET		
		Y1	Y2	Total		Funding Source	Budget Description	Amount
Output 1: Kiribati Trade Policies improved for sustainable pro-poor growth *Gender marker: 2*	**Activity 1.1 - Improve evidence-based policy inputs supporting pro-poor trade**					EIF Fund		
	1.1.0 Support MCIC with E-commerce Policy forumlation	40,000	-	40,000	UNDP/MCIC		International Consultant	
	1.1.1 Organise National Consultative meetings for E-Commerce formulation	4,000	-	4,000	MCIC		Meeting costs	
	1.1.2 Support formulation of National Cooperative Policy	20,000	20,000	40,000	MCIC		International Short-term Consultant	

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[5] Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32

[6] Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

	1.1.3 Organise National Consultative meetings for National Cooperative Policy formulation	2,000	-	2,000	MCIC		Meeting costs	152,556
	1.1.4 Support Cooperative Ordinance review	20,000	10,000	30,000	MCIC		International Short-term Consultant	
	1.1.5 Support consultative meetings for review of Cooperative Ordinance	1,333	667	2,000	MCIC/UNDP		Meeting costs	
	1.1.6 Support Consumer Protection Bill development & Consumer Protection Act review	-	30,000	30,000	MCIC		International Short-term Consultant	
	1.1.7 Support consultative meetings on Consumer Protection Bill review	-	4,000	4,000	MCIC/UNDP		Meeting costs	
	1.1.8 Support equipment procurement for fuel dispenser verification	12,000	-	12,000	MCIC/UNDP	EIF Fund	Equipment purchase and freight cost	

1.1.90 Sensitise stakeholders on trade policy related laws	3,000	3,000	6,000	MCIC/UNDP		Advocacy forums, Radio awareness programmes
1.1.91 Support Investment Policy Framework launch	3,000	-	3,000	MCIC/UNDP		Meeting & support services costs
Activity 1.2 - Strengthen institutional coordination of Trade and Development						
1.2.0 Training on verification of fuel dispensers for public officials	10,000	-	10,000	MCIC		Short-tem Metrology consultant
1.2.1 Suport training on verification of Fuel Dispensers	-	2,000	2,000	MCIC	EIF Fund	Meeting /Training Costs
1.2.2 Provide Technical support towards implementation of CSDS	20,000	-	20,000	MCIC		Local CSDS Advisor

44,000

	1.2.3 Provide Technical support towards Proposal development	10,000	-	10,000	MCIC		Short-term consultant	
	1.2.4 Organise workshop to facilitate training on Cooperative Development	1,000	1,000	2,000	MCIC/UNDP		Meeting /Training Costs	
	Sub-Total for Output 1							**196,556**
	Activity 2.1 - Support to boost productive capacities and access to international markets							
Output 2: Increase Presence in International Markets *Gender marker: 2*	**2.1.0** Construct processing centre & procurement of equipment	74,000	-	74,000	MCIC/UNDP	EIF Fund	Construction/Installation processing cost	168,000
	2.1.1 Support review & development of New Mauri Mark Standards for Tourism	40,000	-	40,000	MCIC		Short term Consultant	
	2.1.2 Suport national Consultation workshop for Mauri Mark Standards development	4,000	-	4,000	MCIC		Meeting & support services costs	

	2.1.3 Implement Value addition Agricultural Project	17,000	33,000	50,000	MCIC		Meeting & support services costs	

	Activity 2.2 - Support to EIF countries to levarage additional funding							
	2.2.0 Design Aid for Trade Project on Coconut Sector & Value chain development	2,000	-	2,000	MCIC/UNDP		Consultative workshop	
	2.2.1 Support Public Officials participation in EIF Regional Trade Meetings	15,000	15,000	30,000	MCIC/UNDP	EIF Fund	Travel Costs	36,000
	2.2.2 Design gender senstivive AfT Project on E-Commerce	-	2,000	2,000	MCIC/UNDP		Consultative workshop	
	2.2.3 Design gender senstivive AfT Project on Tourism & Value Chain development	1,000	1,000	2,000	MCIC/UNDP		Consultative workshop	
						Sub-Total for Output 2		**204,000**

Project Management									
	3.1 Project Manager	28,800	28,800	57,600	UNDP/MCIC		Contractual Services		155,000
	3.2 Project Accountant	18,000	18,000	36,000	UNDP/MCIC		Contractual Services		
	3.2 Annual Audit	5,000	5,000	10,000	UNDP/MCIC		Travel/DSA		
	3.3 Evaluation	-	20,000	20,000	UNDP/MCIC		Travel/DSA		
	3.4 NSC /NTAC Meetings	1,200	1,200	2,400	UNDP/MCIC		Travel/DSA		
	3.5 Project Oversight	8,000	8,000	16,000	UNDP/MCIC		Travel/DSA		
	3.6 Office Admin	9,762	9,762	19,524	UNDP/MCIC		Travel/DSA		
Sub-Total for Outputs 1-2 & Project Management									**555,556**
General Management Support (GMS-8%)		22,222	22,222	44,444	UNDP/MCIC		GMS		**44,444**
								TOTAL	**600,000**

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

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┌──────────────────────────────────────────────────────────────┐
│                 Project Organisation Structure                 │
└──────────────────────────────────────────────────────────────┘

┌──────────────────────────────────────────────────────────────┐
│                      UNDP Project Board                        │
├──────────────────┬──────────────────────┬─────────────────────┤
│ Senior Beneficiary│      Executive       │   Senior Supplier   │
│ EIF National      │ Secretary of the     │       UNDP          │
│ Steering          │ Ministry of Commerce,│                     │
│ Committee         │ Industry and         │                     │
│                   │ Cooperatives /       │                     │
│                   │ EIF Focal Point      │                     │
└──────────────────┴──────────────────────┴─────────────────────┘

┌──────────────────────────┐
│ UNDP (Fiji MCO and Geneva │
│          THDU)            │
└──────────────────────────┘

            ┌──────────────────────────┐
            │      EIF Coordinator      │    ┌──────────────────────┐
            │ (Director of BPC, MCIC)   │────│   Project Support     │
            └──────────────────────────┘    │    UNDP Kiribati      │
                                            └──────────────────────┘
            ┌──────────────────────────┐
            │      Project Manager      │
            └──────────────────────────┘

            ┌──────────────────────────┐
            │        Accountant         │
            └──────────────────────────┘
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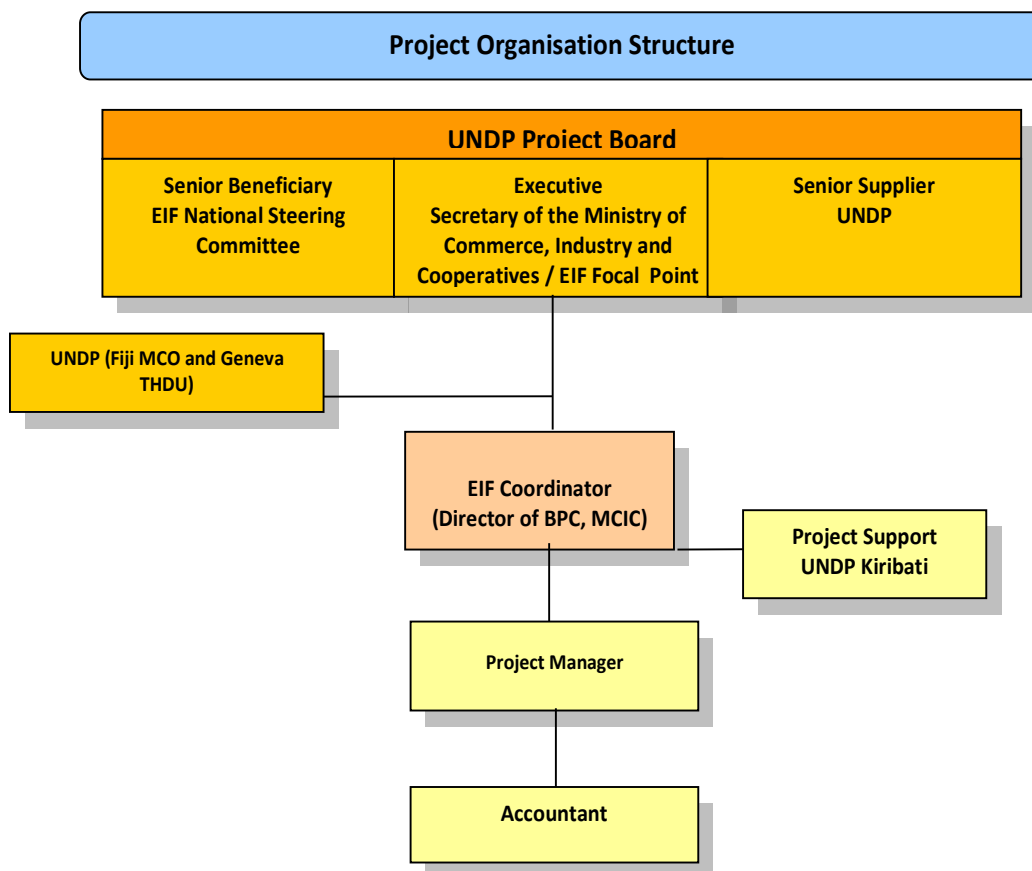
As per UNDP's POPS, the Project Board is a tripartite structure consisting of the Executive (the Government Coordinating Agency, MCIC, represented by the Secretary who is also the EIF Focal Point), the Stakeholders (the NSC which is the EIF project steering committee and headed by the EIF Focal Point) and UNDP. Role descriptions and TORs for positions in this structure can be found at the end of this document. The EIF Secretariat will also be invited to join the Project Board.

Project manager (EIF Project Office)
- Plan the activities of the project and monitor progress against the approved work-plan;
- Procure personnel, goods and services and training to initiate activities, including drafting terms of reference and work specifications and overseeing all contractors' work;
- Monitor events as determined in the project monitoring schedule plan, and update the plan as required;
- Manage requests for the provision of financial resources by UNDP, through advance of funds, direct payments, or reimbursement using the FACE;
- Monitor financial resources and accounting to ensure accuracy and reliability of financial reports;
- Be responsible for preparing and submitting narrative and financial reports to the Project Board (EIF FP, NSC, MCIC and UNDP) on a quarterly basis;

- Manage and monitor the project risks initially identified and submit new risks to the project board for consideration and decision on possible actions if required; update the status of these risks by maintaining the project risks log;
- Capture lessons learnt during project implementation – a lessons learnt log can be used in this regard
- Perform regular progress reporting to the project board as agreed to with the board;
- Prepare the annual review report, and submit the report to the project board and the outcome group;
- Prepare the annual work plan for the following year, as well as quarterly plans if required;

Project board

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Address project issues as raised by the project manager;
- Provide guidance on new project risks and agree on possible countermeasures and management actions to address specific risks;
- Review the project progress and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans;
- Review combined delivery reports prior to certification by the implementing partner;
- Appraise the project annual review report, make recommendations for the next annual work plan, and inform the outcome group about the results of the review;
- Provide ad-hoc direction and advice for exception situations when project manager's tolerances are exceeded;
- Assess and decide to proceed on project changes through appropriate revisions;

UNDP project assurance

- Ensure that funds are made available to the project;
- Ensure the project is making progress towards intended outputs;
- Perform regular monitoring activities, such as periodic monitoring visits and "spot checks";
- Ensure that resources entrusted to UNDP are utilized appropriately;
- Ensure that critical project information is monitored and updated in Atlas;
- Ensure that financial reports are submitted to UNDP on time, and that combined delivery reports are prepared and submitted to the project board;
- Ensure that risks are properly managed, and that the risk log in Atlas is regularly updated;

Project support (EIF Project Office)

- Set up and maintain project files;
- Collect project related information data;
- Assist the project manager in updating project plans;
- Administer project board meetings;
- Administer project revision control;
- Establish document control procedures;
- Compile, copy and distribute all project reports;
- Assist in the financial management tasks under the responsibility of the project manager;
- Provide support in the use of Atlas for monitoring and reporting;

- Review technical reports;
- Monitor technical activities carried out by responsible parties.

UNDP programme manager (UNDP Fiji MCO resident representative or delegated authority):
- Ensure that resources entrusted to UNDP are utilized appropriately;
- Ensure that the project is making progress towards intended outputs;
- Ensure national ownership, ongoing stakeholder engagement and sustainability;
- Ensure that the project's outputs contribute to intended country programme outcomes;
- Ensure that key results and issues pertaining to project performance are fed into the outcome and programme level monitoring;
- Approve budget for the first year in Atlas;
- Approve and sign the annual work plan for the following year.

Implementing partner (authorized MCIC personnel with delegated authority):
- Approve and sign the annual work plan for the following year;
- Approve and sign the Combined Delivery Report (CDR) at the end of the year;
- Sign the Financial Report or the FACE.

The roles and responsibilities of the EIF Focal Point are outlined in Annex XI 5. below.

The project will be monitored as part of the UN Development Assistance Framework (UNDAF) and the 2013-2017 UNDP Sub-Regional Programme Document (UNDP SRPD) M&E process, coordinated by a UN Monitoring and Evaluation Specialist. Particular attention will be given to ensure gender and capacity development indicators are included and monitored.

Development of capacity in project and financial management, monitoring and reporting will be provided initially by the Country Partnership and Results Unit of the Fiji UNDP Pacific Officer, with on-going assistance from the Kiribati UNDP Programme Analyst. Technical support and advice will be provided by the Programme Development and Policy Unit of the Fiji UNDP Pacific Office; the private sector and aid effectiveness specialists in the UNDP Pacific Centre; and the UNDP Trade and Human Development Unit in Geneva. UNDP will ensure that the aid coordination component of the Tier 1 project will be closely linked and integrated into Kiribati's broader aid and development effectiveness work supported by UNDP and development partners. The UNDP Pacific Office's experience in working with Millennium Development Goals planning and aid coordination projects in various Pacific countries will facilitate the incorporation of best practices and lessons learned into the trade mainstreaming process.

IX. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Kiribati and UNDP, signed 5 May 1987. All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner."

This project will be implemented by the Ministry of Commerce, Industry and Cooperatives (MCIC) ("Implementing Partner") in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

X. RISK MANAGEMENT

1. Consistent with the Article III of the SBAA [or the Supplemental Provisions to the Project Document], the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:
   a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
   b) assume all risks and liabilities related to the Implementing Partner's security, and the full implementation of the security plan.

2. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner's obligations under this Project Document.

3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml.

4. The Implementing Partner acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the Implementing Partner, and each of its responsible parties, their respective sub-recipients and other entities involved in Project implementation, either as contractors or subcontractors and their personnel, and any individuals performing services for them under the Project Document.

   (a) In the implementation of the activities under this Project Document, the Implementing Partner, and each of its sub-parties referred to above, shall comply with the standards of conduct set forth in the Secretary General's Bulletin ST/SGB/2003/13 of 9 October 2003, concerning "Special measures for protection from sexual exploitation and sexual abuse" ("SEA").

(b) Moreover, and without limitation to the application of other regulations, rules, policies and procedures bearing upon the performance of the activities under this Project Document, in the implementation of activities, the Implementing Partner, and each of its sub-parties referred to above, shall not engage in any form of sexual harassment ("SH"). SH is defined as any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment.

5. a) In the performance of the activities under this Project Document, the Implementing Partner shall (with respect to its own activities), and shall require from its sub-parties referred to in paragraph 4 (with respect to their activities) that they, have minimum standards and procedures in place, or a plan to develop and/or improve such standards and procedures in order to be able to take effective preventive and investigative action. These should include policies on sexual harassment and sexual exploitation and abuse; policies on whistleblowing/protection against retaliation; and complaints, disciplinary and investigative mechanisms. In line with this, the Implementing Partner will and will require that such sub-parties will take all appropriate measures to:

    i.   Prevent its employees, agents or any other persons engaged to perform any services under this Project Document, from engaging in SH or SEA;

    ii. Offer employees and associated personnel training on prevention and response to SH and SEA, where the Implementing Partner and its sub-parties referred to in paragraph 4 have not put in place its own training regarding the prevention of SH and SEA, the Implementing Partner and its sub-parties may use the training material available at UNDP;

    iii. Report and monitor allegations of SH and SEA of which the Implementing Partner and its sub-parties referred to in paragraph 4 have been informed or have otherwise become aware, and status thereof;

    iv. Refer victims/survivors of SH and SEA to safe and confidential victim assistance; and

    v.   Promptly and confidentially record and investigate any allegations credible enough to warrant an investigation of SH or SEA. The Implementing Partner shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties referred to in paragraph 4 with respect to their activities under the Project Document, and shall keep UNDP informed during the investigation by it or any of such sub-parties, to the extent that such notification (i) does not jeopardize the conduct of the investigation, including but not limited to the safety or security of persons, and/or (ii) is not in contravention of any laws applicable to it. Following the investigation, the Implementing Partner shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.

    b) The Implementing Partner shall establish that it has complied with the foregoing, to the satisfaction of UNDP, when requested by UNDP or any party acting on its behalf to provide such confirmation. Failure of the Implementing Partner, and each of its sub-parties referred to in paragraph 4, to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.

6. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (http://www.undp.org/ses) and related Accountability Mechanism (http://www.undp.org/secu-srm).

7. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.

8. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

9. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds. The Implementing Partner will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.

10. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.

11. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes in accordance with UNDP's regulations, rules, policies and procedures. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.

12. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

    Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

13. The Implementing Partner agrees that, where applicable, donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities which are the subject of this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

    Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the

Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

14. Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.

15. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.

16. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, mutatis mutandis, in all sub-contracts or sub-agreements entered into further to this Project Document.

Special Clauses. In case of government cost-sharing through the project, the following clauses should be included:

1.   The schedule of payments and UNDP bank account details.

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

3.   The above schedule of payments takes into account the requirement that the payments shall be made in advance of the implementation of planned activities. It may be amended to be consistent with the progress of project delivery.

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

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

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

7.   If the payments referred above are not received in accordance with the payment schedule, or if the additional financing required in accordance with paragraph [] above is not forthcoming from the Government or other sources, the assistance to be provided to the project under this Agreement may be reduced, suspended or terminated by UNDP.

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

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

The contribution shall be charged:

(a) [8%] cost recovery for the provision of general management support (GMS) by UNDP headquarters and country offices

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

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

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

XI.   ANNEXES

Annex XI.1 – Project Quality Assurance Report

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PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL
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<tr>
<td colspan="5">OVERALL PROJECT</td>
</tr>
<tr>
<td>EXEMPLARY (5)
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<td>HIGHLY SATISFACTORY (4)
⦿⦿⦿⦿○</td>
<td>SATISFACTORY (3)
⦿⦿⦿○○</td>
<td>NEEDS IMPROVEMENT (2)
⦿⦿○○○</td>
<td>INADEQUATE (1)
⦿○○○○</td>
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<tr>
<td>At least four criteria are rated Exemplary, and all criteria are rated High or Exemplary.</td>
<td>All criteria are rated Satisfactory or higher, and at least four criteria are rated High or Exemplary.</td>
<td>At least six criteria are rated Satisfactory or higher, and only one may be rated Needs Improvement. The Principled criterion must be rated Satisfactory or above.</td>
<td>At least three criteria are rated Satisfactory or higher, and only four criteria may be rated Needs Improvement.</td>
<td>One or more criteria are rated Inadequate, or five or more criteria are rated Needs Improvement.</td>
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</table>

DECISION

- **APPROVE** – the project is of sufficient quality to be approved in its current form. Any management actions must be addressed in a timely manner.
- **APPROVE WITH QUALIFICATIONS** – the project has issues that must be addressed before the project document can be approved. Any management actions must be addressed in a timely manner.
- **DISAPPROVE** – the project has significant issues that should prevent the project from being approved as drafted.

RATING CRITERIA
For all questions, select the option that best reflects the project

STRATEGIC

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1. **Does the project specify how it will contribute to higher level change through linkage to the programme's Theory of Change?**
    - **3:** The project is clearly linked to the programme's theory of change. It has an explicit change pathway that explains how the project will contribute to outcome level change and why the project's strategy will likely lead to this change. This analysis is backed by credible evidence of what works effectively in this context and includes assumptions and risks.
    - **2:** The project is clearly linked to the programme's theory of change. It has a change pathway that explains how the project will contribute to outcome-level change and why the project strategy will likely lead to this change.
    - **1:** The project document may describe in generic terms how the project will contribute to development results, without an explicit link to the programme's theory of change.

    Note: Projects not contributing to a programme must have a project-specific Theory of Change. See alternative question under the lightbulb for these cases.
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Evidence
Refer Pro-doc Section II – Strategy (pg-5)
</td>
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2.   Is the project aligned with the UNDP
</td>
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PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

	Evidence
Strategic Plan? • **3:** The project responds to at least one of the development settings as specified in the Strategic Plan[7] and adapts at least one Signature Solution[8]. The project's RRF includes all the relevant SP output indicators. *(all must be true)* • **2:** The project responds to at least one of the development settings as specified in the Strategic Plan[4]. The project's RRF includes at least one SP output indicator, if relevant. *(both must be true)* • **1:** The project responds to a partner's identified need, but this need falls outside of the UNDP Strategic Plan. Also select this option if none of the relevant SP indicators are included in the RRF.	Refer Pro-doc Section V – Results Framework (pgs-14)

3.			Yes	No
	Is the project linked to the programme outputs? (i.e., UNDAF Results Group Workplan/CPD, RPD or Strategic Plan IRRF for global projects/strategic interventions not part of a programme)		**Yes**	No

RELEVANT

	3	2
4. Does the project target groups left furthest behind? • **3:** The target groups are clearly specified, prioritising discriminated and marginalized groups left furthest behind, identified through a rigorous process based on evidence. • **2:** The target groups are clearly specified, prioritizing groups left furthest behind. • **1:** The target groups are not clearly specified. *Note: Management Action must be taken for a score of 1. Projects that build institutional capacity should still identify targeted groups to justify support*		

	2
	Evidence Refer Pro-doc Section II – Strategy, TOC Figure (pg-5-6)

	3	2
5. Have knowledge, good practices, and past lessons learned of UNDP and others informed the project design? • **3:** Knowledge and lessons learned backed by credible evidence from sources such as evaluation, corporate policies/strategies, and/or monitoring have been explicitly used, with appropriate referencing, to justify the approach used by the project. • **2:** The project design mentions knowledge and lessons learned backed by evidence/sources, but have not been used to justify the approach selected. • **1:** There is little or no mention of knowledge and lessons learned informing the project design. Any references made are anecdotal and not backed by evidence. *Note: Management Action or strong management justification must be given for a score of 1*		1

	Evidence Refer Pro-doc Section VI – M&E (pg-17)

	3	2
6. Does UNDP have a clear advantage to engage in the role envisioned by the project vis-à-vis national/regional/global partners and other actors? • **3:** An analysis has been conducted on the role of other partners in the area where the project intends to work, and credible evidence supports the proposed engagement of UNDP and partners through the project, including identification of potential funding partners. It is clear how results achieved by partners will complement the project's intended results and a communication strategy is in place to communicate results and raise visibility vis-à-vis key partners. Options for south-south and triangular cooperation have been considered, as appropriate. *(all must be true)* • **2:** Some analysis has been conducted on the role of other partners in the area where the project intends to work, and relatively limited evidence supports the proposed engagement of and division of labour between UNDP and partners through the project, with unclear funding and communications strategies or plans. • **1:** No clear analysis has been conducted on the role of other partners in the area that the project intends to work. There is risk that the project overlaps and/or does not coordinate with partners' interventions in this area. Options for south-south and triangular cooperation have not been considered, despite its potential relevance. *Note: Management Action or strong management justification must be given for a score of 1*		1

	Evidence Refer Pro-doc Section IV – Project Management (pg-13)

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[7] The three development settings in UNDP's 2018-2021 Strategic Plan are: a) Eradicate poverty in all its forms and dimensions; b) Accelerate structural transformations for sustainable development; and c) Build resilience to shocks and crises

[8] The six Signature Solutions of UNDP's 2018-2021 Strategic Plan are: a) Keeping people out of poverty; b) Strengthen effective, inclusive and accountable governance; c) Enhance national prevention and recovery capacities for resilient societies; d) Promote nature based solutions for a sustainable planet; e) Close the energy gap; and f) Strengthen gender equality and the empowerment of women and girls.

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL		

PRINCIPLED		
7. Does the project apply a human rights-based approach?	3	2
	1	
• **3:** The project is guided by human rights and incorporates the principles of accountability, meaningful participation, and non-discrimination in the project's strategy. The project upholds the relevant international and national laws and standards. Any potential adverse impacts on enjoyment of human rights were rigorously identified and assessed as relevant, with appropriate mitigation and management measures incorporated into project design and budget. *(all must be true)*	**Evidence** Refer Pro-doc Section Annex XI.2 – SESP, Question 1 (pg-34)	
• **2:** The project is guided by human rights by prioritizing accountability, meaningful participation and non-discrimination. Potential adverse impacts on enjoyment of human rights were identified and assessed as relevant, and appropriate mitigation and management measures incorporated into the project design and budget. *(both must be true)*		
• **1:** No evidence that the project is guided by human rights. Limited or no evidence that potential adverse impacts on enjoyment of human rights were considered.		
*Note: Management action or strong management justification must be given for a score of 1		
8. Does the project use gender analysis in the project design?	3	2
	1	
• **3:** A participatory gender analysis has been conducted and results from this gender analysis inform the development challenge, strategy and expected results sections of the project document. Outputs and indicators of the results framework include explicit references to gender equality, and specific indicators measure and monitor results to ensure women are fully benefitting from the project. *(all must be true)*	**Evidence** Refer Pro-doc Section Annex XI.2 – SESP, Question 1 (pg-34)	
• **2:** A basic gender analysis has been carried out and results from this analysis are scattered (i.e., fragmented and not consistent) across the development challenge and strategy sections of the project document. The results framework may include some gender sensitive outputs and/or activities but gender inequalities are not consistently integrated across each output. *(all must be true)*		
• **1:** The project design may or may not mention information and/or data on the differential impact of the project's development situation on gender relations, women and men, but the gender inequalities have not been clearly identified and reflected in the project document.		
*Note: Management Action or strong management justification must be given for a score of 1		
9. Did the project support the resilience and sustainability of societies and/or ecosystems?	3	2
	1	
• **3:** Credible evidence that the project addresses sustainability and resilience dimensions of development challenges, which are integrated in the project strategy and design. The project reflects the interconnections between the social, economic and environmental dimensions of sustainable development. Relevant shocks, hazards and adverse social and environmental impacts have been identified and rigorously assessed with appropriate management and mitigation measures incorporated into project design and budget. *(all must be true)*.	**Evidence** Refer Pro-doc Section Annex XI.2 – SESP, Question 1 (pg-34)	
• **2:** The project design integrates sustainability and resilience dimensions of development challenges. Relevant shocks, hazards and adverse social and environmental impacts have been identified and assessed, and relevant management and mitigation measures incorporated into project design and budget. *(both must be true)*		
• **1:** Sustainability and resilience dimensions and impacts were not adequately considered.		
*Note: Management action or strong management justification must be given for a score of 1		
10. Has the Social and Environmental Screening Procedure (SESP) been conducted to identify potential social and environmental impacts and risks? The SESP is not required for projects in which UNDP is Administrative Agent only and/or projects comprised solely of reports, coordination of events, trainings, workshops, meetings, conferences and/or communication materials and information dissemination. [if yes, upload the completed checklist. If SESP is not required, provide the reason for the exemption in the evidence section.]	<u>**Yes**</u>	No
	Refer Pro-doc Section Annex XI.2 – SESP (pg-34)	

MANAGEMENT & MONITORING		

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

11. Does the project have a strong results framework? • **3:** The project's selection of outputs and activities are at an appropriate level. Outputs are accompanied by SMART, results-oriented indicators that measure the key expected development changes, each with credible data sources and populated baselines and targets, including gender sensitive, target group focused, sex-disaggregated indicators where appropriate. *(all must be true)* • **2:** The project's selection of outputs and activities are at an appropriate level. Outputs are accompanied by SMART, results-oriented indicators, but baselines, targets and data sources may not yet be fully specified. Some use of target group focused, sex-disaggregated indicators, as appropriate. *(all must be true)* • **1:** The project's selection of outputs and activities are not at an appropriate level; outputs are not accompanied by SMART, results-oriented indicators that measure the expected change and have not been populated with baselines and targets; data sources are not specified, and/or no gender sensitive, sex-disaggregation of indicators. *(if any is true)* *Note: Management Action or strong management justification must be given for a score of 1	3	2	
	1		
	Evidence Refer Pro-doc Section V - Results Framework (pg-14)		
12. Is the project's governance mechanism clearly defined in the project document, including composition of the project board? • **3:** The project's governance mechanism is fully defined. Individuals have been specified for each position in the governance mechanism (especially all members of the project board.) Project Board members have agreed on their roles and responsibilities as specified in the terms of reference. The ToR of the project board has been attached to the project document. *(all must be true).* • **2:** The project's governance mechanism is defined; specific institutions are noted as holding key governance roles, but individuals may not have been specified yet. The project document lists the most important responsibilities of the project board, project director/manager and quality assurance roles. *(all must be true)* • **1:** The project's governance mechanism is loosely defined in the project document, only mentioning key roles that will need to be filled at a later date. No information on the responsibilities of key positions in the governance mechanism is provided. *Note: Management Action or strong management justification must be given for a score of 1	3	2	
	1		
	Evidence Refer Pro-doc Section VIII - Governance and Management Arrangements (pg-25) (Annex-pgs 50-53)		
13. Have the project risks been identified with clear plans stated to manage and mitigate each risk? • **3:** Project risks related to the achievement of results are fully described in the project risk log, based on comprehensive analysis drawing on the programme's theory of change, Social and Environmental Standards and screening, situation analysis, capacity assessments and other analysis such as funding potential and reputational risk. Risks have been identified through a consultative process with key internal and external stakeholders. Clear and complete plan in place to manage and mitigate each risk, reflected in project budgeting and monitoring plans. *(both must be true)* • **2:** Project risks related to the achievement of results are identified in the initial project risk log based on a minimum level of analysis and consultation, with mitigation measures identified for each risk. • **1:** Some risks may be identified in the initial project risk log, but no evidence of consultation or analysis and no clear risk mitigation measures identified. This option is also selected if risks are not clearly identified and/or no initial risk log is included with the project document. *Note: Management Action must be taken for a score of 1	3	2	
	1		
	Evidence Refer Pro-doc Section XI.3 - Risk Analysis (pg-44)		

EFFICIENT

14. Have specific measures for ensuring cost-efficient use of resources been explicitly mentioned as part of the project design? This can include, for example: i) using the theory of change analysis to explore different options of achieving the maximum results with the resources available; ii) using a portfolio management approach to improve cost effectiveness through synergies with other interventions; iii) through joint operations (e.g., monitoring or procurement) with other partners; iv) sharing resources or coordinating delivery with other projects, v) using innovative approaches and technologies to reduce the cost of service delivery or other types of interventions. *(Note: Evidence of at least one measure must be provided to answer yes for this question)*	**Yes (3)**	No (1)

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

	3	2
15. Is the budget justified and supported with valid estimates? • **3:** The project's budget is at the activity level with funding sources, and is specified for the duration of the project period in a multi-year budget. Realistic resource mobilisation plans are in place to fill unfunded components. Costs are supported with valid estimates using benchmarks from similar projects or activities. Cost implications from inflation and foreign exchange exposure have been estimated and incorporated in the budget. Adequate costs for monitoring, evaluation, communications and security have been incorporated. • **2:** The project's budget is at the activity level with funding sources, when possible, and is specified for the duration of the project in a multi-year budget, but no funding plan is in place. Costs are supported with valid estimates based on prevailing rates. • **1:** The project's budget is not specified at the activity level, and/or may not be captured in a multi-year budget.		
	Evidence Refer Pro-doc Section VII. - Multi-Year Work Plan (pgs-19-24)	
16. Is the Country Office/Regional Hub/Global Project fully recovering the costs involved with project implementation? • **3:** The budget fully covers all project costs that are attributable to the project, including programme management and development effectiveness services related to strategic country programme planning, quality assurance, pipeline development, policy advocacy services, finance, procurement, human resources, administration, issuance of contracts, security, travel, assets, general services, information and communications based on full costing in accordance with prevailing UNDP policies (i.e., UPL, LPL.) • **2:** The budget covers significant project costs that are attributable to the project based on prevailing UNDP policies (i.e., UPL, LPL) as relevant. • **1:** The budget does not adequately cover project costs that are attributable to the project, and UNDP is cross-subsidizing the project. *Note: Management Action must be given for a score of 1. The budget must be revised to fully reflect the costs of implementation before the project commences.	3	2
	1	
	Evidence Refer Pro-doc Section VII. - Multi-Year Work Plan (GMS line, pg-24)	

EFFECTIVE

	3	2
17. Have targeted groups been engaged in the design of the project? • 3: Credible evidence that all targeted groups, prioritising discriminated and marginalized populations that will be involved in or affected by the project, have been actively engaged in the design of the project. The project has an explicit strategy to identify, engage and ensure the meaningful participation of target groups as stakeholders throughout the project, including through monitoring and decision-making (e.g., representation on the project board, inclusion in samples for evaluations, etc.) • 2: Some evidence that key targeted groups have been consulted in the design of the project. • 1: No evidence of engagement with targeted groups during project design.	1	
	Evidence Refer Pro-doc Sectn III. - Results & Partnerships (pg-6)	
18. Does the project plan for adaptation and course correction if regular monitoring activities, evaluation, and lesson learned demonstrate there are better approaches to achieve the intended results and/or circumstances change during implementation?	**Yes (3)**	No (1)
19. The gender marker for all project outputs are scored at GEN2 or GEN3, indicating that gender has been fully mainstreamed into all project outputs at a minimum. *Note: Management Action or strong management justification must be given for a score of "no"	**Yes (3)**	No (1)
	Evidence Refer Pro-doc Section VI. - Multi-Year Work Plan	

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

	(pgs-19-24)

SUSTAINABILITY & NATIONAL OWNERSHIP			

20. Have national/regional/global partners led, or proactively engaged in, the design of the project? • **3:** National partners (or regional/global partners for regional and global projects) have full ownership of the project and led the process of the development of the project jointly with UNDP. • **2:** The project has been developed by UNDP in close consultation with national/regional/global partners. • **1:** The project has been developed by UNDP with limited or no engagement with national partners.	3	2
	1	
	Evidence Refer Pro-doc Section III. - Results & Partnerships (pg-6-7)	

21. Are key institutions and systems identified, and is there a strategy for strengthening specific/ comprehensive capacities based on capacity assessments conducted? • **3:** The project has a strategy for strengthening specific capacities of national institutions and/or actors based on a completed capacity assessment. This strategy includes an approach to regularly monitor national capacities using clear indicators and rigorous methods of data collection, and adjust the strategy to strengthen national capacities accordingly. • **2:** A capacity assessment has been completed. There are plans to develop a strategy to strengthen specific capacities of national institutions and/or actors based on the results of the capacity assessment. • **1:** Capacity assessments have not been carried out.	3	2
	1	
	Evidence Refer Pro-doc AnnXI.3 Risk Analysis (pg-44)	

22. Is there is a clear strategy embedded in the project specifying how the project will use national systems (i.e., procurement, monitoring, evaluations, etc.,) to the extent possible?	**Yes (3)**	No (1)

23. Is there a clear transition arrangement/ phase-out plan developed with key stakeholders in order to sustain or scale up results (including resource mobilisation and communications strategy)?	**Yes (3)**	No (1)

Project Information

Project Information	
1. Project Title	Kiribati trade capacity development and institutional strengthening project (Tier 1 Phase 2)
2. Project Number	00128348
3. Location (Global/Region/Country)	Kiribati

Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?
Briefly describe in the space below how the Project mainstreams the human-rights based approach
A human rights approach is 'a conceptual framework for the process of human development that is normatively based on international human rights standards and operationally directed to promoting and protecting human rights. It seeks to analyse inequalities which lie at the heart of development problems and redress discriminatory practices and unjust distributions of power that impede development progress' (http://hrbaportal.org/faq). The expected short-term development change from this project is via trade by developing national capacities to implement and assess trade-related strategies that are aligned with the Kiribati Development Plan and the 20-Year vision Development plan (KV20), ultimately to strengthen the capacity of institutions and stakeholders to implement trade policies that support poverty reduction, inclusive economic growth and equitable sustainable development which are fundamental to the full enjoyment of not only economic and social rights but also civil and political rights…Under the United Nations Charter, nations of the world pledge to promote improved standards of living and conditions conducive to economic and social development. https://www.ohchr.org/EN/UDHR/Documents/UDHR_Translations/eng.pdf
Briefly describe in the space below how the Project is likely to improve gender equality and women's empowerment
The project will address institutional capacity constraints by encompassing sustainable development and gender perspectives.
The project will be monitored as part of the UN Development Assistance Framework (UNDAF) and the 2013-2017 UNDP Sub-Regional Programme Document (UNDP SRPD) M&E process, coordinated by a UN Monitoring and Evaluation Specialist. Particular attention will be given to ensure gender and capacity development indicators are included and monitored.
The project's entry point to its stakeholders is via the KV20 which seeks to mainstream equity in all the sector programmes and projects in order to create an inclusive development environment that will open opportunities to all members of Kiribati society leaving no one behind
Briefly describe in the space below how the Project mainstreams environmental sustainability

Under Trade mainstreaming, this project's support to the Aid-for-Trade Agenda by Government and Donors involves Australia, World Bank, and EU who provides support through environment preservation and climate change projects, which have implications on trade and domestic production. UNDP, through financing from the Global Environment Fund (GEF), has improved information flow and knowledge management in disaster risk reduction and climate change at national and community levels.

Part B. Identifying and Managing Social and Environmental Risks

QUESTION 2: What are the Potential Social and Environmental Risks? Note: Describe briefly potential social and environmental risks identified in Attachment 1 – Risk Screening Checklist (based on any "Yes" responses). If no risks have been identified in Attachment 1 then note "No Risks Identified" and skip to Question 4 and Select "Low Risk". Questions 5 and 6 not required for Low Risk Projects.			QUESTION 3: What is the level of significance of the potential social and environmental risks? Note: Respond to Questions 4 and 5 below before proceeding to Question 6	QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?
Risk Description	**Impact and Probability (1-5)**	**Significance (Low, Moderate, High)**	**Comments**	**Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks.**
Risk 1: Retention of skilled staff	I = 5 P = 4	High	This is a common problem in Pacific communities where skilled staff are in high demand	Provide incentives for training, etc.; Ensure fair management and distribution of duties to relevant personnel; Training of wider audience to provide backup; Adopt and document regular activities, processes, guidelines etc; For institutional strength, develop partnerships to tap into regional resources

Risk 2: Lack of commitment from development partners	I = 4 P = 3	Moderate	Buy in of other development partners is essential to the implementation of the Trade Policy Framework (TPF). EIF provides seed funding, but other essential priority actions require funding and TA from other specialist partners	Strengthen the role of the Government of Kiribati to liaise with donors, as well as increase awareness of the EIF at the national level; Ensure best possible use of various local, regional and international donor fora to advocate for the EIF process and support to the TPF; Institute a transparent & credible M&E system to demonstrate achievements to other partners Maintain Government-led & owned on-going dialogue with development partners

QUESTION 4: What is the overall Project risk categorization?		
Select one (see SESP for guidance)		**Comments**
Low Risk		
Moderate Risk	X	Given the risks are potentially moderate to above, and mainly operational/social, there's a need for frequent documented meetings/communications on development partner commitments/Staff capacity progressions & corrective mitigative actions agreed on to take.
High Risk		

QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?		
Check all that apply		**Comments**
Principle 1: Human Rights	x	One of the project's key results is to achieve 'Enhanced human capacity for trade and development; The project is in line with Government's 20-Year Vision Development plan's (KV20) vision is for Kiribati to become a wealthy, healthy and peaceful nation. '

	Principle 2: Gender Equality and Women's Empowerment	X	The project is in line with Government's 20-Year Vision Development plan (KV20) 2016-2036, which ensures long term macro-economic stability, and is a long-term development blueprint anchored on 4 pillars: <u>Wealth, Peace and Security Infrastructure and Governance</u>. The vision also highlights gender, youth, vulnerable groups, equity and partnership across cutting principles. The KV20 seeks to mainstream equity in all the sector programmes and projects in order to create an inclusive development environment that will open opportunities to all members of Kiribati society leaving no one behind.
	1. Biodiversity Conservation and Natural Resource Management		
	2. Climate Change Mitigation and Adaptation		
	3. Community Health, Safety and Working Conditions	X	The project is in line with Government's 20-Year Vision Development plan's (KV20) vision is for Kiribati to become a wealthy, healthy and peaceful nation
	4. Cultural Heritage		
	5. Displacement and Resettlement		
	6. Indigenous Peoples		
	7. Pollution Prevention and Resource Efficiency		

Final Sign Off

Signature	Date	Description
QA Assessor		UNDP staff member responsible for the Project, typically a UNDP Programme Officer. Final signature confirms they have "checked" to ensure that the SESP is adequately conducted.
QA Approver		UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have "cleared" the SESP prior to submittal to the PAC.
PAC Chair		UNDP chair of the PAC. In some cases, PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.

SESP Attachment 1. Social and Environmental Risk Screening Checklist

Checklist Potential Social and Environmental <u>Risks</u>	
Principles 1: Human Rights	**Answer (Yes/ No)**
1. Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
2. Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? [9]	No
3. Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?	No
4. Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	No
5. Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	No
6. Is there a risk that rights-holders do not have the capacity to claim their rights?	No
7. Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	No
8. Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals?	No
Principle 2: Gender Equality and Women's Empowerment	
1. Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	No
2. Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No
3. Have women's groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	No
4. Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being	No

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[9] Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.

Principle 3: Environmental Sustainability: Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below	
Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management	
1.1 Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes	No
1.2 Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	No
1.3 Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No
1.4 Would Project activities pose risks to endangered species?	No
1.5 Would the Project pose a risk of introducing invasive alien species?	No
1.6 Does the Project involve harvesting of natural forests, plantation development, or reforestation?	No
1.7 Does the Project involve the production and/or harvesting of fish populations or other aquatic species?	No
1.8 Does the Project involve significant extraction, diversion or containment of surface or ground water? For example, construction of dams, reservoirs, river basin developments, groundwater extraction	No
1.9 Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)	No
1.10 Would the Project generate potential adverse transboundary or global environmental concerns?	No
1.11 Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area? For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.	No
Standard 2: Climate Change Mitigation and Adaptation	

2.1	Will the proposed Project result in significant[10] greenhouse gas emissions or may exacerbate climate change?	No
2.2	Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	No
2.3	Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)? For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding	No
Standard 3: Community Health, Safety and Working Conditions		
3.1	Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	No
3.2	Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No
3.3	Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	No
3.4	Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	No
3.5	Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	No
3.6	Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	No
3.7	Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	No
3.8	Does the Project involve support for employment or livelihoods that may fail to comply with national and international labor standards (i.e. principles and standards of ILO fundamental conventions)?	No
3.9	Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	No
Standard 4: Cultural Heritage		
4.1	Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: Projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.2	Does the Project propose utilizing tangible and/or intangible forms of cultural	No

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[10] In regards to CO_2, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation provides additional information on GHG emissions.]

	heritage for commercial or other purposes?	
Standard 5: Displacement and Resettlement		
5.1	Would the Project potentially involve temporary or permanent and full or partial physical displacement?	No
5.2	Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	Is there a risk that the Project would lead to forced evictions?[11]	No
5.4	Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
Standard 6: Indigenous Peoples		
6.1	Are indigenous peoples present in the Project area (including Project area of influence)?	No
6.2	Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	No
6.3	Would the proposed Project potentially affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the Project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? If the answer to the screening question 6.3 is "yes" the potential risk impacts are considered potentially severe and/or critical and the Project would be categorized as either Moderate or High Risk.	No
6.4	Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5	Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No
6.7	Would the Project adversely affect the development priorities of indigenous peoples as defined by them?	No
6.8	Would the Project potentially affect the physical and cultural survival of indigenous peoples?	No
6.9	Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge	No

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[11] Forced evictions include acts and/or omissions involving the coerced or involuntary displacement of individuals, groups, or communities from homes and/or lands and common property resources that were occupied or depended upon, thus eliminating the ability of an individual, group, or community to reside or work in a particular dwelling, residence, or location without the provision of, and access to, appropriate forms of legal or other protections.

and practices?		
Standard 7: Pollution Prevention and Resource Efficiency		
7.1	Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No
7.2	Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	No
7.3	Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs? For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol	No
7.4	Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?	No
7.5	Does the Project include activities that require significant consumption of raw materials, energy, and/or water?	No

Annex XI.3 - Risk Analysis

#	Description	Risk Category	Risk Level	Risk Treatment / Management Measures	Risk Owner
1	Delayed disbursement of funds	Financial	I=3 P=2 Risk level = Medium	• UNDP to provide guidance and training with required request and reporting procedures; • In-country assistance provided by the UNDP Kiribati Programme Analyst • MFED to improve support service in warrant processing, issuance, monthly GL issuance and financial reconciliation	Project manager
2	Lack of commitment from development partners	Operational	I=4 P=3 Risk level = High	• Strengthen the role of the Government of Kiribati to liaise with donors, as well as increase awareness of the EIF at the national level. • Ensure best possible use of various local, regional and international donor fora to advocate for the EIF process and support to the TPF. • Institute a transparent and credible M&E system to demonstrate achievements to other partners. • Maintain Government-led and owned on-going dialogue with development partners	Project management & Development Partners

3	Lack of political and other stakeholder commitment	Political	I=2 P=1 Risk level = Low	- Ensure NSC/NTAC membership is cross-sector and supported by the BPC. - Ensure all stakeholders are fully involved and informed of project progress. - Ensure effective advocacy programmes targeting stakeholders and parliamentarians	Project management & Development Partners
4	Retention of skilled staff	Operational	I=5 P=4 Risk level = High	- Provide incentives for training, etc. - Ensure fair management and distribution of duties to relevant personnel - Training of wider audience to provide backup - Adopt and document regular activities, processes, guidelines etc - For institutional strength, develop partnerships to tap into regional resources	Project management
5	Change in government policy	Political	I=2 P=1 Risk level = Low	- Ensure that Whole-of-Government approach to trade mainstreamed in government planning processes across sectors is institutionalised - Flexibility in adapting to new policy - Ensure continued transparency in EIF work - The TPF process is very participatory and participation of stakeholders needs to be maintained and strengthened	Project management
6	Lack of skilled experts to conduct analytical work	Operational	I=3 P=3 Risk level = Medium	- Use of EIF and regional networks to recruit international experts - Recruitment of suitable technical officer and specific training needs identified - Tap into regional resources	Project management

7	Sufficient and competent staff in MCIC and PMU	Operational	I=3 P=2 Risk level = Low	• MCIC to ensure core staff positions are included in budget and planning submissions to Government to ensure adequate staffing by end of EIF assistance period • Project staff to ensure continued dialogue with MCIC	Project management
8	Proposed trade strategies for economic gain have negative effect on the community, poverty reduction, environment and climate change adaptation/mitigation efforts	Strategic	I=5 P=2 Risk level = Medium	• Ensure trade policies are formulated in synergy with national development policies, are evidence-based and inclusive • Capacity development of policy makers should be ongoing	Project management
9	Global Covid-19 pandemic	Operational/ Social	I=5 P= 5 Risk level = High	• Work from home • E-meetings, e-workshops, e-communication, tele-conferences, etc • Frequent M&E and adjustments of Workplan to suit situation and resource availability from time to time	Project management & Development Partners

Annex XI.4 - Capacity Assessment: Results of capacity assessments of Implementing Partner (including HACT Micro Assessment)

Harmonized Approach to Cash Transfers (HACT)

1. Assignment of funds to be used in country will be documented on the Annual Work Plan (AWP) for the EIF Project Office, with the MCIC as the "Responsible Party". Funds will be released to the project under UNDP HACT guidelines (refer Annex 4). Quarterly advances will be remitted based on budgeted quarterly work plans detailing the project's in country requirements for each quarter. The EIF FP will request advances and report expenditure quarterly using the FACE form. New advances will not be issued unless 80% of the previous advance is disbursed.

1. FACE forms should be received by UNDP within 15 days of the end of each quarter, together with a copy of the project cashbook, reconciled with and endorsed by the MFED Development Accountant. UNDP will scrutinize for accuracy and ensure expenditure is in line with the work plan. Any amendments made by UNDP will be discussed and agreed with the MCIC.

2. Receipt and management of project funds in country, advanced under UNDP NIM Guidelines will adhere to Government of Kiribati requirements. All expenditure processes should follow the normal government financial procedures, rules and regulations for the management of Government resources. Procurement will adhere to UNDP principles of transparency and best value for money.

3. Funds will be remitted by UNDP to the Government of Kiribati-Development Account with the ANZ Bank (Kiribati). A separate ledger will be opened for the project in the MFED and funds will be accessed through the Government Financial Management System in compliance with established Government procedures. Based on this ledger, FACE forms will be submitted on a quarterly basis to UNDP, who will provide assurance and capacity building to the process.

4. MCIC will ensure accurate financial records and documentation are kept by the project and reconciled on a monthly basis with MFED general ledger.

5. Based on the expenditures reports received from the project and recorded in Atlas (the UNDP corporate management system), UNDP prepares a Combined Delivery Report (CDR) at the end of the quarter. The CDR is the report that reflects the total expenditures and actual obligations (recorded in Atlas) of a Project during a period (quarterly and mandatory at the end of each year). The CDR constitutes the official report of expenditures and obligations of the project for a given period.

6. Details of these reports are described in Section VI. Project Accountability Arrangements. Based on these reports, and in accordance with the UNDP/UNOPS Joint Partnership letter (JPL) and the UNDP Template for Country Level Contribution Agreements for the Enhanced Integrated Framework for Trade-related Technical assistance to Least Developed countries, UNDP will be responsible for the provision of all reports required by the EIF Board and Trust Fund Manager, specifically (i) semi-annual narrative and uncertified financial reports to be provided by the Bureau for Development Policy; (ii) a final narrative report; and (iii) annual and final certified financial statements. The TFM will also hold regular portfolio reviews with UNDP through GTHDU.

Annex XI.5 - Terms of Reference for Project Board

Overall responsibilities: The Project Board is the group responsible for making by consensus management decisions for a project when guidance is required by the Project Manager, including recommendation for UNDP/Implementing Partner approval of project plans and revisions. In order to ensure UNDP's ultimate accountability, Project Board decisions should be made in accordance to standards that shall ensure best value to money, fairness, integrity transparency and effective international competition. In case a consensus cannot be reached, final decision shall rest with the UNDP Programme Manager. Project reviews by this group are made at designated decision points during the running of a project, or as necessary when raised by the Project Manager. This group is consulted by the Project Manager for decisions when Project Manager tolerances (normally in terms of time and budget) have been exceeded.

Based on the approved annual work plan (AWP), the Project Board may review and approve project quarterly plans when required and authorizes any major deviation from these agreed quarterly plans. It is the authority that signs off the completion of each quarterly plan as well as authorizes the start of the next quarterly plan. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the project and external bodies. In addition, it approves the appointment and responsibilities of the Project Manager and any delegation of its Project Assurance responsibilities.

Composition and organization: This group contains three roles, including:

1) An Executive: individual representing the project ownership to chair the group.

2) Senior Supplier: individual or group representing the interests of the parties concerned which provide funding and/or technical expertise to the project. The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project.

3) Senior Beneficiary: individual or group of individuals representing the interests of those who will ultimately benefit from the project. The Senior Beneficiary's primary function within the Board is to ensure the realization of project results from the perspective of project beneficiaries.

Potential members of the Project Board are reviewed and recommended for approval during the LPAC meeting. For example, the Executive role can be held by a representative from the Government Cooperating Agency or UNDP, the Senior Supplier role is held by a representative of the Implementing Partner and/or UNDP, and the Senior Beneficiary role is held by a representative of the government or civil society. Representative of other stakeholders can be included in the Board as appropriate.

Specific responsibilities:

Defining a project

- Review and approve the Initiation Plan (if such plan was required and submitted to the LPAC).

Initiating a project

- Agree on Project Manager's responsibilities, as well as the responsibilities of the other members of the Project Management team;

- Delegate any Project Assurance function as appropriate;

- Review the Progress Report for the Initiation Stage (if an Initiation Plan was required);

- Review and appraise detailed Project Plan and AWP, including Atlas reports covering activity definition, quality criteria, issue log, updated risk log and the monitoring and communication plan.

Running a project

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;

- Address project issues as raised by the Project Manager;
- Provide guidance and agree on possible countermeasures/management actions to address specific risks;
- Agree on Project Manager's tolerances in the Annual Work Plan and quarterly plans when required;
- Conduct regular meetings to review the Project Quarterly Progress Report and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans.
- Review Combined Delivery Reports (CDR) prior to certification by the Implementing Partner;
- Appraise the Project Annual Review Report, make recommendations for the next AWP, and inform the Outcome Board about the results of the review.
- Review and approve end project report, make recommendations for follow-on actions;
- Provide ad-hoc direction and advice for exception situations when project manager's tolerances are exceeded;
- Assess and decide on project changes through revisions;

Closing a project

- Assure that all Project deliverables have been produced satisfactorily;
- Review and approve the Final Project Review Report, including Lessons-learned;
- Make recommendations for follow-on actions to be submitted to the Outcome Board;
- Commission project evaluation (only when required by partnership agreement)
- Notify operational completion of the project to the Outcome Board.

Executive

The Executive is ultimately responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive's role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher level outcomes. The Executive has to ensure that the project gives value for money, ensuring a cost-conscious approach to the project, balancing the demands of beneficiary and supplier.

Specific Responsibilities (as part of the above responsibilities for the Project Board)
- ➢ Ensure that there is a coherent project organisation structure and logical set of plans
- ➢ Set tolerances in the AWP and other plans as required for the Project Manager
- ➢ Monitor and control the progress of the project at a strategic level
- ➢ Ensure that risks are being tracked and mitigated as effectively as possible
- ➢ Brief Outcome Board and relevant stakeholders about project progress
- ➢ Organise and chair Project Board meetings

The Executive is responsible for overall assurance of the project as described in Annex X.5 – Terms of Reference for Project Assurance. If the project warrants it, the Executive may delegate some responsibility for the project assurance functions.

Senior Beneficiary

The Senior Beneficiary is responsible for validating the needs and for monitoring that the solution will meet those needs within the constraints of the project. The role represents the interests of all those who will benefit from the project, or those for whom the deliverables resulting from activities

will achieve specific output targets. The Senior Beneficiary role monitors progress against targets and quality criteria. This role may require more than one person to cover all the beneficiary interests. For the sake of effectiveness, the role should not be split between too many people.

Specific Responsibilities (as part of the above responsibilities for the Project Board)

➢ Ensure the expected output(s) and related activities of the project are well defined
➢ Make sure that progress towards the outputs required by the beneficiaries remains consistent from the beneficiary perspective
➢ Promote and maintain focus on the expected project output(s)
➢ Prioritise and contribute beneficiaries' opinions on Project Board decisions on whether to implement recommendations on proposed changes
➢ Resolve priority conflicts

The assurance responsibilities of the Senior Beneficiary are to check that:
➢ Specification of the Beneficiary's needs is accurate, complete and unambiguous
➢ Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary's needs and are progressing towards that target
➢ Impact of potential changes is evaluated from the beneficiary point of view
➢ Risks to the beneficiaries are frequently monitored

Where the project's size, complexity or importance warrants it, the Senior Beneficiary may delegate the responsibility and authority for some of the assurance responsibilities (see also Annex XI.8 – Terms of Reference for Project Assurance).

Senior Supplier

The Senior Supplier represents the interests of the parties which provide funding and/or technical expertise to the project (designing, developing, facilitating, procuring, implementing). The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project. The Senior Supplier role must have the authority to commit or acquire supplier resources required. If necessary, more than one person may be required for this role. Typically, the implementing partner, UNDP and/or donor(s) would be represented under this role.

Specific Responsibilities (as part of the above responsibilities for the Project Board)
➢ Make sure that progress towards the outputs remains consistent from the supplier perspective
➢ Promote and maintain focus on the expected project output(s) from the point of view of supplier management
➢ Ensure that the supplier resources required for the project are made available
➢ Contribute supplier opinions on Project Board decisions on whether to implement recommendations on proposed changes
➢ Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts

The supplier assurance role responsibilities are to:
➢ Advise on the selection of strategy, design and methods to carry out project activities
➢ Ensure that any standards defined for the project are met and used to good effect

- ➢ Monitor potential changes and their impact on the quality of deliverables from a supplier perspective
- ➢ Monitor any risks in the implementation aspects of the project

If warranted, some of this assurance responsibility may be delegated.

Annex XI.6 - Terms of Reference for Project Manager

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

The Implementing Partner appoints the Project Manager, who should be different from the Implementing Partner's representative in the Outcome Board. Prior to the approval of the project, the Project Developer role is the UNDP staff member responsible for project management functions during formulation until the Project Manager from the Implementing Partner is in place.

Specific responsibilities would include:

Overall project management:

- Manage the realization of project outputs through activities;
- Provide direction and guidance to project team(s)/ responsible party (ies);
- Liaise with the Project Board or its appointed Project Assurance roles to assure the overall direction and integrity of the project;
- Identify and obtain any support and advice required for the management, planning and control of the project;
- Responsible for project administration;
- Liaise with any suppliers;
- May also perform Team Manager and Project Support roles;

Running a project

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

Closing a Project

- Prepare Final Project Review Reports to be submitted to the Project Board and the Outcome Board;

- Identify follow-on actions and submit them for consideration to the Project Board;

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

Prepare final CDR/FACE for signature by UNDP and the Implementing Partner.

Annex XI.7 - Terms of Reference for Project Support

Overall responsibilities: The Project Support role provides project administration, management and technical support to the Project Manager as required by the needs of the individual project or Project Manager. It is necessary to keep Project Support and Project Assurance roles separate in order to maintain the independence of Project Assurance.

Specific responsibilities: Some specific tasks of the Project Support would include:

Provision of administrative services:

- Set up and maintain project files
- Collect project related information data
- Update plans
- Administer the quality review process
- Administer Project Board meetings

Project documentation management:

- Administer project revision control
- Establish document control procedures
- Compile, copy and distribute all project reports

Financial Management, Monitoring and reporting

- Assist in the financial management tasks under the responsibility of the Project Manager
- Provide support in the use of Atlas for monitoring and reporting

Provision of technical support services

- Provide technical advices
- Review technical reports
- Monitor technical activities carried out by responsible parties

Annex XI.8 – Terms of Reference for Project Assurance

Overall responsibility: Project Assurance is the responsibility of each Project Board member; however, the role can be delegated. The Project Assurance role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed.

Project Assurance has to be independent of the Project Manager; therefore, the Project Board cannot delegate any of its assurance responsibilities to the Project Manager. A UNDP Programme Officer typically holds the Project Assurance role.

The implementation of the assurance responsibilities needs to answer the question "What is to be assured?" The following list includes the key suggested aspects that need to be checked by the Project Assurance throughout the project as part of ensuring that it remains relevant, follows the approved plans and continues to meet the planned targets with quality.

- Maintenance of thorough liaison throughout the project between the members of the Project Board.
- Beneficiary needs and expectations are being met or managed
- Risks are being controlled
- Adherence to the Project Justification (Business Case)
- Projects fit with the overall Country Programme
- The right people are being involved
- An acceptable solution is being developed
- The project remains viable
- The scope of the project is not "creeping upwards" unnoticed
- Internal and external communications are working
- Applicable UNDP rules and regulations are being observed
- Any legislative constraints are being observed
- Adherence to RMG monitoring and reporting requirements and standards
- Quality management procedures are properly followed
- Project Board's decisions are followed and revisions are managed in line with the required procedures

Specific responsibilities would include:

Initiating a project

- Ensure that project outputs definitions and activity definition including description and quality criteria have been properly recorded in the Atlas Project Management module to facilitate monitoring and reporting;
- Ensure that people concerned are fully informed about the project
- Ensure that all preparatory activities, including training for project staff, logistic supports are timely carried out

Running a project

- Ensure that funds are made available to the project;
- Ensure that risks and issues are properly managed, and that the logs in Atlas are regularly updated;
- Ensure that critical project information is monitored and updated in Atlas, using the Activity Quality log in particular;
- Ensure that Project Quarterly Progress Reports are prepared and submitted on time, and according to standards in terms of format and content quality;
- Ensure that CDRs and FACE are prepared and submitted to the Project Board and Outcome Board;
- Perform oversight activities, such as periodic monitoring visits and "spot checks".
- Ensure that the Project Data Quality Dashboard remains "green"

Closing a project

- Ensure that the project is operationally closed in Atlas;
- Ensure that all financial transactions are in Atlas based on final accounting of expenditures;
- Ensure that project accounts are closed and status set in Atlas accordingly.

(1) Job Title: EIF Project Manager (EIF funded)

> **Roles and Responsibilities: EIF Focal Point**
>
> - Oversee the functioning of the NIA. He/She may appoint a deputy Focal point, if needed.
> - Work closely with the relevant line Ministries, the Donor Facilitator, EIF Executive Secretariat, donors and partners to ensure that trade (TPF priorities) is mainstreamed in the KDP.
> - Lead on the updating of the TPF.
> - Report to the Government progress in EIF implementation.
> - Provide continuous guidance and coaching to EIF staff
> - Develop linkages with the EIF Executive Secretariat and oversee and endorse reports on EIF progress.
> - Work closely with, and maintains, a continuous in-country dialogue with the private sector, civil society, the Donor Facilitator, other donors and EIF Agencies.
> - Lead the formulation of the communication action plan aimed at enhancing support and involvement of key EIF stakeholders.
> - Work closely with MFED and other Government agencies to ascertain that TPF priorities are mainstreamed into the national development plans, such as the PSDP.

Responsible to: EIF Coordinator

The EIF Project Manager is responsible to the EIF Coordinator and provides support to the EIF Coordinator. The functions of the Project Manager are as follows:

- Overall management and administration of the EIF project
- Submission of financial and other reports to UNDP through the EIF FP
- Facilitate auditing of EIF funds
- Liaise with EIF Coordinator and
- Advise on the financial status of EIF project funds

Specific Requirements:

- Education to at least Post graduate/Master degree with two-year work experience, preferably in areas of economics, trade and development or management or Degree with 5 year work experience in the same fields;
- Project coordination and reporting skills;
- Good computer skills, experience in MS word and MS excel, database skills an advantage;
- Good interpersonal skills; good communication skills in both English, and i-Kiribati is preferable.

(2) Job Title: EIF Accountant (EIF funded)

Responsible to: EIF Project Manager

The EIF Accountant/Project Administrative Officer is responsible to the EIF Coordinator and provides support to ensure that all activities in the project work plan are carried out as scheduled.

EIF Accountant roles:
- Overall management of project funds with allocated budgets. Oversight of financial records maintained by the Finance officer;
- Preparation of quarterly financial acquittals, progress and annual reports of the project;
- Liaise with MFED to implement project financial record keeping. maintain project financial records and reconcile with MFED on a monthly basis;
- Provide advice and information to internal and external clients and stakeholders as required;
- Any other duties and responsibility directed by the EIF Coordinator and the EIF Focal Point which relate to the EIF programme.

Role Specific Requirements
- Education to at least Diploma level from recognized tertiary institutions, preferably in areas of accounting, economics, and management. Diploma with 5 years works experience and degree with 3 year work experience;
- Project coordination and reporting skills.
- Good computer skills, experience in MS word and MS excel, database skills an advantage;
- Good interpersonal skills; good communication skills in English, and i-Kiribati is preferable.