



# SIGNATURE PAGE

**COUNTRY: SRI LANKA**

**UNDAF Outcome(s)/Indicator(s):**  
(Link to UNDAF outcome., If no UNDAF, leave blank)

(1) Reduced poverty through improved accessibility to basic services and economic opportunities (2) Governance reforms towards peoples-centered development and (3) Recovery of war affected communities through provision of emergency and humanitarian assistance, livelihood opportunities, and peace building.

**Expected Outcome(s)/Indicator (s):**  
(CP outcomes linked to the SRF/MYFF goal and service line)

To promote two-way technical and economic cooperation between Sri Lanka and other developing country through the use of the south-South Co-operation Modality.

**Expected Output(s)/Indicator(s):**  
(CP outcomes linked to the SRF/MYFF goal and service line)

Cooperative exchange programmes implemented based on a macro strategy developed addressing the development needs of Sri Lanka

**Implementing partner:**

(designated institution/Executing agency)

Department of External Resources (ERD)

Programme Period:	2002 – 2006
Programme Component:	Goal 1. Achieving the MDGs and reducing human poverty GOAL 2. Fostering democratic governance GOAL 3. Energy and environment for sustainable development GOAL 4. Crisis prevention and recovery
Award Title:	<b>Capacity Building of Public Sector Organisations through South South Cooperation</b>
Award ID:	00042758
Project /Output Title:	Capacity Building through South-South Cooperation
Project ID:	00049606
Project /Output Title:	
Project ID:	
Award Duration:	1 March 2006 – 31 <sup>st</sup> December 2007
Management Arrangement:	

<b>Budget</b>	
General Management Support Fee (GMS)	
<b>Total Budget</b>	<b>US \$ 125,000</b>
<i>Allocated Resources:</i>	
• Trac 1 & 2	US\$. 125,000
<i>Other</i>	
• Parallel funding Government	US\$. 10,000
In-kind contributions	
Unfunded Budget	

Agreed by	Signature	Date	
Government		22/03/06	<b>SUJATHA COORAY</b> DIRECTOR GENERAL DEPARTMENT OF EXTERNAL RESOURCES MINISTRY OF FINANCE & PLANNING THE SECRETARIAT COLOMBO 1. SRI LANKA.
Implementing Partner/Executing Agency		21/3/2006	<b>J. H. J. JAYAMAHA</b> Additional Director General Department of External Resources MINISTRY OF FINANCE & PLANNING
UNDP		23/03/06.	COUNTRY DIRECTOR



**Government of Sri Lanka**

**United Nations Development Programme**

**Capacity Building Through South-South Co-operation**

The project is intended to support the implementation of the South-South Cooperation Programme (SSCP) during the Second Country Cooperation Framework. The SSCP Programme would provide a channel, within a macro and micro strategic framework, for sharing and exchange of technical resources, skills and capabilities between Sri Lanka and other developing countries



## **Brief Description**

The project is intended to support capacity building of public sector organizations in Sri Lanka through the South-South Cooperation modality during the Second Country Cooperation Framework. The Programme will provide a channel, within a macro and micro strategic framework, for sharing and exchange of technical resources, skills and capacities between Sri Lanka and other developing countries.

## **Part 1 A. SITUATION ANALYSIS**

Sri Lanka has overall been progressing fairly satisfactorily in achieving several of the Millennium Development Goals, adopted by the United Nations member states in the year 2000. Especially in the areas health and education Sri Lanka's achievements are remarkable, when compared to many countries in the South Asian region. However, progress has remained uneven and indicators are not as impressive if disaggregated by sectors and localities. In particular, the estate sector and conflict affected districts lack behind the national average. In addition, progress on MDG #1, reducing poverty by half, is currently not on track to achieve the 2015 target. It is recorded that 46% of the population is earning less than US\$ 2 per day, and 26% of the population is below the locally defined poverty line.

Against this backdrop parallel to the peace process, the Government has formulated a new policy framework titled, "New Development strategy: Framework for Economic Growth and Poverty Reduction" (2005). Within this framework, "the National Poverty Reduction and Growth Strategy (NPRGS), has the following objectives:

- To create pro-poor growth to catalyze the poor to engage in productive economics activities using the Division as the micro level framework for poverty reduction.
- Satisfy basic human needs, reach/surpass MDG's and achieve a holistic improvement in quality of life of the poor.
- Minimize the sharp regional variations and disparities in terms of wealth creation and poverty.
- Help the poor to understand the causes of their poverty, identify their needs and potentials and match needs with resources
- Reform and synergism poverty alleviation programmes and projects.

Specific programmes and projects have been designed to address many of the above issues, within the thematic themes of the present UNDP Country Cooperation Framework, i.e.:

### **1. Governance Institutions**

To support Government efforts in building effective governance institutions at national and decentralized level to reduce disparities.

### **2. Economic Opportunities for the poor**



To support the Governments efforts towards enhancing economic opportunities for the poor within the National Poverty Alleviation Framework.

### **3. Sustainable Recovery of Conflict Affected Areas**

To support Government efforts towards creation of sustainable livelihood opportunities for the affected communities and preparing for post conflict recovery

However, the Government wishes to seek UNDP assistance, to facilitate sharing and exchange of technical resources, skills and capabilities between Sri Lanka and other developing countries, outside the scope of these projects and programmes.

Within this context, in Sri Lanka UNDP has been supporting South-South Cooperation through the Technical Cooperation between Developing Countries (TCDC) modality for over a decade. TCDC is a concept developed during a conference hosted by the United Nations in 1978. TCDC is founded on the belief that human resource development is vital for achieving economic and social progress. Under this programme, developing countries cooperate with each other through cost effective exchanges of technology and experience. If necessary, they also utilize advice and financial support from external sources including United Nations organizations. From modest beginnings in Sri Lanka, the TCDC assistance has grown to become an important modality in sharing experiences/best practices of the region. The recently concluded TCDC project commenced activities in 1998, with the following objective: To (i) promote cooperative arrangements, with other developing countries for mutual exchange of information, experience and services to facilitate the evaluation, acquisition and adaptation of skills and technologies suited to the needs and circumstances of Sri Lanka; and (ii) exposing useful Sri Lankan experiences to other developing countries.

TCDC assistance to Sri Lanka was categorized as follows:

1. Short-term training outside the country.
2. Expertise visiting Sri Lanka
3. In country training for fellows from the region.

#### **1. Short-term training outside the country:**

From an overall volume of USD 3,000 to support fellowships of Sri Lankan's going to China this modality has expanded to a total expenditure of USD 40,000 in 2003 accommodating 40 fellowships to countries such as China, Thailand, Malaysia, Singapore and Pakistan.

#### **2. Expertise visiting Sri Lanka**

Inputs of experts to four areas - namely wind power, banana fiber technology, crab/prawn breeding, and the steel industry - were provided under this facility. A capacity building component was included in varying degrees in all these cases.

### **3. In-country training for fellows from the region.**

Initiated in 1998, the in-country courses offered under this module included Construction Management, Electronic Systems Design & new ICT Domain, Food Processing as a Small Business, Community Health Management as well as Governance & Public Policy. An average of annually three courses were followed by 50 participants from the region.

The Government continues to rely on cooperation between developing countries as a means for exchange of skills and technology. A recently concluded, evaluation of the past assistance TCDC assistance confirmed the relevance of the programme and noted the following:

1. The need for a coherent macro strategic framework for a TCDC programme
2. The need for a coherent sector/organization level micro-strategy to ensure that the exchanges in knowledge and know how are utilized and lead to improvement in development services.
3. The need to establish the institutional linkage between the macro and micro strategies in establishing an effective review and oversight system for TCDC.
4. The availability of capacity at the focal agency for effective steerage of the TCDC process

The above is taken into consideration in defining the parameters of the new programme.

#### **Part 1B: STRATEGY**

In addition to the specific UNDP programmes and projects that are being implemented within the three thematic areas covered under the current country co-operation framework (2002-2006), the objective of this project intervention is to provide a flexible mechanism to cater to capacity development needs identified by Government within the framework of the overall UNDP country programme. The project will act as a channel to facilitate exchange and cross fertilization of knowledge and expertise available in developing countries.

As part of its overall approach the project will assist in the development of a comprehensive strategy for cooperation with countries that have similar needs and strengths. The development of this strategy for South-South Cooperation would involve the following:

1. Assessment of the Sri Lanka's development needs that could be addressed through cooperative exchanges from countries which have similar needs and conditions and vice-versa.
2. Identification of modalities of exchange that would address identified needs. (Policy dialogues, twinning arrangements, training opportunities).



3. Determination of the procedural arrangements for organizing country to country co-operation.

Within the context of the Macro Strategic Framework, an implementation strategy will be worked out for identification, management and monitoring of suggested specific activities and interventions to be undertaken under the south-south cooperation exchanges. This would include the following elements:

- The project will hold a workshop with the relevant human resource managers of line ministries to outline the focus and work of the project.
- All overseas training activities will be preceded by a “dissemination plan” outlining how the benefits of the training can have a greater capacity development impact on the ground when the beneficiaries return to Sri Lanka.
- A Strong system of M&E and feedback from beneficiaries.
- The beneficiaries will share their training experience with their peers on return to the island and a report will be submitted to the Government and the UNDP. A summary of these reports will be submitted to the Steering Committee for appraisal and recommendations
- The project will host 6-monthly workshops where beneficiaries of overseas training will share their new knowledge and expertise.

As the South South Cooperation modality per se is insufficient to develop the required capacity of any sector or organization, it will be important to target specific areas or aspects of such development needs.

## Part II – PROJECT RESULTS FRAMEWORK

<p><b>UNDP Goal and Service Line: This programme modality will service the following goals:</b>          GOAL 1. Achieving the MDGs and reducing human poverty          GOAL 2. Fostering democratic governance          GOAL 3. Energy and environment for sustainable development          GOAL 4. Crisis prevention and recovery</p>				
<p><b>Intended Outcome: (1)</b> To promote two-way technical and economic cooperation between Sri Lanka and other developing countries through professional exchanges.  <b>(2)</b> To contribute to the development of Sri Lanka in a range of sectors, within the policy framework of the Government, through the utilization of expertise available in developing countries.</p>				
<p><b>Partnership.</b> The South-South Cooperation modality will be used to develop twinning arrangements with development agencies (state and non-state) in other developing countries for technology transfer and exchange of expertise.</p>				
<p><b>Project number 00048928 Project title: Capacity Development through South-South Cooperation</b></p>				
Intended outputs	Output Type	Output Target	Activities	Specify the UNDP inputs needed to produce output
1. A macro strategy for prioritized cooperative exchange addressing the development needs of Sri Lanka developed.	A macro Strategic Frame Work outlining development needs of the country		<p>1.1. An assessment of Sri Lanka's and other countries development needs and priorities that can be addressed through cooperative exchanges.</p> <p>1.2 Identify forms of Cooperative exchanges (ex. Policy dialogue, information sharing, Training exchanges, Inter-institutional twinning arrangements)</p> <p>1.3. Delineation of the procedural arrangements for organizing country cooperation.</p>	US\$ 5,000
2.1 A strategy for Implementation of macro framework developed.	A procedure developed for submission of proposals to execute the exchange programme		<p>2.1.1 Procedure developed by ERD for submission of proposal for training etc (within the macro strategy). and post training action.</p> <p>2.1.2 Project organize workshop for HR managers of relevant line ministries to</p>	US\$ 10,000



<p>2.2. institutional linkage established between the macro and micro strategies and effective review system established to oversee the system for South-South Co-operation.</p>	<p>A steering Committee established</p>		<p>out line the focus and work</p> <p>2.1.3. Project organizes bi-annual workshop to share new knowledge acquired by beneficiaries</p> <p>2.2.1. Periodic meetings of the Steering Committee for oversight and monitoring of the system</p>	
<p>3. Technology transfer through expertise from developing countries</p>	<p>Out of country training of trainees</p> <p>Expert Missions from other countries fielded</p>		<p>3.1 UNDP evaluates the requests from ERD (which would include dissemination plan of knowledge acquired) in line with CCF and if accepted makes logistical arrangements. UNDP will arrange travel. Generally Under Sough-South Co-operation modality the host country will meet subsistence needs</p> <p>3.2 UNDP evaluates requests are in line with CCF and if accepted fields the Consultant. UNDP will arrange travel and payment of subsistence allowance where applicable.</p>	<p>US\$ 100,000</p> <p>US\$ 20,000</p>

### Part III – Management Arrangements

The Department of External Resources will be the Executing Agency for this project. Organizations. A Steering Committee comprising of the ERD, and UNDP will meet Bi-annually to oversee the functioning of the programme.

The UNDP office in Colombo, in accordance with UNDP's National Execution Modality, will discharge the overall responsibility of the project



#### **Part IV. Monitoring and Evaluation**

The project will be monitored according to standard UNDP procedures. The National Project Director, who may delegate the authority to the National Project Coordinator, will carry out day to day monitoring. The project will be subject to a bi-annual review by the National Steering Committee, and to an Annual Review by the ERD and the UNDP to ensure increased results orientation of exchange visits and overseas training activities .

#### **Part V – Legal Context**

This project document shall be the instrument referred to as such as in article 1 of the Standard Basics Agreement between the Government of Sri Lanka and the United Nations Development Programme. Signed by the parties on 20<sup>th</sup> March 1990. The host country-implementing agency shall for the purpose of the Standard Basic Assistance Agreement refer to the government cooperating agency described in that agreement. The following types of revision may be made to this project document with signature of the UNDP Resident Representative only, provided he/she is assured that other signatories of the project document have no objections to the proposed changes.

- (a) Revisions in or addition of any annexes of the project document.
- (b) Revisions which do not involve significant changes in the immediate objectives, outputs or activities of a project, but are caused by the arrangements of inputs already agreed to or by cost increase due to inflation and
- (c) Mandatory annual revisions, which rephrase the delivery of agreed, project inputs or increased expert or other costs due to inflation or take into account expenditure flexibility.

**Budget – (Annex 1:attached)**



Annual Work Plan - Budget Revision 'A' (Initial), US\$

Key Activities	Timeframe				Rptg. Partner	Fund	Owner	Budget Description	Planned Budget			Remarks
	Q1	Q2	Q3	Q4					Total Budget	2006 Budget	2007 Budget	
1.1. An assessment of Sri Lanka's and other countries development needs and priorities that can be addressed through cooperative exchanges.	X	X			ERO	UNDP		Consultants		3,000		
1.2 Identify forms of Cooperative exchanges (ex. Policy dialogue, information sharing, Training exchanges, Inter-institutional learning arrangements).	X	X	X		ERO	UNDP		Travel		1,000		
1.3. Delineation of the procedural arrangements for organizing country cooperation.	X	X			ERO	UNDP		Miscellaneous		1,000		
2.1.1 Procedure developed by ERO for submission of proposal for training etc (within the macro strategy)/ Aid post training action.			X	X	ERO	UNDP		Miscellaneous		2,000		
2.1.2 Project organizes workshop for with HR managers of relevant law ministries to set the focus and work			X		ERO	UNDP		Miscellaneous		4,000		2,000
2.1.3 Project organizes bi-annual workshop to share new knowledge acquired by beneficiaries	X	X	X	X	ERO	UNDP		Travel		4,000		2,000
2.2 Institutional linkage established between macro and micro strategies and effective review system established to oversee the system for South-South Cooperation.												
2.2.1 Periodic meetings of the Steering Committee for oversight and monitoring of the system	X	X	X	X	ERO	UNDP						
2.2.2 UNDP evaluates the requests (which would include dissemination plan of knowledge acquired) in line with CCF and if accepted makes logistical arrangements to send trainees abroad.												
2.2.3 UNDP evaluates the requests in line with CCF and if accepted makes the Consultant, UNDP will arrange travel and payment of subsistence allowance where applicable and field consultants.												
3. Technology and Knowledge transfer through expertise from developing countries	X	X	X	X								
3.2. UNDP evaluates the requests in line with CCF and if accepted fields the Consultant. UNDP will arrange travel and payment of subsistence allowance where applicable and field consultants.												
GRAND TOTAL												

Prepared by: Indrani

Concurred By:

NO COST





**Management Work Plan**

Sri Lanka - Colombo

Award ID: 00042758

Award Title: Capacity Building through South South Cooperation

Year: 2006

Report Date: 6/3/2006

Project	Key Activities	Timeframe		Responsible Party	Planned Budget						Amount US\$	
		Start	End		Fund	Donor	Op Unit	Department	Budget Descr			
00049806	Cap. Bldg thro South South Corp											
	MACRO STRATEGY FOR D	20/1/06		SRL-National Execution	04000	UNDP	LKA	B0434	Sri Lanka - Colombo	71300	Local Consultants	3,000.00
				SRL-National Execution	04000	UNDP	LKA	B0434	Sri Lanka - Colombo	71600	Travel	1,000.00
				SRL-National Execution	04000	UNDP	LKA	B0434	Sri Lanka - Colombo	74500	Miscellaneous Expenses	1,000.00
	MICRO STRATEGY & IMPL	20/1/06		SRL-National Execution	04000	UNDP	LKA	B0434	Sri Lanka - Colombo	71600	Travel	2,000.00
				SRL-National Execution	04000	UNDP	LKA	B0434	Sri Lanka - Colombo	74500	Miscellaneous Expenses	4,000.00
	TECHNOLOGY TRANSFER	20/1/06		SRL-National Execution	04000	UNDP	LKA	B0434	Sri Lanka - Colombo	71600	Travel	39,000.00
				SRL-National Execution	04000	UNDP	LKA	B0434	Sri Lanka - Colombo	74500	Miscellaneous Expenses	5,000.00
	<b>TOTAL</b>											55,000.00
	<b>GRAND TOTAL</b>											55,000.00



**Management Work Plan**

Sri Lanka - Colombo

Award Id: 00042758

Award Title: Capacity Building through South South Cooperation

Year: 2007

Report Date: 6/3/2006

Project	Key Activities	Timeframe		Responsible Party	Planned Budget						Amount US\$	
		Start	End		Fund	Donor	Op Unit	Department	Budget Descr			
00049606 Cap: Bldg thro: South: South: Corp												
	MICRO STRATEGY & IMPL	20/1/06		SRL-National Execution	04000	UNDP	LKA	B0434	Sri Lanka - Colombo	71600	Travel	2,000.00
				SRL-National Execution	04000	UNDP	LKA	B0434	Sri Lanka - Colombo	74500	Miscellaneous Expenses	2,000.00
	TECHNOLOGY TRANSFER	20/1/06		SRL-National Execution	04000	UNDP	LKA	B0434	Sri Lanka - Colombo	71600	Travel	66,000.00
TOTAL											70,000.00	
GRAND TOTAL											70,000.00	





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**Expected Outcome(s)/Indicator (s):**  
*(CP outcomes linked t the SRF/MYFF goal and service line)*

To promote two-way technical and economic cooperation between Sri Lanka and other developing country through the use of the south-South Co-operation Modality.

**Expected Output(s)/Indicator(s):**  
*(CP outcomes linked t the SRF/MYFF goal and service line)*

Cooperative exchange programmes implemented based on a macro strategy developed addressing the development needs of Sri Lanka

**Implementing partner:**

*(designated institution/Executing agency)*

Department of External Resources (ERD)

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<b>Programme Component:</b>	Goal 1. Achieving the MDGs and reducing human poverty GOAL 2. Fostering democratic governance GOAL 3. Energy and environment for sustainable development GOAL 4. Crisis prevention and recovery
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General Management Support Fee (GMS)	
<b>Total Budget</b>	<b>US \$ 125,000</b>
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<i>Other</i>	
• Parallel funding Government	US\$. 10,000
In-kind contributions	
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<b>Government</b>			
<b>Implementing Partner/Executing Agency</b>			
<b>UNDP</b>			