MDG-Driven Poverty Policy Package (MP-3)

2007-2012

Project Document

MDG-DRIVEN POVERTY POLICY PACKAGE

Country: Pakistan

UNDAF Outcome(s): *Improved capacity to formulate and implement pro-poor policies*

Expected CP Outcome(s): *Reduction of human and income poverty addressed as a major concern of macroeconomic policies; improved national capacity to monitor poverty and inequality*

Expected CP Output(s): *One million individuals lifted out of poverty by removing barriers and increased economic opportunities. Alternative pro-poor approaches adopted addressing root causes. Outcome monitoring and nationwide MDG campaign, putting Pakistan on track*

Implementing Partner: Planning Commission, CRPRID, Ministry of Finance, UNOPS, IUCN, PILDAT, PCP, DTCE, ILO, Ministry of Labor

Other Partners: P&D Departments, FBS, Finance Departments, research institutes, CSOs, labor departments, academic institutes, UN agencies

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BACKGROUND:

Poverty is a multidimensional concept. One dimension refers to poverty based on the extent to which households or individuals in the population have actual levels of private consumption below a certain "poverty line" as representing a minimum acceptable standard of private consumption. Qualitative studies on poverty in Pakistan however stress that the poor in Pakistan rarely speak of lack of income per se, but tend to focus on the constraints they face in managing their assets, whether human, material, social or political. Whereas the poverty headcount ratio had declined significantly between 2001 and 2005, progress on human development indicators, in particular the MDGs, have been relatively modest. Pro-poor policy instruments, especially the Poverty Reduction Strategy Papers, have a critical role in providing for a holistic framework to address poverty reduction challenges in Pakistan, in light with GOP commitment to achieve MDGs by 2015.

The integrated MP-3 program framework thus consolidates and harmonizes under one umbrella UNDP's partnership with MOF for gender budgeting, PRSP formulation and MDG Costing as well as with the Planning Commission on MDG and poverty research. The program further downstream UNDP's ongoing efforts to provide for a more inclusive strategy to address pro-poor policy processes in its entirety.
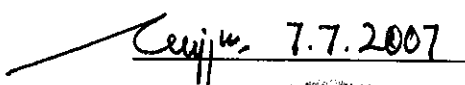
The development objective supported by MP-3 is to **"Contribute to MDG-responsive poverty reduction through evidence-based poverty policy planning, implementation, monitoring and reporting."** The program proposes a wide range of technical, institutional and advocacy interventions to provide comprehensive and coordinated approach for upstream pro-poor policy reform. The program thus stands on two **interconnected pillars** of: (1) Strengthening Institutional and Regulatory Frameworks for Pro-Poor Policy Reform (2) Localizing MDGs in the national and sub-national development agendas. The expected **outputs** of the program are:
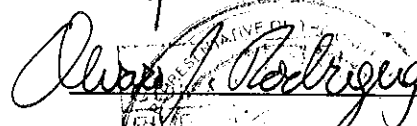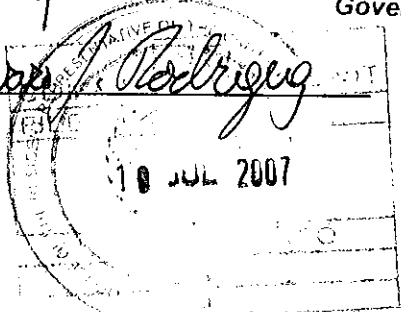
1. Structures and processes for MDG-based strategic policy planning and research supported
2. Institutional frameworks and capacities for managing the implementation and monitoring of MDG-responsive pro-poor policies strengthened
3. Channels for MDG-based pro-poor advocacy strengthened and national engagement with effective MDG implementation enhanced

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Program Period:	July 2007-June 2012
Program Component:	Poverty
Duration:	5 years

Estimated budget: US$ 26,230,000

Allocated resources: US Dollars:
- Government _____
- Other:
- Donor 3.8million (TRAC)

Un-funded budget: 22,430,000

Agreed by Economic Affairs Division:

Ceujju. 7.7.2007

AMIR TARIQ ZAMAN
Joint Secretary
Economic Affairs Division
Government of Pakistan
Islamabad

Agreed by UNDP:

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MDG-DRIVEN POVERTY POLICY PACKAGE

1.   SITUATION ANALYSIS

A.   POVERTY IN PAKISTAN

Poverty is a multidimensional concept. One dimension refers to poverty based on the extent to which households or individuals in the population have actual levels of private consumption below a certain "poverty line" as representing a minimum acceptable standard of private consumption. Qualitative studies on poverty in Pakistan however stress that the poor in Pakistan rarely speak of lack of income per se, but tend to focus on the constraints they face in managing their assets, whether human, material, social or political.

In this context, the 1990s were a lost decade for Pakistan's poor with little progress made in reducing poverty and improving social indicators. Per capita growth declined to 1.2% per year, down from 3% per year in the 1980s[1] whereas the incidence of poverty increased from 26.1% in 1990-91 to 32.1% in 2000-01, reversing the declining poverty trend in the 1970s and 1980s. Over the past five years, the Government of Pakistan has made considerable progress in stabilizing the economy, and in undertaking key market-oriented policy reforms. These include among others privatization of public sector enterprises, improvements in public and corporate governance, liberalization of external trade, reforms in the banking sector, and reduction in untargeted subsidies. As a result, economic growth accelerated during the period 2001-2005. Concomitantly, the poverty headcount ratio witnessed a downturn of 6.7% during 2001-2005. Notwithstanding the decline, regional disparities in poverty levels continue to be a challenge for equitable pro-poor growth[2].

The Pakistan Standard Living Measurement Survey (PSLMS) 2004-05 also points to improvement in some (not all) non-money measures of poverty when compared with data from the PIHS 2001-02. It is important to treat this improvement with caution. Compared to other countries with equal levels of growth, Pakistan's human development indicators remain low: almost half of the population is illiterate, infant and maternal mortality rates are high, access to quality education & health care particularly by the poor is limited, income and regional inequalities are widespread, infrastructure deficiencies persist, skill shortages are taking a toll on the economy's productivity while unemployment & underemployment continue to remain high[3].

An analysis of poverty in Pakistan from a gender lens reveals that the brunt of poverty in Pakistan is borne by women and is reflected in the poor human development indicators. The UNDP Human Development Report 2005 indicates that the overall Pakistan HDI value is 0.528 (ranking 135 out 0f 177 countries) with a GDI rank (107 out 140 countries) lower than that of HDI, thereby, reflecting the inequalities that persist between men and women. Although a comparison of data from PSLM 2004-05 and PIHS 2001-02 shows improvements in GER, literacy rates and women's wage employment in the non-agricultural sector, gender gap continues to persist and is more accentuated in rural than urban areas.[4]

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[1] Project Information Document, Pakistan: Poverty Reduction Support Credit, World Bank

[2] In the urban areas, the incidence of poverty reduced from about 23% in 2001-02 to 15% in 2004-05. In rural areas, it declined from 39% in 2001-02 to around 28% in 2004-05.

[3] Economic growth and poverty reduction are linked through employment and the real wage rate. Open unemployment in Pakistan had increased from 4.7% in 1992-93 to more than 8% in 2001-02. This was the period when overall poverty also increased. Overall unemployment rate has decreased from 8.3% in 2001-02 to 7.7% in 2003-04 and further to 6.5% in 2005-06 (July-Dec). Note that the decrease in unemployment rate in recent years is largely attributable to **increase in unpaid female workers** in the agriculture sector, whereas **men's unemployment rate has increased** for youth 20-24 years old, and for those aged 40 years and older. Moreover, the **decline in unemployment rates for males in rural and urban areas since 2001-02 has only been modest.**

B.   PRO-POOR POLICY FRAMEWORKS

This section provides an overview of GOP plans & policies that address poverty reduction in Pakistan.

Social Action Program (SAP):

The Social Action Program was conceived in 1991 by the Government of Pakistan in response to the realization that Pakistan's performance and ranking in social development compared unfavorably with other developing countries. The largest program of its kind in Pakistan and the first ever to focus on human development determinants of poverty, SAP only had a very small impact on basic social indicators.

Experience with SAP has revealed that while lack of resources is a serious constraint in the improvement of human development, mismanagement and other governance issues resulting in poor service delivery are a more pressing concern in Pakistan. For poverty reduction in all its dimensions, therefore, it is imperative to address governance issues responsible for social exclusion of the poor, women, and minorities from access to basic services, poor public sector performance, and the loss of trust by the citizens in public institutions.

Medium Term Development Framework (MTDF)

The MTDF being the growth and development agenda incorporates MDG-based poverty reduction as part of its strategy. Under MTDF, poverty reduction is seen not only as the net outcome and objective of the macroeconomic policy framework and increased public spending but also depends on the effectiveness of meso policies targeted at the vulnerable and marginalized groups. Therefore, to achieve poverty incidence of 21% by 2010, MTDF's poverty reduction strategy consists of four basic themes: high pro-poor growth, social development, good governance, and protection of vulnerable groups. The sector-wise program of provinces (in money terms) in the MTDF indicates a high priority for social sectors (67.8%) while the share of achieving MDGs in the overall PSDP is 35% (712.4 billion rupees). However, the MTDF limits itself to federal PSDP allocations and does not indicate planned resource allocations at the provincial levels for social sector interventions, where the bulk of social sector spending takes place.

Pakistan's Poverty Reduction Strategy Paper

In 1999, when the new government came to power, Pakistan was facing the twin challenges of reviving economic growth and eliminating poverty and other social inequities. In December of that year, following broad national consultations, the government announced its development strategy which focused on: (i) strengthening governance and the integrity of the civil service; (ii) creating opportunities through accelerating growth of agriculture, small and medium scale industries, information technology, and oil and gas sectors; and (iii) reducing poverty through revival of growth and re-orienting public expenditure towards human development and poverty reduction. This reform agenda formed the backbone of the government's **Interim Poverty Reduction Strategy**, and was backed by the Poverty Reduction and Growth Facility. The **Poverty Reduction Strategy Paper (2003-2006)** was finalized in 2003 and launched a multifaceted attack on poverty that combined macroeconomic stabilization, reduction in debt burden, fundamental structural reforms and improved governance. It was strongly felt that pursuing simply stabilization was not enough as it would have turned out to be a short term palliative and the risks and vulnerabilities of relapse into crisis situations would have remained high. The key ingredients of this strategy therefore included (i) accelerating

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[4] For instance, the increase in female literacy ratio to 40% is still significantly lower than the literacy ratio of 65% for men. GPI for primary and secondary education stands at 0.85 and 0.83 in 2004-05 respectively. Rural-urban differential among women's incidence of poverty can be reflected in average monthly income levels: females in rural areas earn 52% of what females in urban areas earn. Moreover, female income is 53.5% of male income in rural areas versus 72% in urban regions.

economic growth while maintaining macroeconomic stability (ii) improving governance (iii) investing in human capital (iv) targeting the poor and vulnerable.

The **PRSP II (2007-09)**, under formulation, proposes an integrated program for MDG-responsive poverty reduction with significant emphasis on employment generation linked to strategies for maximizing gains from globalization, addressing income inequalities and engendering the process of growth and social service delivery. The PRSP II will be based on a process that aligns all development programs to the attainment of the MDGs. An exercise is currently underway to cost out the expenditures required to meet these goals. That exercise is expected to yield budgetary & non-budgetary pro-poor expenditure required to meet MDGs.

To date, both the PRSP and the MTDF are constrained in their effects on the re-allocation of resources for the following reasons. First, both documents offer limited practical guidance on prioritization and sequencing of development interventions in the medium term. Second, both PRSP/MTDF are not sufficiently linked with budgetary procedures and with responsibilities at the devolved tiers of government to have significant impact on development planning and resource allocation processes.

Medium Term Budgetary Framework

The decline in delivery of most of public sector services is mainly because of inadequate and inefficient spending on these services in proportion to population growth. The effectiveness of the public expenditure in Pakistan suffers from (a) lack of strategic focus and articulation of sectoral priorities in the budgetary process (b) a primary focus on inputs with performance judged largely on matching of spending with budget appropriation (c) short-term horizon for budget making that do not account for long-term costs and benefits, and (e) disincentive for spending agencies to save resources, as current year spending is taken as the starting point for next year's allocation.

To address these issues, the Government of Pakistan has initiated budget reforms under Medium Term Budgetary Framework (MTBF), that intend to (a) provide greater certainty about the level of available resources, thereby permitting clear-cut decisions over what can & cannot be funded (b) improve management of the overall resources available to the budget (c) shift focus to what budgets will deliver or contribute to (e.g. improved literacy) rather than what they will buy (e.g. wages, fuel). Success of the MTBF approach therefore requires consistency between sector policies, program selection and the PRSP.

MTBF reforms have been pilot implemented in Ministry of Health and Ministry of Population Welfare from FY 2005-06. From FY 2006-07 MTBF reforms have been extended to Ministry of Education, Ministry of Food, Agriculture and Livestock and Ministry of Women Development.

GENDER REFORM ACTION PLANS (GRAPs)

GRAPs have been prepared as action oriented policy documents to implement the National Plan of Action[5]. They contain reform actions relating to political participation, public sector employment, review of laws, institutional reform, budget and planning systems, etc. In the context of MP-3, the following major reforms under GRAP for achieving gender responsive pro-poor development are relevant: (a) gender review of PRSPs at national and sub-national levels (b) gender-responsive inputs to policy formulation[6] (c) engendering of planning processes (d) reform of budgeting and public expenditure systems to ensure that budgetary

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[5] The NPA provides the framework and blueprint for the implementation of 188 actions addressing women's social, economic and political empowerment. It recognizes the centrality of poverty in a gender-based development agenda and defines the strategic objectives and actions that need to be taken to address women's poverty and other critical areas of concern.

[6] This includes identification of gender gaps, guidelines for rectifying these gaps, quantitative targets by gender, indicative budgetary allocations disaggregated by gender, etc.

allocations and public spending address the needs of men and women equitably (e) review of statistical instruments to support collection of gender disaggregated data (e) gender review of NAM and accounting systems to generate gender-responsive accounting information (f) creating obligations for various public sector organizations to report on sector-specific targets, policy and programmatic reform targets and measures for women's development, etc.

The scope of these reforms is wide ranging but so far implementation has not been initiated.

DEVOLUTION PLAN

The Devolution Plan, announced in 2000, forms the cornerstone of the Government's focus on inclusive development through citizen empowerment at the lowest level. Under this plan, the delivery of services in the social and other poverty-focused sectors has been decentralized, with the elected local governments given the mandate and responsibility to manage and run these services.

Devolution affects poverty reduction efforts through the following channels: First, effective development & implementation of poverty reduction strategies often requires detailed and specific local knowledge which may be most readily obtainable through a decentralized and locally accountable system of governance. Second, the design and implementation of transfer of financial resources is an important influence, for good or for ill, on local spending decisions. Efficient assignment of revenue and expenditure responsibility to different levels of government invariably means that resources and services to the poor are being delivered in accordance with local poverty reduction needs. Thirdly, through support for local elections, strengthened citizen "voice" and mechanisms for ensuring local level transparency and accountability, devolution in Pakistan has the potential to institutionalize civic engagement with achievement of poverty reducing actions, allocation of resources according to commitments, and accountability of public servants at the local level for their poverty reduction achievements.

C.   OUR COMPARATIVE ADVANTAGE

UNDP's multi-sector approach, its role as the 'scorekeeper' of MDGs, and its traditional strength to help vest deep country ownership are recognized as significant to secure maximum space in the macro-economic space for MDG-responsive poverty reduction goals.

Moreover, the Secretary General's high-level panel report on UN Reforms indicates UNDP's role in the changing landscape as "promoting and supporting the UN's work to help countries achieve the MDGs and other internationally agreed development goals and poverty reduction through supporting governments in integrating the MDGs into their national development strategies, assessing needs and monitoring results."[7]

Most importantly, the **ongoing supports provided** by UNDP in particular have great relevance for substantive information-based policy analysis and formulation, and provide the logical basis for UNDP's continued and up-scaled engagement with pro-poor policy reform actions envisaged under MP-3. The following interventions of UNDP in particular provide the basis for the holistic and strategic approach to supporting national efforts for MDG-based pro-poor policy research, result monitoring and advocacy.

Strengthening Capacities for Poverty Research and Analysis

UNDP is providing capacity building support to the Centre for Research on Poverty Reduction and Income Distribution (CRPRID), housed in the Planning Commission, to influence and enhance the quality of public

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[7] Delivering as One, Report of the Secretary General's High Level Panel, pp.14

policy decisions on poverty issues by contributing to empirical, qualitative and policy-oriented research on various dimensions of poverty.

To date, the Centre has produced a number of reports on the poverty status in the country, for example, *Pakistan 2005 Earthquake: An Assessment of Impoverishment Risks*, *Pakistan Millennium Development Goals Report 2005*, *Revisiting Poverty Line 2000-01"*, *"A profile on Poverty in Pakistan 2005* and *Prevalence of Relative Poverty in Pakistan* etc. The Center has also undertaken sustained and effective advocacy on MDGs including dissemination of Pakistan Millennium Development Goals Reports 2004 and 2005 in national and international forums.

Third-Party Validation of Poverty Estimates

The Government of Pakistan had announced a poverty headcount of 23.9% in early 2006. To bring in an international third-party perspective on the methodology and poverty estimates, UNDP engaged the services of Mr. Nanak Kakwani, Director, UNDP-International Poverty Centre, Brazil, who reviewed the poverty numbers worked out by the Planning Commission/CRPRID and gave inputs to refine the methodology used for poverty assessment in Pakistan.

Aligning Millennium Development Goals with National Development Priorities

Although PRSP-I expressed strategies for poverty reduction as well as resources available for operationalizing these policies & programs during 2003-06, scant attention was paid to determining the financial cost of interventions necessary for attaining desired changes in poverty outcomes. Therefore, in order to enhance national capacities for estimating public investment needs to achieve MDGs- the following capacity building interventions were undertaken by MOF, with support from UNDP: (1) Training on MDG Costing – Macro Economic Model (Colombo Dec 2005) for a core group of resource persons from the Ministries of: Education, Health, Finance, Economic Affairs Division and Federal Bureau of Statistics (2) Training on MDG Costing – Millennium Model (Pakistan Dec 2005) for Government Officials from all the four provinces and concerned federal government representatives

This capacity development exercise resulted in the MDG Costing study, currently underway, for ascertaining the price of attaining MDGs in the health, education and water & sanitation sector, for input in the PRSP II.

Assessment of Poverty Monitoring Capacities

A scoping mission was fielded in December 2005 to assess the institutional capacity of the Ministry of Finance to monitor, analyze and evaluate policies and national poverty reduction programs. The proposed framework recommended a system for tracking poverty expenditures at the federal provincial and district levels in coordination with stakeholders, suggested mechanisms for addressing data gaps, data quality and a coordinated data collection strategy in order to strengthen the institutional system for poverty expenditure monitoring. Recognizing that poverty monitoring and analysis is a strategic exercise, the framework paid particular attention to issues relating to institutional coordination for outcome monitoring and policy analysis, the monitoring system and human resource requirements.

Gender Budgeting

The Gender Responsive Budgeting Initiative is an effort to advocate for and implement tools and methods for analyzing budgetary information in the social sectors from a gender lens. Gender Aware Appraisals of policies and programs in the education, health and population sectors, undertaken under this program, have revealed the discriminatory implications of "gender-neutral" resource allocations. The underlying message has been to

use GRB for not expanding the fiscal envelop but to pave way for greater allocative efficiency and widely-accrued benefits. The time use survey, another GRB tool under implementation is intended to quantify (as a % of GDP) the contribution of women's productive unpaid work to the economy, vis-à-vis that of men. The importance of these GRB tools to capture the multidimensionality of poverty and refine poverty analysis is therefore critical. The success of the initiative (only a year and a half into implementation) is evident from the incorporation of gender perspectives in the Federal and provincial Budget Call Circular.

D.   ISSUES AND LESSONS LEARNT:

Following is an overview of the issues and lessons that have emerged from UNDP's ongoing as well as earlier engagement with pro-poor policy processes in Pakistan. Concerns about capacity constraints, ownership, statistical quality and coordination, to name a few, have been accounted for in the program design and add value to the quality of interventions proposed in the Program Strategy (section II).

Ownership Issues

a) **Inadequate ownership of PRSP objectives and targets at sub-national levels.** At present, the provincial and district governments do not perceive themselves as partners in decision making on matters related to target setting in PRSP sectors. Lessons Learnt: Ensure that engagement with civil society organizations, the private sector and sub-national governments is an essential element of the PRSP process, at every step. Create opportunities and mechanisms for on-going policy dialogue and partnerships between different tiers of the government, civil society organizations, the private sector and other stakeholders, as well as capacities for civil society to monitor the implementation and impact of local and national policies.

b) **Lack of awareness and knowledge on MDGs, especially at the local level.** Lessons Learnt: Increase national and sub national awareness and mobilization around the MDGs to ensure political support for the essential national-local linkages required. Clarify how nationally defined targets can be translated and adopted to meet developmental needs of local communities; how local development strategies and action plans relate to the MDGs; and what mechanisms should be adopted to plan, implement and monitor progress towards the achievement of the MDGs at the local level.

c) **Limited ownership of data on social sector outcomes.** Although the PSLM 2004-05 (undertaken by FBS) provides a common baseline at the district level, it may create problems of ownership at the provincial and district levels if they are not involved directly/indirectly in primary data collection. It is noteworthy to mention that there is a high degree of ownership of MICS (implemented by provincial P&D departments and BOS) at the provincial level and a desire to conduct similar exercises on a periodic basis to develop a time series for impact assessment. Lessons Learnt: Increase the role of the provincial bureaus of statistics and the sub-national governments in primary data collection and analysis. The provincial BOS could also be utilized to conduct public service delivery satisfaction surveys[8] to triangulate local administrative data to identity biases in reporting and provide information at a level of disaggregation that is meaningful to sub-national governments, and which if published timely will provide an opportunity for communities to engage in poverty monitoring.

Data Issues

a) **Data availability, timeliness and quality constraints.** The Federal PRSP Secretariat is challenged in

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[8] Social Audit and QDDS being two such instruments

monitoring intermediate – input and output – indicators because of issues concerned with availability, timeliness and quality of data. The management information systems developed by administrative departments in the provinces are not integrated nationally and there are major data related discrepancies, with different agencies using different definitions[9]. Furthermore lack of institutional capacities, coordination and information sharing substantially limits the effectiveness of monitoring process. <u>Lesson Learnt:</u> Develop interface between the MIS of different departments, other producers and users of data through harmonized structures and mechanisms to ensure systematic information flow and feedback.

b) **Insufficient data compatibility and consistency.** Poverty and MDG monitoring is also marred with issues of compatibility[10], consistency[11] and insufficient level of disaggregation. These issues of inconsistencies are common in administrative data versus survey data, posing a greater challenge for effective monitoring. The most glaring gap in statistical reporting is in the absence of data on disaggregated (especially by gender) basis and at sub-national levels. In addition, lack of qualitative data continues to hamper the assessment of real impact of pro-poor interventions. <u>Lessons Learnt:</u> Harmonize and integrate multiple data sources for key indicators (each using its own definitions of variables, its own method or instrument for data collection); set and ensure compliance standards; reduce duplication; improve comparability, and maximize compatibility and use of the different sources.

Institutional Issues

a) **Limited capacity, fragmentation, weak coordination and reluctance to share data by the existing statistical system.** <u>Lessons Learnt:</u> Revise statistical laws and rules of business. Build human resource capacities and strengthen the Training Wing. Institutionalize critical statistical infrastructure, for instance, harmonized survey work plan. Enhance the role of Statistics Division in coordinating and supporting the entire government statistical system, including the provincial bureaux of statistics. Improve data dissemination and relationship with data users.

b) **Insufficient capacities to generate social and poverty statistics at the local level.** This can be attributable to inadequate human resource and technical expertise of statistical agencies at the sub-national levels, their little familiarity with basic software packages and modern statistical techniques, and their limited, if any, institutional linkage with FBS. Moreover, investment made in training provincial BOS personnel by the FBS or other agencies to enhance capacity[12] is not enough. <u>Lessons Learnt:</u> Strengthen the ability of the provincial Bureaus of Statistics (BOS), etc. to carry out household level surveys for generating data on outcome indicators (like the literacy rate, elementary and secondary level participation and dropout rates, infant mortality rates, maternal mortality rates, etc.) or perception surveys on quality of service delivery at a sufficiently disaggregated level. Build expertise in relevant statistical agencies to develop sampling techniques, sampling frames and survey questionnaires.

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[9] For instance, there are inconsistencies in the definition of dropout rates and primary enrollment rate (the latter with respect to the exclusion/inclusion of the enrollment in katchi classes

[10] For example, the 1998 Census asks whether respondents '...did any work...in the last year'. The Labor Force Survey (LFS), in contrast, asks whether the respondent did 'any work...during last week...' and the Pakistan Social and Living Standards Measurement Survey (PSLM) asks, '...during the last month...'Because the relevant reference period is different, among other things, labor force data from these three sources are not compatible and cannot usefully be integrated into the same time series to monitor trends over time.

[11] For instance, infant mortality estimates for Pakistan for 1997-2000 from the PRHFPS is nearly 10% higher than that for the Punjab for 1997-2001, and nearly 4% higher than the PIHS for 1997-99, thereby reflecting a lack of consistency. In the case of participation rates at the primary level of education derived by the provincial EMIS are significantly higher than those reported by the PIHS.

[12] For instance, the BOS even lack a core set of trained enumerators to conduct surveys.

c) **Limited in-house analytical capacity.** To date, limited analytical work has been done or capacities created within the government to analyze data and evaluate impact of poverty policies and programs. Problems connected with interagency coordination (between Finance & Planning, for instance) have also prevented capitalizing on what limited in-house capabilities that the GOP has at its disposal to analyze data and survey results. <u>Lessons Learnt:</u> Enhance research and analytic capacities- both qualitative and quantitative- in both Planning & Finance agencies to sustain efforts towards evidence-based policy planning and implementation.

d) **Challenges and demands for poverty monitoring in the wake of devolution:** At present, there is no involvement of districts in the M&E mechanism that MOF uses to monitor the progress of both intermediate and outcome indicators at the province as well as district levels. Given the delegation of social service delivery responsibility to the local governments since 2001, their detachment from the poverty M&E feedback loop has both efficiency and accountability implications. <u>Lessons Learnt:</u> Develop systems at the district levels to monitor poverty at the local level. Enhance linkages and coordination between the PRSP Secretariats and the existing monitoring and evaluation capacities in social service delivery departments at federal, provincial and district levels. It is also essential to strengthen local-level institutional development through improving procedures and practices (for human resource and performance management, budgeting and public expenditure procurement and internal controls), to enhance the effectiveness, efficiency and accountability of local bodies to their local clients on poverty and MDG outcomes. Without these early investments in local institution change management, little can happen on the implementation and monitoring of local plans.

Other Issues

a) **Ad-hoc and unsystematic engagement with gender issues in poverty policy design, implementation and review processes.** This can be attributed to several factors, key among which are, dearth of gender disaggregated info; limited awareness of gender issues or how to operationalize gender principles in policy design, implementation and review processes; absence of gender-sensitive rules and procedures governing poverty policy development, execution and monitoring, and inadequate or under-used institutionalized channels/systems for engaging with the gender dimension of pro-poor policies. <u>Lessons Learnt:</u> Principles and mechanisms of gender mainstreaming must underpin data collection efforts, and pro-poor policy formulation, implementation and review processes. Supplement scarce quantitative data with qualitative analysis and proxy indicators to examine inter- and intra-household poverty. Informal consultation and feedback can only go so far; invest in integrating gender perspectives in systems, procedures, regulations and institutions that drive these policy processes.

2.   PROGRAM STRATEGY

The integrated MP-3 program framework takes forward UNDP's engagement with pro-poor policy processes. This program consolidates under one umbrella UNDP's partnership with the Ministry of Finance for gender budgeting, PRSP formulation and MDG Costing as well as with the Planning Commission on MDG and poverty research, to give our interventions in this area a strategic focus. Planned initiatives on PRSP Monitoring and MDG Advocacy, under this program, further downstream our ongoing efforts to provide for a more comprehensive strategy to address pro-poor policies processes in its entirety.

The development objective supported by MP-3 is to "**Contribute to MDG-responsive poverty reduction through evidence-based poverty policy planning, implementation, monitoring and reporting.**"

The MDG-Driven Poverty Policy Package proposes a wide range of technical, institutional and advocacy interventions to provide comprehensive and coordinated approach for upstream policy and systems reform. The program thus stands on two **interconnected** pillars of:

1. Strengthening Institutional and Regulatory Frameworks for Pro-Poor Policy Reform

2. Localizing MDGs in the national and sub-national development agendas (Refer to Box A)

BOX A: WHAT IS MDG LOCALIZATION

There is a need for clarity on what the phrase *MDG Localization* means. It is clear that the MDGs are a global framework of goals that help to provide new opportunities to countries and communities to focus their efforts towards greater development effectiveness.

While there are many areas of development activities we need to be clear that localizing the MDGs does not suggest the invention or reinvention of another new goal framework. Rather, it is the process of aligning the existing MDG goals and targets to local contexts i.e. reshaping and restating the goals as they apply to local development contexts and relate to local development challenges.

Source: Urban Millennium Partnership - Localizing MDGs. UN Habitat, UNDP, UCLG (2005)

PROGRAM DURATION:

5 years (July 2007- June 2012)

The expected **outputs** of the program are:

1. Structures and processes for MDG-based strategic policy planning and research supported

2. Institutional frameworks and capacities for managing the implementation and monitoring of MDG-responsive pro-poor policies strengthened

3. Channels for MDG-based pro-poor advocacy strengthened and national engagement with effective MDG implementation enhanced

A schematic representation of how the program outputs fit under the aforesaid pillars is as follows:
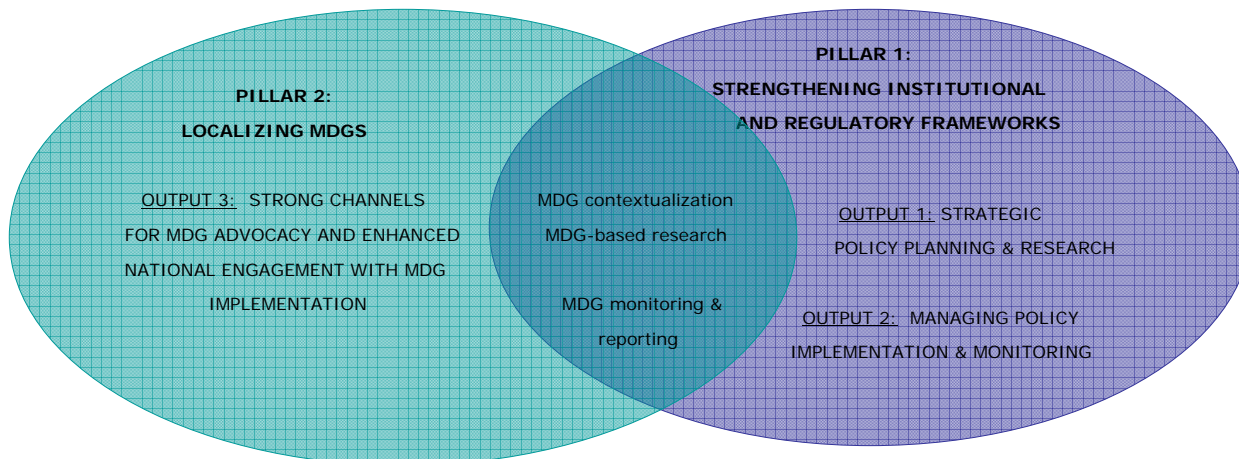

FIGURE 1: Relationship between MP-3 Outcomes and Outputs

CROSS-CUTTING THEMES:

a) **Capacity Development:** The capacity question permeates the program approach to poverty reduction as the catalyst for improved design, delivery and monitoring of MDG-based pro-poor policies. Whereas, building capacities of relevant stakeholders in data analysis, poverty monitoring, innovative research methodologies, etc. will improve policy formulation and monitoring actions of the government, energizing capabilities for increased civic engagement will help embed transparency and accountability practices in the policy process.

b) **Research & Documentation:** Build new knowledge through undertaking research and analysis, synthesizing lessons learned, & documenting good practices. Mainstreaming research & documentation activities is a sound basis for inputs to future policymaking and implementation.

c) **Awareness-Building:** To achieve greater national ownership and increased political commitment to poverty reduction, MP-3 will help build consensus, foster dialogue and consultations among national stakeholders on poverty research findings, monitoring mechanisms and results, etc. to mobilize demand for mutual accountability and motivate learning and exchanges among localities to ensure knowledge spread on poverty reduction and MDGs.

d) **Gender Mainstreaming:** The program framework will seek to ensure that the needs of both men and women are responded to in policy research, monitoring and advocacy frameworks. The application of gender budgeting tools in all stages of the policy cycle will also enshrine the program's interest in mainstreaming gender across its framework.

UNPACKING THE INTEGRATED FRAMEWORK FOR PRO-POOR POLICY REFORM

When it comes to the 'how' of MDG-driven pro-poor policy reforms, three elements of the policy cycle are worth considering:

1. MDG-Based Strategic Planning & Research
2. MDG-Responsive Monitoring and Implementation
3. MDG-Driven Advocacy

Based on these key elements, an integrated framework for MDG-driven poverty policy looks like the following:

MDG-Based Strategic Planning & Research

MDG-Driven Pro-Poor Policy Advocacy

Core Principles for MDG-driven Poverty Policy Reform

- **Country-driven and nationally owned**
- **National-local level linkages**
- **Mainstreaming gender and social inclusion issues**
- **Situating MDGs in the context of local realities**
- **Enhancing capacities of stakeholders**

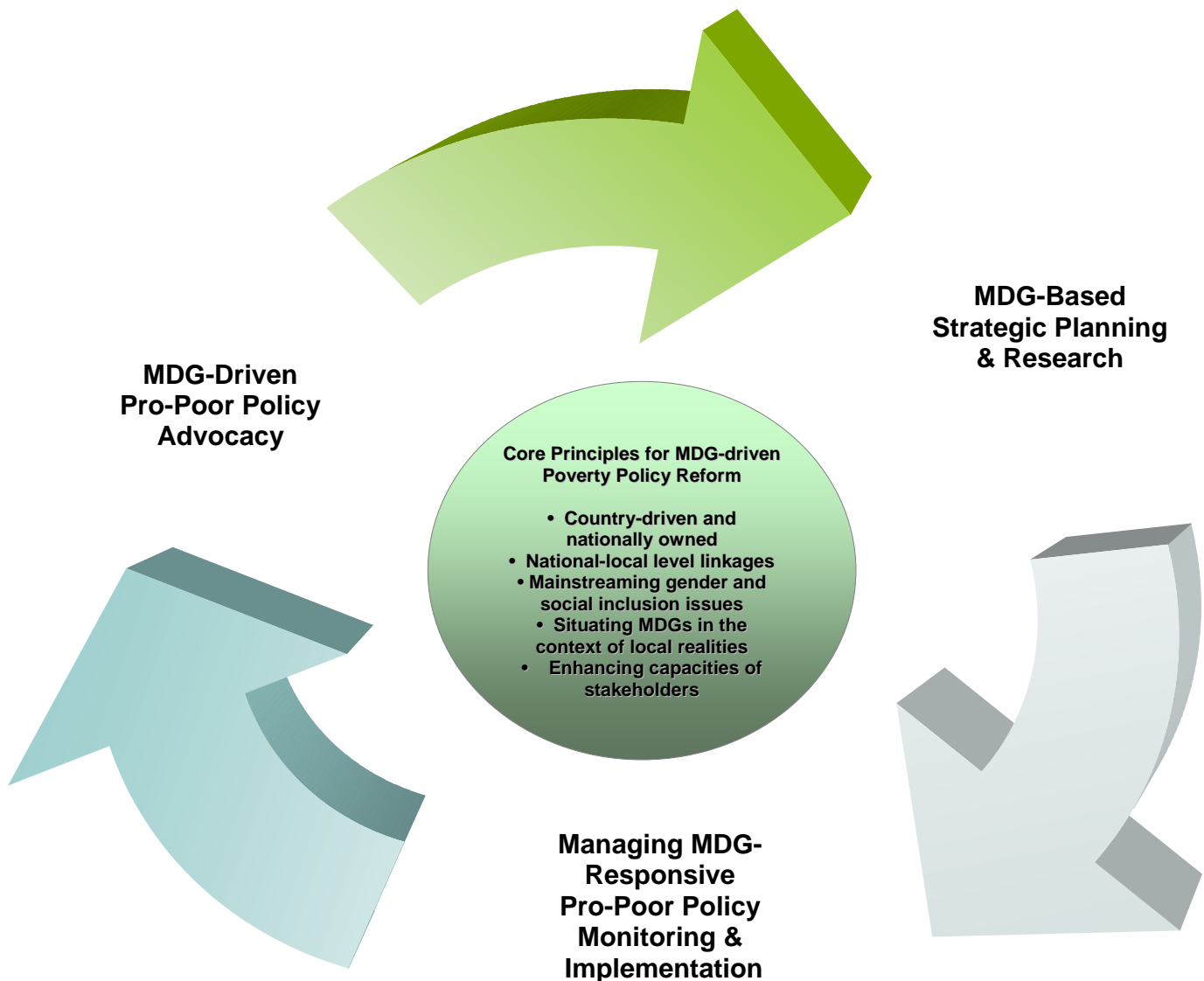**Managing MDG-Responsive Pro-Poor Policy Monitoring & Implementation**

FIG 2: Integrated Framework for Pro-Poor Policy Reform

The integrated MP-3 program framework is further unpacked to list an indicative set of activities that need to be undertaken under each of the broad categories. These are indicative and not exhaustive lists, but provide guidance for implementation:

OUTPUT 1: Structures and processes for MDG-based strategic policy planning & research supported

Activities:

1.1 Capacities strengthened in the Center for Research on Poverty Reduction and Income Distribution (CRPRID) for (1) comprehensive poverty impact analysis and in-depth qualitative and quantitative analysis to explore the positive and negative impact of development strategies, programs and projects (2) research on poverty and MDGs, while paying sufficient attention to cross-cutting issues that might not be sufficiently addressed through the MDGR (3) advocacy on assessments of the MDG/poverty situation and policy options in Pakistan to national and international audience (4) monitoring government poverty reduction programs and activities (this includes inputs, process and impact indicators). Under this component, support will also be provided for developing and improving MDG-monitoring frameworks & databases (5) determining poverty profiles, poverty lines, poverty estimates and inequality indices (6) responding to the research needs of relevant stakeholders.[13] Human resource development in data collection and analytical techniques related to poverty determinants, assessment and monitoring at national and most importantly at sub-national levels, is an important element of the strategy.

    Implementing Partners: Planning Commission (CRPRID)

    Linkages: MOF, UNDP, &D Departments, academic/ research institutes, statistical agencies, Pakistan Millennium Campaign, relevant sectoral ministries/departments, UNDP regional and global knowledge base

1.2 MDG-based pro-poor policy planning and follow-up processes supported[14]. To this effect, technical assistance and inputs will be provided (upon request) to formulate pro-poor policy instruments, and to enhance their MDG-orientation. This package of support will emphasize inclusive consultation processes through which views and opinions of government officials, communities, civil society, and academics on pro-poor policy priorities and implementation are be solicited. This participatory approach to pro-poor policy formulation and dissemination is meant to enhance local ownership of development policymaking and implementation as well as the legitimacy of these policy frameworks.

OUTPUT 2: Institutional frameworks and capacities for managing the monitoring and implementation of MDG-responsive pro-poor policies strengthened

Activities:

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[13] Planning Commission, MOF, UNDP, P&D Departments, etc.

[14] This activity does not represent a stand-alone project. If and when policy formulation support is requested by an MP-3 implementing partner, it will be channeled through the project platform based with the IP. This approach is cost-effective, operationally feasible & manageable, easily coordinated, and makes redundant the need for forming new (but similar) project management systems and steering mechanisms.

2.1 M&E systems for tracking MDG-responsive poverty-reduction results at the national and sub-national levels reinforced. The effectiveness of a monitoring system- and its impact on the policy process- critically depends upon the institutional arrangements and the capacity of these institutions. MP-3 provides a multi-faceted approach- paying particular attention to structural & analytic capacities, gender analysis, data issues and communications- to improve poverty monitoring and expenditure tracking in Pakistan. The following supports are expected to be provided under this Activity: (a) organizational structures and human resource capacities reinforced at national and sub-national levels to enhance efficiency and effectiveness of the PRSP monitoring system (b) gender review of NAM (New Accounting Model) and accounting systems facilitated to promote gender-aware poverty expenditure tracking (c) gender budgeting capacities and tools developed and implemented to ensure that public spending on poverty reduction addresses the needs of women and men equitably[15]. Capacity building of stakeholders in gender budgeting tools and processes is an important element of this intervention and will facilitate mainstreaming of gender perspectives in the budget cycle (d) quality, collection and management of MDG-responsive poverty statistics improved at national and sub-national levels for informed decision-making and effective tracking of MDG-responsive poverty targets[16]. This will also entail an examination of the entire range of poverty indicators as well as issues of data appropriateness, completeness, accuracy, inconsistencies, large coverage gaps, etc. Attention will also be paid to defining indicators and baselines for monitoring progress on the PRSP outcomes on governance, environment, etc. that are currently not part of the monitoring system[17] (e) analytical capacities of PRSP Secretariats to undertake focused in-depth studies on the various qualitative and quantitative dimensions of PRSP implementation. In-house analytical capabilities will be further supplemented by external studies, impact assessments, and surveys to better analyze the effectiveness of poverty reduction initiatives (f) dissemination/ communications strategy developed for actively pushing these reports to different audiences, mobilizing civil society-government partnership for promoting transparency in determination of government priorities and public spending on women vis-à-vis men, and supporting evidence based dialogue for informed policy decisions.

Implementing Partners: Ministry of Finance and concerned provincial departments,

Linkages: P&D Departments, statistical agencies, Finance departments, CRPRID, DTCE, GRAP, Decentralization Support Program, Gender Mainstreaming in Planning & Development, Fiscal Decentralization Program, PIFRA, AGPR, CSOs, media, research institutions

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[15] For instance, gender-aware beneficiary assessment surveys, gender-aware public expenditure tracking surveys, etc

[16] Includes support for (a) strengthening statistical capacities- both human resource & technical- at national and sub-national levels[16], and (b) undertaking conventional instruments such as household surveys and innovative ones such as focus group discussions, sentinel surveillance, Participatory Poverty Assessment (PPA), Poverty Social Impact Analysis (PSIA), etc.[16] (c) reviewing statistical instruments to support collection and management of gender disaggregated data (for e.g. through DEVINFO) (d) disseminating and advocating for use of various poverty statistics and surveys among data users and the general public to mobilize demand for evidence-based planning and accountability (e) interface improved among various "suppliers" as well as between "suppliers" and "users" of data to enhance systematic flow of data for poverty tracking, reduce duplication, coordinate statistical activities, standardize definitions and ensure uniformity of methodologies

[17] This may entail (1) review of indicator sufficiency (2) determination of gaps and action plans to address them (3) building consensus on indicators, ways of filling information gaps, targets and determining baseline data upon which poverty monitoring indicators shall be based (4) studies and specific surveys as considered necessary, and (5) regular performance reviews and workshops based on indicators with and among all tiers.

2.2 Institutional channels for developing, implementing and monitoring employment-creation strategies and opportunities strengthened[18]. The program framework addresses the attainment of this objective at both the policy and agency level.

The policy-level component envisages support to Ministry of Labor in (a) mapping out the entire labor market in Pakistan (b) addressing identified gaps in the labor information management system with respect to review of existing sources, data disaggregation, indicator selection, data collection mechanism and its use, etc. (c) developing Labor Market Information Management & Analysis system and tools (d) data analysis, and (e) disseminating up to date and timely information and analysis on the labor markets. Moreover, capacity building support will be provided to MOL, FBS and other concerned stakeholders for assembling, organizing and analyzing labor market data and trends in Pakistan.

The agency-level component will focus on developing employable skills, particularly among youth in poverty-prone areas. To this effect, the following interventions are planned: (1) sensitizing and training partner agencies in the TREE (Training for Rural and Economic Empowerment methodology (2) undertaking rapid assessments of selected training institutions to plan, design and implement short cycle skills development courses linked to identified economic and employment opportunities (3) capacity development of selected training providers in skills standards, vocational guidance counseling, quality assurance, etc. (4) facilitate roll-out of the PM's program on vocational and skills training.

Implementing Partners: ILO, Ministry of Labor, Provincial Departments of Labor

Linkages: MOF, FBS, National Training Bureau, provincial labor and education departments, Directorates of Manpower & Training, NAVTEC, TEVTA in Punjab, NRSP, Provincial RSPs, educational & vocational training institutes

OUTPUT 3: Channels for MDG-based pro-poor advocacy strengthened and national engagement with effective MDG implementation enhanced

ACTIVITIES:

3.1 Global targets for 2015 articulated into national and sub-national targets through participatory processes to build a stronger sense of national and sub-national ownership of MDGs.[19] Currently, a generic list of indicators has been proposed by the international community to monitor progress in achieving the MDGs. Under this component, support will be provided to the government in adapting global targets to country-specific circumstances to ensure their feasibility. It will also facilitate translation of MDGs into realistic yet ambitious intermediate targets and actionable policies within the national context. The strategy therefore consists of: (1) national and sub-national debates leading to an in-depth qualitative analysis of the dimensions of each MDG and their linkages as perceived by major stakeholders to formulate locally meaningful performance outcomes and impact indicators (2) support for determining baseline values, intermediate and final targets to be reached at given time horizons for each contextualized indicator, taking into account existing policies,

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[18] The importance of the labor market as THE channel for transmitting economic growth into poverty-reduction is evident from both economic theory and empirical research. In view of this, strengthening labor management systems and capacities is an important (and necessary) complement to reinforcing pro-poor policy frameworks

[19] Operationally, this component will be implemented through the project on building capacities in CRPRID (Activity 1.1)

programs and data availability (3) technical consultation to validate quantitative base period values, current trends, and intermediate and final targets.

The primary instruments for articulating and advocating for indigenized MDG targets are the MDGRs whose production and dissemination will also be supported under this component. In addition to the national MDGR and in an effort to begin this localization process for the MDGs in Pakistan, MP-3 will also support key actors at the provincial level to come together through a series of intensive and productive workshops to jointly formulate provincial MDGRs. These MDG Reports will not be limited to providing an update on progress, but will also highlight gaps, undertake causal analysis, address linkages with current policies, programs and resource availability, and advice on re-orientation of existing policies and programs to improve chances and trends of achieving the MDGs.

Implementing Partner: Planning Commission (CRPRID)

Linkages: P&D departments, research/ academic institutes, relevant sectoral ministries/departments including the Ministry of Environment, PRSP Secretariats

3.2   Demand mobilized for mutual accountability on progress towards achieving MDGs. The program strategy for energizing bottom-up accountability over the status of MDG implementation has three main thrusts: (1) promoting mass awareness of MDG targets, progress and issues (2) encouraging MDG-responsive governance at various levels, aimed at articulating demand and accountability, as well as generating responses[20], and (3) documenting and disseminating operational lessons from local initiatives ("signposts to the future") that have demonstrated how to improve the efficiency, effectiveness and impact of resources, and building partnerships for change on this basis[21]. The main instruments for the campaign are the electronic and print mass media, training and orientation of civil society and elected representatives in the MDGs, action & operational research and surveys, District and Tehsil MDG Networks that would include relevant CSOs, media persons and public representatives, NPO (non-profit organization) Certification, citizen report cards, and where feasible, facilitation of local champions who are willing to adopt innovative approaches. Particular attention will be given under this component to inadequately-addressed MDGs on gender equality and HIV/AIDS.

Implementing Partners:

Citizen-Driven: IUCN in partnership with PILDAT, DTCE & Pakistan Center for Philanthropy (PCP) [22]

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[20] The strategy for making governance more responsive to the MDGs builds on the mass media strategy in a bottom-up fashion. The governance strategy would work in three main directions, namely, one aimed at civil society organizations (CSOs), another one aimed at elected representatives and the third one at independent MDG reporting.

[21] Under this strategic thrust, a number of interventions are envisaged, some of which are: identify local-level good practices corresponding to MDG targets; set priorities for benchmarking in view of the importance of the target (or indicator) and the potential for replicating these practices; and prepare basic documentation that serves to inspire local-level leadership and illustrate how to operationalize a new approach. Disseminate key findings of benchmarking exercises to a wide range of local-level leaders, including elected and administrative officials and CSOs. Identify local leaders interested in implementing innovative (cost effective and sustainable) solutions related to MDG targets. Wherever feasible, local efforts at replication will be supported by *in situ* skill development, systems development and other forms of facilitation, including assistance for resource mobilization & technical assistance.

[22] Annex D presents the justification for the choice of IUCN as the implementing agency.

Linkages: MOF, Planning Commission, CRPRID, Women's Political School DSP, district/tehsil/UC administrations/committees, UNESCAP-UNDP-ADB project "Supporting the Achievement of MDGs in Asia and Pacific (Phase II)", UN Millennium Campaign, Fiscal Decentralization Program, CSOs, media, research/academic institutes, private corporations, training institutes, UN sister agencies

3. PROGRAM MANAGEMENT ARRANGEMENTS

PROGRAM MANAGEMENT STRUCTURE:

Management of this Program includes the establishment of the following units and committees:

1. Constitution of the Program Review Board
2. Establishment of a Program Management and Coordination Unit
3. Constitution of Project Review Boards/ Project Steering Committees
4. Establishment of Project Implementation Units

A schematic presentation of the implementation arrangements of the Program is given in Figure 3.

Program Review Board (PRB):

Each pillar of the program consists of a number of components and interventions, defined in terms of different projects. This essentially translates into the engagement of a wide range of stakeholders in the implementation field level activities. Thus, there is a need to coordinate their activities and actions and build synergies in order to mobilize knowledge for input into pro-poor planning and implementation process

For this purpose, it is proposed that a PRB be established to (a) improve the quality of decision-making and sectoral efficiency in the planning and implementation of the program (b) advocate and ensure coordination (d) approve annual work plan of the Program Management and Coordination Unit (c) approve additional interventions/Activities under MP-3. This Board will not be involved in program management operations; instead its role will be to review program progress and maximize coordination.

This Committee will be chaired by the Secretary, EAD. The members include Secretaries of the following Ministries/Divisions: Finance, Planning Commission, CRPRID, Labor & Manpower, FBS, Ministry of Women Development; other relevant government line ministries/departments, IUCN, donor representatives, civil society representatives and UNDP. The Chair will have the discretion to co-opt new members into the Committee, as needed, during program implementation. The quorum for the PRB is 6.

The PMCU will serve as Secretariat to the PRB to facilitate its operations and functions, and the National Program Coordinator will be Secretary to PRB. The committee will meet once a year, or as needed.

Program Management and Coordination Unit:

The PMCU, a UNOPS-supported entity, will be responsible on the **management front** for: (a) reporting on program progress (b) identifying gaps and bottlenecks (c) brokering donor support (d) mobilizing and managing program resources (e) providing backstopping support and advice on substantive issues, methodological aspects and best practices to implementing partners (f) reviewing and validating the continued relevance of program components and approach (g) ensuring continuous flow of information between the NPD, Project Directors, core technical staff and external partners (h) planning, mobilizing and monitoring strategic coordination amongst various components under the program as well as with related projects/programs not part of MP-3.

On the **Coordination front**, PMCU will be responsible for the following: (a) develop and monitor a rolling coordination work plan (b) coordinate sub-program level activities (c) avoid duplication of efforts and

promote inter-ministerial/inter-departmental/inter-project coordination (d) mobilize new partnerships and resources (e) promote sharing of knowledge, data and experience among agencies and individuals participating in the Cross Practice Coordination Committee (f) convene, provide strategic guidance and monitor to the Cross-Practice Coordination Committee[23], comprising of UNDP and project partners, on at least a biannual basis, to plan and coordinate implementation plans with a view to maximizing synergies and reducing duplication, peer review knowledge products on areas of cross-practice, propose ways and means of optimizing the cross-cutting effects of interventions in harmony with the overall program objective, and share knowledge and lessons learnt for input into program implementation as a whole.

The PMCU will consist of one National Program Coordinator, one Monitoring & Evaluation Specialist, one Poverty Analyst, one Admin/Finance Officer, one Driver and one Office Boy.

Project Review Boards/ Project Steering Committees:

The Project Review Boards/Project Steering Committees will meet on a need basis (and/or as specified in the project AWP) to discuss program management issues, provide strategic guidance and vision for project implementation, review project outputs, approve annual work plans and budgets, discuss implementation constraints and recommend possible solutions, etc. The Project Steering Committee will be chaired by the relevant implementing partner. Other members of the Project Review Boards/Project Steering Committees are to include representative from Ministry of Finance, Planning Commission, UNDP and others as indicated in the project document. The respective Project Implementation Units will serve as Secretariat to the Project Review Boards/Project Steering Committees.

The role of the PMCU is to provide strategic guidance to and monitoring of the PSC.

Project Implementation Units[24]:

PIUs will be established in the focal implementing partner agency to support project management, implementation and reporting. Each of the PIUs will be headed by National Project Director to be designated by the respective NEX agency that will be responsible for the management of the project. A project manager, national expert/subject specialist/s, and support staff will assist NPD in the achievement of results. PIUs will coordinate closely with the PMCU and provide required inputs for program reporting.

Role of UNDP in the MP-3 Program Framework:

UNDP will provide management support to MP-3 implementing partners in the design and execution of program interventions. Implementing partners shall comply with PCOM guidelines in program execution and operations. In addition, UNDP will assist its partners in maximizing the quality of their outputs by facilitating linkages with its regional and global knowledge resource base, identifying expert inputs and providing technical support, as necessary, on areas that influence pro-poor growth in Pakistan. UNDP will also support benchmarking and pilot initiatives that will help optimize program outcomes.

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[23] In this context, PMCU will also map strategic outcomes/outputs (corresponding to MP-3 pillars) of member projects in the intervening period, highlighting synergies as well as needs for cross-practice cooperation and collaboration, if any. This matrix will be circulated to members at least two weeks prior to the meeting. Coordination Sub-Committees at the national or sub-national levels may be formed along various themes (statistics, gender, advocacy, MDG-responsive governance, etc.) if and when necessary.

[24] Some form of rationalization in the number of project implementation units is implicit under a program framework. Where interventions are complementary and implementing agencies are one, an expanded PIU will be mobilized. For instance, gender budgeting has a critical link with poverty monitoring; since MOF is the primary implementing agency for both interventions, an expanded PIU shall be housed in MOF.

Other units within UNDP will be engaged where necessary and feasible (for instance, in identifying M&E requirements and target setting for poverty monitoring and MDG localization).

PROGRAM IMPLEMENTATION ARRANGEMENTS:

The agreements to be signed under this program include the following:

- Agreement between UNDP and EAD which will be formalized through signing of the program document.

- Project agreements for new initiatives, including extensions, will be subject to EAD review and endorsement before they are formalized with the implementing partner(s).

MONITORING & EVALUATION:

The proposed program will be reviewed and evaluated at three different levels.

Regular Program Monitoring: UNDP and EAD will conduct regular monitoring of the program to identify and resolve management and implementation issues, if any. The PMCU will assist in and join the monitoring missions to ensure results based management, where necessary.

Annual Program Review: PMCU will prepare a consolidated and results-oriented Annual Report based on the respective components. Annual Progress Reports (APR) are to be prepared by the respective project implementation units and submitted to PMCU and UNDP. PMCU, after review and vetting of these APRs, will submit the consolidated program progress report to UNDP, MOF and other concerned stakeholders deemed necessary.

Upon conclusion of the CPAP in 2008 and preceding the formulation of the new country action plan, the program will be subject to a review conducted by UNDP and EAD This program review will be considered a **mid –term evaluation** of the program.

A **Program Evaluation** will be conducted at the end of the program period to assess the relevance, efficiency, efficacy, sustainability and impact of program interventions vis-à-vis stated outcomes.

4.   FINANCIAL ARRANGEMENTS

Total Program Costs/Budget

Program Financing:

The proposed program will be funded using three types of financing modalities:

a) **Donor Cost-Sharing:** Under this modality, potential donor agencies will cannel their support through UNDP

b) **Parallel Financing:** Where international agencies also come up with new projects to address poverty-policy reforms and where these agencies follow their own administrative procedures and do not view cost-sharing as the most preferred modality for channeling their assistance, resources provided these agencies will be considered as parallel financing. In other words, funds available these donor projects are not channeled through the proposed program- but definitely utilized to support and complement activities planned under the Program.

c) **Government Cost-Sharing:** The proposed Program will absorb government contributions on a cost-sharing basis. The contribution will serve two key inter-linked purposes. First, it will demonstrate government's commitment to the pro-poor policy reform agenda; second, it will pave the way for mobilizing additional resources.

The Financing Plan is attached as Annex C.

5.   LEGAL CONTEXT

This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together a Project Document referred to in the PCOM and all CPAP provisions apply to this document.

LOGICAL FRAMEWORK ANALYSIS

Narrative Summary	Indicators	Means of Verification	Risks/ Assumptions
GOAL			
Contribute to MDG-responsive poverty reduction through evidence-based poverty policy planning, implementation, monitoring and reporting	• Decrease in poverty headcount ratio • Indigenized MDG outcome targets are achieved	• National Economic Reports • PSLM • MDGR	• Unforeseen exogenous economic shocks, high inflation, adverse climactic effects on agriculture productivity, political instability and crisis of governance can undermine poverty reduction efforts • Government's commitment to MDG-responsive poverty reduction
OUTCOMES			
Strengthened Institutional and Regulatory Frameworks for Pro-Poor Policy Reform	• Functioning accountability frameworks at national & provincial levels for MDG-driven poverty monitoring • Policy planning is evidence-based, participatory and gender-sensitive	• Regular progress reports on MDGs and related national poverty strategies • Perception surveys for instance, social audits, citizen reports, any other survey on participation and responsiveness • Program progress reports • Consultations with local stakeholders • Feedback from development partners • Mid-term review and evaluation documents	• Timely & useful data analysis will catalyze demand for and input to evidence-based national and sub-national policy design & implementation processes • Limited involvement of districts in the M&E mechanism to monitor the progress of both intermediate and outcome PRSP indicators at the district levels. Given the delegation of social service delivery responsibility to the local governments since 2001, their detachment from the poverty M&E feedback loop has both efficiency and accountability implications • Increased engagement of provincial governments will enhance ownership of poverty statistics and its use

Narrative Summary	Indicators	Means of Verification	Risks/ Assumptions
MDGs localized in the national and sub-national development agenda	• Fiscal allocations and expenditure frameworks are MDG responsive	• Federal and provincial budgets • ADPs • Regular progress reports on MDGs and related national poverty strategies • MTEF • Program Progress Reports • Mid term review and evaluation reports	• Stagnation or decline in levels of government revenue adversely impacts level of public spending • Incremental system of budgeting (not tagged to performance or need in MDG-responsive sectors) persist at the sub-national level. Fiscal apace at the sub-national level dominated by recurrent expenditure leaving little room for investments in quality inputs • Inter-governmental fiscal transfer mechanisms and formulae are not MDG-responsive • Increased national interest in localizing MDGs, assessing civil society contribution to MDG attainment, as well as enhancing public-private partnerships in service delivery in the MDG sectors • Fiscal Responsibility and Debt Limitation Act 2005 commits GOP to double budgetary allocations for social sector spending by 2015

OUTPUTS

OUTPUT 1: MDG-based strategic policy planning structures and processes reinforced to undertake upstream	• Mechanisms and procedures instituted for permanent autonomous research facility within the government machinery • Policy research and analysis by the	• Notification • Cost-sharing agreement • Policy papers • Program progress reports • Program mid term review and evaluation reports	• Willingness of Government of Pakistan to absorb/substitute the Center with the Commission's Poverty Alleviation Wing • Government financial contribution to

Narrative Summary	Indicators	Means of Verification	Risks/ Assumptions
poverty research & analysis	Center incorporated in X no. of policy instruments		strengthening CRPRID • Limited inter-agency coordination impedes capitalizing upon research capacities in the Planning Commission for pro-poor policy formulation • Quality and reliability of statistics is low thereby affecting the quality of research • Increased demand for evidence-based and participatory policy planning • Operational overlap between Planning Commission and MOF poverty work (for instance, poverty research is undertaken by CRPRID housed in Planning while PRSP formulation and monitoring is conducted by MOF)
OUTPUT 2: Institutional frameworks and capacities strengthened for monitoring and implementation of MDG-responsive pro-poor policies	• Appropriate human resource and integrated monitoring processes available in focal ministry/ministries at the federal and provincial levels • Mechanisms set in place for improved collection and management of MDG and poverty statistics • X no. of gender-responsive changes incorporated in budgetary processes at different levels	• Regular progress reports national poverty strategies • Gender Budget Tools • DEVINFO • LMI&A Reports • Program Progress Reports • Minutes of the technical Working Group meetings	• Restructuring of the Statistics Division is conducive to statistical coordination among national and sub-national agencies • Management information systems of administrative departments in the provinces are not integrated nationally. Addressing these shortcomings are at present beyond the scope of the program • Gender mainstreaming of planning instruments facilitates assessment of gender impact of development budgets against stated and realized development outcomes

Narrative Summary	Indicators	Means of Verification	Risks/ Assumptions
	• Mechanisms available to monitor and implement labor market trends and strategies		• LMIS linked well with policy formulation process but inadequately with agencies designing and delivering skills development programs • Skills development programs cultivate skills for which the market is not saturated
OUTPUT 3: Channels for MDG-based pro-poor advocacy strengthened and national engagement in effective MDG implementation and monitoring enhanced	• MDG targets are localized • Mechanisms for articulating demand for accountability over MDG implementation are set up	• Regular progress reports on MDGs and related national poverty strategies • Independent MDG reports • Media coverage • Interviews with stakeholders • Program Progress Reports • MDG Networks	• Tagging MDGs to local planning, budgeting and resource allocation is important for sustaining citizen buy-in and relevance of MDG implementation status for the communities. Inducing institutional reforms of this magnitude at all tiers of governance is presently beyond the scope of MP-3 • Political representatives and communities at the local level engaged under the Program to enhance accountability of progress on MDGs • Tailoring targets at the provincial level is inherently political. Since targets are tied to provincial financing requirements, a balance need to be drawn between realism and equity to avoid conflict

ACTIVITIES

OUTPUT 1: MDG-based strategic policy planning structures and processes reinforced to undertake upstream poverty research & analysis

Activity 1.1 Capacity built of Center for	• Number of value-added poverty policy research papers produced	• Program Progress Reports	• Limited provincial ownership of the Center's work

Narrative Summary	Indicators	Means of Verification	Risks/ Assumptions
Research on Poverty Reduction and Income Distribution (CRPRID) Implementing Partner: Planning Commission (CRPRID)	• Number of poverty data analysis documents generated • % of human resource with technical competencies in statistical analysis and economic research	• CRPRID website	• The research agenda of CRPRID is responsive to demands of different agencies • GOP investment in strengthening research capacities in Planning Commission on poverty signals strong ownership and interest in improving quality of policy research
Activity 1.2 Pro-poor policy planning and follow-up processes supported Operationally subsumed under 2.2 and 1.1	• Number of situation analyses with policy recommendations produced • Number of policy consultations held	• Studies • Program Progress Report • Workshop reports	• Continued reliance of government agencies, esp. at the sub-national level on consultants for pro-poor policy formulation • Wider stakeholder consultations are substantive and feed into policy design
OUTPUT 2: Institutional frameworks and capacities strengthened for monitoring and implementation of MDG-responsive pro-poor policies			
Activity 2.1 M&E systems for monitoring MDG-responsive poverty reduction results at the national and sub-national levels reinforced. Implementing partners: MOF, concerned provincial departments	• % of human resource with technical competencies in M&E, gender and public finance in focal ministry/ministries at federal and provincial levels • Number of statistical instruments analyzed for improvements • Number of statistical instruments developed/improved • Number of GRB tools developed	• Program Progress Report • Regular progress reports on national poverty strategies • Study/survey reports • Information Coordination Framework/ Strategic Plan • DEVINFO • Feedback from users • TORs of Technical Working Groups	• Skill pool cannot be found and attracted by the terms of service offered • Provincial authorities or district governments do not buy-in to strategy, targets and monitoring mechanisms • Fragmentation, weak coordination and reluctance to share data by the existing statistical system persist • Proxy indicators introduced, in the absence of gender disaggregated data, to assess gendered impact of policies

Narrative Summary	Indicators	Means of Verification	Risks/ Assumptions
	• Number of interactive forums in place for interface between suppliers and users of poverty statistics		
Activity 2.2 Institutional channels for developing, implementing and monitoring employment-creation strategies and opportunities strengthened Implementing partners: MOL, Labor Departments, ILO	• Number of reports capturing labor market trend analysis produced and disseminated • No. of training providers that implement short cycle skills development courses (as per TREE methodology) and ancillary services • No. of employment opportunities availed by alumni of the training program	• LMI&A Reports • Feedback from users • Training Manuals • Program Progress Report	• Skills development training to men and women suffer from stereotyped notions of male and female jobs, thereby limiting employment opportunities available • Weak awareness of market trends and employment opportunities by jobseekers • Labor market trend analysis helps formulation of evidence-based labor market strategies
OUTPUT 3: Channels for MDG-based pro-poor advocacy strengthened and national engagement in effective MDG implementation and monitoring enhanced			
Activity 3.1 Global targets for 2015 articulated into national and sub-national targets through participatory processes Implementing partner: CRPRID (Operationally subsumed under 1.1)	• No. of performance outcomes and impact indicators to achieve MDGs analyzed for indigenization • Number of consultative processes adopted • Regular national and sub-national MDGRs are produced	• Regular progress reports on MDGs and related national poverty strategies • Program Progress Report • CRPRID website	• Strong recognition at the national level of the need for tailoring MDG targets to the local context • Sub-national authorities do not buy into targets and monitoring mechanisms
Activity 3.2 Demand mobilized for mutual accountability on	• % increase in media reports on issues related to MDGs	• Media coverage • Citizen MDG Reports	• MDG Advocacy interventions especially those that arrive as one-off experiments, will serve little long-term purpose unless

Narrative Summary	Indicators	Means of Verification	Risks/ Assumptions
progress towards achieving MDGs Implementing partners: IUCN, PILDAT, PCP, DTCE	• Number and type of stakeholder forums organized and oriented on MDGs • Number of local champions and CSOs identified • Number of best practices documented and disseminated • Number of CSOs certified • Number of independent MDG reports produced and disseminated	• Success stories • Survey Reports /Case studies • Certified CSO database • Program Progress Report • Feedback from stakeholders • Program Progress Report • Mid term and evaluation reports • Training manuals	implementation is followed by efforts at institutionalization on a sustained basis • The extent to which Citizen Report Cards will help link public opinion with public spending, internal management (of service providers) and incentive systems remains to be seen. Experience with social audit not particularly instructive • Socializing evidence into planning and budgeting processes is needed for the campaign initiative to have viable and visible impact • Increased interest among provincial governments and civil society in MDG-responsive policy advocacy, implementation and monitoring • Choice of IUCN as apex implementing agency based on its strong interface with the government as well as its ability to take an independent position • Dedicated component on engaging CSOs with the advocacy agenda. Nullifies concerns about capture of the Campaign by a few organizations

INDICATVE BUDGET OF MP-3 (July 2007- June 2012)

	IP	Jul-Dec 2007	2008	2009	2010	2011	Jan-Jun 2012	TOTAL
OUTPUT 1: MDG-based strategic policy planning structures and processes reinforced to undertake upstream poverty research & analysis								
1.1 Capacity built of Center for Research on Poverty Reduction and Income Distribution (CRPRID)	Planning Commission (CRPRID)	300,000	600,000	600,000	600,000	600,000	300,000	**3,000,000**
1.2 Pro-poor policy planning and follow-up processes supported.	Refer to 1.1 & 2.2	Refer to 1.1 & 2.2	Refer to 1.1 & 2.2	Refer to 1.1 & 2.2	Refer to 1.1 & 2.2	Refer to 1.1 & 2.2	Refer to 1.1 & 2.2	
OUTPUT 2: Institutional frameworks and capacities strengthened for monitoring and implementation of MDG-responsive pro-poor policies								
2.1 M&E systems for monitoring MDG-responsive poverty reduction results at the national and sub-national levels reinforced	MOF, concerned provincial departments	1,000,000	2,000,000	2,000,000	2,000,000	2,000,000	1,000,000	**10,000,000**

	IP	Jul-Dec 2007	2008	2009	2010	2011	Jan-Jun 2012	TOTAL
2.2 Institutional channels for developing, implementing and monitoring employment-creation strategies and opportunities strengthened	ILO, MOL, labor departments	180,000	500,000	500,000	500,000	500,000	250,000	**2,430,000**
OUTPUT 3: Channels for MDG-based pro-poor advocacy strengthened and national engagement with effective MDG implementation enhanced								
3.1 Global targets for 2015 articulated into national and sub-national targets through participatory processes	Refer to 1.1	Refer to 1.1	Refer to 1.1	Refer to 1.1	Refer to 1.1	Refer to 1.1	Refer to 1.1	
3.2 Demand mobilized for mutual accountability on progress towards achieving these goals	IUCN, PILDAT, DTCE, PCP	1,000,000	1,750,000	1,750,000	1,750,000	1,750,000	1,000,000	**9,000,000**
Program Management & Coordination	PMCU	180,000	360,000	360,000	360,000	360,000	180,000	**1,800,000**
TOTAL INDICATIVE BUDGET		**2,660,000**	**5,210,000**	**5,210,000**	**5,210,000**	**5,210,000**	**2,730,000**	**26,230,000**

INDICATIVE FINANCING PLAN (2007-2012)

	TOTAL BUDGET	UNDP TRAC	GOVERNMENT COST SHARING	RESOURCE MOBILIZATION REQUIREMENTS
OUTPUT 1: MDG-based strategic policy planning structures and processes reinforced to undertake upstream poverty research & analysis				
1.1 Capacity built of Center for Research on Poverty Reduction and Income Distribution (CRPRID)	**3,000,000**	**750,000**	**750,000**	**1,500,000**
1.2 Pro-poor policy planning and follow-up processes supported.	**Refer to 1.1 & 2.2**			
OUTPUT 2: Institutional frameworks and capacities strengthened for monitoring and implementation of MDG-responsive pro-poor policies				
2.1 Monitoring and evaluation systems for monitoring MDG-responsive poverty reduction results at the national and sub-national levels reinforced.	**10,000,000**	**750,000**	**5,000,000 (TBD)**	**4,250,000**
2.2 Institutional channels for developing, implementing and monitoring employment-creation strategies and opportunities strengthened	**2,430,000**			**2,430,000**
OUTPUT 3: Channels for MDG-based pro-poor advocacy strengthened and national engagement with effective MDG implementation enhanced				

3.1 Global targets for 2015 articulated into national and sub-national targets through participatory processes	**Refer to 1.1**			
3.2 Demand mobilized for mutual accountability on progress towards achieving these goals	**9,000,000**	**500,000**		**8,500,000**
Program Management, Coordination, Monitoring & Evaluation	**1,800,000**	**1,800,000**		
TOTAL INDICATIVE RESOURCES	**26,230,000**	**3,800,000**	**5,750,000**	**16,680,000**

The Pakistan Millennium Campaign – the Rationale for IUCN

Why IUCN?

- Created in 1948, the World Conservation Union (IUCN) brings together 82 States, 112 government agencies, 850 plus NGOs, and some 10,000 scientists and experts from over 180 countries in a unique worldwide partnership.

- Government of Pakistan is a state member of the Union and has already signed a memorandum of understanding which allows IUCN Pakistan to work with government and other partners as an international organization in the country for unlimited period. This agreement has the cabinet approval.

- IUCN provides a unique neutral platform where it works closely with the governments at the national, provincial and district levels as well as with civil society at large. IUCN also enjoys special status as the observer at UN's General Assembly and EU Parliament also officially recognizes IUCN as an "international organization". Due to its established and globally accepted transparent financial and effective management systems, UNDP has allowed IUCN to work without following PCOM as per its own systems (reference MACP).

- IUCN is the world's largest environmental knowledge network and has helped over 75 countries to prepare and implement national conservation and biodiversity strategies. IUCN is a multi-cultural, multilingual organization with some 1,000 staff located in 62 countries. Its headquarters are in Gland, Switzerland.

- IUCN Pakistan has five program offices in cities from the north to the south, multiple field offices and a large portfolio of projects. It is one of the nine Country Offices of IUCN's Asia Program that covers 23 countries with a staff of nearly 500.

- IUCN Pakistan Country Office is based in Karachi, which is also known to be the media hub in the country. Organizationally, IUCN has best development communication experts on-board with strong diverse skill set ranging from writing, print media, publications to electronic and web based communications expertise.

Why IUCN as a Lead Partner/Apex Agency for the Pakistan Millennium Campaign?

While a multi-stakeholder approach lies at the core of the Pakistan Millennium Campaign concept, we have to differentiate between adhering to this approach in the implementation of the project and strictly following a formula for commissioning each component to a different outfit. The latter formulaic approach would make things unnecessarily complicated – especially in terms of coordination – resulting in increased overheads, at least of time, if not money. So we shall begin from the premise that the project should have the optimal – not the maximum – number of organizations for implementing it. With IUCN being the overall coordination agency for the project, it makes eminent sense that it also handles the operational lessons and partnerships building component, especially since it is one of its *fortes*, as explained later.

First and foremost is the unique structure of IUCN. Apart from being a knowledge based organization – with a strong communication and mass awareness program – it is also a global union that brings together states, state agencies and non-governmental organizations on a single platform. As the world's largest sustainable development knowledge network, it has some 10,000 scientists and experts serving voluntarily under its various specialized commissions, including the **Commission on Education and Communication**.

With its strong membership base, including the State of Pakistan and other key government agencies, civil society organizations, academia and media, it has a convening and networking capacity that is probably unmatched by any other organization in the country. Because of these capacities and a record for building consensus among diverse stakeholder groups, IUCN has been able to carry out pioneering initiatives in Pakistan in collaboration with the government as well as the civil society, including academia and media. For the purpose of this project, it would be especially pertinent to mention IUCN's pivotal role in helping formulate and implement the **strategies of sustainable development** – initially at the federal and provincial levels, but of late, at the district level as well.

These broad policy frameworks require IUCN to engage with a wide array of stakeholders including the media. In fact, the organization has not only been intensely involved with journalists' bodies, it has facilitated the formation of forums for environmental journalists at the national, provincial and district levels. More recently, it has broadened the scope of this interaction to include journalists from the TV channels as well as those from the 'new media', that is, FM radio channels and the Internet. In fact, it is in the process of developing guidelines for environmental reporting for the journalists belonging to the TV and FM radio channels as well as those working for the Internet based publications.

IUCN also brings out a quarterly magazine, **Jareeda**, which has a circulation of about 5000, and according to conservative estimates, a readership of nearly 25 to 30 thousand. It is the only Urdu magazine of its kind focusing entirely on the themes of environment and sustainable development and represents the broader sustainable development constituency in the country, not just that of IUCN. Covering all important public and academic libraries in the country, among others, **Jareeda**, with a slight change in focus and emphasis, coupled with enhancement in its circulation, could itself be used as one of the tools for mass awareness.

IUCN in Pakistan has some of the best communication professionals in the country with wide ranging media expertise. More than anything else, probably, is its widely acclaimed expertise in Web-based communications and knowledge management. Its **Knowledge Web** is the largest body of sustainable development information and knowledge about Pakistan on the World Wide Web. And in particular, the development gateways it has created – **Pakistan Development Gateway** and the **Pakistan Water Gateway** being the best known among them – not only provide the latest development news and information, but also innovative, state-of-the-art mechanisms for information exchange and experience sharing. While an entirely web based campaign would not make much headway in the Pakistani conditions, one carried out in conjunction with other tools and mechanisms listed in the proposal, would add both value and punch to the campaign, especially in involving the Internet savvy younger generation of the country. Given such impeccable credentials of IUCN in development communication, one doesn't even have to think twice to suggest any other outfit to implement the **mass awareness** component of the Campaign.

IUCN, by its very nature, is a learning organization. Apart from the policy and advocacy work it does, as exemplified by the strategies of sustainable development it has helped formulate and implement, it has also been engaged in field projects, some of them as big as the **Mountain Areas Conservancy Project (MACP)** and **Environmental Rehabilitation in NWFP and Punjab (ERNP)**. The main purpose of IUCN for undertaking such initiatives is to carry out **action research**, develop a replicable model and try to close the **field-policy loop**. This mode of operation lays great emphasis on extracting lessons from the field experience and disseminating them within the organization, its networks and other appropriate audiences. For the success of such initiatives, it has to work with all key players both at the field as well as the policy levels. This lays a great emphasis on building **coalitions for change** and forging **partnerships** for bringing it about in the most effective manner.

Given this organizational strength, IUCN is almost ideally suited for carrying out the component on *operational lessons and partnerships of change*, apart from the reason cited earlier, that is to simplify coordination mechanisms by trying to avoid too many organizations in implementation of the project. With its strong presence in the districts, in close conjunction with the district governments, it is also in a position to identify suitable **Local Government Champions** and orienting them through field visits. In fact, it is something which it is already doing in trying to promote the process of formulating **Integrated District Development Visions** – the name given to sustainable development strategies in the **Local Government Ordinance** – in districts where it is not working directly.

And that is the reason why IUCN is generally asked for spearheading initiatives that involve multiple stakeholders, are contingent on building partnerships among them and documenting learning from such complex undertakings. For instance, in the absence of Pakistan's official report for the World Summit on Sustainable Development, as a Rio+10 event, it was asked to compile Pakistan's presentation based on a series of consultations with all the relevant players synthesizing the necessary information and learning. More recently, UNDP itself commissioned IUCN to synthesize the learning from its 10 years of work under the Small Grants Program and disseminate it appropriately.

Last but not least, the Pakistan Program of IUCN has access to global networks of scientists, policy makers and practitioners, including top notch experts in development communication. Most appropriately, the global **Communication Program** of IUCN - supported by the much larger, worldwide membership of the **Commission on Education and Communication (CEC) -** would give an added fillip to the Campaign in terms of state-of-the-art knowledge and cutting edge expertise.

1.   General Background of Program:

The program is managed by the UNDP Poverty Reduction & Gender Unit, with support from the MP-3 Program Management and Coordination Unit, executed by UNOPS. The National Program Coordinator is a part of the PMCU and will administratively report to UNOPS Bangkok with program guidance from UNDP Poverty Reduction & Gender Unit.

2.   Purpose and Scope of Assignment:

The National Program Coordinator will undertake the following tasks:

Coordination:

Between MP-3 Projects

- Provide strategic coordination support to the MP-3 projects through information provision, convening of thematic coordination foras, meetings or orientation sessions as appropriate.

- Identify areas for building synergies between projects, highlight duplication of effort, while actively building productive relations with all MP-3 stakeholders and partners

- Ensure continuous flow of information between the Project Directors, Project Managers and core technical staff

Between MP-3 and Other Partners

- Coordinate with other poverty policy-oriented initiatives to ensure complementation and synergies

- Harmonize MP-3 interventions with GOP policy priorities in pursuit of effective and efficient implementation

- Identify areas for cooperation to generate increased recognition of UNDP MDG-based pro-poor policy reform agenda in Pakistan.

Management:

- Prepare annual management unit support and coordination work-plans and budgets.

- Facilitate the convening of PRB meeting in cooperation with the Economic Affairs Division.

- Assist project implementation in close collaboration with the Program Analyst in the Poverty Reduction & Gender Unit, to ensure conformity and coherence with project outputs and compliance with PCOM procedures. For example facilitate recruitment, subcontracting, procurement processes to expedite project delivery.

- Establish clear quality standards for project planning, implementation and reporting and assure the respect of these quality standards at all levels

- Organize workshops / training sessions as required Annual MP-3 work plan submitted within 15 days of the end of the calendar year

- Facilitate timely budget revisions to ensure effective delivery

Resource Mobilization:

- To assist in the mobilization of financial resources for MP-3 projects and prepare cost sharing agreements in line with donor requirements

3.   Qualifications Required:

The Program Coordinator will have an expert knowledge of the development landscape and sound understanding of poverty policy issues as well as the institutional landscape. Demonstrable experience in program development, management and coordination. A Master's Degree in Social Sciences or related discipline. Possess at least 5-7 years work experience on poverty issues, project development & management, preferably with the UN or international development organizations. Excellent written and interpersonal communication abilities. Experience of working with NGOs and Government is an added advantage.

Annex F
Terms of Reference for Monitoring & Evaluation Specialist

1.   General Background of Program:

The program is managed by the UNDP Poverty Reduction & Gender Unit, with support from the MP-3 Program Management and Coordination Unit, executed by UNOPS. The M&E Specialist is a part of the PMCU and will administratively report to the National Program Coordinator with program guidance from UNDP Poverty Reduction & Gender Unit.

2.   Purpose and Scope of Assignment:

The Monitoring & Evaluation Specialist will undertake the following tasks:

- Develop and implement a comprehensive mechanism for the monitoring and evaluation of MP-3 objectives. This would entail working closely with MP-3 partners to support and facilitate the M&E related aspects of their work

- Lead the analysis of the MP-3 M&E framework's data requirements and design appropriate tools and activities for data collection, integration and dissemination in the appropriate form

- Three quarterly and one annual progress report within 15 days of the end of the half year or year respectively. The reports will be strategic monitoring tools addressing:
    1. Consolidated project results and impact under MP-3, reporting progress against strategic UNDP CPAP outputs.
    2. Key implementation issues and risks affecting workplan implementation and proposed mitigating strategies.
    3. Document experiences and strategic lessons learnt
    4. Budgetary and financial expenditure details.
    5. Performance of management support unit in implementing its workplan

- Review progress reports of program interventions, analyze all such report for qualitative and quantitative impact and generate report on the direction, pace and quality of program interventions and suggest specific recommendations , to PIUs for further improvements

- Develop and institutionalize a feedback system among MP-3 components to provide regular feedback to PMCU and UNDP management on performance/activities.

- Assess MP-3 components to determine its relevance, efficacy, and efficiency; and establish in collaboration with UNDP, the NPC and Poverty Analyst a framework for using research and M&E findings to enhance quality of decision-making

- Work with the NPC and MP-3 partners to develop harmonized monitoring, reporting, and evaluation plans

- Encourage and assist MP-3 partners to build effective monitoring and evaluation associations, capacities and systems

- Collaborate with the NPC to organize trainings/workshops for MP-3 partners on M&E methods and practices for results-based management

3.   Qualifications Required:

Master's Degree or equivalent in Economics, Social Sciences, or related field. 5-7 years of experience in the design and management of monitoring & evaluation processes, esp. in the field of poverty policy analysis including with multiple stakeholders survey design and implementation. Understanding of gender considerations demonstrable knowledge of Results Based Management (RBM) principles, Logic modeling/logical framework analysis, and real-time, utilization-focused, joint, summative and formative M&E. Substantive experience with quantitative and qualitative data collection and analysis preferred. Excellent written and interpersonal communication abilities. Experience of working in similar capacities with Government, IFIs, UN system and donors is an added advantage. Competency with database applications preferred.

Annex G
Terms of Reference for Poverty Analyst

1.   General Background of Program:

The program is managed by the UNDP Poverty Reduction & Gender Unit, with support from the MP-3 Program Management and Coordination Unit, executed by UNOPS. The Poverty Analyst is a part of the PMCU and will administratively report to the National Program Coordinator with program guidance from UNDP Poverty Reduction & Gender Unit.

2.   Purpose and Scope of Assignment:

The Poverty Analyst will undertake the following tasks:

- Undertake background research on poverty and MDG related issues to tailor to emerging program needs, knowledge gaps and challenges to effective planning, implementation and monitoring. Collect and analyze data for development of concept notes, issue briefs, and policy papers

- With a view to creatively enhance program impact, identify resources and areas of potential research cooperation

- Support projects, UNDP & PMCU in identifying and producing research and surveys, which are directly related to decision-making needs. Provide substantive feedback on the research methodology, design and institutional linkages, where necessary. This research support must attend to reducing duplication and maximizing synergies between research initiatives under different MP-3 components. Review technical reports and other substantive research and analytical documentation produced by MP-3 partners, and provide feedback on both content and presentation matters.

- Supervise the generation of case studies, advocacy material, lessons learnt and best practice documentation by PMCU

- Assist UNDP and MP-3 partners in carrying out policy analysis to widen alternative policy options and choices from a pro-poor and MDG-based perspective

- Support analysis of the links between key elements of the pro-poor policy cycle to maximize program impact

- Analyze implementation gaps and relevance of MP-3 operations to the current needs and challenges. Identify implementation barriers in the filed of poverty research, monitoring and advocacy and propose mitigating strategies

- Provide suggestions on practically applicable and effective implementation mechanism for MP-3

- Designs specific assessments that relate directly to UN programme implementation using tools such as SWOT analyses, stake-holders analyses and needs assessments

- In collaboration with the M&E Specialist, UNDP and NPC, develop improved feedback mechanism into overall strategic framework from field level experience and lessons learned.

- Act as the focal point for developing networks with experts, institutions on policy development

- Assist the NPC and UNDP in strategic planning, policy, guidelines, procedural recommendation and implementation of research studies and documentation

3.   Qualifications Required:

Master's Degree or equivalent in Economics, Social Sciences, or related field. 5-7 years of experience in the design, coordination and/or implementation of policy research, esp. in the field of poverty policy analysis. Strong background knowledge of pro-poor policy and MDG issues and the multiplicity of institutional players. gender issues. Ability to analyze data through computer software will be an asset. Excellent written and interpersonal communication skills. Experience of working in similar capacities with Government, IFIs, UN system and donors is an added advantage.

1.   General Background of Program:

The program is managed by the UNDP Poverty Reduction & Gender Unit, with support from the MP-3 Program Management and Coordination Unit, executed by UNOPS. The Admin/Finance Officer is a part of the PMCU and will report to the National Program Coordinator.

2.   Purpose and Scope of Assignment:

The National Program Coordinator will undertake the following tasks:

- Assist in the preparation of work plans to be discussed with government/donor/departments/ agencies for implementation.

- Assist in the preparation of the monitoring and progress controls set in place by UNOPS.

- Take part in the program's activities design meetings.

- Prepare programme budgets and maintain financial disbursement and monitoring systems for monthly submission to UNOPS Asia Office.

- Assist in the processing of financial claims/imprest account and facilitate approval through ensuring appropriate documentation and record keeping in line with UNOPS rules.

- Assist with all administrative and logistical arrangements for meetings, workshops, conferences.

- Assist in production of publication material (reports, newsletters, brochures etc.).

- Prepare different correspondences on the above matters and ensure follow up system.

- Attend the related orientation/training on Development/Gender Issues, Finance and Information Technologies.

Qualification Required:

Master's degree preferably in Social Sciences of finance. Demonstrated computer skills for data processing. 3-5 years experience in coordination of work and good knowledge of standard practices and procedures in finance. Good written and spoken English. Ability to handle accounts. Experience with UN agency/project is highly preferred. Excellent interpersonal and team working/administrative and organized skills.

Terms of Reference for Office Boy

1. Purpose and Scope of Assignment:

The Office Assistant will work under the direct supervision of the Admin/Finance Officer with the overall review by the NPC. The specific responsibilities include:

- Operate the telephone switchboard and maintains telephone calls registers on agreed procedures.
- Send faxes, distributes the incoming faxes and maintains the fax register on agreed procedures.
- Assist program team members to photocopy documents, prepare sets of reports, binding and stapling.
- Collect mail from mail trays of the programme staff and deliver to the concerned staff members.
- Deliver/distribute mail/messages within office and outside the office as and when required/necessary.
- Take messages from outside callers and convey to concerned staff members.
- Ensure proper and in time filing of documents.
- Maintain leave records of the staff members under the supervision of Operations Assistant.
- Assist in inviting quotations and making comparison statements for various offices needed procurements.
- Update web site on regular basis.
- Assist in downloading the requested information from Internet.
- Assist to prepare Power Point presentations; layouts and encoding of documents
- Cuts paste and file Newspaper Clippings.
- Perform any other duties as required

2. Qualifications Required

- Higher Secondary School Certificate.
- Demonstrated computer skills.
- 3-4 years experience in similar capacities
- Understanding of written and spoken English.

Purpose and Scope of Assignment:

The Driver will work under the direct supervision of the Admin/Finance Officer with the overall review by the NPC. The specific responsibilities include:

- Drive official vehicles for the transport of authorized personnel and delivery and collection of mail, documents and other items in a safe and timely manner.
- Meet official personnel at the airport and facilitates immigration and customs formalities as required.
- Responsible for the day to day maintenance of the assigned vehicle, checks oil, water, battery, brakes tires, etc. Performs minor repairs and arranges for other repairs and ensures that the vehicle is kept clean.
- Responsible for all times for the safety and comfort of passengers.
- Log official trips, daily mileage, fuel consumption, oil changes, greasing etc.
- Ensure that the steps required by rules and regulations are carried out in case of involvement in accident.
- Perform other duties as required.

2.   Qualifications Required:

- Minimum Matric level and has valid driving license
- Knowledge of driving rules and regulations
- Minimum 3-5 years of driving experience preferably with a multi-national organization
- Good spoken and written Urdu and moderate level of understanding English
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MAP OF KEY INSTITUTIONS FOR POVERTY RESEARCH, PLANNING & MONITORING

	WHO	WHAT	DESCRIPTION	WHERE
Pro-Poor Policy Planning				
	Planning Commission	MTDF, VISION 2030	The 'Vision 2030' launched by the government under a long-term development strategy envisages a developed, industrialized, just and prosperous Pakistan in almost a quarter of a century	National
	MOF	MTBF, PRSP	Explained in Detail under "Pro-Poor Policy Frameworks"	MTBF (MOH, MOPW, MOE, MINFAL, MOWD) PRSP (National strategy yet driven by MOF)
	P&D Departments	Provincial PRSP, Vision 2030, PRP (NWFP)	PRP aims at accelerating human development, boosting private sector, creating social nets to remove gender and regional disparities, improving efficiency in public expenditure and improving governance.	Provinces
	NRB	Local Government Ordinance, New Budget Rules for Local Government, etc.	For LGO, refer to Annex A Under the new Budget Rules for Local Government, each office of the local government will provide service delivery targets for the following year and progress made in the current year against the target.	National
	PFC Secretariat	PFC Award	Recommends the formula for allocations from Provincial Consolidated Fund to districts. Also determines the requirements for certification of fiscal transfers.	Province
	MOH	National Health Policy 2001	Blueprint of planned improvements in the overall national health scenario. Key areas include: communicable diseases, inadequacies in primary/secondary health care services, remote professional and managerial deficiencies in district health system, gender, nutrition gaps, urban bias in the health sector implementation modalities, regulation in the private medical sector, create mass awareness, improvements in the drug sector, capacity building for health policy monitoring.	National
	MOE	National Education Policy 1998-2010	Salient features of national education policy 1998-2010: islamic	National

		education, literacy and non-formal education, elementary education, secondary education, teacher education, technical and vocational education, higher education, information technology, library and documentation services, private sector in education, innovative programs, implementation monitoring and evaluation.		
MOPW	Population Policy	The overall vision of the Population Policy is to achieve population stabilization by 2020 through the expeditious completion of the demographic transition that entails declines both in fertility and mortality rates. The Population Policy seeks to attain a balance between resources and population, address various dimensions of the population issue within national laws, increase awareness of the consequences of rapid population growth, promote family planning, attain a reduction in fertility through improvement in access and quality of reproductive health services, reduce population momentum through delay in first birth, changing spacing patterns and reduction in family size desires.	National
MINCOM	Trade Policy 2006-07	**Export:** Resort to trade diplomacy to increase market access, regional diversification of export markets, strengthening of trade promotion infrastructure, skill development, & early provision of modern infrastructure. **Import:** Import liberalization with a view to ensuring an economical supply of machinery and raw material to our industry. Import of those items facilitated which are required for enhancing public welfare at affordable cost. Essential items especially food stuffs imported.	National
MOL	Labor Policy 2002	Salient features: support to bilateral and tripartite mechanisms for policy formulation and self-regulation, consolidation/ simplification of labor laws, structural legislative changes to provide easy access to speedy justice in the labor sector, promotion of employees' social security and social insurance programs and improvement of labor welfare institutions namely Workers Welfare Fund, EOBI and Provincial Employees Social Security Institutions, progressive extension of labor laws and welfare measures to informal and unorganized sectors, emphasis on workers' children education, combating child and bonded	

			labor, reinforce gender equality.	
	EPA	National Drinking Water Policy	Provide supportive, policy legal framework to facilitate access to safe water, provide guidelines for consistency and conformity between drinking water policy and overall water sector policy, environmental policy, health policy and quality standards, facilitate implementation of key strategies, facilitate local communities in accessing safe drinking water, define institutional & financial framework for cost-effective equitable and sustainable drinking water supply.	National
		National Sanitation Policy	Endure open defecation free environment, safe disposal of liquid and solid waster, promotion of health and hygiene practices, develop guidelines for institutional and financial frameworks for implementation, link sanitation programs with environment, housing, water and city regional planning policies & programs.	National
	MOENV	National Environmental Policy 2005	Overarching framework to address pollution, waste management, deforestation, loss of biodiversity, desertification, natural disaster and climate change. The objectives of the Policy are conservation, restoration and efficient management of environmental resources, capacity building for better environmental management, demand mobilization and meeting international obligations.	National
	MOWD	National Plan of Action, National Policy for Development and Empowerment of Women, Gender Reform Action Plans	Explained under "Pro-Poor Policy Frameworks"	Provincial + National (GRAP)
	District Mushavirat Committee	Prioritize and coordinate inter-tehsil development plans, crystallize vision for integrated development, set directions for realizing economic potential of the district		District
	Finance Department	MTBF (Punjab only)	Explained under "Pro-Poor Policy Frameworks"	Province
	Role of Provincial Governments in relation to the devolved subjects	Legislation, policy formulation, rural making, standard setting	ROBs, Rules for Local Government, notifications required under LGO, policy formulation and follow up on implementation, support to PLGC and PFC Secretariats, implementation of chief minister's directives, conditional grants design from PRA, releases against PFC Award, service delivery technical standards for LG functions	Province
Pro-Poor Policy Research				
	CRPRID	Poverty impact analysis and in-depth qualitative and quantitative analysis to explore the positive and negative impact of development strategies,		Islamabad

		programs and projects, poverty estimations		
	P& D Departments	Punjab Economic Report (e.g. Punjab, NWFP)	The reports aim to analyze the development strategy of the provincial governments.	Province
	PIDE	Research studies and surveys on economic and human dimensions of poverty	Also provides training in economic and demographic analysis, research methods and project evaluation to officials in government ministries and members of non-governmental organizations further	Islamabad
	Labor Management Information & Analysis Unit, MOL		LMI&A Unit is responsible for assembling, organizing, analyzing and disseminating up to date and timely information analysis on the labor markets within Pakistan. LMI&A reports produced biannually.	Federal, province
	Applied Economics Research Centre	Research on urban and regional economics, agriculture, human resource development, poverty, health, public finance, nutrition and environment and women's issues. Also provides advance training of economists from all parts of Pakistan.		Karachi
	Social Development Policy Institute	Research on governance, social sectors, environment, macroeconomic issues		Islamabad
	Social Policy Development Centre	Research on poverty, inequality, education, gender, governance, pro-poor macro-economic policy		Karachi
	Mahboob ul Haq Human Development Centre	Annual reports on human development in south Asia, biannual Mahbub ul Haq human development review for Pakistan		Islamabad
	Role of Provincial Governments in relation to the devolved subjects	Research/studies/evaluations on LG functions	Includes capacity building of Local Governments and development of training material	Province
Poverty Statistics (Database, Survey, Data Collection)				
	FBS	2004-05 Pakistan Standard Living Measurement Survey, Labor Force Survey (quarterly reporting for 2005-6, annual for 2003-04, 2001-02 and older), Pakistan Demographic Survey (every one or two years, last one inn 2003), 2004 Household Consumption & Expenditure Survey, Pakistan Integrated Household Survey (1991, 95-96, 96-97, 98-99, 2000-01; last two rounds carried with	PIS/HIES is the core set of data for poverty analysis. PSLM has now superseded the PIHS and collects basic social sector and poverty data. Covers similar sectors to PIHS/HIES to allow for comparability but provides for district level data.	National

	HIES), Household Income & Expenditure Survey (carried out regularly between 1984 and 2001), National Education Census (2005, includes private sector institutions and mosque schools)		
P-BOS	Multiple Indicators Cluster Survey	MICS Balochistan 2004, MICS NWFP 2001, MICS Punjab 2003-04, MICS Sind (not yet published). Sampling frame developed by FBS, implemented by BOS, Supported by UNICEF	Provincial
CIET	Social Audit	Qualitative/Perception Survey. Commissioned by NRB. Baseline inn 2001-02. To be undertaken by DTCE from 2007	National
CRPRID	Survey on effectiveness of social safety nets (with World Bank)		
PIDE	Nutrition Survey (2001), Pakistan Socio-economic Survey (1999), Poor Communities Survey	Data Collection, Survey	
NRB	NARIMS, NIMAS,	NARIMS: MIS containing info on government functions, assets, establishment, financial management etc. The NARIMS objectives financial management, Planning and development. Source: administrative NIMAS: Information system for overseeing and monitoring the implementation of Local Government System and Police Order, 2002 across the country. Source: ad-hoc surveys, Performance Reviews of LG performance, etc.	
MOE, Education Departments	P-EMIS, NEMIS	Source: Administrative data for EMIS	Provincial, National, National
MOH, Health Departments	P-HMIS, HMIS, LHW, Polio & TB surveillance systems	Source: Administrative data	Provincial, National, Administrative data
Ministry of Labor	LMI&A Unit, LMIS	LMI&A is described above. The LMIS database will have occupational and industry desegregated data on related numbers and trends. Source: LFS, national surveys, administrative records, provincial sources.	Federal, Province
NIPS	Pakistan Reproductive Health & Family Planning Survey (2000-01), Pakistan Fertility & Family Planning Survey (1996-97), Pakistan		National

		Contraceptive Prevalence Survey (1984-85. 1994-950), Pakistan Demographic and Health Survey (1990-91), Pakistan Fertility Survey (1975)		
	Ministry of Labor	Labor Management Information System	Database	MOL, DOL
	Village & Neighborhood Councils	Data collection	Assist UA in conducting surveys and collecting socio-economic data. These councils have a proactive role to promote citizen involvement, identifying problems and finding solutions through CBOs or organizing micro-programs promoting civic education, gender, etc.	Pilot district: Narowal
	SDRB/AGPRB	Participatory Information System (PIS)	Socio-economic data (based on census), Facilities data on education (annual), health (quarterly), irrigation, etc. Database. Maintained by DCICs. Interface with EMIS/HMIS weak or non-existent at present.	Balochistan selected districts
	IFPRI	Pakistan Rural Household Surveys	Mid 1980s-early 1990s, 2001	District (NWFP, Balochistan)
	UNICEF	DEVINFO		
	ADB	Poverty Database	Monitors progress on PRSP and MDGs. Two features of the Database are especially noteworthy: (i) it provides data on the same indicators from different sources, wherever applicable, for ease of comparison; and (ii) it allows the user to observe indicators, on which currently no data is available.	
	Planning Commission	Participatory Poverty Assessment PA (with DFID)	2001-2003	
	Role of Provincial Governments in relation to the devolved subjects	Consolidation of local government data at provincial levels		
	Union Monitoring Committee	Information collection	Union Council Monitoring Committees shall collect information from various sources i.e. community, service delivery facilities, and offices during their visits regarding the functioning of service delivery at the Union level. The information thus collected will be analyzed by the Monitoring Committees. The critical problems and issues will be identified based on the review and participatory analysis of the collected information.	UC
	Tehsil Monitoring Committees	Information Collection	Tehsil/Town Monitoring Committees (TMCs) shall collect information from various sources i.e. union monitoring committees reports, community and facilities during their visits regarding the performance of municipal services provided by the Tehsil/ Town Municipal	Tehsil/ town

			Administration.	
Zila Monitoring Committee			Zila Monitoring Committees shall collect information from various sources i.e. union monitoring committees reports, community and facilities during their visits regarding the performance of municipal services provided by the district Administration.	Zila
Poverty Monitoring				
CRPRID	MDGR, Human Condition Report			National
MOF	PRSP Progress Reports	Quarterly and Annual		National
MOE	National Education Assessment System	Evaluate and assess learning achievements of students at primary (Class IV) and elementary (Class VIII) levels. NEAS will set up minimum standards for performance to provide feedback for enhancing quality of education through improvement/revision of curricula, textbooks, teacher education, training and examinations.		
Budget and Development Committees	Approval and review of development and current budgets	Approve all development projects submitted by Planning Officer, approve development projects for inclusion in ADPs, monitoring progress of development projects, review evaluation reports, review and approve current expenditure, review and approve SNE for inclusion in the current budget, monitor current budget, etc.		District, Tehsil
Accounts Committees	Financial accountability by community	Ensure that receipt of funds in the Provincial Account and Local Fund Account and expenditures in development and non-development categories in each account are publicly displayed. Review the quarterly monitoring reports of the Finance Committee of on the use of public funds. Ascertain general public perception of cost and benefit of any project or a Citizen Community Board and report observations about the loss of public money, extravagance or corruption in such project. Objectively review the annual external, internal or special audit reports in respect of each office of the office at that administrative level.		District, Tehsil and UC
Monitoring Committees	Evaluating performance for each of the group of district offices in relation to: achievement of targets; responsiveness to citizens' difficulties; efficiency in the delivery of services; transparent functioning, Quarterly Monitoring Reports	Main institutions to oversee functioning of local governments. Their main work is to monitor the facilities of the local government delivering services to the people. MCs of zila and tehsil council are responsible for the monitoring the function of their respective offices and for preparing quarterly evaluation reports on the prescribed		District, Tehsil, UC

		prepared	format in relation to achievement of targets, responsiveness to citizen's difficulties, efficiency in delivery of services, and transparent functioning. MCs submit their reports to the respective councils for necessary action	
	Zila Council		Approve bye-laws, approve long-term and sort-term development plans, annual and supplementary budget proposals and intra-district fiscal transfers, approve annual budget of the council, review quarterly reports of MCs, review performance reports of district government, require district government to undertake measures for good governance and improvement in service delivery, make recommendations to district governments for enhancement of the care of vulnerable groups	District
	Tehsil Council		Approve bye-laws, approve long-term and short-term development plans, review performance report of MCs, review performance of TMA	Tehsil
	CCBs	The Citizen Community Boards contribute to project design, implementation, management and monitoring at grass root level with a view to improving services		District
	Role of Provincial Governments in relation to the devolved subjects	Performance Analysis	Performance and service delivery monitoring of Local Governments on monthly basis through **monthly management reports** from Local Governments, analysis of local government information and reports	Province
COORDINATION				
	Local Government Commission	Coordination among the Parliamentarians and Elected Local Government Representatives for development activities.	1) Organize consultative planning meetings to provide their participation in the consultative process on ADPs, formulate procedures for use of legislators' development grant, review of development schemes, and 2) facilitate provincial departmental functions of decentralized offices relating to policy analysis, oversight, capacity building and coordination trough the PLGC.	
	Local Government Associations	LGAs will facilitate advocacy, capacity building of elected officials, and mutual support	LGAs will also links each CCB to their communities, ensuring that they remain connected with the community interests they are meant to serve. The 3 levels of LGAs will be: **Provincial Level Association of Union Councils:** This organization will have District Chapters, comprised of all the Union Nazims in a District that will form a General Body that will then elect Executive Committee	

		members. These Executive Body members from all the District Chapters will form the Provincial Level Association of Union Councils. **Provincial Level Association of Tehsil/Town/Taluka Councils:** The representatives from all the Tehsils/Towns/Talukas in a Province will form the General Body of the Provincial Level Association of Tehsil Councils. These General Body Members will then elect Executive Body members. **Provincial Level Association of District Governments:** The representatives from all the District Government will form the General Body of the Provincial Level Association of District Governments. These General Body Members will then elect Executive Body members.	
Role of Provincial Governments in relation to the devolved subjects		Coordination with donors on LG matters; technical coordination with LGs; coordination within departments at provincial level on LG functions; coordination with federal government on LG functions i.e. national policies/standards/targets, etc.	