



17 April 2008

Panamá

Dear Mr. Fabianic:

I am writing to you to request your authorization for the Direct Execution of the Project PS 00061033 “Supporting the Development of the Strategic Plan 2008-2011”.

In support to this request, a short summary of the project and the justification follows:

I. Project Summary

The project provides a framework to a variety of activities that will be carried out by the Panama CO, aiming at reinforcing national capacities and providing resources for new initiatives and special requests of the Government.

The expected outputs of the project are:

1. Project Coordination Units strengthened in the project management mechanisms and support to the formulation of new project documents.
2. National capacities strengthened to carry out outcome evaluations and three outcome evaluations implemented.
3. National capacities strengthened to institutionalize social programmes at national level.
4. Municipality Management Capacity assessment devised.
5. Development of knowledge products in support of the country programme.
6. Enhance UNDP’s communication mechanisms.
7. Contribute to the development of public policy proposals, in UNDP’s practice areas within the framework of the Strategic Plan 2008-2011.
8. Project Implementation Unit strengthened.

The budget for this project is US\$ 1,086,067, funded by the national Government (USD 106,786), TRAC funds (USD 488,370) and cost sharing to the Country Programme (USD 490,911). The budget includes the General Management Support (3.5% GMS).

The project will be executed in three years time.

Mr. Niki Fabianic
RBLAC – UNDP
New York

II. Justification for Direct Execution

With general elections being held in 2009, the outputs of this project should be achieved as soon as possible in order to provide more efficient and effective instruments for the new Government to be established.

On the other hand, to ensure the continuity of critical ongoing projects – especially key initiatives such as the execution of the Agreements reached through the National Consensus Building Process held last year – beyond a potential change in the Government after the elections, the project will establish shielding mechanisms for certain social initiatives being carried out. It implies an exercise of neutrality and technical independence, also taking into consideration the fact that the project will work on politically sensitive issues, such as decentralization, and will build capacity to carry out independent outcome evaluations, critical to find out where we are.

Panama's Country Office has the required technical capacity, both substantive and administrative, to manage, report and achieve the expected outcomes of the project. The office counts with a Project Implementation Unit, having their own facilities, which will be in charge of managing project resources and ensuring the technical support required. This unit's staff has been trained to assume the implementation of operational activities and counts with a Project Coordinator, who is well versed in UNDP procedures and project administration, and who will be working under the supervision and support of the Country Director, the ARR - Programme and the Programme Unit.

It is important to mention that UNDP Panama has substantial experience in executing projects under the DEX modality. A project funded by the Global Fund to fight AIDS, Tuberculosis and Malaria as well as the project "Implementation of the State Pact for Justice", and "Strengthening the Political Parties" are examples of DEX projects effectively executed by UNDP Panama.

In this context, Project execution, monitoring and evaluation will closely follow DEX guidelines, as stated in the Project Document. The Project Implementation Unit will be reporting appropriately.

Do not hesitate to contact us if any comment or additional information is required.

Yours sincerely,



Peter Grohmann
Country Director

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