

Government of Papua New Guinea  
United Nations Development Programme

Partners

Department of National Planning and Monitoring  
Bougainville Provincial Administration, District Administrations, and COEs  
CBOs, NGOs  
UN Agencies working on Bougainville  
Other development partners

**PROJECT TITLE**

**BOUGAINVILLE PLANNING AND COMMUNITY SUPPORT PROGRAMME**

**Brief description:**

The key challenges facing Bougainville are: (i) to restore the trust of people in the institutions of governance both within Bougainville and between Bougainville and the Papua New Guinea Government system; (ii) to continue to find ways to address the longer-term psychological impact that the civil unrest has had on people through disrupted education and a loss of public services and access to livelihood and income generation opportunities; (iii) successful completion of the Weapons Disposal Plan; (iv) implementation of a number of practical peace building initiatives highlighted in the Bougainville Peace Agreement; (v) strengthening social capital in Bougainville; and (vi) the restoration of social services.

The UN Development Assistance Framework and the UNDP Country Programme Outline for PNG identify Bougainville as a priority intervention for the UN and UNDP over the period 2003 - 2007. Within this context the project will:

1. Assist in capacity building through effective planning and management skills development
2. Provide support to the consolidation of the peace process through leadership, human rights advocacy and other social activities
3. Strengthen economic development and livelihood opportunities

**SIGNATURE PAGE**

(See separate pdf file - attached with set of documents)

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## LIST OF ACRONYMS

AusAID	Australian Agency for International Development
BCC	Bougainville Constitutional Commission
BHDR	Bougainville Human Development Report
BIPG	Bougainville Interim Provincial Government
BRA	Bougainville Revolutionary Army
BRF	Bougainville Resistance Forces
BRG	Bougainville Reconciliation Government
BTT	Bougainville Transitional Team
BPC	Bougainville People's Congress
BPRO	Bougainville Peace and Restoration Office
BRRDP	Bougainville Rehabilitation, Reconstruction and Development Project
BTG	Bougainville Transitional Government
CCA	Common Country Assessment
CCI	Cocoa and Copra Institute
COC	Council of Chiefs
COE	Council of Elders
CPO	Country Programme Outline
CTA	Chief Technical Advisor
DPI	Division of Primary Industry
DNPRD	Department of National Planning and Rural Development
EU	European Union
FAO	Food and Agricultural Organisation
HIV	Human Immunodeficiency Virus
IPA	Investment Promotion Authority
MDG	Millennium Development Goals
NEC	National Executive Council
NGO	Non Governmental Organisation
PDP	Provincial Development Plan
PEC	Provincial Executive Council
PMG	Peace Monitoring Group
PCU	Project Coordination Unit
PNG	Papua New Guinea
PSC	Project Steering Committee
RADU	Restoration and Development Unit
SRF	Strategic Results Framework
TCC	Transitional Consultative Council
TOR	Terms of Reference
TNA	Training Needs Analysis
TTF	Thematic Trust Fund
TRAC	Target Resources Allocation from Core
UN	United Nations
UNDP	United Nations Development Programme
UNDAF	United Nations Development Assistance Framework
UNIFEM	United Nations Development Fund for Women
UNOMB	United Nations Observer Mission in Bougainville
UNOPS	United Nations Office for Project Services
UNICEF	United Nations Children's Fund
UNFPA	United Nations Population Fund
USAID	United States Agency for International Development
USD	United States Dollars
WHO	World Health Organisation

## PART I

### Part Ia Situation analysis

1. A violent conflict broke out in 1989 in the province of Bougainville, Papua New Guinea, due to dissatisfaction over the share in profits given to the local population from the operation of the Panguna copper mine and the environmental damage it caused. The civil conflict continued for nine years and involved nearly the whole population of Bougainville and Buka.

2. The impact of the conflict was far reaching with the physical destruction of one of the most developed provinces in the country, with a vast devastation in socio-economic, political as well as governance structures. The resulting issues and challenges facing Bougainville today span the political, social and economic spectrum, and the resolution of them is critical in determining the future of the province.

3. On the political front, the root causes of the conflict, the events surrounding the achievement of peace and an improvement in security in Bougainville have had a significant impact on the relationship between the province and the rest of Papua New Guinea as well as on relationships between the people of Bougainville themselves. The future roles of the Provincial Administration, structure and size of the public sector in Bougainville, together with its working relationship with the Government of Papua New Guinea, are major issues that will be addressed by the interim government over the coming months. Efforts will be made to give importance to the existing traditional structures in modern political and administrative set up. The existing political framework is complex, dynamic and ever evolving.

4. After months of negotiations, the Bougainville Peace Agreement was signed in August 2001. The Agreement has three pillars and provides for (i) arrangements for an autonomous Bougainville Government operating under a home grown Bougainville constitution; (ii) a right guaranteed in the National Constitution for a Referendum<sup>1</sup> among Bougainvilleans on Bougainville's future political status, including a choice for separate independent Bougainville, and (iii) a weapons disposal plan which has three phases. The first phase of the weapon disposal plan includes awareness raising and storing the collected weapons under the custody of the BRA and BRF Unit Commanders and UNOMB. In the second stage, the stored weapons will be verified and certified by UNOMB; as a result, the Constitution of the autonomous Bougainville, as per the Peace Agreement, will become effective legally. Then the third stage of weapon disposal plan will commence by destroying the collected weapons.

5. The Bougainville Peace Agreement formed the basis for Constitutional Amendments and the National Executive Council (NEC), approved the Organic Law required to give legal effect to the Peace Agreement in November 2001. In 2002, the PNG National Parliament passed the Bills giving full constitutional authority to the Bougainville Peace Agreement (27th March). The Constitutional Amendment (Peace-Building in Bougainville – Autonomous Bougainville Government and Bougainville Referendum) and the Organic Law on Peace-Building in Bougainville - Autonomous Bougainville Government and Bougainville Referendum was passed by Parliament fundamentally to implement the Bougainville Agreement.

6. Currently, the constitution of Bougainville is being finalised. The Peace Monitoring Group (PMG) has been withdrawn from Bougainville on 30 June 2003, and is being replaced by a Bougainville Transition Team (BTT) funded by the governments of Australia and New Zealand. The 2<sup>nd</sup> stage of the Weapons Disposal Plan has been accomplished and certified by UNPOMB. Thus the processes for the constitution of the autonomous region of Bougainville will come into effect as per the decision made by all the concerned parties in December 2003. The mandate of UNOMB has been extended further six months to June 2004, during which it will continue to monitor and report on the progress of the peace process, including continuing efforts on containment of weapons and the implementation of stage three of the Weapons Disposal Plan.

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<sup>1</sup> According to the Peace Agreement, the Referendum is to take place no sooner than ten years and no later than fifteen years from the election of the autonomous government, taking into account standards of good governance and the implementation of the weapons disposal plan.

7. On the socio-economic front, the conflict resulted in vast destruction of Bougainville, one of the most developed provinces of the country. With an estimated population of between 150,000 and 200,000 (based on the 2000 census), this island province has much reconstruction and recovery to undergo before attaining the levels of living standard the population enjoyed prior to the crisis. The destruction not only relates to physical infrastructure but also to the social and psychological health of the general population as well as the governance system of the province.<sup>2</sup>

8. Health services were severely disrupted by the years of conflict with many of the original 149 health facilities destroyed and many health workers displaced. Similarly, most educational establishments, agriculture sector, water and sanitation system in Bougainville suffered serious devastation during the conflict.

9. During the ten years of the civil war, children and young people, together with other vulnerable groups, became the worst affected victims, living in constant fear of danger and missing out on normal childhood development and education. Children as young as 10 years old were conscripted into the armies on both sides while many other children, with their mothers, were forced by the conflict to flee into the mountains, where services and supplies were virtually nil.

10. Large numbers of young people who were directly caught up in the war as combatants, and those otherwise displaced because of it, both boys and girls, missed out on their education because of the war. Between 15,000 and 20,000 youth, in the age range of 13 to 25, are estimated to have been affected. It is noted that, prior to the destruction caused by the war, Bougainville had enjoyed the highest standards of high school education in the country. The sense of loss from the missed education was profound.

11. Women's experiences during the conflict had a profound impact on their physical well-being, self-esteem and social status. Throughout the crisis, women were often intimidated and threatened. Some were raped or mutilated, others watched their sons and husbands killed and their daughters raped. Their workload increased during the absence of their men folk with women having to take on tasks usually done by men. Women played a critical role in fostering the peace process by lobbying and pleading with men to lay down arms and settle into community life as well as advocating a return to peace and harmony.

12. Men, caught up in the hostilities, were also severely affected. Intense residual feelings of mistrust, anger, resentment, hatred and guilt resulted in its aftermath. Many have tried to cope with these feelings by excessive consumption of homebrew or "Jungle Juice" ("JJ") and substance abuse such as marijuana, which has had further negative effects on their role in society. As the peace takes hold, however, increasing numbers of men are becoming actively engaged in the reconstruction and rehabilitation activities, particularly in the agricultural field.

13. Whilst the No Go Zone is starting to participate in the peace process, its progress on the Weapons Disposal Plan is lagging behind in Bougainville. Furthermore, the area is slowly starting to open up to the development partners for their rehabilitation support. The socio-economic situation, particularly health, education services, and shelter remain far behind the rest of the province. This area of Bougainville requires targeted intervention to enable it to develop to the level of other areas of Bougainville.

14. Apart from the No Go Zone, there are other vulnerable and less developed areas of Bougainville that will require special attention. These include the outlying atolls which face food shortages, land pressure problems due to raising sea levels, and the districts, such as Torokina, with little access to outside services due to lack of infrastructure.

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<sup>2</sup> Paragraph 7 to 12 are based on the UN Common Country Assessment for Papua New Guinea, December 2001.

15. The Bougainville administration will take time to become fully effective as the government tries to strike a balance in continuing to provide an acceptable level of essential public services on the one hand and the training of its human resources on the other. It is very important for the public service to be a merit-based civil service guarded by an effective Public Service Commission, with comprehensive general administrative orders and effective financial rules and regulations. Two essential areas within the government machinery that need to be addressed immediately are the development planning and budgetary process. An effective judicial system needs to be established.<sup>3</sup>

16. The Bougainville conflict has resulted in the emergence of various interest groups based political ideologies, traditional leadership systems/linkages, and external affiliations. These include (i) Bougainville Interim Provincial Government; (ii) Bougainville People's Congress; (iii) a number of different factions of the military organisations; (iv) Non-Governmental Organizations; (v) International organisations (NGOs and donors); (vi) Councils of Elders and Chiefs; (vii) provincial public servants; and (viii) national public servants.

17. There is generally a lack of consultation and coherence amongst these different stakeholders. The very nature of these various groups has brought about uncoordinated activities and lack of more appropriate political and administrative structures. There is no one unifying body that can be easily identified as playing the lead role in reconstruction and development process in Bougainville. Whilst the many development initiatives may have some commonalities, there has been a little attempt in developing a common approach to resolving the problems in Bougainville.

### **Part 1b – On going support and lessons learned**

18. Since April 1999, UNDP has been supporting in implementation of a project entitled 'Bougainville Rehabilitation, Reconstruction and Development Project' (BRRDP) - PNG/98/002/A/07, implemented by UNOPS. The project was designed to achieve five objectives valued at over USD13.4 million. The objectives of the project were (i) To facilitate the return to normality of social and economic life on Bougainville through the integrated rehabilitation of youths (ex-combatants); (ii) To provide material and technical support to assist displaced populations to resettle in their original villages; (iii) To strengthen the capacity of women to participate in the rehabilitation and reconstruction of Bougainville; (iv) to restore smallholder agriculture in the target areas, including the rehabilitation of cocoa cultivation; and (v) To improve the ability of government staff and community organizations to initiate, design, implement and sustain development.

19. The project has been ongoing for over 4 years, with UNDP contribution of USD2 million from core resources and cost sharing contributions being made by the Government of Papua New Guinea, AusAID, Canada, the European Union and USAID of USD2.45 million. The total amount available was USD4.45 million, i.e. only 33% of the estimated actual requirement to meet all five objectives. The project is going to be terminated in September 2004. Until now, the project has made significant contributions to the rehabilitation of the cocoa sector, reintegration of excombatants through the establishment of two vocational training centres and empowering women by involving them through establishment of a women's vocational training centre. The project also supported an array of sports and cultural activities in support of social capital on Bougainville.

20. The project evaluation that was held in October 2002, recommended that the project activities be consolidated and an exit strategy be put in place to ensure sustainability of the project activities. This consolidation and exit process was to take place through, and an interim project budget and work plan were approved.

21. The interim period work plan and strategy were to concentrate on building capacity at provincial and district levels of Bougainville, to ensure a maximum degree of ownership by the Bougainville Administration

<sup>3</sup> The foregoing is extracted from the United Nations Common Country Assessment for Papua New Guinea published in December 2001.

with community activities supported under the first phase of UNDP support. In this regard, it looked at putting in place an exit strategy from ongoing activities for continuing support to the cocoa sector.

22. The evaluation also identified the lessons learnt from the past four years of UNDP intervention which will prove to be invaluable in the next phase of UNDP's support to Bougainville. These include: (i) the people of Bougainville must maintain control of the implementation process throughout; (ii) the programme should be grounded in local structures and guided by stakeholders without political interference; (iii) the need to emphasize the commitment and contribution of other organizations to the network's goal; (iv) the importance of the programme maintaining a low public profile, with a measure of its success being its effectiveness in making others stronger; (v) recognition of the differing motivations and resources of the groups engaged in the network; (vi) the avoidance of assuming functions of others but instead facilitating linkages and filling temporary gaps not serviced by other organizations; (vii) ensuring that development provides equal benefits to all sectors of the population; and (viii) the importance of continually monitoring the impact of the programme outputs on strengthening social relationships.

23. A plethora of development activities, supported by donors, NGOs, and government, are currently being implemented in Bougainville. Coordination and collaboration amongst activities is weak with a need to strengthen linkages and synergy between various programmes in order to avoid duplication and efficiently, and to effectively utilize scarce development resources. This project aims to facilitate and strengthen linkages between various activities in the proposed focus areas.

### **Part 1c – Problems to be Address**

24. It is apparent that the key challenges facing Bougainville are: (i) to restore the trust of people in the institutions of governance both within Bougainville and between Bougainville and the Papua New Guinea Government system; (ii) to continue to find ways to address the longer-term psychological impact that the civil unrest has had on people through disrupted education and a loss of public services and access to livelihood and income generation opportunities; (iii) successful completion of the Weapons Disposal Plan; (iv) implementation of a number of practical peace building initiatives highlighted in the Bougainville Peace Agreement; (v) strengthening social capital in Bougainville; and (vi) the restoration of social services.

25. It is clear from the foregoing sections that the challenges facing the United Nations System and other development partners in supporting the government and provincial administration in the restoration of normality and a thriving economy in Bougainville are enormous. The formulation of a widely accepted constitution and the reestablishment of political, administrative and judicial institutions as a foundation for good governance in the province are clearly an immediate priority. The rehabilitation and restoration of the health and education systems in Bougainville, already well underway, need to be further supported to ensure that the physical and intellectual needs of a population traumatized by ten years of conflict are fully met. Special educational arrangements and psychosocial programmes are urgently required to provide a second chance to the young people who were deprived of a normal education and thrown into traumatic conflict by the war. Equally important will be the full restoration of normal economic activity in Bougainville with the rehabilitation of existing agricultural, industrial and commercial enterprises and the concomitant creation of productive employment for the people, particularly for the engagement of youth trying to reintegrate in society.

26. UNDP support to Bougainville is part of an integrated programme agreed with the Government of Papua New Guinea in the Country Programme for 2003-2007. It is set against the three objectives of the United Nations Development Assistance Framework (UNDAF) for the same period of: (i) enhanced leadership and participation; (ii) improved access, quality and delivery of basic services; and (iii) improved internal, regional and global integration and aims to achieve a focus in the implementation of activities around the central themes of good governance and poverty reduction.

27. In terms of the future direction of UNDP support to Bougainville the above mentioned evaluation of the first phase of UNDP's support to Bougainville also recommended that UNDP's future support to Bougainville focus on three strategic and interrelated entry points: (i) social capital and capacity development; (ii) equity and political stabilisation and (iii) economic development and sustainable livelihoods.



28. In view of the above situation analysis and UNDP's mandate to work on Bougainville this project will be multi-pronged in nature and will focus on the following three areas:

- i. Assist in capacity building through effective planning and management skills development.
- ii. Provide support to the consolidation of the peace process through leadership, human rights advocacy and other social activities.
- iii. Strengthen economic development and livelihood opportunities.

#### **Part 1d – Justification for use of UNDP resources**

29. UNDP, being the UN's global development network, advocates for change and connects countries to knowledge, experience and resources to help people live a better life. UNDP helps to build local capacity so as to effectively tackle the development challenges. In this process, it draws on the people of UNDP and the wide range of partners in the world.

30. World leaders in year 2000 pledged to achieve the Millennium Development Goals with focus on reducing poverty by half by 2015. UNDP's network links and coordinates global and national efforts to reach these goals. UNDP helps countries build and share solutions to the challenges of democratic governance, poverty reduction, crisis prevention and recovery, energy and environment, information and communications technology, HIV/AIDS and other deadly diseases. UNDP further helps developing countries attract and use aid effectively as well as encourage the protection of human rights and the empowerment of women.

31. Since UNDP is mandated to contribute to the attainment of these goals and the fact that the objectives of this project are aimed at addressing some of the outlined challenges, UNDP support is vital. The objectives of the UNDAF (2003-2007) for Papua New Guinea aim at contributing to the attainment of the MDGs. The UNDP Country Programme Outline (2003-2007) for Papua New Guinea, which takes queue from the UNDAF, justifies the provision of support under this project.

32. UNDP, during and after the crisis period in Bougainville, has been providing the leadership role for the mobilization of resources, the delivery of humanitarian assistance to the affected population as well as for rehabilitation and reconstruction effort. UNDP support is therefore catalytic in setting the basis for coordinated and sustained assistance in addressing the pressing development challenges facing Bougainville. Additionally, input provided by UNDP will serve as a catalyst for attracting support from other partners/ donors, especially when government capacity for generating local and external resources is low. While desired autonomous Provincial strategies and policies are yet to be put into place to address thematic and sectoral issues, this support will gear toward economic recovery and development of Bougainville and the country as a whole, as outlined in the National Poverty Recovery Strategy, Medium Term Development Strategy and the UNDP CPO.

33. **Special Considerations:** Since the women, children and youth are the most disadvantaged groups amongst other, special consideration will be given to involve them as the active beneficiaries in all activities. The focus on women and children, who are most affected, will assist in community recovery, since they are the main providers for the homes. In Papua New Guinea, HIV/AIDS cases are on rise. In this context, the project will liaise with the UNDP HIV/AIDS project and other specialized agencies, to disseminate relevant messages for mass awareness. On the other hand, the network of COEs the project is going to strengthen will be useful in launching such activities at the community level.

#### **Part 1.e – Project strategy**

34. In achieving these outcomes and based the current situation on Bougainville and on the lessons learnt from its previous involvement in Bougainville, the key elements of the UNDP strategy are as follows:

##### 1.e.1 Building on past success with an emphasis on results

35. The first phase of UNDP support to Bougainville provides a very useful platform for the programme. The strength of the response to the cocoa replanting programme and associated activities highlights the entrepreneurship of individuals and the commitment of the community to embrace income-generating

programmes. The success of the vocational training centres, including the strong demand for places for students as well as the interest in replication suggests that more can be done in this area in the future.

36. The intermediate phase (January-December 2003) is providing a very real opportunity to address some of the internal programme management issues and the governance questions relating to the future sustainability of the vocational training centres. It is also providing a good basis for redirecting some aspects of the cocoa redevelopment programme by placing increased emphasis on strengthening local capacity and ownership through support for the fledgling growers associations and strengthening the role and links to the Department of Primary Industry.

#### 1.e.2 Reinforces and builds on the peace process

37. As has already been highlighted, there are at least two significant events this year: withdrawal of the PMG and its replacement with the Bougainville Transition Team in June 2003 and the completion of the term of UNOMB in December 2003. Both events are seen as clear signs of an improving security situation and the success of the peace process. In this situation it will be important that UNDP support reinforces and builds on the peaceful environment in Bougainville through well targeted interventions that lead to improved living standards, help build social cohesion and seek to address economic and social development in order to reduce the possibility of increased crime and law and order problems.

38. Where opportunities arise the programme will make concerted efforts to implement activities in the No-Go-Zone.

#### 1.e.3 Integration into Bougainville administration planning and implementation processes

39. The overall programme approach and strategy is to build upon the 'on-the-ground' Provincial, regional and district level capacity and to maximize opportunities for greater levels of ownership within the Bougainville administration and community to the direction and implementation of UNDP supported assistance. The focus of support should be reoriented to address the economic, social capital, governance, capacity building, and equity issues that provide the essential underpinning for continued security and stability in Bougainville during the immediate future.

#### 1.e.4 Promotes capacity building and counterpart involvement

40. A key outcome of the next phase of UNDP support is expected to be strengthened local capacity to implement and manage programmes as well overall improved counterpart capacity to implement activities that will be supported under the next phase of the project. The strategy will be to involve counterparts in the design and implementation of projects included in the programme and to ensure that within the timeframe for project implementation there are clear guidelines developed for handover and an exit strategy for UNDP assistance. The programme will be implemented involving local players (Bougainville Administration (central and district), local government authorities, district elders and chiefs, NGOs and community groups) and will avoid the development of parallel or competing institutional structures.

#### 1.e.5 Promotes co-operation with other donors and NGO's

41. The first phase of UNDP support worked closely with other donor partners in the implementation of activities. This approach will be strengthened in this programme with an increased emphasis on working with donors and other partners in a three-way partnership with the Bougainville Administration and as part of capacity building efforts to position the administration in central role for coordinating development assistance in Bougainville.

#### 1.e.6 Component based to reflect available resources

42. It is important that in the implementation of the programme that all stakeholders are made fully aware of expected funding support and that at all times expectations are not raised unrealistically. The project has been designed to reflect likely funding, principally through UNDP TRAC funding. It is expected that other projects will be supported by other UN funding. In these cases programme support will be provided through the management unit, although it is envisaged that budgeting and reporting will be provided separately.

43. A key to the overall success of the programme will be the capacity to attract additional donor resources. A key to achieving this will be to re-build the confidence of the donor community in the capacity of a UNDP supported programme to effectively deliver and report on progress in achieving agreed outputs. Funding provided by AusAID for continuation of the cocoa rehabilitation and replanting programme will extend into the early months of this programme and it is envisaged that the success of this input will guide thinking on potential further support from AusAID.

44. It is envisaged that through working closely with the Bougainville Administration to promote aid coordination and management that donors will respond to well designed projects that are given a high priority by the Administration and agree to utilize the programme management unit operations to implement these projects on their behalf.

#### 1.e.7 Flexibly implemented – emphasis on monitoring and evaluation

45. The programme strategy will, by necessity, involve close monitoring and review to accommodate both the evolving situation in Bougainville and to ensure that a number of activities launched under the first phase of BRRDP can be effectively reoriented to fit more clearly with the institutional structures that have developed in recent years or that will become more central to the decision-making processes as maximum autonomy is achieved.

46. In associating the implementation of the programme with the Bougainville Administration it is expected that well developed monitoring and evaluation systems and approaches will be instituted as part of the capacity building processes, with those adopted for the programme seen as a means for improving understanding and commitment to monitoring and evaluation.

47. This programme document has been written within the context of a changing environment in Bougainville. Specifically, the structure of the autonomous Bougainville government is yet to be finalised and approved and the Bougainville Administration is currently undergoing rationalisation. This will have implications on both the project's activities as well as on the management arrangements. In this regard, the project will commence operations with an understanding to review activities and management arrangements as and when required in response to the environment on Bougainville.

48. The programme will also be receptive to inputs and proposals at a later stage. Once the programme management and implementation structure is established it will be able to absorb additional activities and donor contributions.

#### 1.e.8 Emphasis on women and HIV/AIDS

49. Within the context of strategies 1.e.4, 1.e.5, 1.e.6 and 1.e.7 (counterpart involvement, co-operation with donors, component based programme, flexibility in implementation) the programme will give priority to proposals submitted by counterpart agencies that integrate women and HIV/AIDS issues into their activities.

#### 1.e.9 Simplified execution structures

50. A major constraint in the implementation of the first phase of UNDP support in Bougainville was the complex execution arrangements that were adopted. The arrangements, while not unusual in UNDP programmes, were made more difficult by the communication and other restrictions both within Bougainville and between Bougainville and the outside world and the lack of clarity between the roles of UNOPS (as absentee executing agent) and UNDP Country Office in Port Moresby. Under this programme it is expected that the Bougainville Administration will work more closely with a programme management office to be co-located with the Administration and that execution will be direct execution by UNDP but with a key aim of the programme's capacity building effort designed to build capacity towards eventual adoption of the national execution modality.

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and between Bougainville and the outside world and the lack of clarity between the roles of UNOPS (as absentee executing agent) and UNDP Country Office in Port Moresby. Under this programme it is expected that the Bougainville Administration will work more closely with a programme management office to be co-located with the Administration and that execution will be direct execution by UNDP but with a key aim of the programme's capacity building effort designed to build capacity towards eventual adoption of the national execution modality.

### **Part 1f – Beneficiaries**

52. The beneficiaries of this project will be the people of Bougainville. Specifically, the project will target vulnerable groups including women, youth, farmers and children. The capacities of the existing COEs, Bougainville and regional level Administrations, NGOs and community groups will be promoted.

### **Part 1g – Criteria for Selecting Areas of Intervention**

53. Based on the lessons learnt and the project strategy, the project, through its Technical Steering Committee (to be constituted at the provincial level), will develop the criteria for selecting the areas (Wards) of its intervention. However, the following points will be taken into consideration, while selecting the areas or Wards:

- General security
- Intensity of destruction
- Number of returnees, vulnerable families and internally displaced populations including those from the outlying atolls.
- Population density
- Strategic location
- Accessibility
- Cooperation of local authorities and civil society/ general population.
- Residents of the No-Go-Zone

### **Part 1h – Sustainability**

54. All the activities of the project will be planned and designed for their long-term sustainability and impact. The Project Management will be placed within the structures of the Provincial and District administrations. The project management structure (see Part III) will actively engage the participation of the all tiers of government as well as the communities through the use of a Project Steering Committee and the involvement of District Administrations and COEs as the interface between the project and the beneficiaries of the project.

55. The Council of Elders (COEs) and Ward authorities will play a crucial role in mobilizing communities for their full participation in each stage of the project implementation. Some activities of the project, such as restoration of COEs, income generating activities, rehabilitation of basic social services and vocational training, will be designed in such a way that the communities will have ownership and generate revenues for their sustainable livelihoods. Experience, thus gained by the limited community members, will be transferred to other families. On the other hand, the activities, such as sports and culture as well as awareness campaigns, will provide long-lasting impacts in fragile communities.

56. Furthermore, based on the lessons learnt from the previous phase of UNDP support, exit strategies for UNDP support will be incorporated into all activities to ensure genuine synergy between UNDP support and local ownership of initiatives.

### **Part 1i – Risks and risk management**

57. Please refer to annex 1: Risk Matrix.

## PART II. RESULTS FRAMEWORK

<p><b>Programme Title: Bougainville Planning, Livelihoods and Community Support Programme</b></p>
<p><b>Intended Outcomes as stated in the Country Results Framework:</b></p> <ul style="list-style-type: none"> <li>○ Human rights promoted and safer environment re-established through maintenance of peace and security.</li> <li>○ More accountable and efficient poverty reduction strategies catering for key social service sectors developed and implemented through enhanced decentralization, devolution and participatory processes.</li> <li>○ Policies developed and implemented to promote sustainable development at national, provincial and local level.</li> <li>○ Strengthened extension services to increase employment opportunities and income generation activities in rural areas.</li> <li>○ Strengthened informal sector production and marketing capabilities with expanded employment opportunities in the rural and urban areas.</li> </ul>
<p><b>Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and target.</b></p> <ul style="list-style-type: none"> <li>§ Increase in participatory activities to promote human rights, peace and security.</li> <li>§ Decrease in number of incidents involving human rights abuse, gender-based violence and proliferation of small arms.</li> <li>§ Funding budgeted for key social service sectors;</li> <li>§ Resources allocated effectively at national, provincial and local level.</li> <li>§ Sustainable development parameters and monitoring system established at national, provincial and local levels and reflected upon policies.</li> <li>§ Successful activities in Bougainville programme replicated to other provinces;</li> <li>§ Informal sector opportunities increased.</li> </ul>
<p><b>Applicable Strategic Area of Support (from SRF) and TTF Service Line: From the SRF:</b></p> <ul style="list-style-type: none"> <li>§ Poverty reduction strategies through good governance</li> <li>§ Promotion of human rights, peace and security through participatory processes</li> <li>§ Promotion of economic and employment opportunities</li> </ul>
<p><b>Partnership Strategy:</b> Key elements of the strategy include: building on past success and ongoing peace processes; integration into Bougainville administration planning and implementation processes; component based to reflect available resources; a five-year programme timeframe; promotion of coordination; streamlined management structures and monitoring and review to respond to changing situation</p>
<p><b>Programme title and number: Bougainville Planning, Livelihoods and Community Support Programme</b></p>
<p><b>Relevant outcomes as stated in the Country Results Framework</b></p> <ul style="list-style-type: none"> <li>○ More accountable and efficient poverty reduction strategies catering for key social service sectors developed and implemented through enhanced decentralization, devolution and participatory processes.</li> <li>○ Policies developed and implemented to promote sustainable development at national, provincial and local level.</li> </ul>

<b>Intended Outcome 1: Assist in capacity building through effective planning and management skills development</b>		
<b>Output</b>	<b>Indicators</b>	<b>Indicative Work plan Activities</b>
1.1 Establishment of a database system of the ongoing and planned development activities supported.	§ Database system is in place in Bougainville Administration. § Mechanism of information flow on activities and coordination. § Framework for the appraisal of development proposals developed and formalised into the approval process.	1.1.1 Within the context of Bougainville Administration Planning/RADU structure and the National Planning structure, prepare a framework for a database system of ongoing and planned development and reconstruction activities  1.1.2 Set up a database system of ongoing and planned activities  1.1.3 Develop guidelines for the appraisal of development proposals (for example: incorporating gender and environmental impact analyses in the appraisal process)
1.2 Bougainville Human Development Report (BHDR) produced.	§ BHDR produced and endorsed by PEC	1.2.1 Undertake preparation process using UNDP HDR guidelines in consultation with stakeholders, and through workshops, surveys, research etc.  1.2.2 Launch the Bougainville Human Development Report  1.2.3 Disseminate/Promote and Publicise the findings and recommendations of the Bougainville Human Development Report
1.3 Selected Councils of Elders (COEs) capacities in leadership, planning and management of the recovery activities built (in selected districts).	§ Assessment report on the COEs § Workshop reports § Number of officials participated in the workshops § Training module and aid for COE officials • Number of COEs' officials trained and their knowledge on planning and management • Action Plans of the COEs §	1.3.1 Prepare an assessment report on the capacities of COEs in leadership, planning and management and make recommendations on training needs, through consultations with COEs, review of existing manuals and guidelines and a provincial workshop. 1.3.2 Develop a training module, based on the findings and recommendations of 1.3.1 1.3.3 Develop required teaching aids to be used in training. 1.3.4 Train COE officials in pilot districts (to be identified in consultation with Bougainville Administration) based on training modules developed in output 1.3.3 and 1.3.4. 1.3.5 Work with the COEs in pilot districts in planning, designing, monitoring and overall management of community activities 1.3.6 Refine training module based on pilot training. 1.3.7 Conduct refresher sessions of the training subject to mobilisation of additional resources. 1.3.8 Train the representatives of COEs in all the districts, subject to the mobilisation of additional resources.

<b>Programme title and number: Bougainville Planning, Community and Development Programme</b>		
<b>Relevant outcomes as stated in the Country Results Framework</b>		
<ul style="list-style-type: none"> <li>• Human rights promoted and safer environment re-established through maintenance of peace and security.</li> <li>• Mechanisms developed/introduced through to link national initiatives with activities pursued through regional and global initiatives of UN System.</li> </ul>		
<b>Intended outcome 2 Support to the consolidation of the peace process through leadership, human rights advocacy and other social activities</b>		
<b>Output</b>	<b>Indicators</b>	<b>Indicative Work Plan Activities</b>
2.1 Youth Offices of the Bougainville Administration and District Administrations to establish a youth network supported, and their leadership capacity built (in close consultation with the COEs)	<ul style="list-style-type: none"> <li>• Youth need assessment report</li> <li>• Functional self-help youth groups</li> <li>• Training manual</li> <li>• TOR of the self-help youth group</li> <li>• Number of youth trained/ oriented</li> <li>• Self-help voluntary activities undertaken through youth groups</li> <li>• Interest of the youth towards group activities</li> <li>• Number of exchanges that take place</li> </ul>	<p>2.1.1 Review and update the report of the Bougainville youth leaders congress held in 2003 and determine the needs and interests of the youth</p> <p>2.1.2 Support the Youth Offices of the Bougainville Administration and District Administrations in the establishment of self-help youth groups.</p> <p>2.1.3 Develop a training/ orientation manual for the youth.</p> <p>2.1.4 Train the groups of youth in each areas/ villages in planning and management of community activities</p> <p>2.1.5 Plan, design and implement some self-help voluntary activities, such as cleaning of surroundings, HIV/AIDS campaign, helping the vulnerable families.</p> <p>2.1.6 Establish and implement an exchange programme between youths of different areas and possibly between Bougainville and PNG.</p>
2.2 Human rights awareness promoted, conflicts resolution skills enhanced through training in areas such as civic education, human rights, conflict resolution, trauma healing and key challenges to development	<ul style="list-style-type: none"> <li>• Report on experiences and lessons learnt from past and ongoing awareness programmes.</li> <li>• Assessment report of existing human rights, conflicts and social issues.</li> <li>• Updated/revised training manual</li> <li>• Number of training sessions conducted</li> <li>• List of human rights, conflicts and psycho-social related issues, their causes and impacts</li> <li>• Number of activities implemented in each district</li> <li>• Number of families provided with psychosocial support</li> <li>• Decreased the number of conflicts and human rights issues</li> <li>•</li> </ul>	<p>2.2.1 Survey past and ongoing awareness programmes on human rights, conflict and social issues and document experiences and lessons learnt from undertaking such programmes in Bougainville.</p> <p>2.2.2 Assess the existing human rights, conflicts and social issues in the communities</p> <p>2.2.3 Based on 2.2.1 and 2.2.2 support organisations already undertaking awareness programmes to review and revise, if necessary, their respective training manuals and approaches.</p> <p>2.2.4 Train master trainers in districts.</p> <p>2.2.5 Develop a list of human rights, conflicts and psychosocial related issues, their root causes and impacts.</p> <p>2.2.6 Support existing and new awareness programmes, including in schools, to plan, design and implement the community meetings, seminars, street dramas and other mass awareness activities on civic education, human rights, conflict resolution.</p> <p>2.2.7 Support existing social and counselling services to the needy families through the trained youth</p> <p>2.2.8 Involve mass media and use loudspeaker, leaflets and pamphlets, for wider dissemination of messages</p>
2.3 Bougainville Administrations and	<ul style="list-style-type: none"> <li>• Number of cultural and sports activities conducted in each district</li> </ul>	<p>2.3.1 Plan, design and implement innovative traditional inter-cultural, inter-ethnic programmes, through youth groups and the COEs, mainly in</p>

<p>District Administrations supported to promote Peace and confidence building through sports and cultural activities</p>	<ul style="list-style-type: none"> <li>• Number of people participated in the activities</li> <li>• Leadership skills development amongst the youth</li> <li>• Skills of the youth and COEs in planning, coordination and management of activities</li> <li>• Increased good understanding and disciplined lives</li> <li>• Video clips, newspaper cuttings and pictures.</li> </ul>	<p>conflict-prone areas</p> <p>2.3.2 Organize 'Culture of Peace' week, and invite artists from different ethnic groups to stage a week-long cultural programmes.</p> <p>2.3.3 Plan, design and implement several sports activities (both the indoor and outdoor, mainly traditional ones), such as football, volleyball matches, Marathon, etc. within the communities as well as between villages, and award the winners.</p> <p>2.3.4 Involve mass media, take pictures and video-record the activities for wider publicity.</p>
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<b>Programme title and number: Bougainville Planning, Community and Development Programme</b>		
<b>Relevant outcomes as stated in the Country Results Framework</b>		
<ul style="list-style-type: none"> <li>○ Strengthened extension services to increase employment opportunities and income generation activities in rural areas.</li> <li>○ Strengthened informal sector production and marketing capabilities with expanded employment opportunities in the rural and urban areas.</li> </ul>		
<b>Intended outcome 3: Strengthen economic development and livelihood opportunities</b>		
<b>Output</b>	<b>Indicators</b>	<b>Indicative Work Plan Activities</b>
3.1 The community members trained and self-employed through small business/ -enterprise development (at least half of the beneficiaries will be women)	<ul style="list-style-type: none"> <li>• Number of people attended training sessions and their attendance</li> <li>• Knowledge of the trained people and its application</li> <li>• Transfer of skills to other community members</li> <li>• Business plans</li> <li>• Number of enterprises and farms set up and their smooth management</li> <li>• Number and category of people self-employed</li> <li>• Profit versus number of people employed in an enterprise</li> <li>• Proper utilization of earnings</li> <li>• Socio-economic status of the beneficiaries and their families</li> <li>• Replication and/ or expansion of enterprises</li> </ul>	3.1.1 Assess the needs of micro-enterprise development and farming 3.1.2 Identify and select community members who are interested in setting up small scale enterprises or farms, based on the criteria agreed upon 3.1.3 Study the feasibility to set up such enterprises and farms 3.1.4 Review and revise the ILO SYB/IYB training manual (with ILO), including a version tailored for agro-business. 3.1.5 Conduct short-term training sessions on basic business planning and management. 3.1.6 Develop business plans for different selected enterprises and farms 3.1.7 Review and finalize the business plans, developed by the selected beneficiaries to set up their enterprises and farms 3.1.8 Support access to existing finance/credit schemes and in collaboration with other finance programmes make available limited resources for selected and approved business plans 3.1.9 Provide advice and guidance to the beneficiaries in setting up enterprises and farms 3.1.10 Monitor the incomes and expenditures of each business, with up-dated records, for self-sustainability
3.2 The on-going network system of Farmers' Association is strengthened	<ul style="list-style-type: none"> <li>• Number of farmers' self-help groups and their committees</li> <li>• Number of meetings and workshops conducted, and participation of farmers</li> <li>• Management of agricultural production and marketing as well as problem solving skills</li> <li>• Smooth functional farmers' Association network.</li> <li>• Number of links established with export markets.</li> <li>• Feasibility study on income opportunities for women completed.</li> </ul>	3.2.1 Assess the existing farmers' network system 3.2.2 Form the farmers' self-help group in each ward, and organize them to solve their issues themselves, in close consultation with local authorities and the COEs 3.2.3 At district level form farmers' committees to discuss their progress and issues regularly, and seek necessary assistance from themselves as well as from the district and provincial authorities 3.2.4 Conduct regular meetings, workshops amongst the farmers' groups and committees, to develop their skills in cultivation, production, marketing of agricultural products and coordination exercises 3.2.5 Build the capacity of the farmers' Association in overall coordination, planning, resource mobilization and management skills. 3.2.6 Explore export markets (including PNG based markets) and support the establishment of links with viable markets in consultation with government. 3.2.7 Conduct a sustainable land-use management assessment.

## PART III. MANAGEMENT ARRANGEMENTS

### Execution Modality:

58. In view of the current post -conflict situation in Bougainville, it has been decided that the project will be executed by using Direct Execution (DEX) modality for the following reasons:

- i. The post-conflict situation in Bougainville calls for speed of delivery and decision - making to respond adequately to the enormous rehabilitation and recovery needs in the province;
- ii. There is a provincial transitional government in place in Bougainville, and it is expected that a new autonomous government will be formed after the election scheduled to take place in the near future. In this context, capacity building of the new autonomous provincial government will take a long time;
- iii. The absence of executing agencies 'sur place' with any comparative advantage or competence in the current setting in Papua New Guinea has been clearly established;
- iv. The UNDP Country Office has adequate capacity to manage, report and achieve the expected results of the programmes.

59. In order to safeguard the accountability of the Administrator, in line with Executive Board Decision 98/2, and to ensure that DEX is carried out in an effective, efficient and transparent manner, a number of measures have been taken to reinforce the capacity of the Country Office, including the setting up an ERP, and the appointment of the new programme management personnel with post -conflict recovery background. A Programme Coordinating Unit (PCU), headed by an international Chief Technical Advisor (CTA), will be set up in the Bougainville Administration. An annual audit of the project will be conducted to assess the arrangements in place for financial, administrative and substantive management.

### Roles of the DNPRD and the Bougainville Administration:

60. Though the project will be directly executed by the UNDP Country Office, the Department of National Planning and Rural Development (DNPRD) and the Bougainville Administration will be the co-implementing partners. By acting as the co-implementing partners, the DNPRD and Bougainville Administration will assist UNDP in executing the project, and their functions will be, as follows:

- i. Represent in the Project Steering Committee (PSC)
- ii. Participate in the decision making process, as well as planning, monitoring, and reviewing of the project activities
- iii. Provide administrative and logistic support, e.g. office space, personnel, etc., to the project.

### Programme Coordination Unit (PCU) and UNDP Port Moresby:

61. The UNDP Country Office will recruit the project team members. The Bougainville Administration will assign two project assistants to be based in the Project Implementation Units (Arawa and Tonu). It is expected that the capacities of the project assistants, and ultimately that of the District Administrations, will be built by having these people work closely with the project.

62. The programme team will constitute and manage a Programme Coordinating Unit (PCU) that will be based in the Bougainville Administration and headed by the CTA. The PCU, through the CTA, will be provided overall day to day guidance and backstopping by the

Bougainville Administration's Senior Planner with regular advice and guidance received from a Port Moresby based UNDP Bougainville Support Team, comprising UNDP staff in Port Moresby and one programme funded assistant. The Provincial Administrator will provide overall policy guidance to the Senior Planner and CTA on project implementation. Decentralization of the PCU in the programme implementation areas will provide speed of delivery and decision-making in programme management. The UNDP office in Port Moresby will participate in the decision-making process and approve the sub-project proposals appraised by the Programme Steering Committee, for releasing of funds.

63. The Chief Technical Advisor (CTA) will provide overall management of the programme with the support of the National Programme Coordinator and the Assistant Programme Coordinator (operations) and will ensure that all the activities, as per the work plan, are held timely and effectively, and keep track of the financial resources by submitting regular progress and financial reports. In consultation with all the relevant stakeholders, the (CTA) will facilitate the convening of Project Steering Committee meetings and other project review meetings.

64. Both the PCU and UNDP Country Office (CO) will be involved actively in project planning, designing, implementing, monitoring, reporting and evaluation. In this respect, the UNDP CO will take part in the Project Steering Committee meetings, review meetings and Tripartite Meetings to be held in regular intervals. Moreover, the PCU and UNDP CO will play a major role in collaboration, resource mobilization and publicity.

65. Annex 4, figure 1 and figure 2 illustrate on the project coordinating structure and the project committee structure.

### **Project Implementation :**

66. Following the approval of the final work plan of the project to be developed by the PCU, it is expected that different sectoral activities of the project will be implemented by the selected INGOs, local NGOs, CBOs, private sector institutions, UN agencies and other Civil Society Organizations (CSOs). Since the CSOs' capacities are weak, project personnel will assist the existing community organizations in identifying and prioritising problems, and to plan the project activities accordingly, in close consultation with the respective COEs and community groups. Then the proposals will be submitted to the Project Steering Committee (PSC) for review and appraisal who will submit the successful proposals to the UNDP CO for final review and approval.

67. Once an activity proposal is approved by the UNDP CO, a Memorandum of Understanding (MOU) will be signed between UNDP and the implementing partner. Upon signing of the MOU, UNDP will release the approved activity's fund to the implementing partner in different instalments, subject to the satisfactory progress of the activity, submission of progress report and financial statement. The implementing agency will follow UNDP standard rules and regulations, while procuring and implementing activities. In this respect, project personnel will assist the implementing agencies in implementing the activities and resource management, for effective and timely delivery.

68. While planning and designing any activities, it is highly recommended to the implementing agencies and project personnel, to liaise with all the relevant organizations, UN agencies and government authorities, at the up-stream and down-stream levels, for better collaboration. On the other hand, synergies should also be made with UNDP's other projects. The

partnership/ collaboration and resource mobilization aspects will be considered as one of the main factors in selection of the activity proposals for implementation.

**Project Co-ordination Mechanism:**

69. For smooth implementation of the project as well as to receive full support and co-operation from all levels, the project will constitute a **Project Steering Committees (PSC)** and strengthen the capacity of the existing **Councils of Elders (COEs)** or community-based organizations at the ward/ village level. On the other hand, the project will convene the stakeholders' co-ordination meetings in Port Moresby, involving related stakeholders, to brief the progress as well as to seek necessary cooperation and partnership for the project, on a quarterly basis.

**Project Steering Committee (PSC):**

70. The Project Steering Committee will be in charge of overall project co-ordination, and will comprise of the representatives of the DNPRD, Bougainville Administration, BPRO relevant UN agencies, INGOs, Ministries, and Programmes.

71. The PSC will carry out the following functions:

- i. Participate in all the stages of project management cycle (planning and designing, appraisal of proposals, implementation, review, etc.)
- ii. Build consensus around the project's strategies and planned results;
- iii. Provide advice in project's planning, strategies or implementation arrangements;
- iv. Monitor progress, participate in the field visits to project sites, consult with beneficiaries, and ensure that potential opportunities and risks, including lessons learned from experience, are taken into account by the project management.
- v. Ensure effective linkages with other projects and programmes, relating to capacity building, micro-credit and small enterprise development, mass awareness campaigns, jobs creation, infrastructure rehabilitation, etc.

72. The PSC will meet regularly, at least once a month.

**Districts:**

73. The district administration will be the primary counterpart of the project at the district level and will be the interface of the project with the COEs with all project activities at community level to be undertaken in full consultation and collaboration with the district administration. To facilitate this process district level committees comprising representatives of the District Administration, UN programmes and Civil Society Organizations will provide guidance and support to the project activities within the district. This including endorsing all proposals formulated by partner agencies prior to submission to the Project Steering Committee.

**Councils of Elders (COEs) and communities:**

74. The project will build the capacity of the COEs and communities in the areas of its intervention. A committee will be formed within the existing structure of CEO to involve the representatives of Council of Elders (COEs), Civil Society Organizations, and project personnel for the development of the communities. The programme, having providing intensive training to the members of the Committees, will work closely with them in planning, designing, monitoring, and reviewing the felt-needs activities.

**Work Plan, Monitoring, Reporting, and Evaluation:**

75. The CTA, with the Bougainville Administration's Senior Planner, will develop an inception report and work plan of the project, prior to the project implementation, and submit to the Project Steering Committee for review and appraisal. Any amendment of the work plan will be discussed at the PSC meetings, and will be up-dated accordingly.

76. Day-to-day monitoring of the project activities will be the responsibility of the implementing organizations and PCU. However, it is the CTA's overall responsibility to ensure regular monitoring of each project activity at least once a month. The monitoring visits can be made in collaboration with the implementing partners. A standard monitoring format will be used for this purpose. The UNDP CO, PCU and representatives of the PSC will undertake periodic monitoring visits.

77. During the implementation of the project, the CTA will develop quarterly progress reports, describing the progress of the project activities, financial statement, obstacles encountered and how they are solved and/ or to be solved, and lesson learned. In addition, the project will develop monthly work plans and monthly brief progress reports, and submit to UNDP CO regularly. In the 11<sup>th</sup> and 22<sup>nd</sup> month of the project implementation, the project reports will be developed and submitted to all the concerned parties for Tripartite Review (TPR) meetings, to be held at the end of the project implementation year. The CTA will develop a final report or project terminal report with recommendations, and submit to the related stakeholders at the end of the project implementation.

78. The project will be subject to the mid term, final and post terminal evaluations, to assess the outcomes and draw lessons learned. The Country Office will seek the assistance of RBAP and BCPR, to send an international consultant for two weeks in each evaluation.

79. The project will be subjected to an annual audit.

## **PART IV. INPUTS**

80. UNDP will provide financial resources.

81. Government inputs will include office space and project assistant to be seconded from District Administrations in Arawa and Tonu.

## **PART V. LEGAL CONTEXT**

82. This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Agreement between the Government of Papua New Guinea and the United Nations Development Programme, signed by the parties on 7 April 1981. The host country implementing agency shall, for the purpose of the Standard Basic Assistance Agreement refer to the government co-operating agency described in that agreement.

83. In order to promote flexibility in the implementation and management of this UNDP project, the following types of revisions may be made to this project document with the signature of the UNDP Resident Representative only, provided he or she is assured that the other signatories (if applicable) of the project document have no objections to the proposed changes:

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

## ANNEXES

## ANNEX 1: RISK MATRIX

Risks	Impact on Programme High/Medium/ Low	Likelihood High/ Medium/ Low	How risk will be addressed
1. Security and lack of law and order	High	Medium	<p><b>-Greater community involvement in community related activities</b></p> <p><b>-Law and justice activities including the establishment of law enforcement entities being addressed outside of programme scope.</b></p>
2. Insufficient Funds	High	High	<p>-Improved planning and coordination</p> <p>-Broad resource mobilization efforts</p> <p>-Cost effective programme management structure</p>
3. Uncertainties of the autonomous government process	Medium	Medium	<p>-Beyond programme control.</p> <p>-Completion and passing of the Constitution of the Autonomous Region of Bougainville (ARG)</p> <p>-Implementation schedule of the establishment of the ARG</p> <p>-Positive commitment by GoPNG and relevant stakeholders towards the 2001 Bougainville Peace Agreement</p>
4. Lack of Government will to implement	Medium	Medium	<p>-Beyond programme control.</p> <p>-Positive commitment by GoPNG and relevant stakeholders towards the 2001 Bougainville Peace Agreement</p>
5. Lack of sustainability	High	Low	<p>-Greater involvement and capacity building of the Bougainville Administration (BA)</p> <p>-Local ownership</p> <p>-Programme Office to be physically located in the BA office</p>
6. Programme Equity	High	Low	<p>-Programme activity priority is based on Bougainville Administration Strategic Plan and District Plans.</p>
7. Land ownership and use issues	High	Medium	<p>-Community driven initiatives to implement policy</p>
8. Inadequate infrastructure	High	High	<p>-Beyond control of the programme</p>
9. Shortage of trained human resources	High	Medium	<p>-Capacity building and training a key element in programme strategy.</p>
10. Lack of capacity in implementing agencies	High	Low	<p>-Programme design and implementation arrangements will reflect emphasis on choosing executing agencies with appropriate capacity. Including involvement of Bougainville Administration in choice.</p>

11. Lack of sustained community support	High	Low	Community development activities will be developed in consultation with Bougainville Administration and will be tailored to meet community priorities and with an emphasis on those programmes where there is a strong local commitment and contribution.
12. Unstable currency	High	High	Beyond control of programme
13. Lack of financial support from the National Government	High	High	A key assumption is that Provincial Grants will be paid in full and on time in accordance with the Bougainville Peace Agreement.
14. Political instability	High	High	At this point in time, difficult to predict impact of withdrawal of UNOMP and PMG. Also unable to predict consequences of future elections.
15. Lack of good communication	High	Low	Address through replication of Pfnets.
16. Natural Disaster	High	High	Beyond control of the countries.
17. Incomplete weapons disposal process	Low	Low	Completion of stage II announced late June, and UNDP programme involvement expected to complete with the finalization of BRRDP
18. Lack of information: Baseline Data	Medium	Low	Addressed through programme outcome 1
19. Donor unwillingness to coordinate	Low	Low	Support for Aid Coordination and management a key element in the programme
20. Lack of contingency planning	High	Low	Design reflects requirement for programme implementation flexibility to adapt to changing circumstances.
21. Lack of access to the No Go Zone	Medium	Medium	This is to be addressed through incremental steps in programme implementation to draw people in the No Go Zone into programme activities at their own pace.



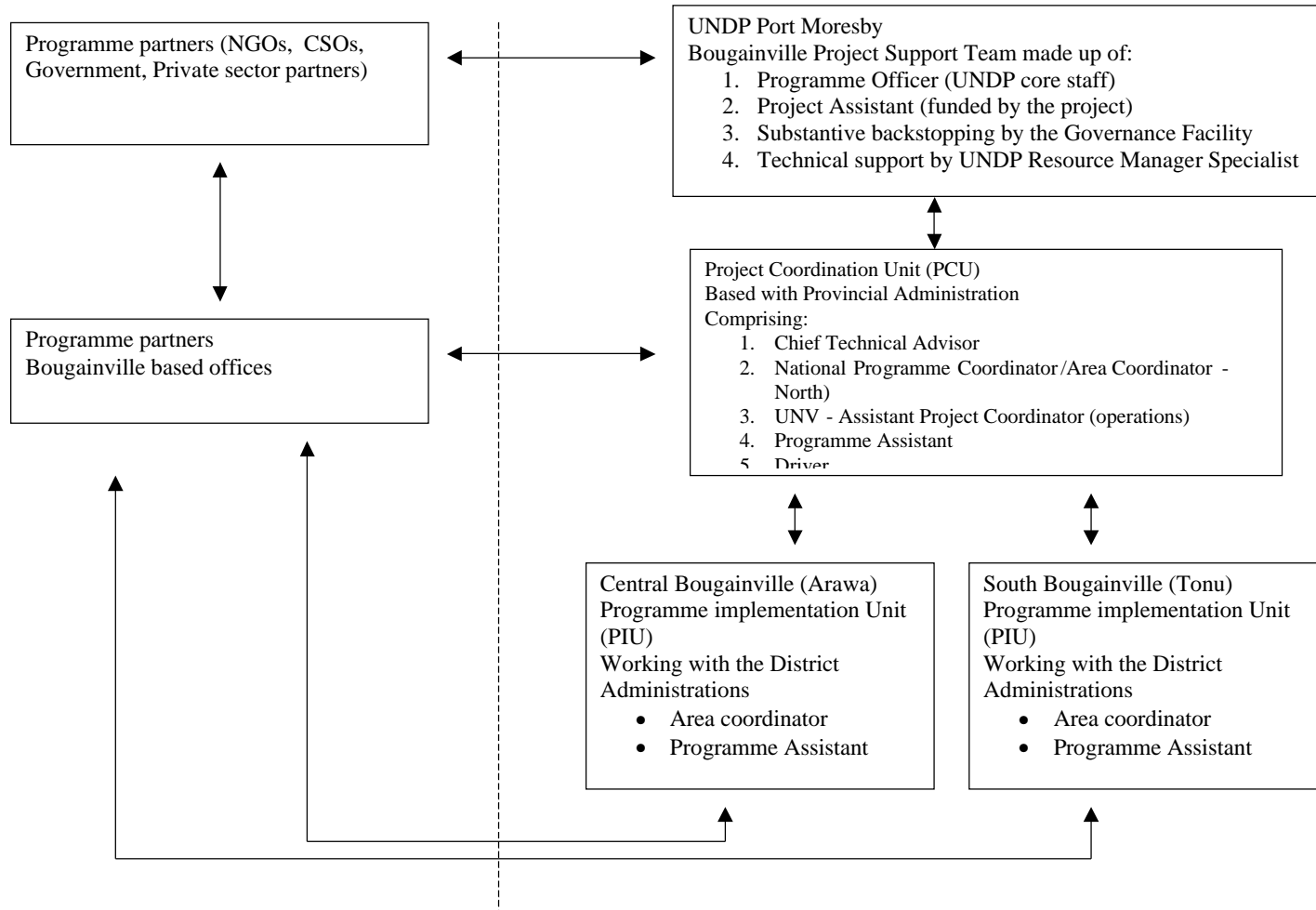
## ANNEX 2 INDICATIVE PROGRAMME BUDGET

## INDICATIVE BUDGET FOR THE PROGRAMME

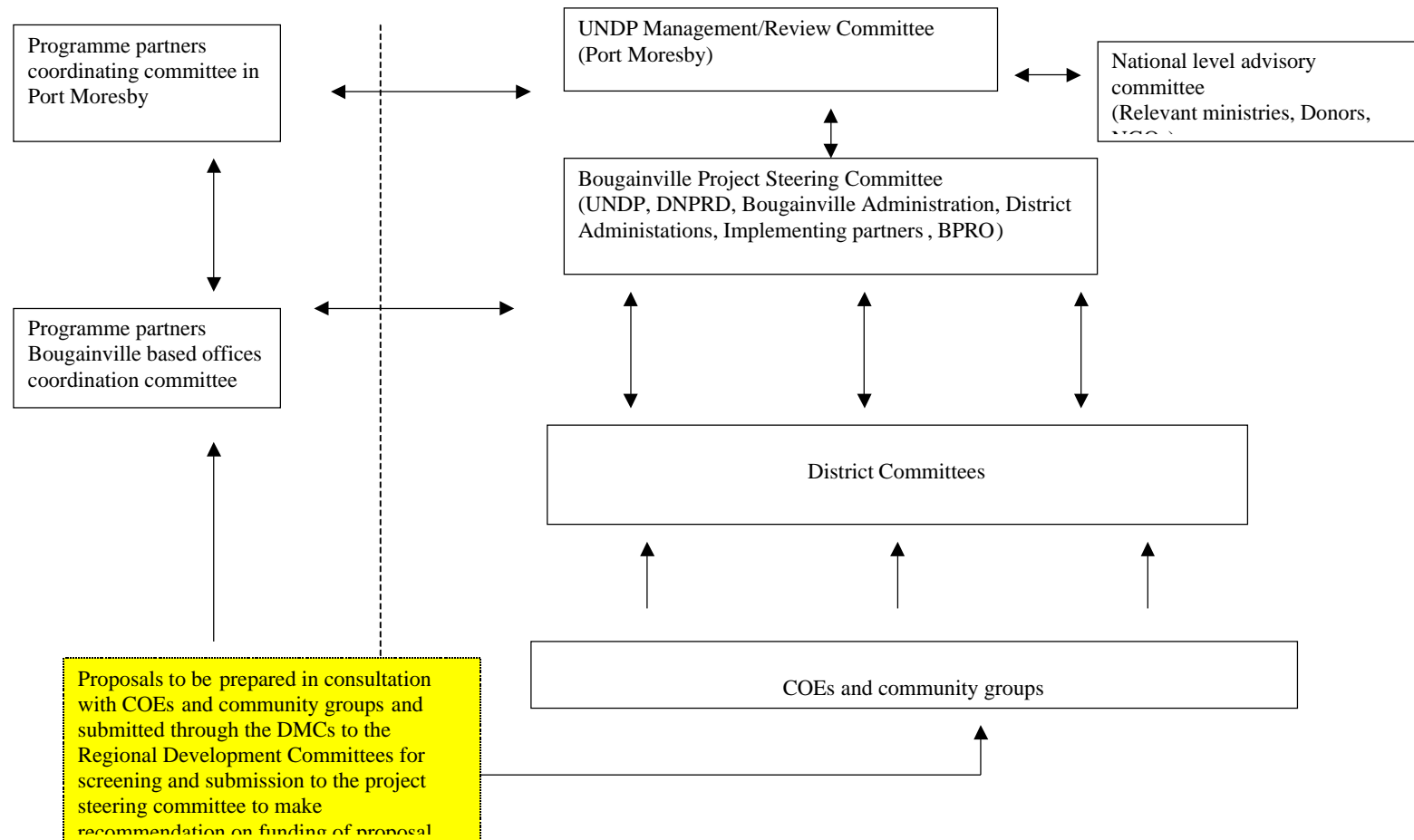
<b>ATLAS PROPOSAL ID:</b> 00032657 <b>PROPOSAL TITLE:</b> Bougainville Planning and Community Support Programme <b>TOTAL INDICATIVE BUDGET (SUM OF TOTAL OF ALL PROJECTS) US\$</b> 1,500,000  <b>start date:</b> 15 March 2004 <b>end date:</b> 14 March 2006				
<b>TOTAL AWARD BUDGET</b>	<b>260,100</b>	<b>973,900</b>	<b>266,000</b>	<b>1,500,000</b>
<b>PROJECT 1 (OUTPUT 1)</b> Capacity Building through Effective Planning and Management	Period 1 15/3/04 to 31/12/04	Period 2 01/01/05 to 31/12/05	Period 3 01/01/2006 to 14/03/2006	<b>TOTAL SPONSOR BUDGET (US\$)</b>
	<b>116,000</b>	<b>468,000</b>	<b>60,000</b>	<b>644,000</b>
<b>ACTIVITY1</b> Establishment of Database Total sponsor budget (for activity)	56000	168000		224000
<b>ACTIVITY2</b> BHDR Total sponsor budget (for activity)	30000	150000		180000
<b>ACTIVITY3</b> Pilot Training for COEs Total sponsor budget (for activity)	0	40000		40000
<b>ACTIVITY4</b> Project Coordination and Operations Total sponsor budget (for activity)	30000	110000	60000	200000
<b>PROJECT 2 (OUTPUT 2)</b> Leadership, Human Rights and Social Activities	Period 1 15/3/04 to 31/12/04	Period 2 01/01/05 to 31/12/05	Period 3 01/01/2006 to 14/03/2006	<b>TOTAL SPONSOR BUDGET (US\$)</b>
	<b>65,300</b>	<b>256,700</b>	<b>80,000</b>	<b>402,000</b>
<b>ACTIVITY1</b> Establishment of Youth Network Total sponsor budget (for activity)	20300	101700		122000
<b>ACTIVITY2</b> Human Rights Awareness Total sponsor budget (for activity)	10000	20000	10000	40000
<b>ACTIVITY3</b> Peace promotion through Sports and Culture Total sponsor budget (for activity)	5000	25000	10000	40000
<b>ACTIVITY4</b> Project Coordination and Operations Total sponsor budget (for activity)	30000	110000	60000	200000
<b>PROJECT 3 (OUTPUT 3)</b> Economic Development and Livelihood Opportunities	Period 1 15/3/04 to 31/12/04	Period 2 01/01/05 to 31/12/05	Period 3 01/01/2006 to 14/03/2006	<b>TOTAL SPONSOR BUDGET (US\$)</b>
	<b>78,800</b>	<b>249,200</b>	<b>126,000</b>	<b>454,000</b>
<b>ACTIVITY1</b> Training and Business Development Support Total sponsor budget (for activity)	24400	76000	41600	142000
<b>ACTIVITY2</b> Strengthen Farmers Association Networks Total sponsor budget (for activity)	24400	63200	24400	112000
<b>ACTIVITY3</b> Project Coordination and Operations Total sponsor budget (for activity)	30000	110000	60000	200000

**ANNEX 3 PROJECT MANAGEMENT STRUCTURE**

**Figure 1: Project Coordination Structure**



**Figure 2: Project Committees and their Coordination**



#### **ANNEX 4: DESCRIPTION OF FORMULATION PROCESS**

The programme design has involved comprehensive discussions reinforcing the consultations that took place as part of the evaluation in October 2002 of the first phase programme. The design mission which took place from 16-27 June 2003 involved a Bougainville Administration planner, a representative of the PNG National Planning Office and UNDP staff included a seven day visit to Bougainville that culminated in a workshop of stakeholders involved in Bougainville's development to consider the most appropriate programme strategy and to help the design team identify priority areas for UNDP support in the future. The workshop was based around the logical framework approach and focused on identifying the most suitable interventions for UNDP support given UNDP's own areas of specialization as outlined in the 2003-2007 UNDP/PNG Country Programme and the funding expected to be available to UNDP over the next five-year cycle of UNDP support to PNG.

The draft strategy and proposed interventions were discussed with the Bougainville Administration prior to the departure of the design team from Bougainville on 24 June 2003 and with the Government of Papua New Guinea, UNDP, UN agencies and donors in Port Moresby on 26 June 2003.

An internal local project committee meeting was held in UNDP Port Moresby in August 2003 where although the overall direction and strategy of the project document was endorsed it was generally recommended that the project document be revised to be more focussed on the strategic directions.

A further round of consultations were held with the Bougainville Administration, Department of National Planning and Monitoring and the UNDP Bougainville Project team in January 2003 where the project document was finalised in preparation for the External Local Project Appraisal Committee meeting.

Based on these consultations and the feedback received the draft programme design was then subject to an external local programme appraisal committee (LPAC) on 26 April 2004 where in there was overall consensus to approve the project document.

**ANNEX 5: MINUTES OF EXTERNAL LOCAL PROJECT APPRAISAL  
COMMITTEE MEETING**

(See separate pdf file - attached with set of documents)

**ANNEX 6: LETTER OF ENDORSEMENT FROM DEPARTMENT OF NATIONAL  
PLANNING AND RURAL DEVELOPMENT**

(See separate pdf file - attached with set of documents)

**ANNEX 7: LETTER OF ENDORSEMENT FROM BOUGAINVILLE INTERIM  
PROVINCIAL GOVERNMENT**

(See separate pdf file - attached with set of documents)

**ANNEX 8: APPROVAL OF DIRECT EXECUTION AUTHORITY FOR PROJECT  
IMPLEMENTATION**

(See separate pdf file - attached with set of documents)