



PROJECT DOCUMENT

Kingdom of Eswatini

Project Title: Enhancing innovative capacity for SDG-solutions in the Kingdom of Eswatini.

SDGs: The project will impact on a massive mix of SDGs, including 1, 2, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 and 17.

National Macro-Strategic Goals: (1) Promote equality and empower women; (2) Eradicate extreme poverty and hunger (3) Ensure environmental sustainability and (4) Develop global partnership for development.

UNDAF Outcome 1: Poverty and inequality reduction, inclusive growth and sustainable development.

Outcome 1.1: Youth, women and vulnerable groups' opportunities for employment and sustainable livelihood improved by 2020.

Outcome 1.2: Communities' and national institutions' management of natural resources improved by 2020.

UNDP Strategic Plan Outcomes: (a) Eradicate poverty in all its forms and dimensions and keeping people out of poverty; and (b) Accelerate structural transformations for sustainable development, especially through innovative solutions that have multiplier effects across SDGs.

Implementing Partners: Royal Science and Technology Park (RSTP) and Standard Bank Eswatini

Responsible Parties: Ministry of Sports, Culture and Youth (MSCY), Ministry of Commerce, Industry and Trade (MCIT), Ministry of Information, Communications and Technology (MICT) and the Ministry of Economic Planning and Development (MEPD)

Strategic Partners: United Nations Population Fund (UNFPA), Eswatini National Youth Council (SNYC), Ministry of Tinkhundla Administration and Development (MTAD), Federation of Swaziland Employers and Chamber of Commerce (FSE&CC), and Innovation Association of Eswatini (IAS), Deputy Prime Minister's Office (DPMO), Ministry of Natural Resources and Energy (MNRE), Ministry of Tourism and Environmental Affairs (MTEA), Youth Enterprise Revolving Fund (YERF) and the Swaziland Industrial Development Company (SIDC).



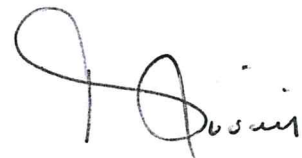
Start Date: June 2018 End Date: December 2020 PAC Meeting Date: 30 November 2018

Brief Description

The project will support entrepreneurial start-ups and existing businesses that are making meaningful progress towards the achievement of Sustainable Development Goals (SDGs) through sustainable and smart business solutions. The intervention aims to establish and sustain space for entrepreneurship skills development through mentorship, monitoring, training as well as access to credit. The intervention will enable access to credit for business start-ups and expansions by leveraging funds with a financial institution, thereby ensuring effectiveness and efficiency in utilizing resources to deliver results. The funds will be used to set up a Small-scale Loan Guarantee Scheme for increased innovation and entrepreneurship for companies whose business operations positively impact on SDG-based solutions, especially in renewable energy and environmental sustainability. By prioritising support for businesses owned and/or co-owned by young people (18-35 years old) and women, the project embraces the UNDP Strategic Plan (2018-2021) principle of leaving no one behind and reaching the furthest behind first. The initiative is premised on good and pragmatic management training and business advice that will improve the skills of the entrepreneur, reduce the exposure of lenders and encourage increased support to small businesses. The project will further broaden and deepen engagement with the private sector by mobilizing capital for capacity development, mentorship and training of indigenous entrepreneurs.

Programme Period: 2016-2020	Total resources required:	\$1,000,000	
Project: 2018-2020 (30 Months)		Total resources allocated:	UNDP Trac:
Key Result Area (SP): SDG Solutions		Donor (CIF):	\$ 349,000
ATLAS Award ID: 00111098		Government:	
Project ID: tbc		Leveraged:	\$ 400,000
Start date: 1 st June 2018		Private Sector:	
End Date: 31 st December 2020		UNFPA	\$18,000
PAC Meeting Date: tbc			
Management Arrangements: NIM			

Agreed by (signatures):

Government of Swaziland	UNDP	Implementing Partner: Royal Science and Technology Park (RSTP)
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Date: 10/1/2019	Date:	Date: 11/01/19



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I. SITUATIONAL ANALYSIS

1.1 Introduction

Economic growth has remained very low in Eswatini, declining to 1.7% in 2016¹. The results of this sluggish development are high unemployment (51.6% among the youth)², underdeveloped labour markets, poor industrial performance, and low entrepreneurial activity. While the global community is gaining momentous strides on the use of innovative approaches to drive sustainable development and create opportunities for economic growth and employment, the country is challenged with establishing linkages and innovation practices for poverty alleviation, addressing unemployment, ensuring sustainable livelihoods and improved wellbeing. This is compounded by ineffective science, technology and innovative investments leading to low innovation capacities, and inadequate infrastructure in general³. Eswatini is among the least innovative countries in the SADC Region⁴, with a low technological readiness and industrial competitiveness.⁵

Creating the knowledge necessary to tackle these interrelated challenges requires adoption of the Agenda 2030 provisions centred around poverty alleviation. The Government of Eswatini has identified the promotion of entrepreneurship among youth, women and the disadvantaged as a key policy goal. Strengthening technical skills, for both young men and women, and developing ‘brain gain’ approaches are absolute prerequisites for the country given the significant youth population dividend, making up 79% of the country’s population. This project seeks to enable a space for the development of innovative solutions through the advancement and implementation of SDG-focused actions.

1.2 The Challenge

The Eswatini economy is generally characterised by a few large manufacturing and agro-processing firms. The emergence of a dynamic and growth-oriented locally owned and managed private sector in the form of micro, small and medium enterprises (MSMEs) as an alternative to income generation and employment creation remains constrained. Small and medium enterprises are challenged by the lack of access to finance, small market size (because of small landlocked country), low entrepreneurial skills, weak regulatory frameworks, high start-up costs, high tax rates, corruption, informal practices, and sustainable markets. Further, most of the youth live in rural areas where there is little or no infrastructure roads, electricity and internet connection.

Effectively, many of the youth businesses are survivalist enterprises. Most youths are forced to start businesses due to lack of employment opportunities in the formal sectors and often lack entrepreneurial skills and commitment. It is no surprise that many youths abandon their businesses as soon as employment opportunities open. Enhancing the ability of youth, women and the disadvantaged to participate in economic activity is crucial to the development of the country as they account for an important share of private sector activity and contribute most to poverty reduction. Research shows that women play a significant role in the SME space in Eswatini but they operate at small scale, non-innovative and low productivity industries⁶.

¹ Central Bank of Eswatini, 2017.

² Eswatini Integrated Labour Force Survey, 2013/2014.

³ Eswatini National Development Strategy, 2014; Education System of Eswatini, 2010; Eswatini Education for all Report, 2015.

⁴ UNESCO Science Report, 2016.

⁵ Global Competitiveness Index, 2016.

⁶ Eswatini FinScope MSME Survey, 2017

1.3 Integration of Agenda 2030

The 2030 Agenda for Sustainable Development has set out 17 Sustainable Development Goals (SDGs) and 169 targets, which jointly constitute a comprehensive plan of action to eradicate poverty and ensure sustainable development. The Kingdom of Eswatini has made significant strides in localizing and integrating the SDGs in national planning processes following the review of the National Development Strategy (NDS) 1997-2022 which will soon be re-launched with the theme: “The Development Strategy for Eswatini – Promoting Sustainable Development and Inclusive Growth.” The country is now accelerating the implementation of the SDGs by increasing awareness and ensuring that all sectors and individuals play a role in achieving the “Global Goals” by 2030.

Despite these achievements, there are interlinked issues critical to the achievement of SDGs in most countries, including Eswatini. These are: a) Youth unemployment is a serious threat to the achievement of most of the SDGs; b) Climate change will affect all the SDGs, yet efforts to adapt and mitigate its impact are still minimal and c) Affordable, reliable, sustainable and modern energy for all is fundamental to human development yet there is inadequate investment from both public and private sector. Small and Medium Enterprises (SMEs) play a key role in national economies by generating employment for the youth and contributing to innovation. They are central to efforts to achieve environmental sustainability and more inclusive growth.

The UN SDG Action Forum views young people as the core power to achieve SDGs. Therefore, it is essential to introduce the concept of sustainable social businesses and the role of the youth in leading the innovation in industry and infrastructure and solving social problems through unique groundbreaking approaches⁷. Eswatini is also characterized by inequality between women and men in different areas. The project will therefore seek to achieve gender equality and empower women and girls by ensuring their full participation at all levels. Gender, youth and other disadvantaged group dimensions need to be mainstreamed through enterprise development strategies and programmes, with specific, targeted initiatives directed at critical road blocks.

1.4 UNDP Business and the Theory of Change Innovation Efforts

In 2014, UNDP established the Innovation Facility as a global mechanism to support novelty for sustainable development. The Facility provides technical support and funding to Country Offices (CO) across all regions and at national level to enable frontier technologies and new approaches to deliver better results. The Facility’s portfolio is firmly rooted in the 2030 Agenda for Sustainable Development. While initiatives span 16 of the 17 Goals, most of initiatives address SDGs that eradicate poverty, enhance livelihood options, reduce inequalities as well as build resilient and peaceful societies. To further strengthen support, the UNDP Administrator launched a new Country Investment Facility for the period 2018 to 2019 as part of the agenda to highlight the importance of investing at the country level to better support governments and other development partners. The Facility is intended to serve as a catalyst for growth and business development of UNDP Country Offices (CO), looking at ways to diversify partnerships; and target areas of visionary interest and innovation, looking at approaches to digitalization technology, and modernization that underpin UNDP work. The Global UNDP Strategic Plan (SP) provides for an innovation stream that will focus on exploring new ways of doing business through a process of idea generation at the country and regional levels, business case development, testing, interactive improvement and scaling up or down when feasible⁸.

⁷ UN SDG Action Campaign.

⁸ UNDP Strategic Plan 2018-2021.

1.5 Rationale

To achieve a top-to-bottom growth of the “green economy”, incentives and enablers need to be identified for micro enterprises working at the grassroots level. Social enterprises at the community level are developing new products and services for their communities, using new business models. But their scale-up is hampered by lack of access to research and technology support and gender barriers, as well as challenges with complex partnerships, progress monitoring, and financial viability. A large pool of innovative ideas remains untapped and an opportunity to build a sustainable economy is being missed.

In most parts of the World, governments and corporates support innovative start-ups through grants, for example Microsoft for IT start-ups and Bayer for biotechnology start-ups, and thereby make them attractive to financial institutions and investors at later stages. The Government of Eswatini recognises that the private sector is the engine of growth and that most new jobs in a growing economy are created by the small and medium enterprise sector. However, government’s bleak fiscal position has made her ineffective in supporting innovative entrepreneurs through grants.

Despite numerous initiatives aimed at revitalising entrepreneurial activity in the Kingdom, access to credit and limited business development support services remain a major challenge. The SME sector is highly undeveloped with low entrepreneurial skills and lack of collateral. It is therefore deemed as a high-risk sector. The inefficient structuring of the Government initiated Small Scale Enterprise Loan Guarantee Scheme (SSEGLS) has made it ineffective. Currently, the scheme is only limited to commercial banks and the claims procedure for defaults is very cumbersome. Some claims have taken up to 10 years. The high cost of borrowing also impacts on the access to credit. Data from commercial banks shows that interest rates range from prime plus 5% to prime plus 8.5% for the SME sector. Compounding the situation is that current SME bank default rates are high, ranging from 12-40%.⁹ Due to the high-risk perception, commercial banks apply stringent viability assessment criteria to the sector. This includes a requirement for track record with proven satisfactory performance of the business. This is a challenge as most SMEs do not keep proper records, are not profitable and therefore do not qualify for bank credit.

This intervention will seek to forge partnership with financial institutions to develop their capacity to lend more effectively and efficiently to businesses that contribute to SDG solutions, especially in the areas of renewable energy and environmental sustainability. This will be done through the provision of tools and facilities aimed at reducing their risk and exposure while making access to finance affordable to youth and women enterprises. The private sector will also be invited to contribute financial and any other resources to build capacity of indigenous entrepreneurs to better manage their start-ups and grow their businesses. A group of seasoned business people will be paired with youth and women entrepreneurs for on-going mentorship and coaching. The intervention will make sure that entrepreneurs are coached through assessment of business performance, identifying business challenges, and thereby enabling diversification and business growth.

⁹ Making Access Possible (MAP) for Growth: SME Development in Eswatini, 2018

II. PROJECT DESCRIPTION

UNDP seeks to partner with the Royal Science and Technology (RSTP) to facilitate implementation of a youth and women economic empowerment project. The project will support young action leaders creating meaningful progress towards achieving the SDGs through sustainable and smart business solutions. The project will provide a platform for the development of innovative solutions to address development challenges faced by the country as well as the implementation of SDGs. It aims to establish and sustain a space for entrepreneurship skills development through mentorship, training and access to finance. It further seeks to create an environment for job creation for the youth to contribute to economic recovery and stability for the country through SDG-based solutions and business solutions that have socio-economic benefits. The intervention will enable access to credit for community-based solutions through credit facilities from financial institutions as well as funding for capacity development and on-going mentorship, thereby increasing innovation and entrepreneurship to create jobs in the country.

2.1 Project Goal and Objectives

The overall development objective of the project is to increase the innovation and entrepreneurship skills, productivity and income potential of young men and women in Eswatini by testing cost-effective and scalable market-based solutions for SDGs, especially in the areas of renewable energy and environmental sustainability. Initially, the proposed project seeks to provide 80 start-ups and SMEs founded and run by young men and women between the ages of 18-35 years with access to business development services as well as financing for at least 20 of the innovative enterprises.

Specifically, the project will focus on: (a) building capacity and developing skills for youth groups and/or individuals by providing sustainable extension services, mentorship and entrepreneurial training for innovative solutions impacting on renewable energy and environmental sustainability solutions; and (2) leveraging funds for increased access to finance by setting up a guarantee facility and security for business loans. Through its strong focus on capacity development and mentorship, the project will enhance the work of the RSTP in empowering the youth to engage in economic and commercial enterprises through the initiation and ownership of innovative small, medium and large businesses in different spheres.

Lessons from this project will inform the national Micro, Small and Medium Enterprises (MSME) Policy which is currently under review and potentially offer scalable approaches to address youth-oriented economic empowerment. As such, the project is expected to provide the foundation for a nation-wide programme to support youth self-employment and job creation. The goal of the project is to pursue high economic growth and employment by enhancing the skills base for innovation and technology adoption, especially in areas renewable energy and environmental sustainability. This will further contribute to poverty eradication and accelerate economic growth by creating opportunities for the employment of young people and women through access to credit facilities, capacity development for business management as well as on-going mentorship.

2.2 Target beneficiaries, and identification

A two-pronged strategy will be used to identify beneficiaries: The Ministry of Tinkhundla Administration and Development (MTAD) as well as other government departments and agencies relevant to this project, including the Eswatini National Youth Council (SNYC) and the Gender Unit, will be approached to advance existing start-ups and SMEs that may be supported for expansion and

technical support and an open call for participants through the mass media, social media and digital platforms. Capacity building programmes will be offered by the project, while participants will be required to demonstrate interest, commitment and basic resources relevant to the project focus areas. The project is expected to have a country-wide impact and an effort will be made to ensure that all the country's four regions are proportionately represented.

2.3 Project Components

To achieve its objectives, the project will provide non-financial business support services to youths, especially unemployed graduates, along the life-cycle of innovative small enterprises, thereby enhancing their ability to access existing financial services and increase the viability of their income-generating activities. The approach involves bringing together public sector and private sector players with a strong presence such as the Royal Science and Technology Park (RSTP), Standard Bank, Eswatini National Youth Council (SNYC) and the Innovators Association of Eswatini (IAS). In doing so, the project will foster local public-private-NGO-partnerships that can provide the integrated support model at local level tailored to young people, thereby addressing the multiple barriers young people face to start and expand their income-generating activities. More broadly, this support model aims at ensuring that youth entrepreneurship services are enhanced through on-going mentorship for selected enterprises.

The Government of Eswatini intends to adopt innovative SME development models for employment creation, entity sustainability and integration into economic systems. Focusing on innovative SDG solutions, the project has two focus areas: a) capacity development and b) access to finance. Capacity development will incorporate entrepreneurship training, boot camps, coaching, networking, market analysis, legal support and on-going mentorship. Access to finance will ensure that young entrepreneurs who have successfully gone through the capacity development programme and have developed business proposals are assisted to access credit to start up or expand their enterprises. In addition, the successful candidates will be formally enrolled in the RSTP incubation programme to benefit from on-going advisory services, mentorship as well as infrastructural support.

The specific components to be implemented are:

COMPONENT 1: Access to finance and financial resources (Establishment of the SDG Innovation Fund)

UNDP will partner with Standard Bank Eswatini to explore and develop credit packages for youth and women entrepreneurs involved in entrepreneurial action and business innovation that also creates social impact. This component will focus on: 1) Exploring advanced financing mechanisms to enhance the ability of the bank to provide access to the selected innovative enterprises and 2) Building the capacities of innovative enterprises and start-ups and support them to develop bankable proposals to secure funding as well as on-going mentorship support.

UNDP will set aside an initial \$200,000 towards the establishment of a guarantee facility with Standard Bank. The bank will then grant loans amounting to at least double the guarantee facility. Businesses seeking funding will be assisted by RSTP to apply to Standard Bank. The bank will undertake an initial assessment of the application and if considered a viable proposition, submit a request for a guarantee to a Board comprising technical experts from UNDP, RSTP's Selection Committee, MCIT, CBE, Ministry of Youth, Sports and Culture, SIDC and Eswatini Institute of Accountants for the final assessment. Confidential and potentially proprietary information of applicants will be protected with the provisions of the incubation policy of RSTP.

COMPONENT 2: Advocacy for SDG-based innovative enterprises

This component will support youth-targeted advocacy, communication and information sharing to create awareness on the need to adopt technology and innovative approaches to socio-economic growth. Despite the multiple benefits of innovation, there is still a lack of funding appetite for technology start-ups across the world. As a result, many products and services of start-ups do not reach the apex of Technology Readiness Level scale. With lower levels of Technology Readiness, startups fail to create new markets or gain a market share in established markets. Through this component, UNDP will support innovation and entrepreneurship in renewable energy, waste management, other SDG-solutions relevant industries. UNDP will support RSTP to conduct innovation workshops and/or exhibitions, bringing in expertise and experiences from the region and globally to encourage uptake of innovative solutions into sustainable enterprising.

COMPONENT 3: Capacity building and enterprise development for youth enterprises

This component provides a menu of non-financial business development support services designed to facilitate the start-up and expansion of innovative youth and women-led enterprises. These services will be calibrated to fit the heterogeneous needs of youth and women and streamlined during the early stages of the project. Specific delivery arrangements will be made to ensure the participation of young girls.

Beneficiary selection will be based on a 3-stage process. The first stage will be a pre-screening, by UNDP and RSTP incubation team, consisting of trust-building and training activities over a one-week period (boot-camp) to sort out those who really do want the programme from those who do not. Psychometric testing may also be applied to determine potential entrepreneurial aptitude. In the second stage, those who demonstrate strong interest during the pre-screening are then eligible for the entrepreneurship training. Finally, a subset of youth will be selected to receive post-creation support based on the potential viability of their new or existing self-employment project (third stage). The selection will be based on the project/business plans developed as part of the training which will be assessed by the RSTP Selection Committee (consists of seasoned entrepreneurs and industry experts) and UNDP representatives. Confidential and potentially proprietary information of applicants will be protected throughout the 3-stage process with the provisions of the incubation policy of RSTP. The component will be implemented under the coordination of the Ministry of Information, Communication and Technology through the RSTP, who will be responsible for delivering business development support services.

Sub-Component 3.1: Innovation and entrepreneurship training

The project will provide a combination of skills needed to start and grow innovative businesses, including: 1) Financial literacy (financial planning, record keeping, financial statements and reports, etc), 2) Behavioral and life skills (communication, goal setting and achievement, decision making, gender equality, etc.), and 3) Business skills (market research, budgeting, business planning, tax compliance, legal affairs,). Other courses may be provided based on need and demand of the group of successful applicants.

Sub-Component 3.2: Post-finance business development support

A sub-set of participants will be eligible for ongoing business development services from RSTP to help them sustain and grow their businesses. The business development support will entail a subset

or combination of the following services, based on the needs of the sector, product, and trade: 1) Coaching/mentoring after a project receives financing; 2) Access to physical space that can be used for production and/or product development and research; 3) Product development & quality control to assist with improving production and service, and 4) Supporting access to markets through the establishment of value chains and distribution channels.

Sub-component 3.2.1: Business Incubation Services

Partnerships with the Federation of Eswatini Employers and Chamber of Commerce (FSE&CC), the Federation of the Eswatini Business Community (FESBC), Eswatini Women Economic Empowerment Trust (SWEET) and the Woman Farmer Foundation (WFF) will identify and select a group of volunteer mentors to nurture the youth and women entrepreneurs. The Mentorship Programme will pair young entrepreneurs with experienced volunteer mentors who will guide them through the challenging stages of their enterprises, drawing lessons from their own experiences. The experienced mentors will comprise industry captains, successful entrepreneurs as well as retired executives who understand the importance of mentoring a new generation of young and/or woman leaders and are eager to transfer their entrepreneurial knowledge and skills.

Specifically, the mentors will make a difference by:

- Encouraging, guiding and emotionally supporting the youth entrepreneurs as they start or grow their businesses;
- Imparting basic business know-how;
- Providing models of business transparency, sound accounting and governance values; and
- Teaching mentors how to effectively unlock the potential of innovation technology in the context of sustainable development.

The project will take targeted measures to encourage significant female participation. First, the project will directly target female participants of the Woman Farmer Foundation, SWEET and other gender equality and economic empowerment initiatives which have a strong female participation. In addition, the project will link female candidates with successful female mentors and entrepreneurs.

COMPONENT 4: Governance and Management Arrangements

Sub-Component 4.1: Project Board

An independent Board will be responsible for reviewing guarantees under this project as well as provide guidance to the PSC and the Project Manager, when required. Members of the Board will comprise representatives from UNDP, RSTP's Selection Committee, CBE, Eswatini National Youth Council (ENYC), Eswatini Institute of Accountants and Standard Bank.

Sub-Component 4.2: Project Steering Committee

A Project Steering Committee (PSC), co-chaired by the Ministry of Economic Planning and Development (MEPD) and the Ministry of Information, Communication and Technology (MICT), will be responsible for overall coordination and implementation of the project. UNDP and UNFPA will provide secretarial support. Key responsibilities will include coordination, procurement, financial management, monitoring and evaluation (M&E), communication and knowledge management and formalizing partnerships. Other members will include RSTP, Standard Bank, MCIT, SNYC, Gender Unit and IAS. In total the Committee will have eight (8) members.

Sub-Component 4.3: Monitoring and Evaluation

This subcomponent will entail all the activities necessary for the monitoring and evaluation (M&E) of the proposed project, including the development of a detailed M&E plan, the development of survey instruments, data collection & analysis, etc. The project's M&E system will use different types of M&E tools for different purposes (monitoring, process evaluation, impact evaluation), while generally following a mixed-method approach. As part of the monitoring and evaluation system, there will be also be an effort to assess the success and viability of business activities supported by the project, as well as track income changes of young beneficiaries and their access to finance because of the project.

III. IMPLEMENTATION STRATEGY

UNDP will partner with Standard Bank and the RSTP to enhance capacity for the provision of business capital, entrepreneurship training and mentorship of innovative youth and women owned enterprises. Using existing infrastructure and processes from both institutions, youth and women enterprises, including start-ups, will submit proposals for innovative business solutions linked to the advancement of SDGs, especially in the areas of renewable energy and environmental sustainability.

The proposals will be evaluated based on some set criteria by the Project Steering Committee (PSC) comprising representatives from the Ministry of Commerce, Industry and Trade (MCIT), Ministry of Information, Communication and Technology (MICT), Standard Bank, Ministry of Sports, Culture and Youth Affairs (MSCY), Ministry of Economic Planning and Development (MEPD), RSTP and UNFPA. In total the Committee will have eight (8) members. Innovation and the leverage of new technology will be paramount within these evaluation criteria. Other criteria will include assessing the quality of the business proposal, including sustainability and scalability of the proposed enterprise as well as the degree to which it contributes to SDG solutions, especially renewable energy and waste management solutions.

Partnership with RSTP will increase advocacy and enhance the innovative capacity and entrepreneurship skills of candidates. An effort will also be made to create linkages with youth economic empowerment initiatives, including SEDCO's Graduate Enterprise Programme (GEP), Enactus, Junior Achievement (JA), Fintech and the Woman Farmer Foundation (WFF).

The following strategies will be employed to achieve the project results:

3.1 Establishment of a Revolving Innovation Fund for Youth (and Women) Enterprises

UNDP will set up as a guarantee facility to leverage additional funds through partnership with Standard Bank. As per agreement, the UNDP funds will be leveraged at 100%, thereby doubling the effective capital being made available to young and female entrepreneurs. The loans will be provided by the bank while UNDP funds will be used to reduce the risk of the loan to the entrepreneurs. This risk mitigation measure by means of a loan guarantee allows for the leverage of the funds to take place. UNDP funds will not incur expenses except in case of default.

UNDP will set aside an initial \$200,000 for the loan guarantee facility. Private sector partners will be invited to contribute resources as well as technical expertise aimed at increasing the value of the capacity development programme and/or the guarantee facility. A Project Board comprising of industry experts and key stakeholders will serve as a review panel for business loan applications seeking a guarantee. RSTP, using business consultants, will assist beneficiaries to develop and submit bankable business proposals to Standard Bank. The bank will, upon satisfying itself that the proposal meets basic requirements for credit, forward applications to the Board for review and approval of the loan guarantee. All approved loans will be charged a 1% guarantee fee; thereby increasing the pool/guarantee over time. The Guarantee facility will cover 70% of the loans while the Bank will cover 30%.

3.2 Strengthen advocacy for SDGs, particularly innovation in energy and waste management

Advocacy and communication will be employed to create awareness and appreciation around supporting meaningful progress towards achieving the Global Goals through sustainable, smart business solutions, particularly demonstrating the added value of renewable energy and environmental sustainability. This will include information exchange for enhanced innovation-technology driven solutions to promote entrepreneurial capacities and skills for the target

beneficiaries. Technical support and training on specialised skills will be sourced through partnerships with the Ministry of Tourism and Environmental Affairs (MTEA) as well as the Ministry of Natural Resources and Energy (MNRE) and private sector institutions regarded as pioneers in these areas. A total of 200 youth and women are targeted to be reached through technical and business management information sessions.

3.3 Capacity Development for creation of sustainable enterprises and employment creation

3.3.1 SME Development

This will be the main pillar of the project, and a conduit for accessing business finance. Training will target existing enterprises as well as start-ups. In tandem with the value chain approach, enterprises operating in identified formal markets will be selected and supported. For the existing businesses, support will be premised on a review of existing product or service, skills levels and systems, human resource requirements, marketing, market access as well as relevance in the identified market. Capacity building will be at both the entrepreneur/owner and employees' levels. RSTP will run the capacity development programme for the selected beneficiaries and assist them to prepare and submit bankable business proposals as well as provide on-going mentorship and monitoring. The enterprises will also be assisted to explore different types of finance models suitable to their needs, including equity financing, credit financing as well as grants, where feasible.

3.3.2 Business Coaching

The RSTP will work with a selected group of innovators to develop their ideas into viable business products and services. This component will support the development of innovative businesses that impact on SDG solutions. This will enable innovators to translate technology-based concepts into market-ready products and services. In addition, the incubation programme will remove barriers to entrepreneurship and market access, give legitimacy to new businesses and enable the start-ups to survive the most vulnerable stage of the business cycle. During the incubation programme, the projects will be validated and turned into bankable ventures.

3.3.3 Strengthen Networks and partnerships for sustainable enterprises

UNDP will foster strategic linkages, partnerships and alliances with national and regional centres of excellence and established technical institutions to facilitate knowledge exchange and capacity building as well as expand access to relevant resources. Mentorship programmes and on-the-job-training, including through south-south cooperation, will be initiated. RSTP will initiate a mentoring programme designed to enhance the capabilities of start-ups and SMEs (mentees) by requiring approved mentors to provide business development assistance to mentees and to improve the mentees' ability to successfully develop innovative products or services, acquire and utilize funding, enter markets and grow their businesses. The mentoring programme will use the services of a team of experienced private sector, government and development specialists with proven track record to provide regular one-one-one coaching and guidance sessions to successful candidates for a specified duration, ideally in line with the loan duration, for a period not exceeding 24 months.

3.4 Strengthen project management capacity

The project will seek to improve project management capacity as well as coordination to ensure effective implementation of the programme. This will be done through capacity building for the implementing agencies and service providers as well as developing a minimum package for entrepreneurship training and mentorship.

IV. RESULTS FRAMEWORK

UNDAF Outcome 1.1: Youth, women and vulnerable groups' opportunities for employment and sustainable livelihoods improved by 2020.
CPD Outcome 1: Inclusive economic growth and sustainable development.

EXPECTED OUTPUTS	OUTPUT INDICATORS ¹⁰	DATA SOURCE	BASELINE				TARGETS		DATA COLLECTION METHODS RISKS
			Project Title and Atlas Project Number: Enhanced innovative capacity and entrepreneurship skills for youth and women enterprises				Year 2 (2019)	Year 3 (2020)	
			Value 2017	Year 1 (2018)	Year 2 (2019)	Year 3 (2020)			
Output 1: Increased access to finance and financial resources.	1.1 Amount of resources used to support innovative enterprises and start-ups	Standard Bank Project Statement Reports.	\$0.00	\$200,000	\$0.00	\$0.00	Project Reports	Project Reports	
	1.2 Number youth, of which female (number, %), who received support in accessing business finance	Project Reports	0	0	40	40	Project Reports	Project Reports	
	1.3 Average income generated through start-ups and enterprises financed through the SDG Innovation Facility	Project Reports	\$0.00	\$0.00	300,000	\$450,00	Project Reports	Project Reports	
Output 2: Increased advocacy for innovation in energy and waste management	2.1 Increase in awareness as indicated by participants regarding the application of innovation technology in sustainable development in areas of renewable energy and waste management	MNRE Reports, TC Report, Project Reports	0%	20%	50%	80%	Ranking from 1 to 5 awareness-1 to hi awareness-5		
	2.2 Number of youth and women enterprises on renewable energy and/or waste management.	MTC Reports	0	0	20	20			
	3.1 Number of youth, of which female (number, %), trained on entrepreneurship skills for sustainable enterprises	RSTP Reports	0	0	40	40			
Output 3: Capacities increased for the creation of sustainable enterprises, innovative technology development and employment creation.	3.2 Number of youth, of which female (number, %), enterprises incubated for business technology development.	RSTP Reports	0	0	20	20			
	3.3 Number of youth, of which female (number, %), with gainful employment through the innovative start-ups.	Project Reports	0	0	20	40			
	4.1 Number of youth, female, received post-creation follow-up mentoring support	Project Reports	0	0	20	20			
Output 4: Strengthened networks and partnerships for sustainable enterprises	4.2 Portion (%) of start-ups and enterprises still functioning one (1) year after receiving funding.	Project Reports	0	0	15	15			
	5.1 Timely submission of monitoring reports	Project Quarterly Reports	0	0	4	4			
Output 5: A functional project management and support structure	5.2 Impact Evaluation carried out	Evaluation Report	0	0	0	1			

V. MONITORING AND EVALUATION

The Project Steering Committee (PSC) will put in place a robust Monitoring & Evaluation (M&E) system to track progress and achievement of results. The project is considered a learning project, making quality M&E a high priority. The project will therefore draw from several complementary M&E tools to: i) support project management, ii) ensure accountability, and iii) foster knowledge generation. The results framework provides the key indicators, targets, and data collection arrangements that will provide the basis for all the M&E tools. A more detailed M&E plan will be developed during project preparation. UNDP will provide targeted assistance in developing the detailed M&E framework during project preparation and lead the design and implementation of an impact evaluation. Dedicated capacity building on M&E will further strengthen M&E capacity at RSTP and other implementing organizations.

Monitoring System and Process Evaluation: The PSC will be responsible for periodic monitoring and reporting. For the capacity building activities, the project will adopt a flexible approach including the monitoring of inputs and activities, as well as qualitative and quantitative evaluations of the training sessions by the participants, in line with best-practice of workshop evaluation. Standard monitoring will be complemented with targeted periodic assessments to assess the quality and effective delivery of the services offered. For instance, this may include an analysis of the training content and the post-creation assistance. These assessments would be carried out by independent consultants at critical milestones of project implementation, for example after the first year, at mid-term, or when problems are detected.

Impact Evaluation: An impact evaluation will be crucial to inform program expansion and future policies. The main evaluation questions of interest relate to the project's impact on beneficiaries' income and viability of businesses, the relative project effectiveness by age, gender, and other socio-demographic factors, and whether the dosage and delivery method of different activities affect project effectiveness. The impact evaluation will be carried out by an independent expert/firm who will work with the project steering committee to ensure that beneficiary selection and other implementation arrangements allow for a rigorous methodology. The methodology will follow a randomized design which will include a randomization of registered participants into different treatment arms. The treatment arms will be implemented in a delayed fashion, following the established pipeline approach.

In accordance with the programming policies and procedures outlined in the UNDP User Guide, the project will be monitored through the following:

Within the annual cycle

On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below – see Annex 1.

- An Issue Log shall be activated in Atlas and updated by the UNDP Project Coordinator to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted (see Annex 1), a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, a Quarterly Progress Reports (QPR) shall be submitted by the Project Manager to the PSC (Annex 7) through Project Assurance based at UNDP, using the standard report format (Annex1).

- A project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project.
- A Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events for management by the UNDP Project Manager.

Annually

Annual Review Report. An Annual Review Report shall be prepared by the Project Manager and shared with the PSC and the CPD Outcome Board. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.

Annual Project Review. Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review is driven by the PSC and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes.

Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly	Progress will be addressed through adaptive project management.	UNDP	
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	The risk log will be actively maintained to keep track of identified risks and actions taken.	UNDP	

Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	Annually	Relevant lessons will be captured by the project team and used to inform management decisions.		
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Quarterly and Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.	UNDP	
Review and make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	Annually	Performance data, risks, lessons and quality will be discussed by the PSC and used to make course corrections.	UNDP	
Project Report	A progress report will be presented to the Project Steering Committee and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period.	Annually, and at the end of the project (final report)	The Project Coordinator will produce quarterly and annual report for submission to UNDP		
Project Review (PSC)	The project's governance mechanism (i.e., PSC) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to	Specify frequency (i.e., at least annually)	Any quality concerns or slower than expected progress will be discussed by the PSC and		

	ensure realistic budgeting over the life of the project. In the project's final year, the PSC shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.		management actions agreed to address the issues identified.		
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Mainstreaming of gender in the pilot RE and waste management activities will be key in the undertaking. This will be enabled through and M&E Framework collating data and information and its analysis in a sex-disaggregated method, enabling women needs approaches and benefits.

Audit and Evaluation Plan¹¹

The project will be subjected to a project financial audit (UNDP National Implementation Modality Audit), at least once in its lifetime. The audit will be conducted by the office of the Eswatini Government Auditor General, in line with all Government projects audit procedures which will form part of the larger regional audit plan. An end of project evaluation will be conducted by an external expert to test the implementation success of the project, especially to see if the objectives and plan of action were carried out as per the design documents.

Evaluation Title	Partners (if joint)	Related Strategic Plan Output	UNDAF/CPD Outcome	Planned Completion Date	Key Evaluation Stakeholders	Cost and Source of Funding (\$)
Terminal Evaluation	UNDP			October 2020	RSTP, Standard Bank, MNRE, MTAD, MTC	
NIM Audit	EG			May 2020	RSTP, Standard Bank	

¹¹ Optional, if needed

MULTI-YEAR WORK PLAN AND BUDGET

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year			RESPONSIBLE PARTY	Funding Source	Budget Description	Amount (\$)	
		Y1 2018 (\$)	Y2 2019 (\$)	Y3 2020 (\$)					
Output 1: Increased access to finance and financial resources for youth and women innovative enterprises	Activity 1.1: Set up loan guarantee scheme at Standard Bank	200000,00	0,00	0,00	Standard Bank	UNDP	72420 - Admin	200 000,00	
	Sub-Total for Output 1	200000,00	0,00	0,00				200 000,00	
	Output 2: Increased advocacy for innovation in energy and waste management	Activity 2.1: Contribution to SDG, Innovation & Entrepreneurship Conference	1500,00	0,00	0,00	RSTP	UNDP	75700 – Conference facilities	1 500,00
		Activity 2.2: Procure SDG wall banner	500,00	0,00	0,00	RSTP	UNDP	74215- Promotional materials	500,00
		Activity 2.3: Procure SDG Flyers	1500,00	0,00	0,00	RSTP	UNDP	74215- Promotional materials	1 500,00
		Activity 2.4: Organise regional SDGs, Innovation and Entrepreneurship roadshows	0,00	3000,00	0,00	RSTP	UNDP	75700 – Conference facilities	3 000,00
		Activity 2.5: Provide PA System	0,00	500,00	0,00	RSTP	UNDP	74230 – Audio visual equipment hire	500,00
		Activity 2.6: Provide Transport	0,00	1500,00	500,00	RSTP	UNDP	72215 – Vehicle hire	2 000,00
		Activity 2.7: Provide Fuel	0,00	1000,00	500,00	RSTP	UNDP	72215 – Vehicle hire	1 500,00
		Activity 2.8: Public Call for Proposals	0,00	5000,00	0,00	RSTP	UNDP	74225 - Advertising	5 000,00
Sub-Total for Output 2		3500,00	11000,00	1000,00				15 500,00	
Output 3: Capacities increased for the creation of sustainable enterprises, innovative technology development and employment creation.	Activity 3.1: Introduction to Innovation and Entrepreneurship Training workshops	0,00	25000,00	0,00	RSTP	UNP	75700 – Conference facilities	25 000,00	
	Activity 3.2 Training materials	0,00	10000,00	0,00	RSTP	UNDP	72505 – Stationery	10 000,00	
	Activity 3.3: One-on-One entrepreneurship advisory services	0,00	10000,00	5000,00	RSTP	UNDP	71300 – National consultants	15 000,00	
Sub-Total for Output 3	0,00	45000,00	5000,00				50 000,00		
Output 4: Strengthened networks and partnerships for	Activity 4.1: Product launch, networking and lobbying	0,00	3000,00	5000,00	RSTP	UNDP	75700 – Conference facilities	8 000,00	
	Activity 4.2 Procure technical services for best practice innovation technology for SDGs	0,00	3000,00	0,00	RSTP	UNDP	71200 – International Consultants	3 000,00	

sustainable enterprises	Activity 4.3: Provide Mentorship services	0,00	9840,00	5536,00	RSTP	UNDP	71305 – National consultant	15 376,00
	Activity 4.4 Provide incubation services	0,00	0,00	0,00	RSTP	RSTP	72200 – Equipment & furniture	0,00
	Sub-Total for Output 4	0,00	15840,00	10536,00				26 376,00
	Activity 5.1: Conduct HACT Micro Assessment, NIM Audit	2000,00	0,00	0,00	RSTP	UNDP	71305 – National consultant	2 000,00
Output 5: Project management and support structure	Activity 5.2: Procure services of a Project Manager	0,00	18000,00	0,00	RSTP	UNDP/ UNFPA	71305 – National consultant	18 000,00
	Activity 5.3: Project Oversight – UNDP DPC	8000,00	8960,00	5000,00	UNDP	UNDP		21 960,00
	Activity 5.4: Terminal evaluation	0,00	0,00	5000,00	RSTP	UNDP	71305 – National consultant	5 000,00
	Sub-Total for Output 5	10000,00	26960,00	10000,00				46 960,00
SUB-TOTAL		213500,00	26536,00				338836,00	
GMS (3%)		6405,00	796,08				10165,08	
GRANDTOTAL		219905,00	101764,00	27332,08			349001,08	

VI. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

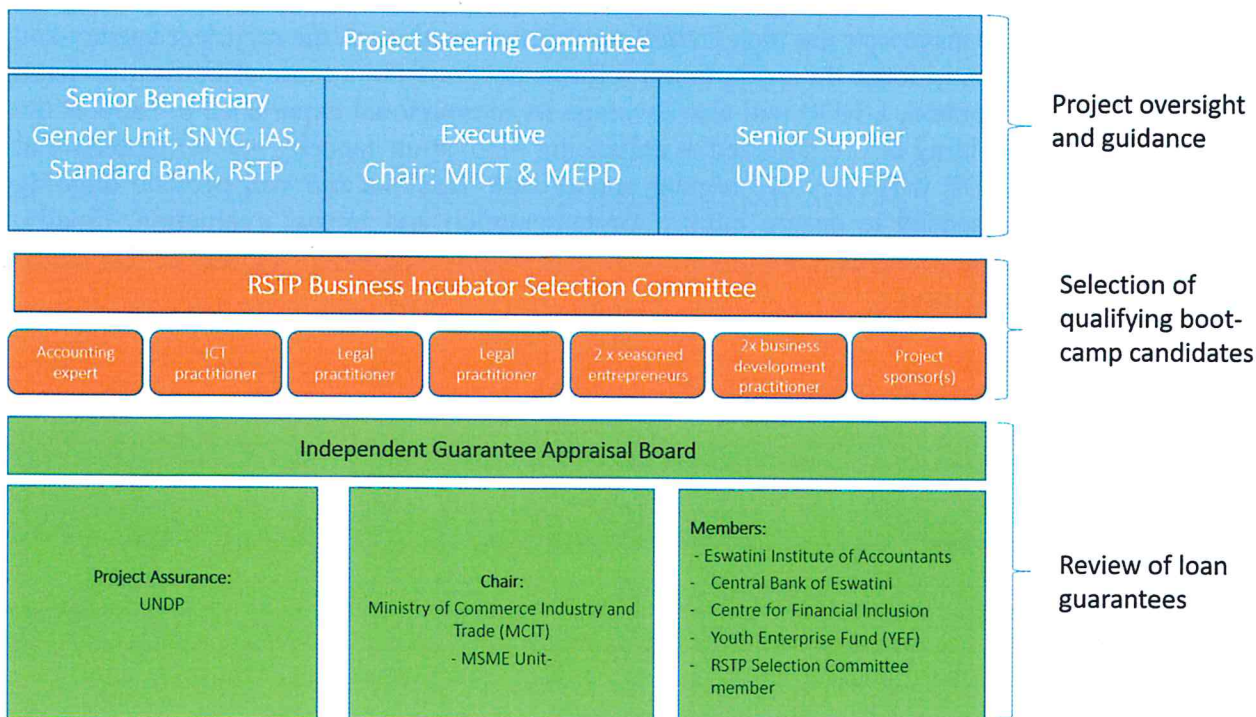
6.1 Project Steering Committee:

The Project Steering Committee (PSC) will be co-chaired by the Ministry of Information and Communications Technology (MICT) and the Ministry of Economic Planning and Development (MEPD). Other members will include Standard Bank, UNDP, RSTP, UNFPA, SNYC, Gender Unit and IAS. In total the Committee will have eight (8) members. The PSC is responsible for the overall direction and management of the project and has responsibility and authority for the project. The PSC is responsible for making executive management decisions for the project when guidance is required by the Project Coordinator, including approval of project plans and revisions.

The Steering Committee representation will be as follows:

- **Executive** (MICT and MEPD) representing the project ownership to co-chair the group.
- **Senior Supplier** (UNDP, UNFPA) role to provide guidance regarding the technical feasibility of the project.
- **Senior Beneficiary** (RSTP, Standard Bank) role to ensure the realization of project benefits from the perspective of project beneficiaries.
- **Other Beneficiaries**, including representatives of responsible agencies such as private sector, NGOs and financial institutions (SNYC, Gender Unit, IAS).

Figure 1: Institutional Arrangements



In the context of this project, the PSC will have representatives from the government, private sector, NGOs, financial institutions, and development partners. The PSC will meet Quarterly to review and approve annual budgets and work plans and provide strategic guidance to the project. This advisory group will validate the project approach, support institutional mobilization of relevant entities, and ensure that the project lessons are incorporated by different agencies beyond the life of the project. In addition to providing an enabling environment for the project, the advisory group will critically support the engagement of the private sector for selected project activities (e.g. selection process of business plans/ideas, mentoring, access to markets). UNDP will be part of the PSC to ensure that the project activities are in line with national priorities as outlined in the Kingdom of Eswatini National Action Plans (NAP) and the UNDAF and UNDP Country Programme Document (CPD) 2016-2020 outcomes.

6.2 Guarantee Appraisal Board

An independent Board chaired by the Micro, Small and Medium Enterprises (MSME) Unit will be responsible for reviewing guarantees under this project. Members of the Board will comprise representatives from UNDP, RSTP's Selection Committee, Central Bank of Eswatini, Centre for Financial Inclusion and Eswatini Institute of Accountants.

6.3 Implementation Support Agencies (UNDP & UNFPA)

UNDP will provide overall technical support and quality control of the project to achieve the desired outcomes. This will include technical and fiduciary oversight to ensure that the project is implemented according to the grant agreement and that quality standards for the reporting on activities and financial transactions are met. UNDP will further work with the recipient agency and other entities and partners to forge the institutional reforms necessary to a more effective provision of the services. In this context, UNDP will also leverage its international experience to support the institutional capacity building efforts targeted at enhancing innovation capacity and entrepreneurial skills development. UNDP will carry out regular supervision missions and will provide ongoing technical assistance as needed to ensure quality implementation and impact evaluation. Finally, UNDP will facilitate close coordination with other relevant sectoral ministries and the UNDP teams working on related interventions.

VII. LEGAL CONTEXT AND RISK MANAGEMENT

LEGAL CONTEXT STANDARD CLAUSES

Under the Standard Basic Assistance Agreement (SBAA) signed between UNDP and the Government of Eswatini (GOS) in 1977 as well as contributing to the objectives of the Eswatini UNCT United Nations Development Assistance Framework (UNDAF) 2016-2020 and the UNDP Country Programme Document (CPD) 2016-2020 also signed with the GOS, this project document will serve as a guide for the implementation of the project activities. Consistent with the Article III of the SBAA, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner (IP). The IP shall:

- put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried; and
- assume all risks and liabilities related to the IP's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

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

RISK MANAGEMENT STANDARD CLAUSES

Option a. Government Entity (NIM)

Consistent with the Article III of the SBAA the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:

- put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried; and
- assume all risks and liabilities related to the Implementing Partner's security, and the full implementation of the security plan.

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

The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities

associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/qa_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under/further to this Project Document.

Consistent with UNDP's Programme and Operations Policies and Procedures, social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).

The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

Special Clauses. In case of government financing through the project, the following should be included: Please insert the schedule of payments and UNDP bank account details.

1. The value of the payment, if made in a currency other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Should there be a change in the United Nations operational rate of exchange prior to the full utilization by the UNDP of the payment, the value of the balance of funds still held at that time will be adjusted accordingly. If, in such a case, a loss in the value of the balance of funds is recorded, UNDP shall inform the Government with a view to determining whether any further financing could be provided by the Government. Should such further financing not be available, the assistance to be provided to the project may be reduced, suspended or terminated by UNDP. All losses (including but not limited to losses as result of currency exchange fluctuations) shall be charged to the project.
2. The above schedule of payments takes into account the requirement that the payments shall be made in advance of the implementation of planned activities. It may be amended to be consistent with the progress of project delivery.
3. UNDP shall receive and administer the payment in accordance with the regulations, rules, policies and procedures of UNDP.
4. All financial accounts and statements shall be expressed in United States dollars.
5. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to the government on a timely basis a supplementary estimate showing the further financing that will be necessary. The Government shall use its best endeavours to obtain the additional funds required.
6. If the payment referred above are not received in accordance with the payment schedule, or if the additional financing required in accordance with paragraph 1 above is not forthcoming from the Government or other sources, the assistance to be provided to the project under this Agreement may be reduced, suspended or terminated by UNDP.
7. In accordance with the decisions and directives of UNDP's Executive Board reflected in its Policy on Cost Recovery from Other Resources, the payment shall be subject to cost recovery for indirect

costs incurred by UNDP headquarters and country office structures in providing General Management Support (GMS) services. To cover these GMS costs, the payment shall be charged a fee equal to 8%. Furthermore, as long as they are unequivocally linked to the project, all direct costs of implementation, including the costs of implementing partner, will be identified in the project budget against a relevant budget line and borne by the project accordingly.

8. Ownership of equipment, supplies and other properties financed from the payment shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.
9. The payment and the project shall be subject exclusively to the internal and external auditing procedures provided for in the Financial Regulations and Rules and policies of UNDP.

ANNEX 1: PROJECT STEERING COMMITTEE TERMS OF REFERENCE

Enhancing Innovative Capacity for SDGs Project Steering Committee Terms of Reference

I. BACKGROUND

The SDG Innovative Enterprises Challenge is a joint initiative by the Government of Eswatini, private sector and civil society, with technical and financial support from the United Nations Development Programme (UNDP) as well as the United Nations Population Fund (UNFPA). The initiative will support young action leaders creating meaningful progress towards achieving the SDGs through sustainable and smart business solutions. It will provide a platform for the development of innovative solutions to address development challenges faced by the country as well as the implementation of SDGs, especially in the areas of Renewable Energy and Waste Management. The initiative aims to increase access to business development services, mentorship and access to finance for youth and women entrepreneurs. The project is implemented by the Ministry of Information and Communications Technology (MICT) through the Royal Science and Technology Park (RSTP) and Standard Bank Eswatini. Other implementing partners include the SME Unit under the Ministry of Commerce, Industry and Trade (MCIT), the Eswatini National Youth Council (ENYC), the Gender Unit in the Deputy Prime Minister's Office as well as the Innovators Association of Eswatini (IAS).

II. ROLE OF THE PROJECT STEERING COMMITTEE

The Project Steering Committee (PSC) will be co-chaired by the Ministry of Information and Communications Technology (MICT) and the Ministry of Economic Planning and Development (MEPD). Other members will include Standard Bank, UNDP, RSTP, UNFPA, SNYC, Gender Unit and IAS. In total the Committee will have eight (8) members. The PSC is responsible for the overall direction and management of the project and has responsibility and authority for the project. The PSC is responsible for making executive management decisions for the project when guidance is required by the Project Coordinator, including approval of project plans and revisions.

The Steering Committee representation will be as follows:

- Executive (MICT and MEPD) representing the project ownership to co-chair the group.
- Senior Supplier (UNDP, UNFPA) role to provide guidance regarding the technical feasibility of the project.
- Senior Beneficiary (RSTP, Standard Bank) role to ensure the realization of project benefits from the perspective of project beneficiaries.
- Other Beneficiaries, including representatives of responsible agencies such as private sector, NGOs and financial institutions (SNYC, Gender Unit, SEDCO, IAS).

Specific Responsibilities of the PSC

- Setting strategic direction, reinforcing government leadership of the project and coordinating interventions;
- Provide advice and guidance on business issues facing the project;
- Providing guidance and agreeing on possible countermeasures/management actions to address specific project related risks;
- Approving the annual work plans prepared by the Project Manager;
- Conducting regular meetings (at least four times a year) to review the progress of project resources and providing direction and recommendations to ensure that the agreed deliverables are produced to a satisfactory standard;
- Reviewing and approving all activities that are supported by the project based on the project objectives, work plan and availability of funding;
- Provide strategic and technical advice to create synergy and uniformity between supported activities, policies and aligned projects;
- Receiving reports on all activities supported by the programme to serve as an additional basis for monitoring and assessing project resources' performance and delivery;
- Ensures project makes good use of assets;
- Approve or reject changes to the project with a high impact on timelines and budget;
- Use influence and authority to assist the project in achieving its outcomes;
- Review and approve final project deliverables;

III. RESPONSIBILITIES OF THE CHAIR

The responsibilities of the Steering Committee Chair are as follows:

- Sets the agenda for each meeting.
- Ensures that the agendas and supporting materials are delivered to members in advance of meetings.
- Makes the purpose of each meeting clear to members and explains the agenda at the beginning of each meeting.
- Clarifies and summarizes what is happening throughout each meeting. Make a clear distinction between agenda items for information only, for discussion, for recommendation or for approval purposes;
- Keeps the meeting moving by putting time limits on each agenda items and keeping all meetings to two hours or less;
- Encourages broad participation from members in discussion by calling on different people;
- Ends each meeting with a summary of decisions and assignments;
- Follows up with consistently absent members to determine if they wish to discontinue membership.
- Finds replacements for members who discontinue participation.

IV. RESPONSIBILITIES OF STEERING COMMITTEE MEMBERS

Individual Steering Committee members have the following responsibilities:

- Understand the goals, objectives, and desired outcomes of the project.
- Understand and represent the interests of project stakeholders.
- Take a genuine interest in the project's outcomes and overall success.
- Act on opportunities to communicate positively about the project.
- Check that the project is making sensible financial decisions – especially in procurement and in responding to issues, risks and proposed project changes.
- Check that the project is aligned with the National Development Strategy as well as policies and directions of the government.
- Actively participate in meetings through attendance, discussion, and review of minutes, papers and other Steering Committee documents.
- Support open discussion and debate and encourage fellow Steering Committee members to voice their insights.

V. GENERAL

Membership

The table below lists the suggested membership of the Steering Committee.

Name	Title	Organization
PSC Members		
Mr. Maxwell Mazwi Masuku	Chairperson	Principal Secretary, Ministry of Information and Communications Technology (MICT)
Ms. Nomsa Tibane	Co-Chairperson	Chief Economist, Ministry of Economic Planning and Development
Ms. Sithembiso Gina	Programme Specialist	United Nations Development Programme (UNDP)
Mr Sibusiso Mngadi	SDG Advocacy and Communications Associate	United Nations Development Programme (UNDP)
Ms Sebenzile Dlamini	Programme Manager	Royal Science and Technology Park (RSTP)

Ms. Chantell Littler	Head of Enterprise Banking	Standard Bank
Mr. Mfundo Mohammed	Chairperson	Innovators Association of Eswatini (IAS)
Mr. Meluleki Dlamini	Director	MSME Unit, Ministry of Commerce, Industry and Trade (MCIT)
Mr. Gcina Dladla	ACEO	Eswatini Environmental Authority (EEA)
Ms. Lindiwe Dlamini	Project Officer	Department of Energy, Ministry of Natural Resources and Energy
Mr. Dorrington Matiwane	CEO	Small Enterprise Development Company (SEDCO)

Members should be selected based on their specialist knowledge, ability to represent the interests of stakeholders, and ability to help resolves issues the project may face.

Quorum and Decision-making

Quorum

A minimum number of 7 (seven) out of a possible 11 (eleven) Steering Committee members are required for decision-making purposes. The quorum must include a minimum number of 1 (one) member from the Ministry of Economic Planning and Development and 1 (one) member from UNDP and a minimum number of 5 (five) stakeholders to make up a quorum (seven in total for a quorum).

Decision-making Process

The Steering Committee will use the following processes to make decisions. Options are as follows:

- 2/3 Majority: a course of action or recommendation requires support from 2/3 of the members who attend the meeting if there is quorum.
- Consensus: a majority approve a given course of action, but that the minority agrees to go along with the course of action, potentially with some modifications.

Frequency of Meetings

The Project Steering Committee will meet four quarterly (four times a year), The Schedule of the meetings will be set out at the beginning of the Project during the Inception Workshop so that members can plan ahead and arrange their attendance.

A meeting of the Steering Committee in December or January will overview the AWP's and budget and allow enough time for alterations before the start of the new financial year in April. The second meeting will take place 6 months from there in either June or July to report on progress with implementation.

Agenda, Minutes, and Decision Papers

An electronic package will be sent by the PSC Secretariat to members three to five business days in advance of a Steering Committee meeting. This package will include the following:

- Agenda for upcoming meeting.
- Minutes of previous meeting.
- A progress report for the project.
- Decision papers.
- Any other documents/information to be considered at the meeting.

Proxies

Members of the Steering Committee can send proxies to meetings. Proxies are entitled to participate in discussion and are not allowed a role in decision-making.

Steering Committee members will inform the Chairperson as soon as possible if they intend to send a proxy to a meeting and no less than two business days before the scheduled meeting.

ANNEX 2: TERMS OF REFERENCE FOR PROJECT COORDINATOR

Post Title	PROJECT COORDINATOR: SDG Innovation Facility Project
Assignment Base	Royal Science and Technology Park (RSTP)
Start Date	2 January 2019
Duration	12 Months (Contract renewable on annual basis depending on satisfactory performance and/or availability of funds).
Supervision	RSTP Programmes Manager, and UNDP Project Manager
BACKGROUND	
<p>The SDG Innovative Enterprises Challenge is a joint initiative by the Government of Eswatini, private sector and civil society, with technical and financial support from the United Nations Development Programme (UNDP) and the United Nations Population Fund (UNFPA). The initiative will support young action leaders creating meaningful progress towards achieving the SDGs through sustainable and smart business solutions. The project will provide a platform for the development of innovative solutions to address development challenges faced by the country as well as the implementation of SDGs, especially in the areas of Renewable Energy and Waste Management. The project is implemented by the Ministry of Information Communications and Technology (MICT) through the Royal Science and Technology Park (RSTP). Other implementing partners include the SME Unit under the Ministry of Commerce, Industry and Trade (MCIT), the Eswatini National Youth Council (SNYC), and the Innovators Association of Eswatini (IAS).</p>	
TASKS	
<p>The responsibilities of the Project Coordinator will be overseeing the day-to-day implementation of the project, and specifically undertake the following tasks:</p> <ol style="list-style-type: none"> 1. Develop Annual Work Plans with budgeted activities and manage project implementation. 2. Responsible for the overall administration of the project life cycle. 3. Maintain and manage an active database of the project. 4. Monitor performance of beneficiaries, intermediaries and business development service providers. 5. Monitor adherence to budget limits and authorize payments for service providers. 6. Preparing monthly and quarterly reports. 7. Facilitate training of beneficiaries on SDG-based solutions. 8. Establish and manage partnerships for complementary linkages, not limited to the Ministry of Commerce, Industry and Trade (MCIT), Ministry of Natural Resources and Energy (MNRE), Ministry of Tourism and Environmental Affairs (MTEA), Small Enterprise Development Company (SEDCO), Swaziland National Youth Council (SNYC), Gender Unit in the Deputy Prime Minister's Office, civil society organisations (CSO), UN agencies, community-based organisations (CBO), and the private sector. 9. Ensure project activities' implementation is cost-effective and adheres to UNDP operational procedures, in particular the Harmonised Approach to Cash Transfers (HACT) modality. 10. Prepare quarterly and annual projects reports to RSTP, Standard Bank, the Project Steering Committee (PSC), and UNDP. 11. Facilitate documentation of lessons and best practices and promote knowledge networks. 12. Present achievement of milestones for the project on quarterly and annual basis to UNDP and PSC. 13. Serve as an Ex-officio member of the Project Steering Committee (PSC). 	

Responsibilities

14. Facilitate coordination of project activities across institutions.
15. Provide technical guidance to project implementation and ensure realisation of the project's main objectives.
16. Facilitate procurement of professional service providers (consultants), materials and goods.
17. Assure the quality of these processes and products, and using evaluations for performance improvement, accountability and learning.
18. Ensure that required resources are committed and arbitrating on any conflicts within the project or negotiate solutions to any problems encountered with external bodies.
19. Develop recommendations for Project Steering Committee (PSC) approval as and when required.

DEGREE OF EXPERTISE AND QUALIFICATIONS

Qualification

Minimum Bachelor's Degree in Economics/Business Management/Project Management/Social Sciences or a related field.

Experience, Competencies and Skills

- At least 5 years' experience in business management, project coordination and/or implementation.
- Over 3 years demonstrated expertise in programme/project management for results.
- Ability to communicate effectively on complex, technical information to the audiences at various levels, in particular, youth in both rural and urban areas.
- Technical skills to write and review reports
- Team-building skills.
- Negotiation, organization, coordination skills to influence a win-win position.
- Good presentation, reporting and facilitation skills.

IMPACT OF RESULTS

Effective and efficient management of project resources and achievement of planned targets and outcome/output results.

DURATION OF ASSIGNMENT

Two (2) years from 2019 to 2020

FINANCIAL

Service Contract based on RSTP payment scales.

SUBMISSION OF APPLICATIONS

Interested individuals are invited to submit detailed Curriculum Vitae and Expression of Interest (EOI) marked '**PROJECT COORDINATOR: SDG Innovation Facility Project,**' to UNDP Offices, 4th Floor UN House, P. O. Box 261, Mbabane or e-mail application to registry.sz@undp.org on or before the 30th November 2018.

Additional Considerations

Applications received after the closing date will not be considered.

Only those candidates that are short-listed for interviews will be notified.

Qualified female candidates are strongly encouraged to apply.