

United Nations Development Programme
Country: Turkey
Project Document

Project Title Competitiveness Agenda for the Southeast Anatolia (GAP) Region

UNDAF Outcome(s): UNDAF Outcome 2: By 2010, social and economic policies for poverty and disparity reduction implemented effectively and quality basic social services reaching vulnerable groups promoted.

CPAP Outcome: Competitiveness of regions and socially and environmentally responsible private sector increased

Indicator: Percentage increase in export volume of SMEs in SEA region.
Baseline: Export volume of SEA region SMEs is 1,432 b\$, 2004 (Source, DTM).

Project Targets (2008-2009)

- The Competitiveness Council and its Secretary General established
- Due diligence analysis for the pilot investments conducted for laying the foundations in GAP Competitiveness Agenda Implementation in areas such as renewable energy generation, organic textile and clothing and tourism
- International Networks on Renewable Energy Research established.
- Action Plans of the proposed initiatives developed.
- Pilot investments on renewable energy, organic textile and clothing, and tourism operationalized.
- Branding Strategy developed

Implementing Partner: GAP Regional Development Administration (GAP RDA)

Responsible Parties: GAP RDA, UNDP (implementation support)


Brief Description

The overall objective of the Competitiveness Agenda for the Southeast Anatolia (GAP) Region Project is to reduce regional disparities in Turkey, by contributing to the improvement of social stability, equality, economic development and competitiveness of the GAP Region. More specifically, the project aims at enhancing the underlying productive capacities of the region through two main strategies of sustainable production and entrepreneurship; and three supporting action lines of internationalization, applied technology and clustering.

Programme Period:	2006-2010	YYYY AWP budget:	_____
Key Result Area (Strategic Plan):	_____	Total resources required	\$ 552.000
Atlas Award ID:	_____	Total allocated resources:	\$ 552.000
Start date:	July 2008	• Regular	
End Date:	December 2009	• Other:	
PAC Meeting Date	_____	○ Donor	Allocation from
Management Arrangements	_____	○ the GIDEM (SOF:EC)	
		○ Donor	_____
		○ Donor	_____
		○ Government	_____
		GMS: 36.000 USD	

Agreed by UNDP

Mahmood A. Ayub
Resident Representative



Agreed by Government of Turkey

H. Avni AKSOY
Head of Department
Multilateral Economic Affairs

Ankara

12 Ocak 2009

Agreed by Implementing Partner (Prime Ministry, GAP Regional Development Administration)



Sadrettin KARAHOCAGIL
Başkan

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1. Background

1. The Southeast Anatolia Region (often referred to as GAP region) has been the subject of efforts to “normalize levels of development, income, and living standards between the southeastern region and other regions of Turkey.” Significant efforts have been undertaken, most notably through the hydro-electric and irrigation system projects that have consumed most of the resources allocated to the Southeast Anatolia Project, known as GAP after its acronym. The GAP however has not fully achieved its objective of bridging regional disparities, despite significant advancements in infrastructure, and more recently, economic and social development programming.

2. There are two fundamental reasons for the continuing developmental disparities between Turkey’s Southeastern Anatolia Region and the rest of the country: the delays in completing the GAP infrastructure projects, and the overall approach to economic development. The delays in completing the infrastructure projects, while understandable in terms of the economic challenges facing Turkey during this period, have had negative impact on the expectations for the region’s economic growth. While the hydro power components of the project are 85% complete, their main benefit is at the national level, not regional. The irrigation system, which was to cover 1.8 million hectares, is only 15% complete, and the amounts budgeted and the pace of construction has slowed even more in recent years. Availability of irrigation on more of this land could have a substantial impact on productivity, job growth, and average incomes, particularly if it is combined with a more ambitious economic development program.

3. The human development levels in the GAP region also continue to lag behind national averages. Following from the above, investments in human capabilities (education and health) have been made but have not been at pace that would allow for bridging of the developmental divide between the GAP region and the rest of the country.

4. The Government of Turkey has recently developed an ambitious action plan, which aims at completing the physical investments (including the irrigation networks.) of the GAP and fostering socio-economic transformation in the Region. The action plan has been officially announced by the Government on 27 May 2008.

5. The Southeastern Anatolia Region today is poised to undergo a transformation from a region mired with low productivity, unemployment, migration, social problems and poverty to a region based on new competitive advantages. After decades of public investment, the GAP region now has many of the basic foundations for creating a successful new economy. It has the strategic location, water, land, people, leadership and historical and cultural “authenticity” upon which to grow a unique, distinctive value-added economy to compete in the global economy.

6. Based on this understanding, a Regional Competitiveness Agenda has been developed within the scope of EC-funded GAP-GIDEM Project, which was implemented by UNDP in close cooperation with GAP RDA between May 2002 and November 2007. The said project also paved way for establishment of a competitiveness fund, which will support the short-term action plan of the competitiveness agenda (CA).

7. The Competitiveness Agenda (herewith CA) envisions that GAP regional distinction be based on becoming the “*premier testing ground for environmentally and socially sustainable, clean technology-based growth among emerging economies worldwide*”. By aligning the infrastructure and social investments (including those in education, health and social assistance) with a “clean-technology” approach, the region has great potential to establish regional distinction in global markets. In other words, the region, which has widely been recognized as the cradle of the civilizations, is envisaged to be “the cradle of sustainable civilizations”.

8. Progress towards achievement of this ambitious vision calls for deployment of a comprehensive strategy, supported by long-term integrated action plans. The comprehensiveness of the vision also requires that these long-term plans are developed with proper due diligence, ensuring a viable and feasible strategy. However, time is of essence and the window of opportunity is narrow, in the sense that quite a few regions in other parts of world are also trying to capture the same agenda. Therefore there is a need for starting action while planning and doing due diligence. The project at hand is the methodology developed by the GAP Regional Development Administration (GAP RDA) and the UNDP as a means to achieve regional competitiveness. The pilot activities that are detailed below in Section 3 will help (1) qualify and verify the Competitiveness Agenda vision and the longer term plans, (2) maintain the governmental, private sector and civil society commitment and momentum

towards this Competitiveness Agenda vision, and (3) create credibility for the vision, while at the same time contributing value for the region and for Turkey in and of itself.

9. Experience in EU member and candidate countries demonstrates that regional competitiveness is one of the several instruments required for ensuring sustainable human development. Regional competitiveness concerns mainly economic actors (e.g. enterprise and institutions) and the attraction of localities for economic development objectives (e.g. for investments, foreign and national). Other critical aspects of employment creation and enhancing human capabilities are pursued with different instruments available for EU member and candidate countries, including the Joint Inclusion and the Joint Employment Memoranda. The UNDP pursues programs and advocacy activities for development of human capabilities in the region within the context of the Country Program Action Plan for Turkey within the context of the Millennium Development Goals, with additional emphasis on empowerment of women, rural development and enhancing social assistance mechanisms.

1.1. The Competitiveness Agenda for the Southeastern Anatolia Region

10. The competitive agenda is based on two main strategies and three “cross-cutting” and supporting “sectoral” action lines.

11. The main strategies are:

11.1. Sustainable production strategy: This involved a realignment of key productive sectors (e.g. agriculture, tourism and textiles) around a common strategy of sustainable production – featuring organic products, produced by largely renewable energy resources, under fair market labor practices. This combination of techniques is not only sensible in itself all along the production chain, but is in high and increasing demand in world markets. Thus, by carving out a leading position among emerging regions worldwide, the Region can attain a “re-branding” of its international image that is positive and completely the reverse of its current image.

11.2. Entrepreneurship development strategy: A regulatory framework and business climate that are far more entrepreneurial and promote innovation (not all “high-tech” but including high-tech where appropriate), catalyzed by a “Co-investment Fund” that can quickly commence this new economy. One area where private sector co-investment can be crucial is in privatizing major elements of the secondary and tertiary canal system, thus accelerating the expansion of irrigated land area in line with GAP’s original goals.

12. The supporting action lines are:

12.1. Internationalization Strategy: An internationalization program that will aggressively expand the mastery of foreign languages, especially English, and increase by an order of magnitude access to foreign study tours, exchange programs, and trade fairs.

12.2. Applied technology strategy: Strong expansion of the region’s applied technology resources, making it far easier for companies in all key sectors to access appropriate production technologies and marketing resources. These can range from organic fiber production centers to renewable energy to a Culinary Institute – across a broad range of sectors and applications.

12.3. Clustering and networking strategy: A comprehensive application of clustering and networking techniques, fostering higher levels of coordination, collaborative strategy development and resource sharing.

13. While these two strategies and three action lines will be effective across all sectors, and are in essence aimed at enhancing the underlying productive capabilities of the region, the following industries will have a major role to play in the Region’s future.

13.1. Agriculture: combining the region’s water, land, and people to create sustainably produced food products, cotton, and other fibers, maximizing the use of renewable energy sources and organic farming methods;

13.2. Textiles and apparel: accelerating innovation, international market linkages and “clean tech” to establish a competitive edge in textiles and apparel; and

13.3. Tourism: coordinating the region’s people and historical/cultural authenticity to excel in creating a “tourism brand”

14. The CA is also premised on the experience that competitiveness of regions and local economies is also inherently related to the capacity of institutions and policies to foster social dynamics

that promote competition and innovation. Top among such social dynamics is the pull for gender equality and for opening opportunities for talent. Experience from other emerging markets suggests that fostering regional competitiveness can open up opportunities for women's empowerment by building the necessary social infrastructure for sustainable production and innovation.

2. Purpose, Strategy, Scope, and Outputs

2.1. Purpose

15. The purpose of the short-term action plan (STAP) for Competitiveness Agenda (CA) is twofold: first, the STAP will initiate a set of pilot actions, which will trigger further work on the various component of the CA, and second, the STAP will develop the long-term action plan, in accordance with the experience to be gained during its execution.

2.2. Strategy

16. Effective and efficient implementation of the STAP will determine the long-term impact and success of the competitiveness agenda, and thus calls for a unique intervention strategy that combines hi-caliber international and national expertise with top-level political commitment.

17. The action items are designed to address very specific issues. There is neither time nor financial and human resources to expand the scope of the intervention.

2.3. Scope

18. The scope of the STAP is limited with the pilot action defined herein. The STAP, by no means, should be considered as an effort to address all the issues highlighted and all the recommendations made in the Competitiveness Agenda. Thus the STAP will not finance any action that does not fall into the action items described herein.

19. The STAP will enable further examination of the feasibility of the strategies that have been proposed in the CA, through defining concrete tasks for wider and more comprehensive deployment of the CA's strategy.

2.4. Institutional Framework

20. The GAP Higher Council is the highest decision making body in the GAP organization. The Council is authorized to examine and finalize all kinds of plans, projects and programs developed by the GAP Administration. The Council is composed of the Prime Minister or a State Minister acting on behalf of the Prime Minister, State Minister in charge of State Planning Organization and the Minister of Public Works and Settlement. Currently the Deputy Prime Minister and Minister in charge of the State Planning Organization is responsible institutionally and with the overall management of the national economy.

20.1. Details and procedures pertaining to the institution, functioning and procedures of the GAP Higher Council are governed by relevant Regulations taking effect on 06 November 2005 upon its publication in the Official Journal no. 25985.

20.2. According to article 7 of the Regulations mentioned above, the Council meets the first & second half of the year to discuss issues in its agenda. The Prime Minister may call for extraordinary meeting of the Council whenever he/she deems it necessary.

20.3. The GAP Higher Council will play an advisory role and the GAP Administration, as the implementing partner, is responsible for ensuring that project outputs are tabled with the GAP Higher Council, chaired by the Deputy Prime Minister. In turn, the GAP Higher Council acts in coordination function vis a vis other line ministries for incorporation of plans and policies targeting the region. In this sense, the institutional framework for incorporation of CA Project outputs and outcomes into action plans of line ministries is the GAP Higher Council.

21. All the outputs of the CA project will be shared with KSSGM (General Directorate on the Status of Women) for further gender mainstreaming considerations.

2.5. Outputs and Indicators of Progress and Performance

22. The outputs to be generated within the STAP and the corresponding progress indicators are presented in the following table. GAP RDA has the sole use of the outputs developed within the context of the project. These outputs will be transferred to the GAP RDA upon completion of the project.

Output	Indicators
Roadmap for the institutionalization of the Competitiveness Agenda.	The roadmap developed by July 2008
Report on Pilot Investment Initiative on renewable energy	The report available by the 6 th month of the Project
Report on Pilot Study on Organic Textile and Clothing	The report available by the 8 th month of the Project
Due diligence report on Tourism Initiative	The report available by the 10 th month of the Project
Due diligence report on Branding Initiative	The report available by the 12 th month of the Project
Mid-Term Action Plan	The report available by the 18 th month of the Project

2.6. Risks and Assumptions

23. The following assumptions underlie the intervention modality:

- 23.1. Continued high-level political commitment to the competitiveness agenda;
- 23.2. Generation of sufficient level of international and national interest in the competitiveness agenda.
- 23.3. Social dynamics for gender equality and human capabilities are supported by sustainable production and innovation.

3. Activities

24. The STAP is composed of the following activity groups
 - 24.1. Action 1: Institutionalization of the Competitiveness Agenda
 - 24.2. Action 2: Pilot Investment on Renewable Energy Generation
 - 24.3. Action 3: Pilot Study on Organic Textile and Clothing
 - 24.4. Action 4: Access to International Networks for Renewable Energy Research
 - 24.5. Action 5: Planning and Due Diligence

3.1. Action 1: Institutionalization of the Competitiveness Agenda

25. The CA proposed establishment of a competitiveness council to oversee the implementation of the agenda, and the initiatives to be launched within the scope of the Agenda. Further consultations with the GAP RDA demonstrated that the functions of the proposed council and the profiles of its potential members coincide and complement the investment platform, which has already been operational for over two years now.
26. The GAP Development Platform will function as the Competitiveness Council, and at the provincial level, local Competitiveness Councils and the Entrepreneur Support Centers will be established.
27. Furthermore, the Government is also planning to establish three regional development agencies in Southeast Anatolia in 2008. Following from this, the STAP includes activities that complement and support Government's actions towards establishing regional development agencies.
28. "Formal and verifiable commitment" of the Turkish Government to the Competitiveness Agenda for the GAP Region is of particular importance, especially in the international arena. Government has recently declared its commitment via GAP Action Plan covering the period of 2008-2012.

3.2. Action 2: Pilot Investment on Renewable Energy

29. The Competitiveness Agenda places utmost importance on leveraging on the renewable energy resources of the GAP Region. High level commitment to renewable energy will have positive effects in its own right; however this commitment, complemented by the combined effect of being a practice and implementation leader in the field and of attracting world class research, will also help attracting and developing a globally leading renewable energy technology industry.
30. This approach is planned to be operationalized by facilitating a pilot investment on renewable energy in the GAP Region. The investment is planned to be made jointly by a consortium of foreign and national investors. Further progress of this initiative is subject to a market-driven research and feasibility study, which will be tabled with relevant parties (i.e. line ministries, SPO etc.) and which will generate investment interest both internationally and nationally.
31. Specific activities under this activity includes the followings:
 - 31.1. **Identification of the international investors:** As a part of the market-driven research approach, mentioned above, the investment opportunity will be promoted in such a manner that promotional activities focus on investors with a genuine interest in making an investment. Accordingly, a group of international investors will be identified through supply of professional service. These investors will initially be approached to test their interest and willingness. Those investors, who are identified by the professional service provider(s) as "worthwhile leads" will also be contacted by the GAP RDA and/or the Project Team (see p.8).
 - 31.2. **Identification of national/local partner(s):** Experience from other emerging markets suggests that the ideal pilot investment in renewable energy is a joint investment of international and local enterprises. As such, the GAP RDA and Project Team will identify national/local investors. The actual form of investment, if mobilized, will nevertheless be informed by strategies of the concerned investors.

31.3. Business brokerage activities (including meetings, workshops and feasibility studies and the like): Once the potential investors are identified, the STAP will facilitate business brokerage activities such as arranging bi- and multi-lateral meetings, feasibility studies and other supportive mechanisms. The scope of the feasibility studies will be determined by the demands of the investors.

32. Roles and responsibilities of parties are as follows:

32.1. The Project Team will focus on mobilization and delivery of specialized inputs for this particular activity group.

32.2. GAP RDA, in its role as national implementing partner, will facilitate the Project's contacts with national authorities and engaging civil society organizations (for example, chambers of commerce, industry and trade and academe). GAP RDA is also responsible for the dissemination of the project outputs with the GAP Higher Council for inter-ministerial cooperation. (see 18.3)

32.3. The short term experts will be mobilized to carry out the activities defined within the context of the project.

3.3. Action 3: Pilot Study on Organic Textile and Clothing

33. Experience of preparing the CA showed that large-scale apparel retailers are willing to source significant amounts of the orders, if the GAP Region manages to supply apparel produced organically by using renewable energy. This action item will also tackle two more segments: a mid-scale yet hi-end retailers and small-scale designers.

34. Within this action item, lists of requirements (i.e. organization, batch volumes, certification etc.) will be developed by conducting meetings and interviews with managers of the companies and/or designers to be identified. These lists will, later, be supported by market-driven research, and will also be translated into feasibility studies, which will demonstrate (a) the public/private investments that need to be made and (b) the further action items.

35. Specific activities under this activity include the followings:

35.1. Identification of target companies (retailers): As a part of the market-driven research approach, mentioned above, this particular opportunity will also be promoted in a focused manner. Accordingly, a group of enterprises will be identified with the support and facilitation of professional service provider. These investors will initially be approached by the said service provider to test their interest and willingness. Those investors, who are identified by the service provider as "worthwhile leads" will also be contacted by the GAP RDA and/or the Project Team.

35.2. Development of lists of requirements to be met by local manufacturing system: Although the production of organic apparel with renewable energy is an appealing value proposition, prior development experience in the region demonstrates that the manufacturing system of the GAP Region is not yet matured for delivering this value yet. Accordingly, the STAP will develop lists of requirements (i.e. organization, batch volumes, certification etc.) to be met by local manufacturing system. The requirements will be determined by the interested international buyers.

35.3. Business brokerage events in the GAP Region: This action item will be further supported by business brokerage activities to be held (indicatively) in the GAP Region. Other possible locations include Istanbul and Izmir, both of which host liaison offices of large-scale international buyers.

36. Roles and responsibilities of parties are as follows:

36.1. The Project Team will focus on mobilization and delivery of specialized inputs for this particular activity group.

36.2. GAP RDA, in its role as national implementing partner, will facilitate the Project's contacts with national authorities and engaging civil society organizations ((for example, chambers of commerce, industry and trade and academe). GAP RDA is also responsible for the dissemination of the project outputs with the GAP Higher Council for inter-ministerial cooperation. (see 18.3)

36.3. The short term experts will be mobilized to carry out the activities defined within the context of the project.

3.4. Action 4: Access to International Networks for Renewable Energy Research

37. This action item will target globally leading research centers on renewable energy and climate change, and will involve activities to channel research activities and pilot testing to the GAP Region. As such, this particular Action will aim at increasing GAP Region's (a) international exposure to renewable energy research network and (b) research capabilities in this specific area, including the location of research and test activities of leading international research centers in the region.

38. The earlier will require involvement of GAP RDA (and a top-notch Turkish renewable energy researcher) into the process towards organization of UN Global Climate Summit, which will be held in Denmark in 2009. STAP will facilitate participation to the preparatory conferences to be held in 2008, again in Denmark and accession into the int'l network for research on renewable energy. The latter objective, on the other hand, will be operationalized by organizing missions to renowned renewable energy labs. Such missions need to be conducted after formal adoption of the CA strategy by the Government of Turkey.

39. Specific activities under this activity includes the followings:

39.1. Establishment of initial contacts with Climate Council: The climate council in Denmark is the ideal entry for accessing key figures in the field of renewable energy and climate change. A professional service provider with the required network to include competitiveness agenda into the agenda of the climate council will help facilitate establishment of linkages and working relations.

39.2. Participation of preparatory conferences for UN Global Climate Summit: The competitiveness agenda will be promoted at the preparatory conference for UN Global Climate Summit. Most of these conferences are planned to be held in Copenhagen. The promotional activities may include organization of international missions, showcasing the Region's potential to the international research and business community.

39.3. Research Brokerage: Establishment of research bridges between the universities of GAP Region (and other national universities) and international research centers/universities has been identified as an important element of the competitiveness agenda. This action item will facilitate establishment of working relations between regional and foreign research centers. Professional service provider(s) will be mobilized to initiate working relations. This will be followed by organization of international missions.

40. Roles and responsibilities of parties are as follows:

40.1. The Project Team will focus on mobilization and delivery of specialized inputs for this particular activity group.

40.2. GAP RDA will be responsible for establishing all governmental contacts (including TUBITAK) and engaging civil society organizations (i.e. universities, research centers etc.). GAP RDA is also responsible for the dissemination of the project outputs with the GAP Higher Council for inter-ministerial cooperation. (see 18.3)

40.3. The short term experts will be mobilized to carry out the activities defined within the context of the project.

3.5. Action 5: Planning and Due Diligence

41. As noted earlier, the Competitiveness Agenda was developed with the objective of setting an overall direction and identifying overarching strategies for enhancing economic competitiveness of the Region. Increased economic competitiveness is expected to help the Region achieve higher levels of wealth and social development. Although they are achievable, the vision and strategies set forth in the Agenda are ambitious and comprehensive.

42. As such, there is a need to develop detailed action plans and conduct due diligence on the proposed initiatives. This action item will serve as the backbone of the mid-term action plan through

facilitating development of detailed action plans, managing the action plans and conducting due diligence. The due diligence process will be pursued in a market-driven manner, and will be tested in terms of their feasibility.

43. It should be noted that the due diligence mentioned above has a very specific scope and will not cover fields other than mentioned herein:

43.1. Due Diligence on Tourism Initiative: This activity will investigate possibilities to foster eco-historical or eco-cultural hi-end tourism in the Southeast Anatolia Region. This investigation will require identification of companies (tour operators) that specialize on this specific niche. If a satisfactory and visible interest is generated in the international arena, a workshop might be held in the GAP Region.

43.2. Due Diligence on International Branding: International branding is one of the key elements of the CA. The CA notes that without a diligently planned and professionally managed international branding campaign the CA will find it hard to achieve its objectives. However it is also known that such a branding initiative (to be carried out by an internationally renowned company) cannot be possibly financed within the budget of the STAP. As such the STAP will conduct a due diligence on the international branding initiative and develop a detailed proposal to GAP RDA for inclusion into the medium-term action plan. The Due Diligence on International Branding will take the wider and deeper approach to branding, one which includes assessment of social dynamics of the region and the potential of women's empowerment to contribute to the region's competitiveness.

43.3. Development of the Medium-term Action Plan: Finally the STAP will develop a medium-term action plan for furthering the competitiveness agenda. UNDP and GAP RDA will also engage in joint action to promote the mid-term action plan to secure donor funding. For the promotion of the CA to the international private donors (such Microsoft Foundation, Google.org etc.), professional service will be procured.

43.4. Feasibility Study on Energy Efficiency of Enterprises: The Project will generate a cost-benefit analysis on improving the energy efficiency of the enterprises in the Southeast Anatolia Region. This study is planned to be conducted by sampling enterprises that represent the manufacturing industry in the Region in terms of sectoral orientation.

44. Roles and responsibilities of parties are as follows:

44.1. The Project Team will focus on mobilization and delivery of specialized inputs for this particular activity group.

44.2. GAP RDA and UNDP will be responsible for establishing all governmental contacts, engaging civil society organizations and international donor organizations. GAP RDA is also responsible for the dissemination of the project outputs with the GAP Higher Council for inter-ministerial cooperation. (see 18.3)

44.3. The short term experts will be mobilized to carry out the activities defined within the context of the project.

4. Management Arrangements

4.1. Implementation Modality and Advisory Committee

45. The project is defined in the Country Program Action Plan (CPAP) in generality under CPAP Output 4.4 where the GAP RDA is designated as national executing agency. Therefore, the STAP will be managed under NEX (National Execution) Modality with GAP Regional Development Administration (GAP RDA) is the national executing agency. UNDP will assign a programme manager (UNDP staff member) and a project team (defined below). GAP RDA will assign also assign (second) a focal point from its own cadres.

46. UNDP will provide critical project implementation services to the GAP RDA spanning all input items. The ISS and GMS accruable to expenditures recorded under this project have already been credited to UNDP extra budget under the GAP GIDEM Project at a rate of 7%. Therefore, there is no additional cost recovery mechanism for administration of this project budget at hand.

47. The Advisory Committee will be composed of the representatives of the institutions listed below; and these representatives will be invited to the Advisory Committee Meetings.

- 47.1. Ministry of Industry and Trade,
- 47.2. Ministry of Tourism and Culture,
- 47.3. Ministry of Labor and Social Security
- 47.4. Ministry of Energy
- 47.5. State Planning Organization,
- 47.6. Investment Support and Promotion Agency,
- 47.7. KOSGEB (National SME Development Agency),
- 47.8. TOBB and local chambers,
- 47.9. Relevant (especially local) universities,
- 47.10. Delegation of the European Commission to Turkey.

4.2. Project Team

4.2.1 Project Director

48. Duties and Responsibilities: The Project Director (PD) will work on a part-time basis (1/4) during the entire lifespan of the Project. She/he will be in charge of the high-level planning, coordination with EU-funded projects and related UN agencies, and managing relations with the GAP RDA. He/she bears the responsibility for controlling the quality of the contractual (i.e. narrative and financial) reports. He/she will be working at the UNDP premises. He/she will report to the programme manager to be assigned and seconded by UNDP.

49. General Qualifications:

- University degree in political sciences, administrative sciences (i.e. management, economics etc.), engineering or social sciences (i.e. regional development etc.), advance degrees preferred,
- Fluency in English and Turkish,
- Computer literacy

50. Professional Experience:

- Minimum 10 years of professional experience,
- Minimum 5 years of international experience,
- Experience in enterprise and/or private sector development projects and/or programmes, funded by international donor agencies,
- Experience in working with public agencies and knowledge of the Turkish public system and roles and responsibilities of the public agencies,

- Working knowledge of EU's project cycle management approach and FAFA (Financial and Administrative Framework Agreement between EC and UNDP),
- Working knowledge of UNDP's rules and regulations regarding project management,
- Knowledge of industry of the Southeast Anatolia is a plus

4.2.2 Project Manager

51. Duties and Responsibilities: Project Manager will be assigned on a part-time (1/2) basis. He/she will maintain daily contact with the GAP RDA and will report regularly to the Project Directors. He/she will be in charge of mobilizing the international and national consultants. He/she will work in close cooperation with the assigned staff of the GAP RDA. He/she will also be responsible for the organization of the project activities in Ankara. He/she will be working at the UNDP premises.

52. General Qualifications:

- University degree in political sciences, administrative sciences (i.e. management, economics etc.), engineering or social sciences (i.e. regional development etc.), advance degrees preferred,
- Fluency in English and Turkish,
- Computer literacy

53. Professional Experience:

- Minimum 5 years of professional experience,
- Minimum 2 years of international experience,
- Experience in enterprise, private sector and/or regional development projects and/or programmes, funded by international donor agencies,
- Experience in working with public agencies and knowledge of the Turkish public system and roles and responsibilities of the public agencies,
- Knowledge of industry of the Southeast Anatolia is a plus.

4.2.3 Project Assistant (PA, 18 months, Ankara)

54. Duties and Responsibilities: The Project Assistant will report to the PM on a daily basis and will be responsible for maintenance of office accounts, including office maintenance and will provide overall executive, administrative and financial assistance to the project management. He/she will respond to all queries and instructions of the Project Manager on an ad hoc basis for sound financial reporting purposes. She/he will also provide logistical, operational and administrative support to meeting/seminar organization, including accommodation and transportation arrangements of local Project staff and short-term experts. He/she will be working at the UNDP premises.

55. General Qualifications:

- University degree in political sciences, administrative sciences (i.e. management, economics etc.), engineering or social sciences (i.e. regional development etc.), advance degrees preferred,
- Fluency in English and Turkish,
- Computer literacy

56. Professional Experience:

- Minimum 3 years of professional experience,
- Minimum 2 year of international experience,
- Experience in enterprise and/or private sector development projects and/or programmes, funded by international donor agencies,
- Experience in working with public agencies and knowledge of the Turkish public system and roles and responsibilities of the public agencies.

4.3. Reporting

57. Quarterly (narrative and financial) progress reports will be prepared and submitted by UNDP (Project Team) to the GAP RDA.

58. Regular management meetings will be held with the participation of the GAP RDA representatives and the Project Team.

5. Legal Context

59. This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together a Project Document as referred to in the Supplemental Provisions (below) and all CPAP provisions apply to this document.

60. The following types of revisions may be made to this project document with the signature of UNDP Resident Representative only, provided he or she is assured that the other signatories of the project document have "no objections" to the proposed changes:

60.1. Revisions in, or addition of, any of the annexes of Programme Support Document (with the exception of Standard Legal Text for non-SBAA countries which may not be altered and the agreement to which is a pre-condition for UNDP assistance);

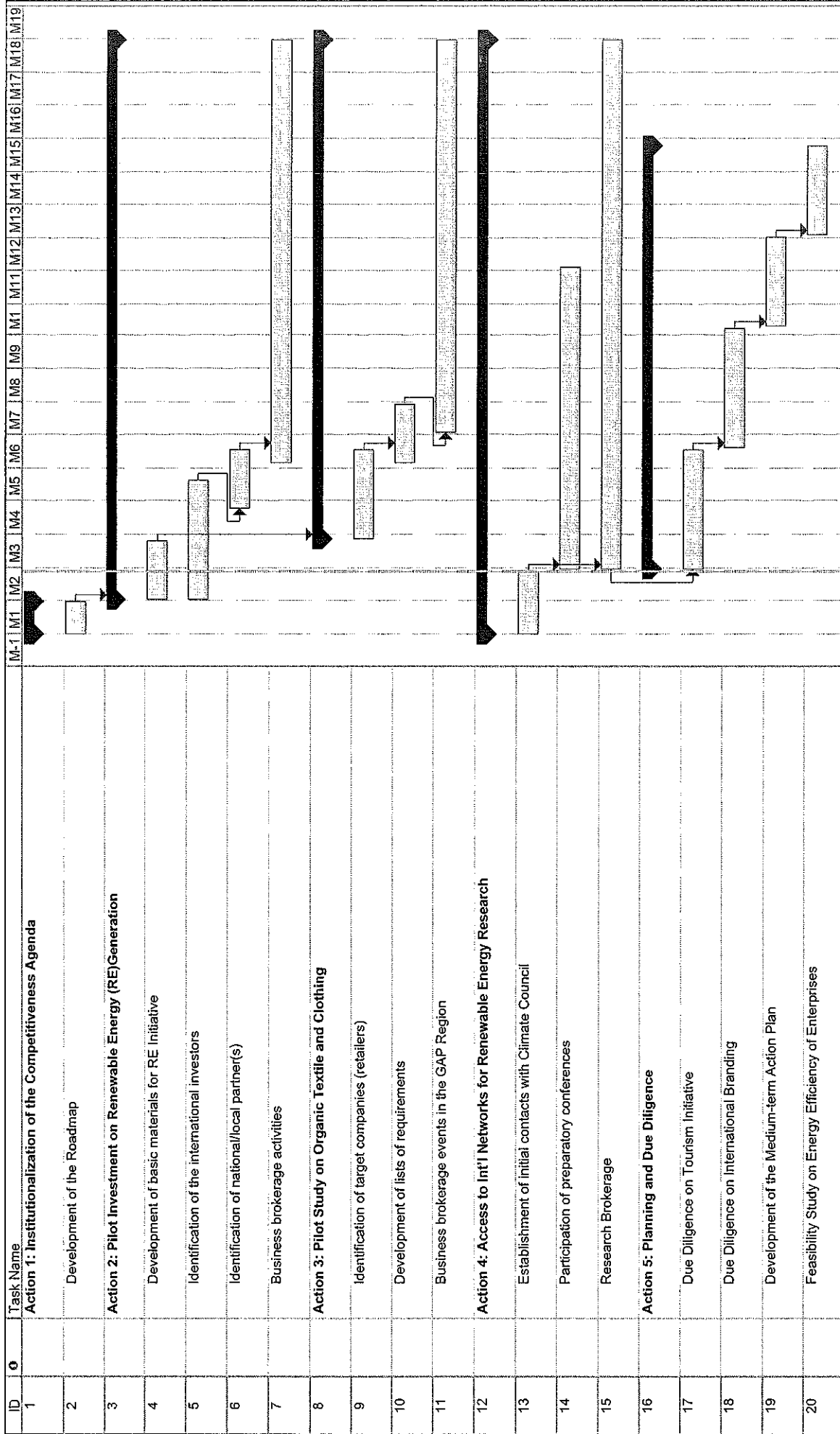
60.2. Revisions which do not involve significant changes in the Project Support Objectives, activities or outputs for the Project, but are caused by the rearrangement of inputs already agreed to or by cost increases due to the inflation; and Mandatory annual revisions which rephrase the delivery of agreed project inputs or increased expert or other costs due to inflation or to take into account agency expenditure flexibility.

61. Supplemental Provisions: Standard Legal Text for Non-SBAA Countries

62. This project document shall be implemented within the legal framework of inter alia the Revised Standard Agreement concerning Technical Assistance between the Government of Turkey and the United Nations Development Programme signed by the parties on 21 October 1965. In particular, the provision of Article V, paragraph 1, obligating the Government to apply the provisions of the Convention of Privileges and Immunities shall be deemed to apply mutatis mutandis to technical assistance carried out in accordance with this project.

Annex III - Budget

Detailed Budget (USD)	ALL YEARS (18 Months)			
	Unit	# of units	Unit rate	Costs
Expenses				
1. Human Resources				
1.1. Project Director (Ankara) (Parttime 1/4)	Per Month	18	\$2,000	\$36,000
1.2. Project Manager (Ankara) (Parttime 1/2)	Per Month	18	\$2,250	\$40,500
1.3. Project Assistant (Ankara)	Per Month	18	\$2,500	\$45,000
1.4. Senior International Consultant on Networking and Facilitation	Per Month	6	\$15,000	\$90,000
1.2. Short-term Experts				
1.2.1. International Senior STEs	Per day	200	\$600	\$120,000
1.2.2. Local Senior STEs	Per day	100	\$350	\$35,000
1.2.3. Local Junior STEs	Per day	70	\$100	\$7,000
1.3. Per Diems for Missions and Travel				
1.3.1 Abroad (staff assigned to the Action)	Per diem	120	\$200	\$24,000
1.3.2 Local (staff assigned to the Action)	Per diem	80	\$94	\$7,520
Subtotal Human Resources				\$405,020
2. Travel				
2.1. International Travel	Per flight	40	\$600	\$24,000
2.2. Local Travel	Per flight	20	\$200	\$4,000
Subtotal Travel				\$28,000
3. Equipment and supplies*				
3.1. Rent of vehicle	Per Month	0	\$1,000	\$0
3.2. Office furniture (detailed in annotated budget)				
3.2.1 Personal office furniture	per person	0	\$450	\$0
3.2.2 Shared office furniture	Per Office	0	\$5,000	\$0
3.3. Office automation equipment (detailed in annotated budget)				
3.3.1 Personal computers, laptops, flash memory	per person	0	\$1,200	\$0
3.3.2 Shared office automation equipment	Per Office	1	\$2,250	\$2,250
3.4. Ready-made software (office applications, antivirus)	per person	0	\$500	\$0
Subtotal Equipment and Supplies				\$2,250
4. Local office				
4.1. Office rent	per month	18	\$750	\$13,500
4.2. Consumables - office supplies	per month	18	\$350	\$6,300
4.3. Other services (tel/fax, electricity/heating, maintenance)	per month	18	\$400	\$7,200
4.4. Office Wiring and Connections	per m ²	100	\$16	\$1,600
4.5. Vehicle Costs (maintenance and gas)	per month	0	\$200	\$0
Subtotal Local Office				\$28,600
5. Other Costs, Services				
5.1. Publications (booklets etc.)	publications	2	\$5,000	\$10,000
5.2. Visibility	lump sum	1	\$5,000	\$5,000
5.2. Study Tours (visa, registration fee, customs exit fee etc.)	per participant	8	\$500	\$4,000
5.3. Translation (documents)	Per Page	100	\$10	\$1,000
5.4. Sectoral/ Regional Workshops	per event	5	\$2,500	\$12,500
Subtotal Other Costs, Services				\$32,500
6. Other				
Subtotal Other				\$0
7. Subtotal direct eligible costs of the Action (1-6)				\$496,370
8. Provision for contingency reserve (up to 5%)				\$19,630
9. Total direct eligible costs of the Action (7+ 8)				\$516,000
10. Administrative costs (7% of 9, as per FAFA)				\$36,120
11. Total eligible costs (9+10)				\$552,120



Project: competitiveness agenda time Date: Fri 6/27/08	Task	Milestone	External Tasks
	Split	Summary	External Milestone
	Progress	Project Summary	Deadline