



**Country: Turkey**  
**Project Document**

**Project Title**

**Harnessing Financial Awareness among Young men women**

**UNDAF Outcome(s):**

3.1 By 2010, a more protective environment established for women and children including adolescents and youth to claim and fully enjoy their rights.

**Expected CP Outcome(s):**

*(Those linked to the project and extracted from the CPAP)*

1.2. Platforms of action for civil society and popular participation in local governance structures established and supported

**Expected Output(s):**

*(Those that will result from the project and extracted from the CPAP)*

Financial awareness increased among young people in equal numbers among young men and women

**Implementing Partner:**

**Youth Association for Habitat**

**Responsible Parties:**

**Youth Association for Habitat, UNDP, VISA EUROPE**

**Brief Description**

The Project aims to increase the financial management capabilities of young people in Turkey. A contemporary, non-formal training curriculum on budgeting and financial management will be established and multiplied among young people in Turkey via local youth councils in 15 cities using a peer education model and e-learning tools. The project will serve for the socio - economic empowerment of youth and will significantly contribute to the implementation and realization of UN Youth Policies as well as UN Millennium Development Goals.

<p>Programme Period: <b>2006-2010</b>          Key Result Area (Strategic Plan): Citizens' participation, especially of vulnerable groups, in policy dialogue increased through enhanced access to information</p> <p>Atlas Award ID: _____</p> <p>Start date: <b>October 2009</b>          End Date: <b>October 2010</b>          LPAC Meeting Date</p> <p>Management Arrangements: <b>NIM</b></p>	<p>2009 AWP budget: <b>USD 111,200</b></p> <p>Total resources required: <b>USD 111,200</b>          Total allocated resources: <b>USD 111,200</b>              VISA Europe: <b>USD 111,200</b></p> <p>GMS Rates:          VISA Europe: <b>7%</b>                                            <b>USD 7,784</b></p>
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**H. Avni AKSOY**  
**Head of Department** *Ankara*  
**Multilateral Economic Affairs**

16 Kasım 2009

Agreed by Government of Turkey: *[Signature]*

Agreed by UNDP: *[Signature]*

Agreed by YFH (Implementing Partner): *[Signature]*

## I. SITUATION ANALYSIS

### A. Problem to be addressed:

Half of Turkey's population is under 28 years of age, representing almost 35 million people. This demographic profile combined with information on employability and income suggests that Turkey's youth, especially those in the country's less developed regions, do not enjoy the same financial and intellectual opportunities available to their peers in other countries. Social and economic disparities have their effects on the quality of life of the young men and women. Factors such as the low levels and quality of education, lack of equal access to education (especially among young women), high and rising youth unemployment figures, high prevalence of violence amongst and against the youth are some serious causes for concern. Most importantly, these issues will cause long-term development challenges for Turkey if they are not addressed.

Scarce socio-economic opportunities provided for young people are further limited due to the inadequate knowledge of budgeting and financial management skills. Young people rarely make a financial plan nor balance their income and spending to secure their financial future.

The general population of Turkey and especially its young men and women, lack viable information to make wise investment decisions such as how one calculates their disposable income; makes a short-term and long-term financial budget; files their taxes or simply understand basic economic and financial terminology. They also lack knowledge on how to use financial investment tools which could end up with a young population undertaking risky financial decisions.

An important issue which has also attracted a lot of attention in light of the recent global economic environment is the national personal savings rates. The personal savings rate (PSD) is defined as disposable income less consumption expenditures, all divided by disposable income – meaning that a negative PSD means that the individual is spending more than their income after taxes.

When macro-economic data on Turkey is analyzed, it is observed that due to the insufficiency of the savings, the major part of consumption is made through the use of foreign sources. In the last couple of years, attractive credit and installment opportunities have encouraged unsound spending decisions made by the Turkish households. Considering that the new economic boom environment that has formed after the 2001 crisis, the consumption as well as going into debt has increased tremendously in Turkey. Based on the data provided by the Bank Regulation Committee, Turkish households are indebted by 25% of their income. Moreover, based on the Turkish Statistical Institute data, the estimated personal savings rate of Turkey fell under %12 levels in the years 2005 and 2006 (compared with the last 20 year average of %16.7) and is now around 14.3%. On the other hand, the average the national (both public and private) savings rate is around %17. When this figure is compared with the world average (upward trend of %23,8 in 2008), with the developing Asian countries' average (%44,7) and with the Middle Eastern petrol-rich countries' average (increased from %25-27 levels to almost 50% level in 2008), it is seen that the savings rate in Turkey is very low.

Economic experts specifically points out that the personal sector savings rate is below the average among the developing countries and indicate that this level creates vulnerabilities in the economy. They all agree that for a more sustainable economy, the personal saving rates should increase.

As in some country cases, having large and wide-spread negative personal savings rates can be detrimental to a country's economy. To teach the young men and women in Turkey, who will be tomorrow's leaders and managers, how to make sound personal investment decisions, would have a positive impact on the Turkish economy for the years to come.

According to the UN's Common Country Assessment (CCA) for 2006-2010, the Turkish young men and women are rarely trained in the basic 'life skills' or provided with accurate information. Skills-based education topics are not covered in the mainstream education curriculum or addressed by parents. However, it is essential that children and youth be empowered and equipped with new knowledge and life skills, which would also assist the government in reducing constraints on the national social and health systems. Investing in children and the youth would promote their healthy development and support economic and social progress. For these reasons it is deemed essential to inform children and young men and women of their rights, give them access to information and educational services, and promote a gender equitable, protective and enabling environment. They should be able to participate in the empowering social and economic processes and realize their potential as agents for social change.

Through the Local Agenda 21 Programme, the United Nations Development Programme (UNDP) and the Youth Association for Habitat are engaged in addressing many of the challenges facing Turkey's young men and women. In response to the global mandate, as contained in Chapter 28 of Agenda 21, the Local Agenda 21 (LA21) Program was launched in 1997 in Turkey under the auspices of the UNDP and coordinated by United Cities and Local Governments - Middle East and West Asia Section. Within the scope of the LA21 program, local youth platforms have been established throughout the country with the coordination of the Youth Association for Habitat (YfH). These efforts encompassed the establishment of local youth councils and youth centers. Local Youth Councils bring representatives of youth NGOs, as well as students and employed and unemployed young men and women together at provincial level. These platforms raise awareness on youth related issues, encourage young men and women participation in decision-making, and create an inclusive platform for people of different backgrounds to come together, share common values, and identify solutions to shared concerns.

The youth component of the LA21 program manifests an outstanding performance in terms of mobilizing the young men and women at local, regional and national levels. Local youth councils have established a nationwide network and have started to come together in regional and national programs. They have been in close interaction with the youth throughout the world in various occasions, raising the profile of Turkey's youth.

The efforts of local youth platforms have been directed towards addressing development challenges including the promotion of key principles and values. These platforms have been a motivation to achieve individual capacity building and mobilize young men and women for increased social responsibility and improvement of the quality of life in the cities, sustainability and governance.

Moreover, Paragraph (f) of Chapter 25 of Agenda 21 globally urges UN member states to "establish task forces that include youth and youth non-governmental organizations to develop educational and awareness programs specifically targeted to the youth population on critical issues pertaining to them. These task forces should use formal and non-formal educational methods to reach a maximum audience. National and local media, non-governmental organizations, businesses and other organizations should assist in these task forces".

With this framework in mind, through this project UNDP, State Planning Organization, VISA Europe, the Youth Association for Habitat and local youth councils will come together with

the objective of creating a sustainable environment for an internationally recognized non-formal education on financial management and budgeting for the young men and women in Turkey and in the region. The "Harnessing Financial Awareness among Youth" Project aims at assisting young boys and girls to ensure a planned and secure financial future.

## **B. Relevance to the Country Programme:**

The UN system in Turkey, through its Common Country Assessment (CCA) for 2006 to 2010, highlights the importance of the skills-based education which is not widely available through formal or informal educational activities. It suggests that investing in young men and women development through a quality-based education, Turkey can achieve a globally competing, democratic, technologically-advanced, and EU candidate member society.

This analysis is reflected in the UN system's UN Development Assistance Framework (UNDAF 2006 - 2010) in Turkey, through which the UN System recognizes the shortcomings in policies and actions targeting young men and women, and urges the UN agencies to focus on awareness raising and capacity building activities to support the Government in formulating necessary legislation including plans and policies that will contribute to the social and economic status of youth and children together with women. The UNDAF also highlights that the UN System will build partnerships with the private sector in achieving its outcomes.

Youth is also given special importance in the UNDP's Country Program Document (CPD) for 2006 to 2010. In Country Program Outcome 1.1, it is targeted to expand capacity building activities to youth groups and strengthen young men and women and children platforms to promote and substantiate Millennium Development Goals (MDGs) and World Summit on Sustainable Development Plan of Implementation at local level. Likewise, in Output 3.1 UNDP is committed to advocate for and support development of action plans and policies for youth and against gender-based violence in line with international instruments. Moreover, UNDP in globally and UNDP in Turkey mention the importance of supporting the achievement of the MDGs, including Goal 8 on global partnership, which specifically highlights the role of the private sector in addressing issues facing young men and women.

The Ninth Development Plan<sup>1</sup> of Turkey covering the period 2007-2013 emphasizes the importance of youth, and calls for increased opportunities for youth to actively involve in the country's development. The Plan suggests encouraging private sector to invest in improving service quality for youth with the respect for the principle of equal opportunities.

Finally, Turkey's National Report and Plan of Action for Habitat II analyze the major problems in human settlements with regard to sustainability, livelihoods and including gender equality. Despite a successful Habitat II experience, local administrations responsible for the development of human settlements, wider governance, transparency and public participation in local affairs, continue to need further support.

## **II. Strategy**

Project partners, working with an expert on financial management, will prepare a training curriculum of the project. The curriculum will cover trainings on budgeting; financial-planning and management; personalizing credit cards; loans; good credit standing; the effects of financial awareness on sustainable development. The know-how of VISA Europe and its member banks will be utilized at developing and providing project trainings.

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<sup>1</sup> [http://www2.dpt.gov.tr/konj/DPT\\_Tanitim/pdf/Ninth\\_Development\\_Plan.pdf](http://www2.dpt.gov.tr/konj/DPT_Tanitim/pdf/Ninth_Development_Plan.pdf)

Members from the Training and Coordination Group of the National Youth Parliament and representatives of 15 local youth council will receive trainers' trainings on Hence, the project will establish a task force composed of 60 young volunteers on financial awareness. 60 volunteer trainers of the project will be selected from local youth councils in project cities; 50% 50% gender equality will be granted among volunteer trainers who will be university graduates or students and who will be able to present good level of communication and presentation skills.

The project will be implemented in 15 cities from each 7 geographical region in the country:

Marmara Region: Istanbul, Bursa, Kocaeli

Black Sea Region: Trabzon, Samsun

Central Anatolia Region: Eskişehir, Ankara

Mediterranean Region: Antalya, Adana

Aegean Region: İzmir, Denizli

East Anatolian Region: Erzurum, Malatya

South East Anatolian Region: Gaziantep, Diyarbakır

Above listed cities are mainly metropolitan regions where youth population is comparatively higher than other cities in the given geographical region.

The task force of the project will be responsible for raising awareness on securing financial well-being amongst local communities, providing trainings on financial management for the members of their own local youth councils, which cover high schools and university students, members and target groups of youth NGOs, and unorganized youth. The task force will also be responsible for advocating the concerned subject matter at national and local media, non-governmental organizations, local governments, businesses and other organizations.

Furthermore, the [www.paraniyonet.com](http://www.paraniyonet.com) web site of VISA Europe and the [www.ulusalgenclikparlamentosu.net](http://www.ulusalgenclikparlamentosu.net) web portal of the National Youth Parliament will be the focal online training mechanisms of the project. Online training curriculum and simulation games on financial management will be used to increase awareness.

The project will provide trainings to 6,000 young people from project cities. The target group of the project will be composed of young people between the ages of 15 and 30. 50% 50% gender equality will be granted among the trainees of the project. Besides, the target group will be categorized into three sub-groups; the first sub-group will include young people at the ages of 15 and 18, the second sub-group will include young people between 18 and 30 years old who are students and the third sub-group will include young people between 18 and 30 years old who are employees.

60,000 people will be informed by the project through the website and awareness building activities conducted in the Universities and other local civic platforms. The impact analysis of the project will be realized via pre and post tests. The outcome of the project and the results of the impact analysis will be provided to the government as a policy recommendation on financial awareness. Gender equality consideration will be assured throughout policy formation.

### III. Results and Resources Framework

Output indicator as stated in the Country Programme Results and Resources Framework, including baseline and target: Establishment of secure financial lives of young people in Turkey			
Applicable MYFF Service Line:			
Project title and ID:			
Intended Output	Output Targets for 2009	Indicative Activities	Inputs
Financial awareness increased among young men and women.	1. Awareness raising among young men and women	1.1.1. Tool kit of the training on finance management, including the curriculum and visuals will be prepared	Travels for project implementation
	1.1. Local awareness raising activities including advocacy in project cities and webpage developed	1.1.2. A training of trainers program to create a local trainers team will be organized	Project Management Unit (2000 x 12 month)
	2. 6.000 young people capable of budgeting	2.1.1 Panels, project presentations and meetings will be organized by local trainers	Training of Trainers
	2.1 A national training of trainers	2.2.1. The training programs will be provided by the local training team to the selected number of young people.	National Coordination Meeting
	2.2. Local trainings of members of local youth councils	3.1.1. Creation of a project group at National Youth Parliament's web portal	Visibility materials
	3. 60 young trainer	3.1.2 Coordination meeting will bring local trainers and project partners together	Kit - Publication
	3.1. A national coordination meeting with the participation of project partners and volunteer trainers		Training Curriculum
			Laptop
			Reporting & Audit
			Social Impact Study
		NGO Execution Fee	
		GMS	
		TOTAL	

2,700.00  
24,000.00  
25,000.00  
10,000.00  
2,500.00  
2,500.00  
10,000.00  
1,500.00  
3,216.00  
15,000.00  
7,000.00  
7,784.00  
111,200

## IV. Annual Work Plan

Year: 2009

EXPECTED OUTPUTS <i>And baseline, indicators including annual targets</i>	PLANNED ACTIVITIES <i>List activity results and associated actions</i>	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		Funding Source	Amount
Financial awareness increased among young men and women	1.1.1. Tool kit of the training on finance management, including the curriculum and visuals will be prepared					VISA Europe	Travels for project implementation	2,700.00
	1.1.2. A training of trainers program to create a local trainers team will be organized						Project Management Unit (2000 x 12 month)	24,000.00
	2.1.1. Panels, project presentations and meetings will be organized by local trainers						Training of Trainers	25,000.00
	2.2.1. The training programs will be provided by the local training team to the selected number of young people.						National Coordination Meeting	10,000.00
	3.1.1. Creation of a project group at National Youth Parliament's web portal						Visibility materials	2,500.00
	3.1.2. Coordination meeting will bring local trainers and project partners together						Training Curriculum	10,000.00
							Kit - Publication	2,500.00
							Laptop	1,500.00
							Reporting & Audit	3,216.00
							Social Impact Study	15,000.00
						NGO Execution Fee	7,000.00	
						UNDP GMS	7,784.00	
<b>TOTAL</b>								<b>111,200.00</b>

## V. Management Arrangements

### Stakeholders/ Institutional Framework:

The efforts for the advancement of socio-economic development for young men and women need to be complemented by the implementation of strategies based on a multi-stakeholder approach and innovative partnerships to expand dialogue and connect people to development situations. Therefore the institutional framework has been built around a multi-stakeholder partnership with responsibilities defined for each institution as below:

#### *Youth Association for Habitat:*

Youth for Habitat is an international youth network that is established during the 1995 Copenhagen Social Development Summit with the participation of 300 youth organizations with diverse religious, racial, cultural and national backgrounds. Youth Association for Habitat has served as the Secretariat of Youth for Habitat International Network. Its main mission is to increase youth awareness for sustainable development and livable environment, and young men and women participation in decision making; to develop partnerships among youth; to enable youth to establish partnerships with the governments, local authorities and the private sector; to follow up and increase the participation of young men and women in the international youth related events of the United Nations, Council of Europe and European Union; to improve networking among youth groups; to increase access to ICTs and information; and to develop training programmes.

The Association facilitates youth component of the Local Agenda 21 Programme in Turkey, the establishment and work of local youth councils and National Youth Parliament. Through Local Agenda 21 Programme, Youth for Habitat has established partnerships with local governments, hence municipalities provide technical support including providing conference rooms, local travel, PR for free of charge for the work of the Association.

#### *National Youth Parliament:*

National Youth Parliament is the national network of local youth councils established within the framework of Article 76 of the Municipality Law, City Council Regulation as well as the Local Agenda 21 Programme Turkey. National Youth Parliament raise awareness on youth related issues, encourage youth participation in decision-making, create an inclusive platform for people of different backgrounds to come together and share common values and promote the establishment of an integrated youth policy in Turkey. Special youth programs to accommodate the needs of the youth have been launched by the National Youth Parliament.

The network, currently encompassing over local youth councils from 73 cities and 92 provinces, bring together representatives of high school student unions, university student councils; local, regional and national youth organizations as well as employed, unemployed and unorganized Youth.

#### *VISA Europe:*

VISA Europe is a membership association - an organization owned and operated by its 4,500 European member banks. As a dedicated European organization it is able to respond quickly to the specific market needs of European banks and their customers - cardholders and retailers, and to meet the European Commission's objective to create a true internal market for payments VISA Europe is a part owner of VISA Europe International, the organization that ensures global interoperability of products as well as management of the VISA Europe brand. Globally VISA Europe is one of the world's leading payment brands and has unsurpassed acceptance at approximately 24 million acceptance locations including one million ATMs. VISA Europe is the



main donor of the project. VISA Europe also applies its know-how to the project implementation and mobilizes the banks for their inputs on trainings.

*UNDP:*

UNDP as a global UN development actor has been supporting proven solutions in developing countries to the common development challenges of the urbanizing world. It promotes the practical ways in which public, private and civil society sectors work together to improve governance, eradicate poverty, provide access to shelter, land and basic services, protect the environment and support sustainable development.

UNDP activities for urban areas have been on three main strategic issues, namely: urban governance, urban environment and policy advisory services. In order to achieve these strategic priorities UNDP supports urban development cooperation activities at the global, regional and local levels.

On governance, UNDP promotes policies to increase the accessibility by poor and excluded groups, especially women, to the options offered by cities and towns and their participation in setting priorities. Innovative use of information and communications technology to support good governance is a UNDP priority. UNDP supports new technologies and approaches that can offer solutions to environmental challenges and also generate jobs and economic opportunities. UNDP also helps strengthen local community based groups and NGOs through advisory services and capacity building initiatives.

The project will be subject to NIM Audit, and related costs will be charged against the project budget

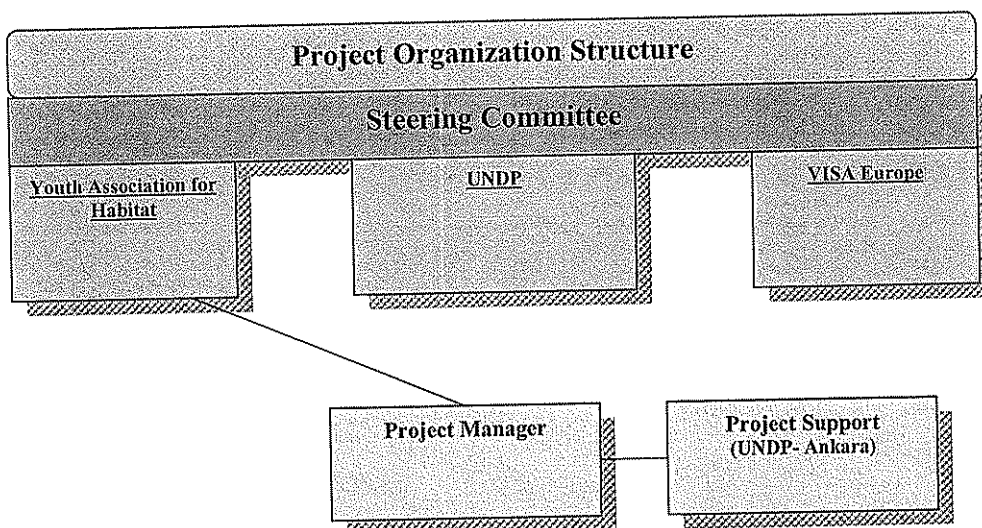
**Executing Agency:**

The project will be executed by Youth Association for Habitat, which will be the responsible agent for the management of the Project. YfH will carry all administrative, technical, financial and secretarial functions.

The project will be coordinated by the Director of YfH. He/She will be fully responsible for the coordination of the project and will ensure the intended outputs that are achieved within their timetable. He will consult and cooperate with the UNDP Istanbul Office Coordinator for the success and the realization of the project in accordance with the expectations of UNDP. The project will be managed by a project manager who will work for YfH. The Project Steering Committee (PSC) will be established by the project partners to provide assistance and support during the implementation of the project.

The Youth Association for Habitat will facilitate, guide and coordinate all relations with the local youth councils and the National Youth Parliament.

## Project Organisation Structure and Roles and Responsibilities



### Beneficiaries:

The primary direct beneficiaries of the project will be the high school and university students, youth NGOs, young representatives of public institutions, neighborhood headings and unorganized young men and women between the ages of 15 and 30.

### Duration:

The duration of the project is 12 months, between September 2009 and September 2010.

## VI. Monitoring Framework and Evaluation

The project will be monitored jointly by the Project Steering Committee (PSC). PSC will meet six monthly bases during the lifetime of the project to examine the implementation of the project and to provide guidance and support to the project management. PSC will consist of the State Planning Organization, UNDP Turkey, VISA Europe and YFH. (See Annex III)

### Within the annual cycle

- On a quarterly basis, a quality assessment shall record progress towards the completion of key results,
- An Issue Log shall be activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted, 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 Project Progress Reports (PPR) shall be submitted by the Project Manager to the Steering Committee through Project Assurance, using the standard report format available in the Executive Snapshot.
- 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

#### Annually

- **Annual Review Report.** An Annual Review Report shall be prepared by the Project Manager and shared with the Project Steering Committee. 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 Project Steering Committee 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.

## VII. Legal Context

This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together the instrument envisaged in the Supplemental Provisions to the Project Document, attached hereto.

Consistent with the above Supplemental Provisions, 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.

The implementing partner shall:

- a) 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;
- b) 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 this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the 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/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

## ANNEX I

### Terms of Reference of the Project Coordinator

- The Project Coordinator ensures the coordination of project inputs and outputs between the YFH and the State Planning Organization (SPO), on the one hand, and UNDP on the other.
- Maintains close contacts with UNDP indicating foreseeable changes in work-plan and proposing realistic amendments and budget revisions.
- Ensures that suitable working conditions are maintained at the duty station for project management and that project manager performs in accordance with his/her job description.
- Monitors progress of the project according to the work-plan and informs UNDP in time of any foreseeable delays.
- Ensures that the respective interest, active involvement and contributions of all project partners are sustained through the project period.
- Ensures that project activities are conducted and concluded in a timely, satisfactory and coordinated manner.
- Ensures compliance with UNDP's NIM procedures.
- Ensures gender sensitivity in the implementation, monitoring and evaluation of all activities related to the project
- Facilitates procurement of goods and services and recruitment of project personnel in accordance with UNDP rules and regulations.
- Develops and oversees monitoring and evaluation efforts.

## ANNEX II

### Terms of Reference for the Project Manager (PM)

The Project Manager is responsible for day-to-day management of the project activities. He/she also provides technical and administrative support to the project activities. More specifically, his/her responsibilities are as following:

- Ensures the timely and effective management of the activities as scheduled;
- Prepares technical, policy and briefing papers as requested;
- Helps organize the scheduled trainings/consultations/workshops and Steering Committee meetings;
- Prepares quarterly progress report of the activities performed;
- Controls the expenditures and otherwise ensure adequate management of the resources provided;
- Coordinates and supports the work of all local multipliers;
- Interacts closely with all relevant stakeholders and the Steering Committee members;
- Facilitate, guides and organizes all relations with the local administrations, and governors within the target regions;
- Facilitates the relations with the project assistants and coordinates their work in the villages;
- Ensures gender sensitivity in the implementation, monitoring and evaluation of all activities related to the project
- Fosters/facilitates and establishes and maintains links with other UNDP, SPO or VISA Europe's budget management related national and international projects;
- Regularly reports to the steering committee.

### **ANNEX III**

#### **Terms of Reference for the Project Steering Committee (PSC)**

The duties and operating rules of the above PSC are as following:

- PSC provides guidance and support to the project management and counterparts during the implementation process of all project activities.
- PSC will oversee monitoring and evaluation of the project, and make necessary comments on the curriculum developed by the YFH, UNDP, SPO, MFA and VISA Europe;
- PSC regularly receives information on the status of the implementation of the project activities and problems encountered;
- PSC meets two times during the project lifetime. In special cases the PSC shall meet upon the initiative of the Project Manager;
- PSC will operate on the basis of consensus in accordance with its Rules of Procedure agreed on its first session.

## ANNEX IV

### Risk Log:

1. **Economical:** Due to the current economic and financial climate, there is a risk of continuing the project should the donor not be able to provide promised financial support.



Standard annex to project documents for use in countries which are not parties to the Standard Basic Assistance Agreement (SBAA)

Standard Text: Supplemental Provisions to the Project Document:  
The Legal Context

General responsibilities of the Government, UNDP and the executing agency

1. All phases and aspects of UNDP assistance to this project shall be governed by and carried out in accordance with the relevant and applicable resolutions and decisions of the competent United Nations organs and in accordance with UNDP's policies and procedures for such projects, and subject to the requirements of the UNDP Monitoring, Evaluation and Reporting System.
2. The Government shall remain responsible for this UNDP-assisted development project and the realization of its objectives as described in this Project Document.
3. Assistance under this Project Document being provided for the benefit of the Government and the people of (the particular country or territory), the Government shall bear all risks of operations in respect of this project.
4. The Government shall provide to the project the national counterpart personnel, training facilities, land, buildings, equipment and other required services and facilities. It shall designate the Government Co-operating Agency named in the cover page of this document (hereinafter referred to as the "Co-operating Agency"), which shall be directly responsible for the implementation of the Government contribution to the project.
5. The UNDP undertakes to complement and supplement the Government participation and will provide through the Executing Agency the required expert services, training, equipment and other services within the funds available to the project.
6. Upon commencement of the project the Executing Agency shall assume primary responsibility for project execution and shall have the status of an independent contractor for this purpose. However, that primary responsibility shall be exercised in consultation with UNDP and in agreement with the Co-operating Agency. Arrangements to this effect shall be stipulated in the Project Document as well as for the transfer of this responsibility to the Government or to an entity designated by the Government during the execution of the project.

7. Part of the Government's participation may take the form of a cash contribution to UNDP. In such cases, the Executing Agency will provide the related services and facilities and will account annually to the UNDP and to the Government for the expenditure incurred.

(a) Participation of the Government

1. The Government shall provide to the project the services, equipment and facilities in the quantities and at the time specified in the Project Document. Budgetary provision, either in kind or in cash, for the Government's participation so specified shall be set forth in the Project Budgets.
2. The Co-operating Agency shall, as appropriate and in consultation with the Executing Agency, assign a director for the project on a full-time basis. He shall carry out such responsibilities in the project as are assigned to him by the Co-operating Agency.
3. The estimated cost of items included in the Government contribution, as detailed in the Project Budget, shall be based on the best information available at the time of drafting the project proposal. It is understood that price fluctuations during the period of execution of the project may necessitate an adjustment of said contribution in monetary terms; the latter shall at all times be determined by the value of the services, equipment and facilities required for the proper execution of the project.
4. Within the given number of man-months of personnel services described in the Project Document, minor adjustments of individual assignments of project personnel provided by the Government may be made by the Government in consultation with the Executing Agency, if this is found to be in the best interest of the project. UNDP shall be so informed in all instances where such minor adjustments involve financial implications.
5. The Government shall continue to pay the local salaries and appropriate allowances of national counterpart personnel during the period of their absence from the project while on UNDP fellowships.
6. The Government shall defray any customs duties and other charges related to the clearance of project equipment, its transportation, handling, storage and related expenses within the country. It shall be responsible for its installation and maintenance, insurance, and replacement, if necessary, after delivery to the project site.
7. The Government shall make available to the project - subject to existing security provisions - any published and unpublished reports, maps, records and other data which are considered necessary to the implementation of the project.

8. Patent rights, copyright rights and other similar rights to any discoveries or work resulting from UNDP assistance in respect of this project shall belong to the UNDP. Unless otherwise agreed by the Parties in each case, however, the Government shall have the right to use any such discoveries or work within the country free of royalty and any charge of similar nature.

9. The Government shall assist all project personnel in finding suitable housing accommodation at reasonable rents.

10. The services and facilities specified in the Project Document which are to be provided to the project by the Government by means of a contribution in cash shall be set forth in the Project Budget. Payment of this amount shall be made to the UNDP in accordance with the Schedule of Payments by the Government.

11. Payment of the above-mentioned contribution to the UNDP on or before the dates specified in the Schedule of Payments by the Government is a prerequisite to commencement or continuation of project operations.

(b) Participation of the UNDP and the executing agency

1. The UNDP shall provide to the project through the Executing Agency the services, equipment and facilities described in the Project Document. Budgetary provision for the UNDP contribution as specified shall be set forth in the Project Budget.

2. The Executing Agency shall consult with the Government and UNDP on the candidature of the Project Manager a/ who, under the direction of the Executing Agency, will be responsible in the country for the Executing Agency's participation in the project. The Project Manager shall supervise the experts and other agency personnel assigned to the project, and the on-the-job training of national counterpart personnel. He shall be responsible for the management and efficient utilization of all UNDP-financed inputs, including equipment provided to the project.

3. The Executing Agency, in consultation with the Government and UNDP, shall assign international staff and other personnel to the project as specified in the Project Document, select candidates for fellowships and determine standards for the training of national counterpart personnel.

4. Fellowships shall be administered in accordance with the fellowships regulations of the Executing Agency.

a/ May also be designated Project Co-ordinator or Chief Technical Adviser, as appropriate.

5. The Executing Agency may, in agreement with the Government and UNDP, execute part or all of the project by subcontract. The selection of subcontractors shall be made, after consultation with the Government and UNDP, in accordance with the Executing Agency's procedures.
6. All material, equipment and supplies which are purchased from UNDP resources will be used exclusively for the execution of the project, and will remain the property of the UNDP in whose name it will be held by the Executing Agency. Equipment supplied by the UNDP shall be marked with the insignia of the UNDP and of the Executing Agency.
7. Arrangements may be made, if necessary, for a temporary transfer of custody of equipment to local authorities during the life of the project, without prejudice to the final transfer.
8. Prior to completion of UNDP assistance to the project, the Government, the UNDP and the Executing Agency shall consult as to the disposition of all project equipment provided by the UNDP. Title to such equipment shall normally be transferred to the Government, or to an entity nominated by the Government, when it is required for continued operation of the project or for activities following directly therefrom. The UNDP may, however, at its discretion, retain title to part or all of such equipment.
9. At an agreed time after the completion of UNDP assistance to the project, the Government and the UNDP, and if necessary the Executing Agency, shall review the activities continuing from or consequent upon the project with a view to evaluating its results.
10. UNDP may release information relating to any investment oriented project to potential investors, unless and until the Government has requested the UNDP in writing to restrict the release of information relating to such project.

#### Rights, Facilities, Privileges and Immunities

1. In accordance with the Agreement concluded by the United Nations (UNDP) and the Government concerning the provision of assistance by UNDP, the personnel of UNDP and other United Nations organizations associated with the project shall be accorded rights, facilities, privileges and immunities specified in said Agreement.
2. The Government shall grant UN volunteers, if such services are requested by the Government, the same rights, facilities, privileges and immunities as are granted to the personnel of UNDP.

3. The Executing Agency's contractors and their personnel (except nationals of the host country employed locally) shall:

- (a) Be immune from legal process in respect of all acts performed by them in their official capacity in the execution of the project;
- (b) Be immune from national service obligations;
- (c) Be immune together with their spouses and relatives dependent on them from immigration restrictions;
- (d) Be accorded the privileges of bringing into the country reasonable amounts of foreign currency for the purposes of the project or for personal use of such personnel, and of withdrawing any such amounts brought into the country, or in accordance with the relevant foreign exchange regulations, such amounts as may be earned therein by such personnel in the execution of the project;
- (e) Be accorded together with their spouses and relatives dependent on them the same repatriation facilities in the event of international crisis as diplomatic envoys.

4. All personnel of the Executing Agency's contractors shall enjoy inviolability for all papers and documents relating to the project.

5. The Government shall either exempt from or bear the cost of any taxes, duties, fees or levies which it may impose on any firm or organization which may be retained by the Executing Agency and on the personnel of any such firm or organization, except for nationals of the host country employed locally, in respect of:

- (a) The salaries or wages earned by such personnel in the execution of the project;
- (b) Any equipment, materials and supplies brought into the country for the purposes of the project or which, after having been brought into the country, may be subsequently withdrawn therefrom;
- (c) Any substantial quantities of equipment, materials and supplies obtained locally for the execution of the project, such as, for example, petrol and spare parts for the operation and maintenance of equipment mentioned under (b), above, with the provision that the types and approximate quantities to be exempted and relevant procedures to be followed shall be agreed upon with the Government and, as appropriate, recorded in the Project Document; and

(d) As in the case of concessions currently granted to UNDP and Executing Agency's personnel, any property brought, including one privately owned automobile per employee, by the firm or organization or its personnel for their personal use or consumption or which after having been brought into the country, may subsequently be withdrawn therefrom upon departure of such personnel.

6. The Government shall ensure:

(a) prompt clearance of experts and other persons performing services in respect of this project; and

(b) the prompt release from customs of:

(i) equipment, materials and supplies required in connection with this project; and

(ii) property belonging to and intended for the personal use or consumption of the personnel of the UNDP, its Executing Agencies, or other persons performing services on their behalf in respect of this project, except for locally recruited personnel.

7. The privileges and immunities referred to in the paragraphs above, to which such firm or organization and its personnel may be entitled, may be waived by the Executing Agency where, in its opinion or in the opinion of the UNDP, the immunity would impede the course of justice and can be waived without prejudice to the successful completion of the project or to the interest of the UNDP or the Executing Agency.

8. The Executing Agency shall provide the Government through the resident representative with the list of personnel to whom the privileges and immunities enumerated above shall apply.

9. Nothing in this Project Document or Annex shall be construed to limit the rights, facilities, privileges or immunities conferred in any other instrument upon any person, natural or juridical, referred to hereunder.

#### Suspension or termination of assistance

1. The UNDP may by written notice to the Government and to the Executing Agency concerned suspend its assistance to any project if in the judgement of the UNDP any circumstance arises which interferes with or threatens to interfere with the successful completion of the project or the accomplishment of its purposes. The UNDP may, in the same or a subsequent written notice, indicate the conditions under which it is prepared to resume its assistance to the project. Any such suspension shall continue until such time as such conditions are accepted by the Government and as the UNDP shall give written notice to the Government and the Executing Agency that it is prepared to resume its assistance.

2. If any situation referred to in paragraph 1, above, shall continue for a period of fourteen days after notice thereof and of suspension shall have been given by the UNDP to the Government and the Executing Agency, then at any time thereafter during the continuance thereof, the UNDP may by written notice to the Government and the Executing Agency terminate the project.

3. The provisions of this paragraph shall be without prejudice to any other rights or remedies the UNDP may have in the circumstances, whether under general principles of law or otherwise.