DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

UNITED NATIONS DEVELOPMENT PROGRAMME

PROJECT DOCUMENT

[Tuvalu]

Project Title: Trade and Integrated Private Sector Development (Tuvalu-TIPS) Project

Project Number: 00127911

Implementing Partner: Department of Trade, Ministry of Fisheries and Trade (MFT)

Start Date: September 2020 **End Date:** December 2022 **PAC Meeting date:**

Brief Description
This project aims to assist Tuvalu Government in achieving goals of "Te Kakeega III"(TKIII), the National Strategy for Sustainable Development, which are aimed at trade and private sector development in Tuvalu, with specific interventions to improve and increase: (i) business environment trade, industry and investment policies; (ii) private sector development (business incubator, promote Small Medium Enterprises, women in business and support outer islands businesses), (iii) export and income opportunities in selected productive sectors of the economy (agriculture, fisheries and tourism). The main expected result of the project is to 'enhance trade and private sector capacities in Tuvalu'.

Contributing Outcome (UNDAF/CPD, RPD or GPD):

UNPS Outcome 3: Sustainable and Inclusive Economic Empowerment

United Nations outcome 3 involving UNDP: By 2022, people in the Pacific, in particular youth, women and vulnerable groups, benefit from inclusive and sustainable economic development that creates decent jobs, reduces multidimensional poverty and inequalities, and promotes economic empowerment.

Indicative Output(s) with gender marker[2]:

Output 1: Improved business environment and increased investment opportunities (Gen 2)

Output 2: Enhanced capacities of private sector (Gen 2)

Output 3: Increased exports and employment opportunities (Gen 2)

Total resources required:		USD1,500,000
Total resources allocated:	**Other Donors**	-
	Government of Tuvalu:	-
	EIF	USD1,500,000

Agreed by (signatures):

Government of Tuvalu	UNDP Pacific Office
Mr. Falasese Tupau EIF National Focal Point & Acting Permanent Secretary, Ministry of Fisheries and Trade (MFT)	Levan Bouadze Resident Representative
Date: 25/9/2020	Date: 22-Sep-2020

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

TABLE OF CONTENTS

I. List of Abbreviations and Acronyms 3
I. Development Challenge 5
II. Strategy 7
III. Results and Partnerships 9
Expected Results 9
Resources Required to Achieve the Expected Results 9
Partnerships 10
Risks and Assumptions 12
Stakeholder Engagement 13
South-South and Triangular Cooperation (SSC/TrC) 13
Knowledge Sharing 14
Sustainability and Scaling Up 14
IV. Project Management 16
Cost Efficiency and Effectiveness 16
Project Management 16
V. Results Framework 17
TARGETS (by frequency of data collection) 18
DATA COLLECTION METHODS & RISKS 18
VI. Monitoring And Evaluation 20
Monitoring Plan 20
VII. Multi-Year Work Plan 22
VIII. Governance and Management Arrangements 25
Project Board 25
Project Manager 26
Project Support 26
Project Assurance 26
IX. Legal Context 27
X. Risk Management 27
XI. Annexes 32
Annex XI.1 - Project Quality Assurance Report 32
Annex XI.2 - Social and Environmental Screening Template 42
SESP Attachment 1. Social and Environmental Risk Screening Checklist 48
Annex XI.3: Risk Analysis 53
Annex XI.4 - Capacity Assessment: Results of capacity assessments of Implementing Partner (including HACT Micro Assessment) 56
Annex XI.5 - Project Board Terms of Reference and TORs of key management positions 57
Executive 58
Senior Beneficiary 59
Senior Supplier 59
Annex XI.6 – Terms of Reference for Project Manager 61
Annex XI.7 – Terms of Reference for Project Finance Officer & Support Officer 63
Annex XI.8 – Terms of Reference for Project Assurance 64

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

I. LIST OF ABBREVIATIONS AND ACRONYMS

AUD	Australian Dollar
CDP	Committee on Development Policy
CEO	Chief Executive Officer
DOT	Department of Trade
EOI	Expression of Interest
DTIS	Diagnostic Trade Integrated Study
ECOSOC	Economic and Social Council
EEZ	Exclusive Economic Zone
EIA	Environmental Impact Assessment
EIF	Enhanced Integrated Framework
EIF ES	Enhanced Integrated Framework Executive Secretariat
EIF FP	Enhanced Integrated Framework Focal Point
EPA	Economic Partnership Agreement
EU	European Union
EVI	Economic Vulnerability Index
GDP	Gross Domestic Product
GoT	Government of Tuvalu
LDC	Least Developed Country
MFT	Ministry of Fisheries and Trade
MIE	Main Implementing Entity
NIE	National Implementing Entity
NTDS	National Tourism Development Strategy
NTP	National Tourism Policy
NTSC	National Trade Steering Committee
ODA	Official Development Assistance
PACER	Pacific Agreement on Closer Economic Relations
PSD	Private Sector Development
R&D	Research and Development
SPTO	South Pacific Tourism Organization

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

SPS	Sanitary and Phytosanitary
TK III	Te Kakeega III – National Strategy for Sustainable Development
TNCW	Tuvalu National Council of Women
TNTDS	Tuvalu National Trade Development Strategy
TNPSO	Tuvalu National Private Sector Organization
TNPSOBI	Tuvalu National Private Sector Organization Business Incubator
TNTP	Tuvalu National Trade Policy
TN-TP	Tuvalu National Tourism Policy
TPSP	Trade & Private Sector Policy
TPF	Trade Policy Framework
TCTC	Tuvalu Coconut Traders Cooperative
UN	The United Nations
UNDP	United Nations Development Programme
USD	United States Dollars
VCO	Virgin Coconut Oil

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

I. DEVELOPMENT CHALLENGE

Tuvalu, an isolated small island state in the South Pacific, is also one of the smallest countries in the world – 4th by the size (26 sq. km. of land) and 3rd by population (around 11,000 people)[1]. Its underdeveloped economy, is comparatively open, where merchandise imports outpaces exports. Tuvalu also has a per capita income of USD 5,388,[2] and classified as a least developed country (*LDC*) because of its *vulnerability to climate change and sea level rise*. The main economic challenges that hinder Tuvalu's development aspirations include - *small size of economy or market* that obstruct economies of scale; *remoteness from global markets* that creates high transportation cost and related bottlenecks such as unreliable and costly air and sea transport services; *less developed trade related infrastructure* like airports, ports and roads; *lack of quality infrastructure* such as standards and testing facilities; lack of business support services like telecommunication and financial services limiting access to credit for small enterprises; *costly utility services* such as communications and power; *shortage of entrepreneurial, managerial, technical and marketing skills*; and *climate change* impacts on soil fertility and access to clean water, among others. Another national challenge and key priority of government is the provision of *decent employment opportunities* to its people who make up two thirds of the population as non-income earners, plus 81% of them being from the outer islands (TPF 2016, p. 19)[3].

To address such challenges, the government has developed plans for its key economic sectors - agriculture, fisheries, tourism and the reform of its public enterprises that provide essential services to the rest of the economy.[4] The Te Kakeega III, the National Strategy for Sustainable Development (TK III)[5], lays out a comprehensive development program for Tuvalu. The eighth national development plan of the country, the TK III builds on Te Kakeega II (2005-2015) with an increased emphasis on climate change adaptation, better living conditions for people and improving livelihoods through increased economic activities. The *strategy* covers climate change and the environment, governance, macroeconomic growth, health and social development, *private sector development, employment and trade*, education, natural resources, infrastructure, migration and urbanisation, and oceans and seas. As a small island state with a small domestic market and few natural resources besides fisheries, Tuvalu must pursue new avenues of development. The TK III seeks to go beyond subsistence production and expand output by promoting diversification and value addition in a number of sectors. The government has a clear strategy to build productive capacities by focusing on island development, private sector development and trade.

[1] https://www.worldatlas.com

[2] https://www.un.org/development/desa/dpad/least-developed-country-category-tuvalu.html

[3] Government of Tuvalu, Ministry of Foreign Affairs, Trade, Tourism, Environment and Labour (2016). Trade Policy Statement 2016.

[4] The public enterprises include the Development Bank of Tuvalu, National Bank of Tuvalu, National Fishing Company of Tuvalu, Telecommunications Corporation, Tuvalu Electricity Corporation, Tuvalu Post and Travel Limited and Vaiaku Lagi Hotel Limited.

[5] Government of Tuvalu (2016). *Te Kakeega III - National Strategy for Sustainable Development, 2016 – 2020*.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

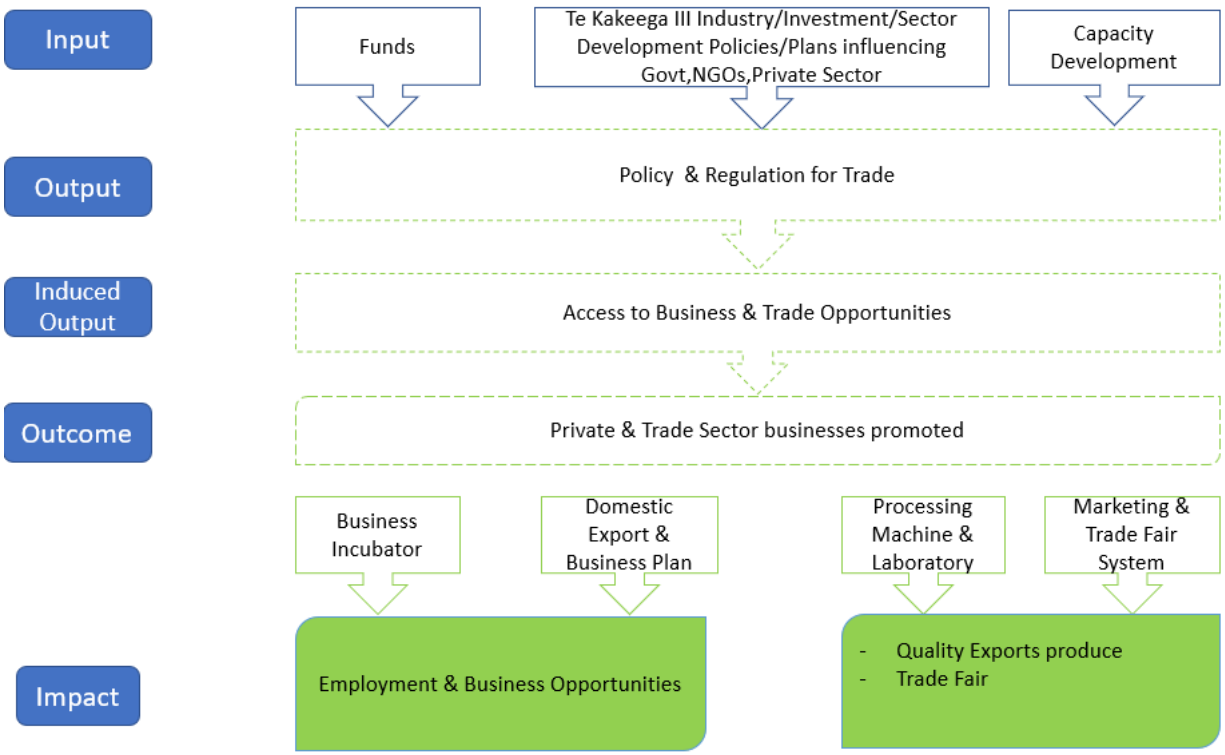
Recognising the *economic vulnerability* of small islands countries, including Tuvalu, the UN Committee for Development Policy (CDP) in its report presented in the Twentieth Session (12-16 March 2018) recommends that the UN Economic and Social Council (ECOSOC) create a category of countries facing extreme vulnerability to climate change and other environmental shocks and provide targeted support to the countries within that category. The proposed activities under this project are closely linked with Economic Vulnerability Index (EVI) indicators, particularly dealing with merchandise exports concentration, instability of exports of goods and services, and share of agriculture and fishing in GDP. In doing so, the project aims to diversify the existing narrow and fragile economic base of the country, which *overly rely on revenues from fishing licence fees and official development assistance (ODA).*

In above background, this project (Tuvalu TIPS) target to tap into Tuvalu's uniqueness, resulted from its pristine reefs and fairly large exclusive economic zone (EEZ) of over 900,000 sq. km teeming with marine resources, all of which suggest that Tuvalu has the potential to diversify its economy in a meaningful way. This project intends to systematically build productive capacities, uplift target sectors from subsistence level and create additional employment and income earning opportunities in selected sectors of the economy engaging private sector as the key vehicle of economic growth and employment creation.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

II. STRATEGY

The figure below outlines the project's Theory of Chain (TOC), covering input to impacts:



The Theory of Change in this case is, the employment and business opportunities of Tuvalu's living population will be improved [*Impact*] through the successful developments and improvements in the nation's business (via trade/industry/investment policy), Private Sector (via business incubator, SMEs/women in business promotions, support to outer islands businesses) environments, coupled with increases in the economy's exports and income opportunities via its selected productive sectors (fisheries, agriculture & toursim) [*Outcome & Outputs*].

With the improved business/trade environments for Tuvalu's key economic sectors, the nation will be able to offer decent jobs, reduce multidimensional poverty and inequalities, and improve economic empowerment as outlined in United Nations Pacific Strategy (UNPS) Outcome 3. The project is also in line with UNDP's Sub regional project document (SRPD, Output 3.2) in that it ensures green/blue economic policies (Output 1) are in place to support private sector initiatives that create sustainable and environmentally friendly jobs and entrepreneurial opportunities for women and youth.

TUVALU TIPS project has identified Tuvalu as an underdeveloped economy and classified as a least developed country (*LDC*) because of its vulnerability to climate change and sea level rise. Its main economic challenges were namely its - *small size of economy or market* which obstructs economies of scale; *remoteness from global markets* that creates high transportation cost and related bottlenecks such as unreliable and costly air and sea transport services; *less developed trade related infrastructure* like airports, ports and roads; *lack of quality infrastructure* such as standards and testing facilities; *lack of business support services* (telecommunication, financial services) limiting access to credit for small enterprises; *costly utility services* such as communications and power; *shortage of entrepreneurial, managerial, technical and marketing skills*; and *climate change* impacts on soil fertility and *access to clean water*, including the provision of *decent*

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

employment opportunities to its people who make up two thirds of the population as non-income earners, plus 81% of them being from the outer islands (TPF 2016, p. 19)[6].

To address these challenges, the government has developed plans for its key economic sectors - *agriculture, fisheries, tourism* and the reform of its *public enterprises* that provide essential services to the rest of the economy.[7] Private sector development (PSD), in the context of selected productive sectors – agriculture, fisheries and tourism, is the main target of the project. The project activities are therefore designed to address the capacity gaps in private sector, focussing on export potential productive sectors identified in the updated DTIS 2016 and TPF 2016.

The *Te Kakeega III* (eighth national development plan of the country), *the National Strategy for Sustainable Development (TK III),* lays out a comprehensive development program for Tuvalu, and also builds on Te Kakeega II (2005-2015) with an increased emphasis on climate change adaptation, *better living conditions for people and improving livelihoods through increased economic activities*.

[6] Government of Tuvalu, Ministry of Foreign Affairs, Trade, Tourism, Environment and Labour (2016). Trade Policy Statement 2016.

[7] The public enterprises include the Development Bank of Tuvalu, National Bank of Tuvalu, National Fishing Company of Tuvalu, Telecommunications Corporation, Tuvalu Electricity Corporation, Tuvalu Post and Travel Limited and Vaiaku Lagi Hotel Limited.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

III. RESULTS AND PARTNERSHIPS

Expected Results

The Te Kakeega III, the National Strategy for Sustainable Development (TK III)[8], covers climate change and the environment, governance, macroeconomic growth, health and social development, *private sector development*, employment and trade, education, natural resources, infrastructure, migration and urbanisation, and oceans and seas. As a small island state with a small domestic market and few natural resources besides fisheries, Tuvalu must pursue new avenues of development. The TK III seeks to go beyond subsistence production and expand output by promoting diversification and value addition in a number of sectors. The government has a clear strategy to build productive capacities by focusing on island development, private sector development and trade.

This project intends to systematically build productive capacities, uplift target sectors from subsistence level and create additional employment and income earning opportunities in selected sectors of the economy engaging private sector as the key vehicle of economic growth and employment creation.

The overall objective of the project is to assist Tuvalu Government in achieving goals of "Te Kakeega III", the National Strategy for Sustainable Development, specifically the project's objective around *private sector development* - focussing on key export potential sectors of the economy, that is, the project is expected to *(i) improve business environment; (ii) develop private sector capacities through establishment of a functioning business incubator; (iii) increase income/employment opportunities in selected value chains (Fisheries and Agriculture); and (iv) strengthen linkages of tourism industry with other productive sectors.* The project intervention are focussed on "Te Kakeega III"'s Goal 3: trade role in macroeconomic management and policy; Goal 6: private sector development; and Goal 8: natural resources management - maximize social and economic returns and sustainable use, through systematic interventions in selected productive sectors of the economy (agriculture, fisheries and tourism, which are also the priority sectors in updated DTIS 2016 and TPF 2016).

In summary, the *change we expect to see that will be attributable to the project* the ***'enhancement of trade and private sector capacities in Tuvalu'***.

The specific results are:

(i) Business environment improved and private investment/business promoted. (DTIS 2.7)

(ii) Increased exports and employment/income earning opportunities through private sector development in selected value chains (Agriculture, Fisheries and Tourism).

Resources Required to Achieve the Expected Results

Required resources to achieve the expected results will come in the form of inputs such as: Human Resources (International Consultants, National Expert/Project Manager); Workshops/Trainings (Validation/Launching); Media tools (Printing of NTDS,), Meetings, Tools/Equipments, Travel costs, Website tools – details will be shared in Annex XI.9 - Project logframe which is linked to the EIF result framework.

[8] Government of Tuvalu (2016). *Te Kakeega III - National Strategy for Sustainable Development, 2016 – 2020*.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

Partnerships

UNDP Pacific Office in Fiji (UNDP):

- Will be the Main Implementing Entity (MIE) for this three year Tuvalu TIPS project and will be the main communication channel for the EIF in Tuvalu, in consultation with the Tuvalu EIF Focal point.
- Will also provide the project, a high level of country office support services to permit sufficient training to be conducted and systems put in place for the Department of Trade (DOT) to assume a more direct role;
- Will make funds available under the Harmonised Agreement for Cash Transfers (HACT) Guidelines to Implementing Partners . Under the NIM Modality, funds will be made available under the Direct Cash Transfer modality for small local purchases, local recruitment and local travel, while the UNDP Direct Agency Implementation mode will be used for international recruitment, international travel and large procurement items. These are detailed in Annex XI.5 (Project Accountability Arrangements);
- Plays an integral role of program and project management through monitoring and evaluation. The Inclusive Growth Deputy Team Leader will be responsible for the M&E function of the Tier 2 Project and will provide support and guidance to the Department of Trade to ensure effective in-country monitoring, reporting and analysis. Currently, oversight of this function is carried out in the UNDP, by the Monitoring & Evaluation Unit. Particular attention will be given to ensure gender and capacity development indicators are included and monitored.
- Development of capacity in project and financial management, monitoring and reporting will be provided by the M&E Unit of the Pacific Office, with ongoing assistance from the Tuvalu UN CDM.
- Technical support and advice will be provided by the UNDP Pacific Office, Inclusive Growth Unit, from trade, private sector and aid effectiveness specialists in the UNDP Pacific Office.
- UNDP Pacific Office & Government of Tuvalu National Implementation arrangements outlining the responsibilities of each party are detailed in the Annex XI.5 (Project Accountability Arrangements).

The Tuvalu Government/Ministry of Fisheries and Trade (MFT):

- works closely with the private sector through NTSC encourages private sector development, which is one of the *Theory of Change* vital steps (Outcome 2) to increase exports and employment/income earning opportunities;
- promotes private sector development by creating a favourable policy space, expanding market access through trade agreements, mainstreaming trade in its development agenda and supporting the private sector [TUVALU TIPS *Theory of Change* vital steps (Outcome 2)]
- priorities for private sector development include the improved business and investment environment, introduction of modern, accessible financial services, improved transport linkages, expanded market access through bilateral, regional and multilateral trade agreements and productive capacity building, among others.
- project will be nationally implemented by MFT under the UNDP national implementation (NIM) modality, with UNDP Pacific Office Support;

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

- is also the Government Cooperating Agency accountable for the primary accountability alignment of results with national priorities in the CPD, the CPAP and Projects and the realization of the benefits derived from these results.
- Also responsible for the achievement of timely and effective results and their sustainability through enabling environment, necessary conditions and identification of appropriate national implementing partners

Tuvalu National Private Sector Organisation (TNPSO):

- Is the focal point for engagement and regular dialogue with government ministries and departments on matters affecting the development of the private sector.
- Is a semi-autonomous, member-based umbrella organisation of private sector in Tuvalu.
- Represents the interests of the private sector in the country.
- is an active member and also the vice chair of NTSC, the apex body created by the government for stakeholder's coordination, advise and decision making in trade negotiations and overall trade sector development in the country.
- Has an executive committee of eight members overseeing the development of various sectors including tourism.
- Has about eight committees overseeing the development of various sectors including tourism and other productive sectors of the economy.
- Has a role in private sector development, advancing private sector's voice in policy making process, trade negotiations and entrepreneurship development.

National Trade Steering Committee (NTSC):

- is a multi-sectoral body whose chair is the permanent secretary/CEO of the Ministry of Fisheries and Trade (MFT) and the vice-chair is the president of Tuvalu National Private Sector Organisation (TNPSO);
- comprises key ministries, state enterprises and civil society bodies including Tuvalu National Council of Women (TNCW);
- advises the government on both national and international trade matters.

Additionally, the government and donor support for private sector development include subsidised inter-island shipping and ferry services, the annual Talofa Trade Fair and sponsorship of private sector participation in overseas expos, the EIF Tier 1 project to build capacity for trade and investment, infrastructure improvements (energy, transport, connectivity and coastal protection) and engagement with donors through high level dialogues and donor roundtables. The government and donors are also involved in trade negotiations to expand market access for goods and services through regional trade agreements such as PACER Plus, the Pacific Island Countries Trade Agreement (PICTA) and the Economic Partnership Agreement (EPA), among many other support measures/capacity building efforts for private sector.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

Risks and Assumptions

The internal and external risks of the project, impact, probability and the appropriate action are summarised in below Table:

Risk	Impact	Probability	Risk Mitigation Response
Staff turnover and the departure of key staff	High	Medium	Maintain high morale, involve staff in decision-making, include training and travel (Implementation of Exit Strategy and Capacity Development Plan – Annex 1: Pillar 1)
Unforeseen delays in project implementation	Medium	Medium	Build in sufficient lead time for activities in the work plan
Ineffective marketing program affecting project results	High	Low	Monitor impact of marketing program and revise if results are unsatisfactory
Change in the scope of the project	High	Low	Ensure adequate consultations take place in the design phase and during the project implementation
Low priority given by the government to the private sector development, exports and tourism	High	Medium	Ensure sufficient consultations with main stakeholders and Implement Exit Strategy and Capacity Development Plan (Annex 1: Pillar 3: Trade Mainstreaming)
Lack of development partner commitment	Low	Low	Ensure effective implementation of Exit Strategy and Capacity Development Plan (Annex 1: Pillar 4)
Transportation bottlenecks and high cost of transportation between islands	High	High	Government has added new boats to its fleet; there is a need to adhere to scheduled shipping services
Inadequate supply of accommodation for increased tourist arrivals	High	Medium	Monitor tourist arrivals and convey information to the tourism industry and banks about new business opportunities to encourage increased supply of accommodation facilities
Airfares increase substantially	High	Low	Negotiate with airline to lower or maintain airfares
Suspension of air service	High	Low	Improve alternatives, e.g. shipping services
Natural disasters, e.g. cyclones and draught and deteriorating soil conditions	High	Medium	Build resilience of producers, processors, tourism sector operators in collaboration with other partners for rapid recovery from pandemics like COVID-19; natural disasters; water shortages due to draughts addressed by ensuring that water desalination plants and storage tanks are kept in working order all year round.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

Stakeholder Engagement

The revised project proposal was prepared in consultation with the key stakeholders, including *private sector (TNPSO)*. TNPSO, however faces numerous constraints. Despite the important role it plays in private sector development, TNPSO doesn't have its own secretariat with appropriate number of full-time staff. Untapped business opportunities are reflected in poor presence of business activities in the outer islands. Government priority plans to boost private sector are incorporated in TK III, DTIS and Trade Policy Framework. However, external support is needed to realize such priority plans of the Tuvalu government and make private sector an instrument of economic growth, job creation and poverty reduction.

Project scoping workshops were organised in *all 9 islands of Tuvalu* during September-October 2019. The *resident donors* (Australia and ROC Taiwan) were consulted for co-funding opportunities in December 2019. *Australian HC* assured that the GOT and Australia will be meeting to decide on country assistance priorities during the month of February 2020, and, if agreed by the government, there is possibility to co-fund the project. *Embassy of ROC Taiwan* suggested that the Embassy will explore the co-funding possibility, and will seek further information from Department of Trade (*DOT*), if required. No funding was pledged till January 5, 2020. Meetings with *additional development partners* (EU, South Africa, India and PIFS) were held during the first week of February in Fiji. The representatives of Embassy of India and Embassy of South Africa in Fiji suggested to submit the project proposal at South-South initiatives of respective governments through Tuvalu's Ambassador in the UN. The Department of Trade, through the Ministry of Foreign Affairs/Tuvalu's Mission in the UN, submitted project proposal to the respective Embassies/South-South programmes/facilities. However, no response was received and follow-up was done due to global pandemic of COVID-19. EU Representatives suggested to collaborate with SPTO and PIFS for relevant outcomes/outputs as there is already some ongoing EU supports in the areas of tourism and regional trade integration. UNDP will continuingly work with the PIFS and SPTO on relevant outcome/activities of the project.

South-South and Triangular Cooperation (SSC/TrC)

The representatives of *Embassy of India and Embassy of South Africa* in Fiji suggested to submit the project proposal at South-South initiatives of respective governments through Tuvalu's Ambassador in the UN. The DOT, through the Ministry of Foreign Affairs/Tuvalu's Mission in the UN, submitted project proposal to the respective Embassies/South-South programmes/facilities. However, no response was received, and follow-up was done due to global pandemic of COVID-19. EU Representatives suggested to collaborate with SPTO and PIFS for relevant outcomes/outputs as there is already some ongoing EU supports in the areas of tourism and regional trade integration. UNDP will continuingly work with the PIFS and SPTO on relevant outcome/activities of the project. Similarly, UNDP will arrange meetings with other development partners for possible co-funding.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

Knowledge Sharing

The Department of Trade will work closely with the government departments (business development, tourism, agriculture and fisheries) and 'Kaupules', the local government bodies to increase the project outreach. Apart from engaging government entities, dissemination of information and key messages on the project's objectives and activities to be promoted through private sector partners (project beneficiaries such as TNPSO, Tuvalu National Council of Women - TNCW, Tuvalu Association of Non-government Organizations - TANGO, Tourism and Hospitality Association of Tuvalu (THAT). This will be achieved on several levels including NTSC meetings, the Talofa Trade Fair (TTF) and through promotional activities and training events. The Communications Plan[9], will include the use of various media channels to reach key stakeholders and partners:

Branding: The project will develop branding of Tuvaluan products with the assistance of a branding specialist. Branding[10] will include the use of labels, logos, nutritional information and other branding symbols on packaging and packing materials.

Promotional activities: Marketing and public relations activities (radio spots, banners, posters, food tasting, "Go Local" campaign, etc.) will create awareness of Tuvalu's agricultural products targeting domestic consumers, school feeding programs, supermarkets, guesthouses and tourists; and promotion will focus on selected foreign markets such as those with large diaspora and Pacific islander communities.

Outreach activities: Activities will include the TTF, workshops, home economics classes, food fairs and key messages on the benefits of consuming of fresh, healthy local foods as well as the economic benefits to communities on Funafuti and the outer islands.

Leveraging activities: Leveraging activities will promote the benefits of trade and investment in upstream production and downstream processing and associated supporting activities in the agricultural sector to local and foreign investors. The purpose of leveraging activities is to attract new investment in production and processing facilities, infrastructure and logistics to build Tuvalu's capacity to commercialise agriculture and tap new markets, including the domestic market.

Capacity development: Training events and materials, surveys and studies.

Sustainability and Scaling Up

The project will build the capacity of private sector (TNPSO and Tourism and Hospitality Association of Tuvalu – THAT), and government departments, in particular department of trade, tourism, fisheries and agriculture. A full-time international adviser and short-term international experts will transfer knowledge and skills to the staff and the private sector associations through on-the-job training and workshops. The skills acquired by staff and the private sector will ensure that technical and advisory services continue to be provided to the productive sectors. The government will restructure department of trade as suggested in the EIF Exit Strategy and Capacity Development Plan (See Annex 1 - Pillar 1: Restructuring of DOT). The number of regular staffs will be increased in the DOT. Trainings will include short courses and workshops on hotel management, customer service, marketing, tour guides

[9] "For any communications work that requires UNDP involvement the UNDP Communications Strategy will be applied where applicable."

[10] "Where applicable branding will be consistent with the new UNDP branding guidelines on partnerships."

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

and ecotourism, agriculture and fish processing, etc. The strategy will also aim to build the capacity of the private sector to efficiently organize business incubator activities and Department of Tourism to undertake a number of important activities, including preparation and implementation of National Tourism Policy (NTP). Mainstreaming of NTP into the national sustainable development policy (Te Kakeega) and sectoral plans and strategies will further help sustain the results of the project.

The NTSC will be another avenue for promoting private sector, trade in agricultural and fisheries products, and tourism-related objectives at the national and policy levels. NTSC will work closely with Tuvalu Tourism Development Committee (TTDC) and the Office of the Prime Minister (OPM) to mobilize resources to ensure successful implementation of DTIS and TPF 2016. Promotion of Tuvalu products and tourism in overseas target markets will provide a unique opportunity to showcase Tuvalu's products, culture, hospitality and beauty to the rest of the world.

The Exit Strategy and Capacity Development Plan (Annex 1) – which prioritize 5 pillars, namely, DOT Restructuring, NTSC Strengthening, Trade Mainstreaming, Resource Mobilization and Capacity Development Plan, will also play an instrumental role in sustainability of the project results and help Tuvalu government to implement DTIS and TPF Action Matrix on a priority basis.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

IV. PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

The project as noted in the Theory of Change, reveals a common strategy by the Government of Tuvalu (through the TKIII & TPF) and its private sector donors, which is a drive towards developing the nation's productive sectors and increase Tuvalu's participation in regional and global trade, all of which are also supported by the United Nations Pacific Strategy (UNPS, Outcome 3), which will ultimately offer positive impacts on the national economy and livelihood of the Tuvalu population.

In terms of leveraging plan, this project enables additional resources, beyond the Aid for Trade, to be mobilised from the government, development partners and the private the sector. Identifying alternative funding sources will be crucial to ensuring that project outcomes, benefits and services are sustained beyond the life of the project. The plan is that, at the beginning of the second year of project implementation, a sustainability plan outlining private sector development related objectives and outputs, in the context of productive sectors (fisheries, agriculture and tourism), would be in place and resource mobilisation efforts would be supported by the EIF Donor Facilitator. The Department of Trade has already organised a meeting with the Australian High Commission and requested to support GoT trade development agenda by playing important role of Donor Facilitator for the Enhanced integrated framework (EIF).

Project Management

The project will be implemented and managed following UNDP's National implementation modality (NIM) according to the Standard Basic Assistance Agreement (SBAA) between UNDP, the Government of Tuvalu and the Country Programme, but supplemented by UNDP Country Office (CO) support arrangement as per applicable UNDP policies and procedures.

The TIPS project will be implemented by Department of Trade (DOT), Ministry of Fisheries and Trade (MFT), who will be responsible for managing the overall implementation of project activities; mobilizing goods and services; checking on progress and watching for plan deviations; ensuring that changes are controlled and problems addressed; monitoring risks and reporting to UNDP on progress using the prescribed UNDP results-based reporting format which will link to reporting formats required by the EIF and EIF Trust Fund Manager

The costs for UNDP providing project support and technical assistance will be covered via GMS (General Management Service) & direct project costing (DPC).

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

V. RESULTS FRAMEWORK[11]

Intended Outcome as stated in the UNDAF/Country [or Global/Regional] Programme Results and Resource Framework: United Nations outcome 3 involving UNDP: By 2022, people in the Pacific, in particular youth, women and vulnerable groups, benefit from inclusive and sustainable economic development that creates decent jobs, reduces multidimensional poverty and inequalities, and promotes economic empowerment.
Outcome indicators as stated in the Country Programme [or Global/Regional] Results and Resources Framework, including baseline and targets: Indicative indicator 3.2.2. Number of green/blue businesses started and jobs created disaggregated by age, sex and geographical location (rural/urban) Baseline & Target: Indicator: Number of PICTs in which the proportion of men, women, youth and children of all ages living in poverty in all its dimensions, according to national definitions, has decreased, based on the latest available data Baseline (2017): 0 Target: 8
Applicable Output(s) from the UNDP Strategic Plan: **Output 3.2.** Green/blue economic policies in place to support private sector initiatives that create sustainable and environmentally friendly jobs and entrepreneurial opportunities for women and youth.
Project title and Atlas Project Number: Trade and Integrated Private Sector Development (Tuvalu-TIPS) Project 00127911

[11] UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that indicators are S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable evidence and data, and avoid acronyms so that external audience clearly understand the results of the project.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

EXPECTED OUTPUTS	OUTPUT INDICATORS[12]	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)			DATA COLLECTION METHODS & RISKS
			Value	Year 2019	Year 1	Year 2	Year 3	
Output 1 Improved business environment and increased investment opportunities (Gen 2)	1.1 Number of Policies revised.	Progress Report/Investment, Company Policy/Act	0	0	2	1	1	Progress Report/Investment Policy/Act TNTDS/Progress Report Administrative data analysis
	1.2 Number of TNTDS implemented.	TNPSOBI Progress Report	0	0	2	1	1	Progress Report/Investment Policy/Act TNTDS /Progress Report Administrative data analysis

[12] It is recommended that projects use output indicators from the Strategic Plan IRRF, as relevant, in addition to project-specific results indicators. Indicators should be disaggregated by sex or for other targeted groups where relevant.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

Output 2 Enhanced capacities of private sector (Gen 2)	2.1 Number of TNPSOBI established with Domestic entrepreneur	TNPSOBI Progress Report	0	0	1	1	0	Progress Report/
	2.2 Number of TNPSOBI-related trainings to outer islands	Progress Report	0	0	4	4	4	Progress Report
	2.3 Number of Equipment/Tools (VCO,dry fish) for increased production/productivity	Progress Report	0	0	6	8	6	Progress Report
	2.4 Number of Distribution & Marketing Training/Workshops	Progress Report	0	0	1	1	1	Progress Report
	2.5 Number of Training/Workshops to prepare TN-TP	Progress Report	0	0	2	2	1	TN-TP Progress Report

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

VI. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans: *[Note: monitoring and evaluation plans should be adapted to project context, as needed]*

Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly, or in the frequency required for each indicator.	Slower than expected progress will be addressed by project management.	MFT/UNDP	
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.	MFT/UNDP	
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.	MFT/UNDP	
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Every 2 years	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.	MFT/UNDP	
Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to	MFT/UNDP/EIF	

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

			make course corrections.		
Project Report	A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period.	Annually, and at the end of the project (final report)	Regular progress reports made to the project board & annual review report prepared and submitted to the project board and the outcome group	MFT/UNDP/EIF	
Project Review (Project Board)	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	Specify frequency (i.e., at least annually)	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.	MFT/UNDP/EIF	

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

VII. MULTI-YEAR WORK PLAN [13][14]

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year			RESPONSIBLE PARTY	PLANNED BUDGET		
		Y1	Y2	Y3		Funding Source	Budget Description	Amount
Output 1 Improved business environment and increased investment opportunities	1.1 Develop investment & industry policies/legislations	3,000	3,586	-	UNDP/MCIC	EIF	Trainings/workshops	6,856
Gender marker: 2	1.2 Prepare TNTDS	6,000	3,000	-	UNDP/MCIC	EIF	National consultant	9,000
Sub-Total - Output 1								15,856
Output 2 Enhanced capacities of private sector	2.1 Establishment of self-functioning TNPSOBI	64,000	184,000	34,000	UNDP/MCIC	EIF	Renovation/ Miscellaneous	282,000
Gender marker: 2	2.2 Support & Extend business incubator activities to outer islands	10,000	10,000	10,000	UNDP/MCIC	EIF	Travel/Trainings/workshops	30,000

[13] Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32

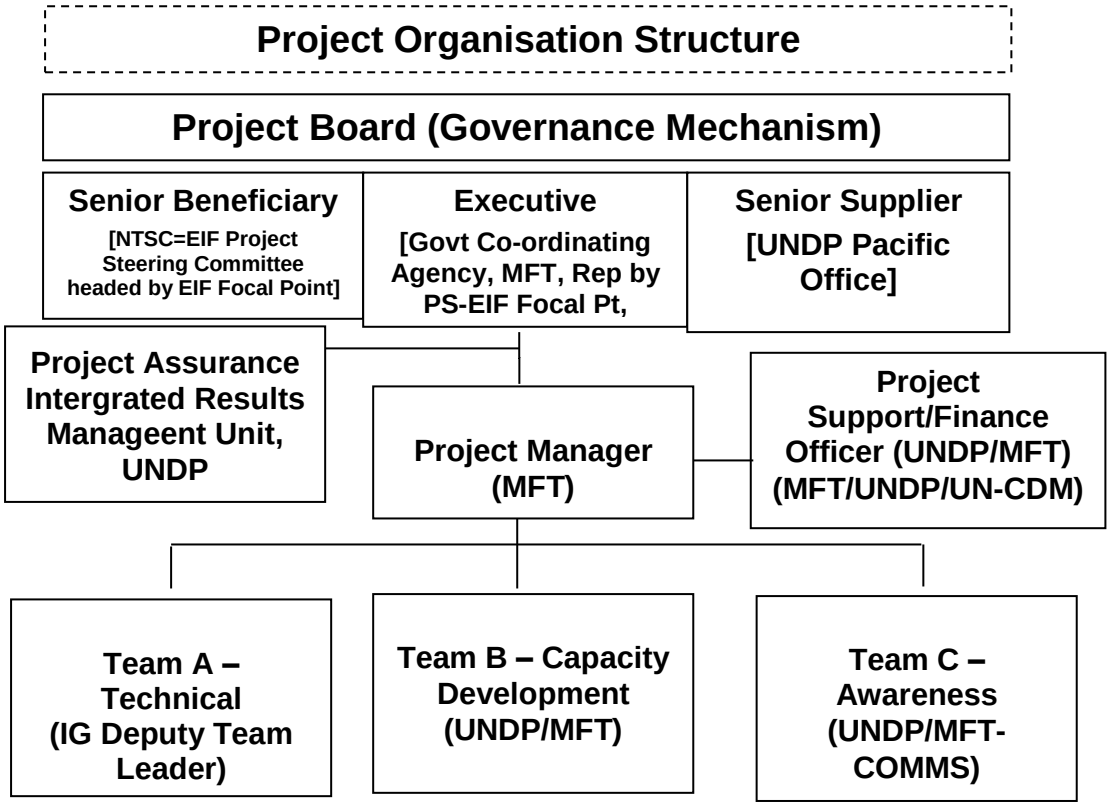
[14] Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

	2.3 Build sectoral departments & technical capacities	26,000	43,000	32,000	UNDP/MCIC	EIF	Travel/Trainings/workshops	101,000
	2.4 Support & build value chain development & farmer/producer capacities	102,000	117,500	87,500	UNDP/MCIC	EIF	Travel/Trainings/workshops	307,000
	2.5 Improve SME export, distribution & marketing systems for local products	25,000	40,000	24,000	UNDP/MCIC	EIF	Travel/Trainings/workshops	89,000
	2.6 Prepare TNTP with SPTO	6,000	6,000	3,000	UNDP/MCIC	EIF	Workshops	15,000
Sub-Total - Output 2								824,000
Project Management	International Expert	82,526	97,526	52,526	UNDP/MCIC	EIF	International Expert	232,578
	National Expert/Project Manager	45,600	45,600	45,600	UNDP/MCIC	EIF	National Expert/Project Manager	134,400
	Finance Officer	30,000	30,000	30,000	UNDP/MCIC	EIF	Finance Officer	90,000
	Printers, Computers & Furniture	13,861	22,317	75,000	UNDP/MCIC	EIF	Printers, Computers & Furniture	36,178
	Fuel/Travel/Miscellaneous	4,800	18,000	18,000	UNDP/MCIC	EIF	International Expert	40,800
	M&E/Audit	5,000	5,000	5,077	UNDP/MCIC	EIF	International Expert	15,077
Sub-Total - Project Management								549,033
Sub-Total for Outputs 1 to Project Management		446,261	646,917	361,777	UNDP/MCIC	EIF		1,388,889

UNDP General Management Support		37,037	37,037	37,037	UNDP/MCIC	EIF		111,111
TOTAL								**1,500,000**

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS



The governance and management arrangements are illustrated in the diagram above, elaborated in the text below and detailed in the annexes for the Project Board, Manager, Support and Assurance respectively.

Project Board

Is the group responsible for making by consensus management decisions for a project when guidance is required by the Project Manager, including recommendation for UNDP/Implementing Partner approval of project plans and revisions. In order to ensure UNDP's ultimate accountability, Project Board decisions should be made in accordance to standards that shall ensure best value to money, fairness, integrity transparency and effective international competition. In case a consensus cannot be reached, final decision shall rest with the UNDP Resident Representative. Project reviews by this group are made at designated decision points during the running of a project, or as necessary when raised by the Project Manager. This group is consulted by the Project Manager for decisions when Project Manager tolerances (normally in terms of time and budget) have been exceeded. Based on the approved annual work plan (AWP), the Project Board may review and approve project quarterly plans when required and authorizes any major deviation from these agreed quarterly plans. It is the authority that signs off the completion of each quarterly plan as well as authorizes the start of the next quarterly plan. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the project and external bodies. In addition, it approves the appointment and responsibilities of the Project Manager and any delegation of its Project Assurance responsibilities.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

*Composition and organization***.** This group contains three roles, including:

- *Executive* representing the project ownership to Chair the group. The Executive is ultimately responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive's role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher level outcomes. The Executive has to ensure that the project gives value for money, ensuring a cost-conscious approach to the project, balancing the demands of beneficiary and supplier;
- *Senior Supplier* representing the interests of the parties concerned which provide technical expertise to the project. The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project; and,
- *Senior Beneficiary* representing the interests of those who will ultimately benefit from the project. The Senior Beneficiary's primary function within the Board is to ensure the realization of project results from the perspective of project beneficiaries.

Refer to Annex XI.5 for detailed information on the responsibilities of the Project Board.

Project Manager

The Project Manager has the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Board. The Project Manager is responsible for day-to-day management and decision-making for the project. The Project Manager's prime responsibility is to ensure that the project produces the results specified in the Project Document, to the required standard of quality and within the specified constraints of time and cost. Refer to Annex XI.6 for detailed information on the responsibilities of the Project Manager.

Project Support

The Project Support role provides project administration, management and technical support to the Project Manager as required. Refer to Annex XI.7 for detailed information on the responsibilities of the Project Manager.

Project Assurance

Project Assurance is the responsibility of each Project Board member however the role can be delegated. The Project Assurance role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. Refer to Annex XI.8 for detailed information on the responsibilities of the Project Assurance role.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

IX. LEGAL CONTEXT

Option a. Where the country has signed the This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Tuvalu and UNDP, signed 16 January 1979. All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner."

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

X. RISK MANAGEMENT

1. Consistent with the Article III of the SBAA *[or the Supplemental Provisions to the Project Document]*, the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:
   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.

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

3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

4. The Implementing Partner acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the Implementing Partner, and each of its responsible parties, their respective sub-recipients and other entities involved in Project implementation, either as contractors or subcontractors and their personnel, and any individuals performing services for them under the Project Document.

   (a) In the implementation of the activities under this Project Document, the Implementing Partner, and each of its sub-parties referred to above, shall comply with the standards of conduct set forth in the Secretary General's Bulletin ST/SGB/2003/13 of 9 October 2003, concerning "Special measures for protection from sexual exploitation and sexual abuse" ("SEA").

   (b) Moreover, and without limitation to the application of other regulations, rules, policies and procedures bearing upon the performance of the activities under this Project Document, in the implementation of activities, the Implementing Partner, and each of its sub-parties referred to above, shall not engage in any form of sexual harassment ("SH"). SH is defined as any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment.

5. a) In the performance of the activities under this Project Document, the Implementing Partner shall (with respect to its own activities), and shall require from its sub-parties referred to in paragraph 4 (with respect to their activities) that they, have minimum standards and procedures in place, or a plan to develop and/or improve such standards and procedures in order to be able to take effective preventive and investigative action. These should include: policies on sexual harassment and sexual exploitation and abuse; policies on whistleblowing/protection against retaliation; and complaints, disciplinary and investigative mechanisms. In line with this, the Implementing Partner will and will require that such sub-parties will take all appropriate measures to:

   i. Prevent its employees, agents or any other persons engaged to perform any services under this Project Document, from engaging in SH or SEA;

   ii. Offer employees and associated personnel training on prevention and response to SH and SEA, where the Implementing Partner and its sub-parties referred to in paragraph 4 have not put in place its own training regarding the prevention of SH and SEA, the Implementing Partner and its sub-parties may use the training material available at UNDP;

   iii. Report and monitor allegations of SH and SEA of which the Implementing Partner and its sub-parties referred to in paragraph 4 have been informed or have otherwise become aware, and status thereof;

   iv. Refer victims/survivors of SH and SEA to safe and confidential victim assistance; and

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

v. Promptly and confidentially record and investigate any allegations credible enough to warrant an investigation of SH or SEA. The Implementing Partner shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties referred to in paragraph 4 with respect to their activities under the Project Document, and shall keep UNDP informed during the investigation by it or any of such sub-parties, to the extent that such notification (i) does not jeopardize the conduct of the investigation, including but not limited to the safety or security of persons, and/or (ii) is not in contravention of any laws applicable to it. Following the investigation, the Implementing Partner shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.

b) The Implementing Partner shall establish that it has complied with the foregoing, to the satisfaction of UNDP, when requested by UNDP or any party acting on its behalf to provide such confirmation. Failure of the Implementing Partner, and each of its sub-parties referred to in paragraph 4, to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.

6. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (http://www.undp.org/ses) and related Accountability Mechanism (http://www.undp.org/secu-srm).

7. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.

8. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

9. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds. The Implementing Partner will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

10. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org

11. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes in accordance with UNDP's regulations, rules, policies and procedures. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.

12. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

    Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

13. The Implementing Partner agrees that, where applicable, donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities which are the subject of this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

    Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

    Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

14. Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.

15. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.

16. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, *mutatis mutandis*, in all sub-contracts or sub-agreements entered into further to this Project Document.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

XI. ANNEXES

Annex XI.1 - Project Quality Assurance Report

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

OVERALL PROJECT

EXEMPLARY (5) ◎◎◎◎◎	HIGHLY SATISFACTORY (4) ◎◎◎◎○	SATISFACTORY (3) ◎◎◎○○	NEEDS IMPROVEMENT (2) ◎◎○○○	INADEQUATE (1) ◎○○○○
At least four criteria are rated Exemplary, and all criteria are rated High or Exemplary.	All criteria are rated Satisfactory or higher, and at least four criteria are rated High or Exemplary.	At least six criteria are rated Satisfactory or higher, and only one may be rated Needs Improvement. The Principled criterion must be rated Satisfactory or above.	At least three criteria are rated Satisfactory or higher, and only four criteria may be rated Needs Improvement.	One or more criteria are rated Inadequate, or five or more criteria are rated Needs Improvement.

DECISION

- **APPROVE** – the project is of sufficient quality to be approved in its current form**.** Any management actions must be addressed in a timely manner.
- **APPROVE WITH QUALIFICATIONS** – the project has issues that must be addressed before the project document can be approved. Any management actions must be addressed in a timely manner.
- **DISAPPROVE** – the project has significant issues that should prevent the project from being approved as drafted.

RATING CRITERIA

For all questions, select the option that best reflects the project

STRATEGIC

1. Does the project specify how it will contribute to higher level change through linkage to the	3	2
	1	

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

programme's Theory of Change? • **3:** The project is clearly linked to the programme's theory of change. It has an explicit change pathway that explains how the project will contribute to outcome level change and why the project's strategy will likely lead to this change. This analysis is backed by credible evidence of what works effectively in this context and includes assumptions and risks. • **2:** The project is clearly linked to the programme's theory of change. It has a change pathway that explains how the project will contribute to outcome-level change and why the project strategy will likely lead to this change. • **1:** The project document may describe in generic terms how the project will contribute to development results, without an explicit link to the programme's theory of change. **Note: Projects not contributing to a programme must have a project-specific Theory of Change. See alternative question under the lightbulb for these cases.*	**Evidence** Refer Pro-doc Section III – Strategy (pg-7)	
2. Is the project aligned with the UNDP Strategic Plan? • **3:** The project responds to at least one of the development settings as specified in the Strategic Plan[15] and adapts at least one Signature Solution[16]. The project's RRF includes all the relevant SP output indicators. *(all must be true)* • **2:** The project responds to at least one of the development settings as specified in the Strategic Plan[4]. The project's RRF includes at least one SP output indicator, if relevant. *(both must be true)* • **1:** The project responds to a partner's identified need, but this need falls outside of the UNDP Strategic Plan. Also select this option if none of the relevant SP indicators are included in the RRF.	3 / 1 **Evidence** Refer Pro-doc Section V – RRF (pg-18)	2
3. Is the project linked to the programme outputs? (i.e., UNDAF Results Group Workplan/CPD, RPD or Strategic Plan IRRF for global projects/strategic interventions not part of a programme)	**Yes** Refer Pro-doc Section V – RRF (pg-18)	**No**

[15] The three development settings in UNDP's 2018-2021 **Strategic** Plan are: a) Eradicate poverty in all its forms and dimensions; b) Accelerate structural transformations for sustainable development; and c) Build resilience to shocks and crises

[16] The six Signature Solutions of UNDP's 2018-2021 Strategic Plan are: a) Keeping people out of poverty; b) Strengthen effective, inclusive and accountable governance; c) Enhance national prevention and recovery capacities for resilient societies; d) Promote nature based solutions for a sustainable planet; e) Close the energy gap; and f) Strengthen gender equality and the empowerment of women and girls.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

RELEVANT

4. Does the project target groups left furthest behind? • **3:** The target groups are clearly specified, prioritising discriminated and marginalized groups left furthest behind, identified through a rigorous process based on evidence. • **2:** The target groups are clearly specified, prioritizing groups left furthest behind. **1:** The target groups are not clearly specified. *Note: Management Action must be taken for a score of 1. *Projects that build institutional capacity should still identify targeted groups to justify support*	3 | 2 1 **Evidence** Refer Pro-doc Section II – Strategy (pg-7)	
5. Have knowledge, good practices, and past lessons learned of UNDP and others informed the project design? • **3:** Knowledge and lessons learned backed by credible evidence from sources such as evaluation, corporate policies/strategies, and/or monitoring have been explicitly used, with appropriate referencing, to justify the approach used by the project. • **2:** The project design mentions knowledge and lessons learned backed by evidence/sources, but have not been used to justify the approach selected. **1:** There is little or no mention of knowledge and lessons learned informing the project design. Any references made are anecdotal and not backed by evidence. *Note: Management Action or strong management justification must be given for a score of 1	3 | 2 **1** **Evidence** Refer Pro-doc Section VI I– M&E (pg-21)	
6. Does UNDP have a clear advantage to engage in the role envisioned by the project vis-à-vis national/regional/global partners and other actors? • **3:** An analysis has been conducted on the role of other partners in the area where the project intends to work, and credible evidence supports the proposed engagement of UNDP and partners through the project, including identification of potential funding partners. It is clear how results achieved by partners will complement the project's intended results and a communication strategy is in place to communicate results and raise visibility vis-à-vis key partners. Options for south-south and triangular cooperation have been considered, as appropriate. *(all must be true)* • **2:** Some analysis has been conducted on the role of other partners in the area where the project intends to work, and relatively limited evidence supports the proposed engagement of and division of labour between UNDP and partners through the project, with unclear funding and communications strategies or plans. • **1:** No clear analysis has	3 | 2 1 **Evidence** Refer Pro-doc Section IV – Project Management (pg-17)	

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

been conducted on the role of other partners in the area that the project intends to work. There is risk that the project overlaps and/or does not coordinate with partners' interventions in this area. Options for south-south and triangular cooperation have not been considered, despite its potential relevance. *Note: Management Action or strong management justification must be given for a score of 1	

PRINCIPLED

7. Does the project apply a human rights-based approach? • **3:** The project is guided by human rights and incorporates the principles of accountability, meaningful participation, and non-discrimination in the project's strategy. The project upholds the relevant international and national laws and standards. Any potential adverse impacts on enjoyment of human rights were rigorously identified and assessed as relevant, with appropriate mitigation and management measures incorporated into project design and budget. *(all must be true)* • **2:** The project is guided by human rights by prioritizing accountability, meaningful participation and non-discrimination. Potential adverse impacts on enjoyment of human rights were identified and assessed as relevant, and appropriate mitigation and management measures incorporated into the project design and budget. *(both must be true)* • **1:** No evidence that the project is guided by human rights. Limited or no evidence that potential adverse impacts on enjoyment of human rights were considered. *Note: Management action or strong management justification must be given for a score of 1	3 / 1	2 **Evidence** Refer Pro-doc Section Annex XI.2 – SESP, Question 1 (pg-44)
8. Does the project use gender analysis in the project design? • **3:** A participatory gender analysis has been conducted and results from this gender analysis inform the development challenge, strategy and expected results sections of the project document. Outputs and indicators of the results framework include explicit references to gender equality, and specific indicators measure and monitor results to ensure women are fully benefitting from the project. *(all must be true)* • **2:** A basic gender analysis has been carried out and results from this analysis are scattered (i.e., fragmented and not consistent) across the development challenge and strategy sections of the project document. The results framework may include some gender sensitive outputs and/or activities but gender inequalities are not consistently integrated across each output. *(all must be*	3 / 1	2 **Evidence** Refer Pro-doc Section Annex XI.2 – SESP, Question 1 (pg-44)

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

true) • **1:** The project design may or may not mention information and/or data on the differential impact of the project's development situation on gender relations, women and men, but the gender inequalities have not been clearly identified and reflected in the project document. *Note: Management Action or strong management justification must be given for a score of 1		
9. Did the project support the resilience and sustainability of societies and/or ecosystems? • **3:** Credible evidence that the project addresses sustainability and resilience dimensions of development challenges, which are integrated in the project strategy and design. The project reflects the interconnections between the social, economic and environmental dimensions of sustainable development. Relevant shocks, hazards and adverse social and environmental impacts have been identified and rigorously assessed with appropriate management and mitigation measures incorporated into project design and budget. *(all must be true)*. • **2:** The project design integrates sustainability and resilience dimensions of development challenges. Relevant shocks, hazards and adverse social and environmental impacts have been identified and assessed, and relevant management and mitigation measures incorporated into project design and budget. *(both must be true)* • **1:** Sustainability and resilience dimensions and impacts were not adequately considered. *Note: Management action or strong management justification must be given for a score of 1	3	2
	1	
	Evidence Refer Pro-doc Section Annex XI.2 – SESP, Question 1 (pg-44)	
10. Has the Social and Environmental Screening Procedure (SESP) been conducted to identify potential social and environmental impacts and risks? The SESP is not required for projects in which UNDP is Administrative Agent only and/or projects comprised solely of reports, coordination of events, trainings, workshops, meetings, conferences and/or communication materials and information dissemination. [if yes, upload the completed checklist. If SESP is not required, provide the reason for the exemption in the evidence section.]	**Yes**	No
	Refer Pro-doc Section Annex XI.2 – SESP (pg-44-45)	

MANAGEMENT & MONITORING

11. Does the project have a strong results framework?	3	2
	1	

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

• **3:** The project's selection of outputs and activities are at an appropriate level. Outputs are accompanied by SMART, results-oriented indicators that measure the key expected development changes, each with credible data sources and populated baselines and targets, including gender sensitive, target group focused, sex-disaggregated indicators where appropriate. *(all must be true)* • **2:** The project's selection of outputs and activities are at an appropriate level. Outputs are accompanied by SMART, results-oriented indicators, but baselines, targets and data sources may not yet be fully specified. Some use of target group focused, sex-disaggregated indicators, as appropriate. *(all must be **true**)* **1:** The project's selection of outputs and activities are not at an appropriate level; outputs are not accompanied by SMART, results-oriented indicators that measure the expected change and have not been populated with baselines and targets; data sources are not specified, and/or no gender sensitive, sex-disaggregation of indicators. *(if any is true)* *Note: Management Action or strong management justification must be given for a score of 1	**Evidence** Refer Pro-doc Section V – RRF (pg-18)
12. Is the project's governance mechanism clearly defined in the project document, including composition of the project board? • **3:** The project's governance mechanism is fully defined. Individuals have been specified for each position in the governance mechanism (especially all members of the project board.) Project Board members have agreed on their roles and responsibilities as specified in the terms of reference. The ToR of the project board has been attached to the project document. *(all must be true)*. • **2:** The project's governance mechanism is defined; specific institutions are noted as holding key governance roles, but individuals may not have been specified yet. The project document lists the most important responsibilities of the project board, project director/manager and quality assurance roles. *(all must be true)* **1:** The project's governance mechanism is loosely defined in the project document, only mentioning key roles that will need to be filled at a later date. No information on the responsibilities of key positions in the governance mechanism is provided. *Note: Management Action or strong management justification must be given for a score of 1	3 / 2 / 1 **Evidence** Refer Pro-doc Section VIII - Governance and Management Arrangements (pgs-27-28 & Annex X.5, 60)
13. Have the project risks been identified with clear plans stated to manage and mitigate each risk?	3 / 2 / 1

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

• **3:** Project risks related to the achievement of results are fully described in the project risk log, based on comprehensive analysis drawing on the programme's theory of change, Social and Environmental Standards and screening, situation analysis, capacity assessments and other analysis such as funding potential and reputational risk. Risks have been identified through a consultative process with key internal and external stakeholders. Clear and complete plan in place to manage and mitigate each risk, reflected in project budgeting and monitoring plans. *(both must be true)* • **2:** Project risks related to the achievement of results are identified in the initial project risk log based on a minimum level of analysis and consultation, with mitigation measures identified for each risk. **1:** Some risks may be identified in the initial project risk log, but no evidence of consultation or analysis and no clear risk mitigation measures identified. This option is also selected if risks are not clearly identified and/or no initial risk log is included with the project document. *Note: Management Action must be taken for a score of 1	**Evidence** Refer Pro-doc Section XI.3 - Risk Analysis (pg-55-58)

EFFICIENT

14. Have specific measures for ensuring cost-efficient use of resources been explicitly mentioned as part of the project design? This can include, for example: i) using the theory of change analysis to explore different options of achieving the maximum results with the resources available; ii) using a portfolio management approach to improve cost effectiveness through synergies with other interventions; iii) through joint operations (e.g., monitoring or procurement) with other partners; iv) sharing resources or coordinating delivery with other projects, v) using innovative approaches and technologies to reduce the cost of service delivery or other types of interventions. *(Note: Evidence of at least one measure must be provided to answer yes for this question)*	**Yes (3)** **Pro-doc** (pg-7)	No (1)
15. Is the budget justified and supported with valid estimates?	3 1	2

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

• **3:** The project's budget is at the activity level with funding sources, and is specified for the duration of the project period in a multi-year budget. Realistic resource mobilisation plans are in place to fill unfunded components. Costs are supported with valid estimates using benchmarks from similar projects or activities. Cost implications from inflation and foreign exchange exposure have been estimated and incorporated in the budget. Adequate costs for monitoring, evaluation, communications and security have been incorporated. • **2:** The project's budget is at the activity level with funding sources, when possible, and is specified for the duration of the project in a multi-year budget, but no funding plan is in place. Costs are supported with valid estimates based on prevailing rates. **1:** The project's budget is not specified at the activity level, and/or may not be captured in a multi-year budget.	**Evidence** Refer Pro-doc Section VII. - Multi-Year Work Plan (pg-23-26)
16. Is the Country Office/Regional Hub/Global Project fully recovering the costs involved with project implementation? • **3:** The budget fully covers all project costs that are attributable to the project, including programme management and development effectiveness services related to strategic country programme planning, quality assurance, pipeline development, policy advocacy services, finance, procurement, human resources, administration, issuance of contracts, security, travel, assets, general services, information and communications based on full costing in accordance with prevailing UNDP policies (i.e., UPL, LPL.) • **2:** The budget covers significant project costs that are attributable to the project based on prevailing UNDP policies (i.e., UPL, LPL) as relevant. **1:** The budget does not adequately cover project costs that are attributable to the project, and UNDP is cross-subsidizing the project. *Note: Management Action must be given for a score of 1. The budget must be revised to fully reflect the costs of implementation before the project commences.	3 / 2 1 **Evidence** Refer Pro-doc Section VII. - Multi-Year Work Plan (pg-23-26)
EFFECTIVE	
17. Have targeted groups been engaged in the design of the project? • 3: Credible evidence that all targeted groups, prioritising discriminated and marginalized populations that will be involved in or affected by the project, have been actively engaged in the design of the project. The project has an explicit strategy to identify, engage and ensure the meaningful participation of target groups as stakeholders throughout the project, including through monitoring and decision-making (e.g., representation on the project board, inclusion in samples for evaluations, etc.)	3 / 2 1 **Evidence** Refer Pro-doc Section IV. - Results & Partnerships

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

• 2: Some evidence that key targeted groups have been consulted in the design of the project. • 1: No evidence of engagement with targeted groups during project design.	(pg-9-12)	
18. Does the project plan for adaptation and course correction if regular monitoring activities, evaluation, and lesson learned demonstrate there are better approaches to achieve the intended results and/or circumstances change during implementation?	**Yes (3)** (pg-21-22 – VI.Monitoring & Evaluation)	No (1)
19. The gender marker for all project outputs are scored at GEN2 or GEN3, indicating that gender has been fully mainstreamed into all project outputs at a minimum. *Note: Management Action or strong management justification must be given for a score of "no"	**Yes (3)**	No (1)
	Evidence Refer Pro-doc Section VIII. - Multi-Year Work Plan (pg-23-26 & pg-35 supports same)	

SUSTAINABILITY & NATIONAL OWNERSHIP

20. Have national/regional/global partners led, or proactively engaged in, the design of the project? • **3:** National partners (or regional/global partners for regional and global projects) have full ownership of the project and led the process of the development of the project jointly with UNDP. • **2:** The project has been developed by UNDP in close consultation with national/regional/global partners. • **1:** The project has been developed by UNDP with limited or no engagement with national partners.	3	2
	1	
	Evidence Refer Pro-doc Section IV. - Project Managemnt (pg-17)	

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

21. Are key institutions and systems identified, and is there a strategy for strengthening specific/ comprehensive capacities based on capacity assessments conducted? • **3:** The project has a strategy for strengthening specific capacities of national institutions and/or actors based on a completed capacity assessment. This strategy includes an approach to regularly monitor national capacities using clear indicators and rigorous methods of data collection, and adjust the strategy to strengthen national capacities accordingly. • **2:** A capacity assessment has been completed. There are plans to develop a strategy to strengthen specific capacities of national institutions and/or actors based on the results of the capacity assessment. • **1:** Capacity assessments have not been carried out.	3 / 2 / 1 **Evidence** Has been done previously	
22. Is there is a clear strategy embedded in the project specifying how the project will use national systems (i.e., procurement, monitoring, evaluations, etc.,) to the extent possible?	**Yes (3)** **Refer Pro-doc** **(pgs 7-8)**	No (1)
23. Is there a clear transition arrangement/ phase-out plan developed with key stakeholders in order to sustain or scale up results (including resource mobilisation and communications strategy)?	**Yes (3)** Refer Pro-doc III - Results & Partnerships (pg-16)	No (1)

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

Annex XI.2 - Social and Environmental Screening Template

Project Information

Project Information	
1. Project Title	Tuvalu: Trade and Integrated Private Sector Development (Tuvalu-TIPS) Project
2. Project Number	00127911 (Output 00121874)
3. Location (Global/Region/Country)	Tuvalu

Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?
Briefly describe in the space below how the Project mainstreams the human-rights based approach
A human rights approach is 'a conceptual framework for the process of human development that is normatively based on international human rights standards and operationally directed to promoting and protecting human rights. It seeks to analyse inequalities which lie at the heart of development problems and redress discriminatory practices and unjust distributions of power that impede development progress' (http://hrbaportal.org/faq). The expected short-term development change from this project is iincreased exports and employment/income earning opportunities through private sector development in selected value chains (Agriculture, Fisheries and Tourism)…Under the United Nations Charter, nations of the world pledge to promote improved standards of living and conditions conducive to economic and social development.
Briefly describe in the space below how the Project is likely to improve gender equality and women's empowerment
The government adopted its gender policy in 2014, the National Gender Equality and Women's Empowerment Policy. The policy was developed to address existing gender inequalities. Implementation of the policy is expected to generate a number of outcomes,

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

particularly the outcome that is most relevant to the project relates to creating an enabling environment for the full participation of women in economic development.

The government is committed to increasing the number of women's businesses in Funafuti and the outer islands, the number of women establishing businesses in non-traditional areas, improving working conditions for women in paid employment in both the formal and informal sectors, increasing the number of women entering into technical areas of work and the number of men entering service industry work and increasing women's access to and ownership of productive assets.

Briefly describe in the space below how the Project mainstreams environmental sustainability

The Tuvalu Climate Change Policy or Te Kaniva (2012), along with the Environmental Act and the National Strategic Action Plan, aims to protect Tuvalu's status as a nation and its cultural identity with a safe, resilient and prosperous future.

Environmental sustainability considerations will be reflected via its EIA as the nation's Department of Environment requires that all prospective projects undergo an environmental impact assessment (EIA) and identify appropriate measures to mitigate negative impacts. The requirement of EIAs would be very important for various purposes, including guiding investors and the general development of the private sector.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

Part B. Identifying and Managing Social and Environmental Risks

QUESTION 2: What are the Potential Social and Environmental Risks? *Note: Describe briefly potential social and environmental risks identified in Attachment 1 – Risk Screening Checklist (based on any "Yes" responses). If no risks have been identified in Attachment 1 then note "No Risks Identified" and skip to Question 4 and Select "Low Risk". Questions 5 and 6 not required for Low Risk Projects.*	**QUESTION 3: What is the level of significance of the potential social and environmental risks?** *Note: Respond to Questions 4 and 5 below before proceeding to Question 6*			**QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?**
Risk Description	***Impact and Probability (1-5)***	***Significance (Low, Moderate, High)***	***Comments***	***Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks.***
Risk 1: Transportation bottlenecks and high cost of transportation between islands	I = 4 P = 4	High		Government has added new boats to its fleet; there is a need to adhere to scheduled shipping services
Risk 2: Low priority given by the government to the private sector development, exports and tourism	I = 5 P = 1	Moderate		Ensure sufficient consultations with main stakeholders and Implement Exit Strategy and Capacity Development Plan (Annex 1: Pillar 3: Trade Mainstreaming)
Risk 3: Staff turnover and the	I = 3	Moderate		Maintain high morale, involve staff in decision-making, include training and travel

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

departure of key staff	P = 4			(Implementation of Exit Strategy and Capacity Development Plan
Risk 4: Natural disasters, e.g. cyclones and draught and deteriorating soil conditions	I = 2 P = 4	Moderate		Build resilience of producers, processors, tourism sector operators in collaboration with other partners for rapid recovery from pandemics like COVID-19; natural disasters; water shortages due to draughts addressed by ensuring that water desalination plants and storage tanks are kept in working order all year round.

	QUESTION 4: What is the overall Project risk categorization?		
	Select one (see SESP for guidance)		**Comments**
	Low Risk		
	Moderate Risk	X	The main risks that could affect project delivery are internal challenges within the project as well as external factors owing to Tuvalu's vulnerability to climate change and high dependency on donor assistance
	High Risk		
	QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?		
	Check all that apply		**Comments**
	Principle 1: Human Rights		
	Principle 2: Gender Equality and Women's Empowerment		
	1. Biodiversity Conservation and Natural Resource Management		

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

	2. Climate Change Mitigation and Adaptation		
	3. Community Health, Safety and Working Conditions	X	**Output 1.3:** Improved regulatory environment regarding the Technical Barriers to Trade (TBT) & Improved Sanitary and Phytosanitary (SPS) management and food safety system (DTIS 4.1 & 5.1); Activity - Develop food safety/product quality regulation(s); collaborate with regional quality assurance institutions.
	4. Cultural Heritage	X	**Output 2.12:** Tourism sector linkages with auxiliary industries (agriculture, fisheries and cultural industries like handicraft and cultural dances) strengthened. Activities include - Promote local food/cuisine; Promote local culture and handicrafts (e.g. in Annual 'Talofa Trade Fair' jointly organised by Department of Trade and TNPSO).
	5. Displacement and Resettlement		
	6. Indigenous Peoples		
	7. Pollution Prevention and Resource Efficiency	X	According to Tuvalu's National Biodiversity Strategy Action Plan of 2010, there is an urgent need for a land use plan to regulate the disposal of waste, solids, liquids and the clearing of vegetation. Poor waste management has direct implications for human health and the ecosystem, especially in Funafuti. This has already led to

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

			increased pollution of lagoon waters and a greater accumulation of waste and disease as the existing infrastructure struggles to cope with urban migration from the outer islands

Final Sign Off

Signature	***Date***	***Description***
QA Assessor		UNDP staff member responsible for the Project, typically a UNDP Programme Officer. Final signature confirms they have "checked" to ensure that the SESP is adequately conducted.
QA Approver		UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD)**,** Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have "cleared" the SESP prior to submittal to the PAC.
PAC Chair		UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

SESP Attachment 1. Social and Environmental Risk Screening Checklist

Checklist Potential Social and Environmental Risks	
Principles 1: Human Rights	**Answer (Yes/ No)**
1. Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
2. Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? [17]	No
3. Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?	No
4. Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	No
5. Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	No
6. Is there a risk that rights-holders do not have the capacity to claim their rights?	No
7. Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	No
8. Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals?	No
Principle 2: Gender Equality and Women's Empowerment	
1. Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	No
2. Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No
3. Have women's groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	No
4. Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? *For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods*	No

[17] Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

	and well being	
Principle 3: Environmental Sustainability: Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below		
Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management		
1.1	Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? *For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes*	No
1.2	Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	No
1.3	Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No
1.4	Would Project activities pose risks to endangered species?	No
1.5	Would the Project pose a risk of introducing invasive alien species?	No
1.6	Does the Project involve harvesting of natural forests, plantation development, or reforestation?	No
1.7	Does the Project involve the production and/or harvesting of fish populations or other aquatic species?	No
1.8	Does the Project involve significant extraction, diversion or containment of surface or ground water? *For example, construction of dams, reservoirs, river basin developments, groundwater extraction*	No
1.9	Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)	No
1.10	Would the Project generate potential adverse transboundary or global environmental concerns?	No
1.11	Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area? *For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.*	No

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

Standard 2: Climate Change Mitigation and Adaptation		
2.1	Will the proposed Project result in significant[18] greenhouse gas emissions or may exacerbate climate change?	No
2.2	Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	Yes
2.3	Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)? *For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding*	No
Standard 3: Community Health, Safety and Working Conditions		
3.1	Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	No
3.2	Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No
3.3	Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	No
3.4	Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	No
3.5	Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	No
3.6	Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	No
3.7	Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	No
3.8	Does the Project involve support for employment or livelihoods that may fail to comply with national and international labor standards (i.e. principles and standards of ILO fundamental conventions)?	No
3.9	Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	No
Standard 4: Cultural Heritage		
4.1	Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations,	No

[18] In regards to CO_2, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation provides additional information on GHG emissions.]

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

	practices)? (Note: Projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	
4.2	Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes?	No
Standard 5: Displacement and Resettlement		
5.1	Would the Project potentially involve temporary or permanent and full or partial physical displacement?	No
5.2	Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	Is there a risk that the Project would lead to forced evictions?[19]	No
5.4	Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
Standard 6: Indigenous Peoples		
6.1	Are indigenous peoples present in the Project area (including Project area of influence)?	No
6.2	Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	No
6.3	Would the proposed Project potentially affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the Project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? *If the answer to the screening question 6.3 is "yes" the potential risk impacts are considered potentially severe and/or critical and the Project would be categorized as either Moderate or High Risk.*	No
6.4	Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5	Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No
6.7	Would the Project adversely affect the development priorities of indigenous	No

[19] Forced evictions include acts and/or omissions involving the coerced or involuntary displacement of individuals, groups, or communities from homes and/or lands and common property resources that were occupied or depended upon, thus eliminating the ability of an individual, group, or community to reside or work in a particular dwelling, residence, or location without the provision of, and access to, appropriate forms of legal or other protections.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

	peoples as defined by them?	
6.8	Would the Project potentially affect the physical and cultural survival of indigenous peoples?	No
6.9	Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	No
Standard 7: Pollution Prevention and Resource Efficiency		
7.1	Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No
7.2	Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	No
7.3	Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs? *For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol*	No
7.4	Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?	No
7.5	Does the Project include activities that require significant consumption of raw materials, energy, and/or water?	No

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

Annex XI.3: Risk Analysis

#	Description	Risk Category	Risk Level	Risk Treatment / Management Measures	Risk Owner
1	Exchange rate fluctuations impacting project budgets	Financial	I=3 P=2 Risk level = Medium	Include buffers in revised budget estimations Outline areas where it would be feasible to scale back. Submit revised budget to the Executive Secretariat for the EIF (ES) and the EIF Trust Fund Manager (TFM) for review with notes on assumptions.	NIU
2	Staff turnover and the departure of key staff	Operational	I=3 P=2 Risk level = Medium	Maintain high morale; Involve staff in decision-making; Include project staff in relevant trainings and travel; & Work with development agencies, international partners and donors to identify opportunities to provide additional support to the Project staff	Project manager UNDP/EIF leadership & Development Partners
3	Unforeseen delays in project implementation	Operational	I=2 P=2 Risk level = Medium	Coordinate high-level advocacy by development partners and civil society Build in sufficient lead time for activities in the work plan Work closely with project leadership to ensure the right project staff are selected for the right capacity development programmes,	Project manager UNDP/EIF leadership
4	Ineffective marketing program affecting project results	Operational	I=3 P=1 Risk level = Low	Monitor impact of marketing program and revise if results are unsatisfactory	Project manager & Development Partners

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

5	Change in the scope of the project	Operational	I=3 P=1 Risk level = Low	Ensure adequate consultations take place in the design phase and during the project implementation	Project management
6	Low priority given by the government to the private sector development, exports and tourism	Strategic/Finance	I=3 P=2 Risk level = Medium	Ensure sufficient consultations with main stakeholders and Implement Exit Strategy and Capacity Development Plan	Project management
7	Lack of development partner commitment	Strategic	I=1 P=1 Risk level = Low	Ensure effective implementation of Exit Strategy and Capacity Development Plan	Project management
8	Transportation bottlenecks and high cost of transportation between islands	Operational	I=3 P=3 Risk level = High	Government has added new boats to its fleet, so there is a need to adhere to scheduled shipping services	Project management
9	Inadequate supply of accommodation for increased tourist arrivals	Operational	I=3 P=2 Risk level = Medium	Monitor tourist arrivals and convey information to the tourism industry and banks about new business opportunities to encourage increased supply of accommodation facilities	Project management
10	Airfares increase substantially	Strategic/Operatio nl.	I=3 P=1 Risk level = Low	Improve alternatives, e.g. shipping services	Project management
11	Suspension of air service	Operational	I=3 P=1 Risk level = Low	Negotiate with airline to lower or maintain airfares	Project management

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

12	Airfares increase substantially	Strategic/Operatio nl.	I=3 P=1 Risk level = Low	Negotiate with airline to lower or maintain airfares	Project management
12	Natural disasters, e.g. cyclones and draught and deteriorating soil conditions	Environmental	I=3 P=2 Risk level = High	Build resilience of producers, processors, tourism sector operators in collaboration with other partners for rapid recovery from pandemics like COVID-19; Natural disasters; water shortages due to droughts addressed by ensuring that water desalination plants and storage tanks are kept in working order all year round.	Project management & Development Partners

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

Annex XI.4 - Capacity Assessment: Results of capacity assessments of Implementing Partner (including HACT Micro Assessment)

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

Annex XI.5 - Project Board Terms of Reference and TORs of key management positions

Overall responsibilities: The Project Board is the group responsible for making by consensus management decisions for a project when guidance is required by the Project Manager, including recommendation for UNDP/Implementing Partner approval of project plans and revisions. In order to ensure UNDP's ultimate accountability, Project Board decisions should be made in accordance to standards that shall ensure best value to money, fairness, integrity transparency and effective international competition. In case a consensus cannot be reached, final decision shall rest with the UNDP Programme Manager. Project reviews by this group are made at designated decision points during the running of a project, or as necessary when raised by the Project Manager. This group is consulted by the Project Manager for decisions when Project Manager tolerances (normally in terms of time and budget) have been exceeded.

Based on the approved annual work plan (AWP), the Project Board may review and approve project quarterly plans when required and authorizes any major deviation from these agreed quarterly plans. It is the authority that signs off the completion of each quarterly plan as well as authorizes the start of the next quarterly plan. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the project and external bodies. In addition, it approves the appointment and responsibilities of the Project Manager and any delegation of its Project Assurance responsibilities.

Composition and organization: This group contains three roles, including:

1) An Executive: individual representing the project ownership to chair the group.
2) Senior Supplier: individual or group representing the interests of the parties concerned which provide funding and/or technical expertise to the project. The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project.
3) Senior Beneficiary: individual or group of individuals representing the interests of those who will ultimately benefit from the project. The Senior Beneficiary's primary function within the Board is to ensure the realization of project results from the perspective of project beneficiaries.

Potential members of the Project Board are reviewed and recommended for approval during the LPAC meeting. For example, the Executive role can be held by a representative from the Government Cooperating Agency or UNDP, the Senior Supplier role is held by a representative of the Implementing Partner and/or UNDP, and the Senior Beneficiary role is held by a representative of the government or civil society. Representative of other stakeholders can be included in the Board as appropriate.

Specific responsibilities:

Defining a project

- Review and approve the Initiation Plan (if such plan was required and submitted to the LPAC).

Initiating a project

- Agree on Project Manager's responsibilities, as well as the responsibilities of the other members of the Project Management team;
- Delegate any Project Assurance function as appropriate;

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

- Review the Progress Report for the Initiation Stage (if an Initiation Plan was required);
- Review and appraise detailed Project Plan and AWP, including Atlas reports covering activity definition, quality criteria, issue log, updated risk log and the monitoring and communication plan.

Running a project

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Address project issues as raised by the Project Manager;
- Provide guidance and agree on possible countermeasures/management actions to address specific risks;
- Agree on Project Manager's tolerances in the Annual Work Plan and quarterly plans when required;
- Conduct regular meetings to review the Project Quarterly Progress Report and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans.
- Review Combined Delivery Reports (CDR) prior to certification by the Implementing Partner;
- Appraise the Project Annual Review Report, make recommendations for the next AWP, and inform the Outcome Board about the results of the review.
- Review and approve end project report, make recommendations for follow-on actions;
- Provide ad-hoc direction and advice for exception situations when project manager's tolerances are exceeded;
- Assess and decide on project changes through revisions;

Closing a project

- Assure that all Project deliverables have been produced satisfactorily;
- Review and approve the Final Project Review Report, including Lessons-learned;
- Make recommendations for follow-on actions to be submitted to the Outcome Board;
- Commission project evaluation (only when required by partnership agreement)
- Notify operational completion of the project to the Outcome Board.

Executive

The Executive is ultimately responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive's role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher level outcomes. The Executive has to ensure that the project gives value for money, ensuring a cost-conscious approach to the project, balancing the demands of beneficiary and supplier.

Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Ensure that there is a coherent project organisation structure and logical set of plans
- Set tolerances in the AWP and other plans as required for the Project Manager
- Monitor and control the progress of the project at a strategic level
- Ensure that risks are being tracked and mitigated as effectively as possible
- Brief Outcome Board and relevant stakeholders about project progress
- Organise and chair Project Board meetings

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

The Executive is responsible for overall assurance of the project as described in Annex X.5 – Terms of Reference for Project Assurance. If the project warrants it, the Executive may delegate some responsibility for the project assurance functions.

Senior Beneficiary

The Senior Beneficiary is responsible for validating the needs and for monitoring that the solution will meet those needs within the constraints of the project. The role represents the interests of all those who will benefit from the project, or those for whom the deliverables resulting from activities will achieve specific output targets. The Senior Beneficiary role monitors progress against targets and quality criteria. This role may require more than one person to cover all the beneficiary interests. For the sake of effectiveness, the role should not be split between too many people.

Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Ensure the expected output(s) and related activities of the project are well defined
- Make sure that progress towards the outputs required by the beneficiaries remains consistent from the beneficiary perspective
- Promote and maintain focus on the expected project output(s)
- Prioritise and contribute beneficiaries' opinions on Project Board decisions on whether to implement recommendations on proposed changes
- Resolve priority conflicts

The assurance responsibilities of the Senior Beneficiary are to check that:

- Specification of the Beneficiary's needs is accurate, complete and unambiguous
- Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary's needs and are progressing towards that target
- Impact of potential changes is evaluated from the beneficiary point of view
- Risks to the beneficiaries are frequently monitored

Where the project's size, complexity or importance warrants it, the Senior Beneficiary may delegate the responsibility and authority for some of the assurance responsibilities (see also Annex X.5 – Terms of Reference for Project Assurance).

Senior Supplier

The Senior Supplier represents the interests of the parties which provide funding and/or technical expertise to the project (designing, developing, facilitating, procuring, implementing). The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project. The Senior Supplier role must have the authority to commit or acquire supplier resources required. If necessary, more than one person may be required for this role. Typically, the implementing partner, UNDP and/or donor(s) would be represented under this role.

Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Make sure that progress towards the outputs remains consistent from the supplier perspective
- Promote and maintain focus on the expected project output(s) from the point of view of supplier management
- Ensure that the supplier resources required for the project are made available
- Contribute supplier opinions on Project Board decisions on whether to implement recommendations on proposed changes

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

- Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts

The supplier assurance role responsibilities are to:

- Advise on the selection of strategy, design and methods to carry out project activities
- Ensure that any standards defined for the project are met and used to good effect
- Monitor potential changes and their impact on the quality of deliverables from a supplier perspective
- Monitor any risks in the implementation aspects of the project

If warranted, some of this assurance responsibility may be delegated.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

Annex XI.6 – Terms of Reference for Project Manager

Overall responsibilities: The Project Manager has the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Board. The Project Manager is responsible for day-to-day management and decision-making for the project. The Project Manager's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost.

The Implementing Partner appoints the Project Manager, who should be different from the Implementing Partner's representative in the Outcome Board. Prior to the approval of the project, the Project Developer role is the UNDP staff member responsible for project management functions during formulation until the Project Manager from the Implementing Partner is in place.

Specific responsibilities would include:

Overall project management:

- Manage the realization of project outputs through activities;
- Provide direction and guidance to project team(s)/ responsible party (ies);
- Liaise with the Project Board or its appointed Project Assurance roles to assure the overall direction and integrity of the project;
- Identify and obtain any support and advice required for the management, planning and control of the project;
- Responsible for project administration;
- Liaise with any suppliers;
- May also perform Team Manager and Project Support roles;

Running a project

- Plan the activities of the project and monitor progress against the initial quality criteria.
- Mobilize goods and services to initiative activities, including drafting TORs and work specifications;
- Monitor events as determined in the Monitoring & Communication Plan, and update the plan as required;
- Manage requests for the provision of financial resources by UNDP, using advance of funds, direct payments, or reimbursement using the FACE (Fund Authorization and Certificate of Expenditures);
- Monitor financial resources and accounting to ensure accuracy and reliability of financial reports;
- Manage and monitor the project risks as initially identified in the Project Brief appraised by the LPAC, submit new risks to the Project Board for consideration and decision on possible actions if required; update the status of these risks by maintaining the Project Risks Log;
- Be responsible for managing issues and requests for change by maintaining an Issues Log.
- Prepare the Project Quarterly Progress Report (progress against planned activities, update on Risks and Issues, expenditures) and submit the report to the Project Board and Project Assurance;
- Prepare the Annual review Report, and submit the report to the Project Board and the Outcome Board;
- Based on the review, prepare the AWP for the following year, as well as Quarterly Plans if required.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

Closing a Project

- Prepare Final Project Review Reports to be submitted to the Project Board and the Outcome Board;
- Identify follow-on actions and submit them for consideration to the Project Board;
- Manage the transfer of project deliverables, documents, files, equipment and materials to national beneficiaries;
- Prepare final CDR/FACE for signature by UNDP and the Implementing Partner.

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

Annex XI.7 – Terms of Reference for Project Finance Officer & Support Officer

Overall responsibilities: The Project Finance Officer role will:

- Assist EIF Project Manager/Project Officer and NIU Coordinator in preparation of work plans, progress report, meeting minutes, financial reports, etc.
- Assist EIF Project Manager/Project Officer and NIU Coordinator in formulation of administrative, financial and procurement plans and their implementation.
- Assist in preparation and logistical planning for various conference, workshop, meetings etc. organised by EIF NIU.
- Assist visiting missions (arranging appointments, hotel accommodations and other travel) as required.
- Be responsible for account maintenance, office supplies, procurement and distribution of the project(s) funded by EIF.
- Liaise with Accounts sections of Ministry of Finance and other relevant agencies responsible for the management of the EIF fund (receipts and expenditures).
- Maintain accounts and keep proper records of receipts, disbursements, procurements, recruitments, etc.
- Perform other tasks as assigned by the EIF Project Manager/EIF Project Officer and NIU Coordinator.

Overall responsibilities: The Project Support role provides project administration, management and technical support to the Project Manager as required by the needs of the individual project or Project Manager. It is necessary to keep Project Support and Project Assurance roles separate in order to maintain the independence of Project Assurance.

Specific responsibilities: Some specific tasks of the Project Support would include:

Provision of administrative services:

- Set up and maintain project files
- Collect project related information data
- Update plans
- Administer the quality review process
- Administer Project Board meetings

Project documentation management:

- Administer project revision control
- Establish document control procedures
- Compile, copy and distribute all project reports

Financial Management, Monitoring and reporting

- Assist in the financial management tasks under the responsibility of the Project Manager
- Provide support in the use of Atlas for monitoring and reporting

Provision of technical support services

- Provide technical advices
- Review technical reports
- Monitor technical activities carried out by responsible parties

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

Annex XI.8 – Terms of Reference for Project Assurance

Overall responsibility: Project Assurance is the responsibility of each Project Board member; however, the role can be delegated. The Project Assurance role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed.

Project Assurance has to be independent of the Project Manager; therefore, the Project Board cannot delegate any of its assurance responsibilities to the Project Manager. A UNDP Programme Officer typically holds the Project Assurance role.

The implementation of the assurance responsibilities needs to answer the question "What is to be assured?" The following list includes the key suggested aspects that need to be checked by the Project Assurance throughout the project as part of ensuring that it remains relevant, follows the approved plans and continues to meet the planned targets with quality.

- Maintenance of thorough liaison throughout the project between the members of the Project Board.
- Beneficiary needs and expectations are being met or managed
- Risks are being controlled
- Adherence to the Project Justification (Business Case)
- Projects fit with the overall Country Programme
- The right people are being involved
- An acceptable solution is being developed
- The project remains viable
- The scope of the project is not "creeping upwards" unnoticed
- Internal and external communications are working
- Applicable UNDP rules and regulations are being observed
- Any legislative constraints are being observed
- Adherence to RMG monitoring and reporting requirements and standards
- Quality management procedures are properly followed
- Project Board's decisions are followed and revisions are managed in line with the required procedures

Specific responsibilities would include:

Initiating a project

- Ensure that project outputs definitions and activity definition including description and quality criteria have been properly recorded in the Atlas Project Management module to facilitate monitoring and reporting;
- Ensure that people concerned are fully informed about the project
- Ensure that all preparatory activities, including training for project staff, logistic supports are timely carried out

Running a project

- Ensure that funds are made available to the project;
- Ensure that risks and issues are properly managed, and that the logs in Atlas are regularly updated;

DocuSign Envelope ID: 1BAD2EA3-974F-4F56-A90F-EAFE311CBEB9

- Ensure that critical project information is monitored and updated in Atlas, using the Activity Quality log in particular;
- Ensure that Project Quarterly Progress Reports are prepared and submitted on time, and according to standards in terms of format and content quality;
- Ensure that CDRs and FACE are prepared and submitted to the Project Board and Outcome Board;
- Perform oversight activities, such as periodic monitoring visits and "spot checks".
- Ensure that the Project Data Quality Dashboard remains "green"

Closing a project

- Ensure that the project is operationally closed in Atlas;
- Ensure that all financial transactions are in Atlas based on final accounting of expenditures;
- Ensure that project accounts are closed and status set in Atlas accordingly.