Country: INDIA
2013 Annual Work Plan

Project Title: Strengthening capacities of Panchayati Raj Institutions (PRIs)

Implementing Partner: Ministry of Panchayati Raj

A. State the specific development challenge or gap that this AWP is addressing.
The 73rd and 74th Constitutional Amendment Act mandated local governments with the power to plan for economic development and social justice. However, even after 20 years, Panchayats have not been able to deliver fully on this mandate primarily due to (a) lack of effective devolution and (b) capacity constraints. This AWP is the first of a multi-year project that aims at collaborating with the Ministry of Panchayati Raj to address some of the critical capacity challenges faced by PRIs through provision of technical support at the national and state level.

B. Select one or more of the below strategies for addressing the above mentioned challenge/gap and describe in the context of this AWP:
- Changes in attitudes and access to decision making through awareness raising, brokering, convening - The project will raise awareness about key panchayat processes and factors that affect functioning of Panchayats within the umbrella of the Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA). It will also develop capacities for effective functioning of Panchayats and gram sabhas in Schedule V Areas.

C. List the possible improvements in the capacities of institutions, individuals and systems that will occur as a result of this AWP.
This multi-year project is expected to strengthen capacities at the national and state level for more effective Panchayati Raj. The Ministry of Panchayati Raj has launched the Rajiv Gandhi Panchayat Sashaktikaran Abhiyan in 2013. The primary objective of RGPSA is to develop capacities of Panchayati Raj Institutions. This AWP will assist implementation of the Rajiv Gandhi Panchayat Sashaktikaran Abhiyan at the national and, through the national level, will strengthen the state level. It will support strengthening the capacities of the faculty of the State Institute for Rural Development and District Resource Centres. Additionally, it will focus on strengthening the functioning of Gram Sabhas in PESA areas.

D. List the gender issues in this AWP and specific ways in which they will be addressed.
Empowering elected representatives, particularly women, Scheduled Castes and Scheduled Tribes will be done by advocacy on implementation of PESA and through support to RGPSA.

E. List the South-South cooperation opportunities in this AWP and specific ways in which they will be addressed. - NA

Programme Period: 2013 - 2017
Key Result Area (Strategic Plan): Democratic Governance
Atlas Project ID: 00074680
Atlas Output ID: 00066965
Start Date: 10 Sept 2013
End Date: 31 Dec 2017
PAC Meeting Date: 10 Sept 2013
Implementation modality: NIM

2013 AWP budget: USD 63,925

MULTI YEAR INDICATIVE Budget USD 1.25 million
(Subject to the availability of the necessary funds to the UNDP)
- Regular
- Other:
  - Donor
  - Donor
  - Donor
  - Government
In-kind Contributions (GEF):

Agreed by (Implementing Partner):

Agreed by UNDP: Alexandra Solovieva
UNDPI Deputy Country Director

[Signature]
15/11/2013

Rashmi Sushila Sharmi
Joint Secretary/ Govt. of India
New Delhi, 110089
I. Annual Work Plan Year: 2013

Key area of UNDP strategic Plan:

UNDAF / CPAP OUTCOME: Governance systems are more inclusive, accountable, decentralized and programme implementation more effective for realization of rights of marginalized groups, especially women and children.

CPAP OUTCOME Indicators

CONTRIBUTING TO CPAP OUTPUT: Decentralized local governance frameworks, processes, and capacities are strengthened by:
- providing technical support for strengthening the policy framework on decentralization
- empowering elected representatives, particularly women, and those from the Scheduled Castes and Scheduled Tribes and strengthening Gram Sabhas

CONTRIBUTING TO CPAP 5 year target

<table>
<thead>
<tr>
<th>Annual OUTPUTS</th>
<th>PLANNED ACTIVITIES</th>
<th>Month of completion</th>
<th>RESPONSIBLE PARTY</th>
<th>PLANNED BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output 1</td>
<td>Consultation to discuss appropriate staffing of GPs, SPRCs, DPRCS, SPMU and DPMU organised</td>
<td>November 2013</td>
<td>-</td>
<td>5,000</td>
</tr>
<tr>
<td></td>
<td>Thematic guidance notes initiated in collaboration with line ministries and SIRDS</td>
<td>November-December 2013</td>
<td>-</td>
<td>40,000</td>
</tr>
<tr>
<td></td>
<td>Recruitment of technical experts to strengthen implementation of RGPSA</td>
<td>December 2013</td>
<td>-</td>
<td>5,000</td>
</tr>
<tr>
<td></td>
<td>Support to decentralisation community</td>
<td>November - December 2013</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Output 2</td>
<td></td>
<td>November 2013</td>
<td>-</td>
<td>8,500</td>
</tr>
</tbody>
</table>

TOTAL IN USD

- Project management and UNDP assurance expense
- Annual Audit, Evaluations, Micro assessment costs

AWP TOTAL IN USD

AWP GRAND TOTAL IN USD 63,925
II. Multi-year Project Strategy Description (OPTIONAL for year 1)

A. Situation Analysis

The role of Panchayati Raj Institutions PRIs, the constitutionally mandated local authorities for planning for economic development and social justice, is critical for ensuring social inclusion. Their role is also central in light of the significant rise in expenditure on programmes for social inclusion. PRIs in India have, over the years, developed certain critical strengths, although they are characterized by several systemic weaknesses and constraints as well. Experience of close to two decades shows that creating structures of elected local governments do not necessarily guarantee effective local governance. Devolution, to be real and meaningful, demands that local governments should be effectively empowered to frame regulations, take decisions and enforce their will within their legitimate sphere of action.¹

While progressing at a different pace, most states have taken progressive steps towards decentralization. All the UNDAF states have fulfilled the mandatory requirements of the Constitution. Except Jharkhand, all the states have also fulfilled the ‘framework criteria’, namely, constitution of a State Election Commission, holding of election, setting up State Finance Commission and the District Planning Committees thus creating appropriate environment for strengthening local governments². After a long delay of about 10 years, Jharkhand held the elections in 2010. In most cases, all 29 functions of the 11th schedule have been devolved. A detailed study of the Panchayat Acts of 16 major states, including 6 of UNDAF states, namely Assam, Bihar, Jharkhand, Orissa, Madhya Pradesh and Rajasthan, shows that on an average all the states devolved 78% of the 29 11th schedule functions to the gram panchayat alone (IRMA, 2010, P 268).

In the absence of devolution of funds and functionaries, such pattern of devolution carries little meaning for the panchayats. Article 243G gives discretion to state governments to devolve and hence devolution is highly uneven across states. A large number of elected representatives of PRIs are semi-literate or illiterate and are constrained by inadequate knowledge about their roles & responsibilities, programmes, procedures and systems. Often for want of good, relevant and periodic training, they are not able to perform their functions properly. This is a serious constraint in light of the fact that there increasingly are large fiscal transfers to the States in the functional domain of the Panchayats, through Centrally Sponsored Schemes and Additional Central Assistance.

For the reasons mentioned above, PRIs, in most states, are not able to fulfill the constitutional mandate to plan for 'economic development and social justice' but rather function as agents of state.

¹ Second Administrative Reform Commission, Sixth Report, Local Governance - An inspiring journey into the future, 2007
Since the passage of the 73rd Constitutional Amendment Act, the national government has taken a number of steps to create an enabling environment to ensure that State Governments empower panchayats to function as effective institutions of local self-governance.

Fully aware that the success of Panchayats depends on the capacities of elected representatives, the government has taken concerted efforts for capacity development too. In order to further strengthen participation of women in local governance, the Central Government has moved a Bill in the Parliament that raises the percentage of seats reserved for women from 33 percent to 50 percent. In Scheduled V Areas, the Panchayat Extension to Scheduled Areas Act (PESA) grants special powers to gram sabhas.

Beginning with the XII Five Year Plan, the Ministry of Panchayati Raj has rationalized all the capacity development schemes (such as, RGSY, PMEYSa, e-Panchayat and PEAS) into one scheme called the Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) with significant enhancement of fund allocation from the XII Five Year Plan. RGPSA aims to enhance capacities and effectiveness of Panchayats and gram sabhas; enable democratic decision making in Panchayats; strengthen institutional structure for knowledge creation; promote devolution of powers and responsibilities to Panchayats and gram sabhas; and strengthen the constitutionally mandated framework on which Panchayats are founded. The Ministry of Panchayati Raj has placed tentative allocation for the States and UTs for the first two years of the 12th Five-Year Plan period viz. 2012-13 and 2013-14. States have to fulfill certain essential conditions such as regular election, setting up of State Finance Commission, 1/3rd reservation for women in the rural local bodies etc. to access funds. From 2014-15, 20% scheme funds will be linked to States’ performance on various parameters of devolution and accountability.

Panchayats (Extension to the Scheduled Areas) Act, 1996 (PESA) applies to the Schedule V Areas, which have high proportion of Scheduled Tribe population, of nine States namely, Andhra Pradesh, Jharkhand, Gujarat, Himachal Pradesh, Maharashtra, Madhya Pradesh, Chhattisgarh, Orissa and Rajasthan, and give wide-ranging powers to tribal population on matters relating to decision-making and development of their community. PESA promotes people-centric governance and provides a central role to the Gram Sabha. The Gram Sabhas have:

1. mandatory executive functions to approve plans of the Village Panchayats, identify beneficiaries for schemes, issue certificates of utilization of funds
2. right to mandatory consultation in matters of land acquisition, resettlement and rehabilitation, and prospecting licenses/mining leases for minor minerals
3. power to prevent alienation of land and restore alienated land
4. power to regulate and restrict sale/consumption of liquor
5. power to manage village markets, control money lending to STs
6. ownership of minor forest produce
7. power to control institutions and functionaries in all social sectors
8. power to control local plans and resources for such plans including TSP, etc.

However, evidence suggests that in most cases, Gram Sabhas are not functioning effectively.
B. Scope and Strategy

The Rajiv Gandhi Panchayat Sashaktikaran Abhiyan is a holistic scheme of the Government of India to strengthen Panchayati Raj in the country. In line with the government priorities, the primary focus of the project will be to strengthen the implementation of the Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) so that the interventions under the project strengthen are sustainable.

At the national level, the project will provide technical support for the implementation of Rajiv Gandhi Panchayat Sashaktikaran Abhiyan. The National Project Monitoring Unit will be strengthened with technical expertise on thematic issues such as Panchayat finance, gram sabhas mobilization and PESA, natural resource management and livelihoods, Panchayat processes, institutional development and civic services. This expertise will assist the national government as well as state governments as identified by the Ministry of Panchayati Raj. Each of the experts will also be assigned the responsibility of monitoring the implementation of RGPSA in specific states.

An important concern that government has is the lack of capacity of Panchayati Raj Institutions to deliver their mandate. This argument has been used for not devolving functions and funds to the government. The RGPSA pays special focus on developing capacities of PRIs. Under the overarching framework of the RGPSA, each State Institute for Rural Development (SIRD) is expected to have a Panchayat Resource Centre (PRC) dedicated for developing capacities of PRIs with a dedicated faculty for the purpose. Additionally, at the district level, District Resource Centres will provide cutting-edge capacity development support and handholding support. RGPSA provides for additional manpower at the GP level as well as gram sabha mobilisers in PESA areas. Thus a large pool of human resources is being established to support effective functioning of Panchayats. In order for Panchayats to be successful, it is imperative that the capacities of this cadre are developed.

In support of developing capacities of training institutions, technical assistance will be provided for developing capacities of the faculty of state PRC and DRCs so that they can build capacities of Panchayats level ERS and mobilisers.

As part of the effort to develop capacities, information packets on role of PRIs in social sector programmes will be developed for each of the sector such as education, health, women and child development, natural resource management, livelihoods, and water and sanitation. This will provide the much needed clarity on role of PRIs in implementing these programmes.

Another strategy for capacity development will be to engage grass-roots level organisations in engaging with the activities of RGPSA.

Additionally, leading resource institutions will be engaged in activities aiming at strengthening the capacities of PRIs.
Thematic consultations will be organized in support of exchanging ideas and galvanizing states into action.

Institutional mechanisms will be provided for strengthening the capacities of mobilisers who are responsible for effective functioning of the gram sabhas in the Schedule V Areas. It is expected that will lead to more effective functioning of gram sabhas in Schedule V Areas.

Support will be provided at the national level and the implementing partner will be the Ministry of Panchayati Raj. Other partners include Departments of Panchayati Raj in select states, Panchayat Resource Centres of select states, district level Panchayats and officials, district level training centres, PRI elected leaders and civil society organizations.

C. Proposed Output and Deliverables

**CPD Outcome:** Governance systems are more inclusive, accountable, decentralized and programme implementation more effective for realization of rights of marginalized groups, especially women and children.

The expected output of this project will be:

Functioning of Panchayats is strengthened through better implementation of RGPSA.

**Deliverables:**

- Implementation of Rajiv Gandhi Panchayat Sashaktikaran Abhiyan strengthened at the national level in the following thematic areas –
  - Panchayat finances
  - Gram sabhas mobilization and PESA
  - Natural resource management and livelihoods
  - Panchayat processes
  - Institutional development
  - Social sector and civic services
### III. Results Framework:

**Key area of UNDP strategic Plan:**

**UNDAF / CPAP OUTCOME:** Governance systems are more inclusive, accountable, decentralised and programme implementation more effective for realization of rights of marginalised groups especially women and children.

**CPAP OUTCOME Indicators:**
- Number of UNDAF states which have increased the percentage of funds devolved to panchayats within the state budget by 5% points.
- Baseline: TBE
- Target: 4

**CONTRIBUTING TO CPAP OUTPUT:** Decentralized local governance frameworks, processes, and capacities are strengthened.

**CONTRIBUTING TO CPAP 5 year target:** Technical assistance and evidence based policy advice provided to strengthen functioning of Panchayati Raj Institutions.

<table>
<thead>
<tr>
<th>INTENDED PROJECT OUTPUTS over 5 years</th>
<th>OUTPUT TARGETS FOR each year</th>
<th>INDICATIVE ACTIVITIES</th>
<th>RESPONSIBLE PARTIES</th>
<th>INDICATIVE BUDGET (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Output 1</strong> Implementation of RGPSA strengthened at the national and state level</td>
<td>Year 1 Target Technical expertise for implementation of RGPSA provided Consultation of Panchayat revenues organised</td>
<td>• Discussion with MoPR on areas where technical support is required • Providing technical expertise to the National Project Monitoring Unit of MoPR • Develop monitoring frameworks for states to track implementation of RGPSA • Provide support to States in capacity building and implementation of RGPSA</td>
<td>TBI</td>
<td>500,000</td>
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<td></td>
<td>Year 2 Target Technical support to MoPR improves the implementation of RGPSA Information packets on role of PRIs in social sector programme developed</td>
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<tr>
<td></td>
<td>Year 3 Target Better monitoring of RGPSA</td>
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<td></td>
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<tr>
<td>Output 2</td>
<td></td>
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<tr>
<td><strong>In schedule V Areas, functioning of Gram Sabhas is strengthened through social mobilisers</strong></td>
<td><strong>Project Management</strong></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
| Year 1 Target  
- Consultation on strategies for strengthening the functioning of gram sabhas organised | - Project Team  
- UNDP assurance  
- Monitoring and evaluation  
- Audit  
- Communication |
| Year 2 Target  
- Mechanism for developing capacities of social mobilisers identified  
- Network of grassroots organisation provide handholding support to mobilisers  
- Information packets on effective functioning of gram sabhas in PESA areas developed |  |
| Year 3 Target  
- National PMU experts monitor the functioning of social mobilisers |  |
| Year 4 and 5 Target  
- Capacity development mechanisms are improvised and institutionalised |  |
| **Implementation strengthens its quality** |  |
| Year 4 Target  
Technical support is embedded in the RGPSA scheme |  |
| **Discussion with MoPR on capacity development interventions for mobilisers.**  
**Technical assistance provided at the national level for strengthening gram sabhas**  
**Handholding support to mobilisers through grassroots level organisation.** |  |
|  | 500,000 |
|  | 250,000 |
IV. MANAGEMENT ARRANGEMENTS

Implementing Partner (IP): The project will be implemented by the Ministry of Panchayati Raj, Government of India, hereinafter “the Implementing Partner (IP)”. The Implementing Partner (IP) will assume full responsibility and accountability for the effective use of UNDP (and other) resources and the achievement of the project outcomes and outputs as set forth in the document. The IP will be responsible for implementation of national level components of the project as well as for facilitation of partnership development with state governments. The IP will designate a National Project Director (NPD), who will be responsible for overall management, including achievement of planned results, and for the use of UNDP funds through effective process management and well established programme review and oversight mechanisms. The IP will sign a budgeted Annual Work Plan with UNDP on an annual basis, as per UNDP rules and regulations.

The accountability of an IP is to:
- Report, fairly and accurately, on project progress against agreed work plans in accordance with the reporting schedule and formats included in the project agreement;
- Maintain documentation and evidence that describes the proper and prudent use of project resources in conformity to the project agreement and in accordance with applicable regulations and procedures. This documentation will be available to project monitors (project assurance role) and designated auditors.
- Approve and sign the annual work plan
- Approve and sign the Combined Delivery Report (CDR) at the end of the year;
- Sign the Financial Report or the Funding Authorization and Certificate of Expenditures (FACE)

Responsible Party: The IP may enter into agreement(s) with other organizations or entities, known as responsible parties, for providing goods and services to the project, carry out project activities and produce project outputs. Responsible parties include UN agencies, Government agencies, inter-governmental organizations (IGOs), civil society organizations (CSOs) and private firms. All responsible parties are accountable directly to the implementing partner in accordance with the terms of their agreement or contract with the IP.

UNDP will be represented as technical expert in selection of Responsible party (ies).

The IP will designate an official from the Ministry or hire from project funds a Project Manager and set up a Project Management Team headed by the Project Manager. The Project Manager will be responsible for the day-to-day management of the programme. S/he will coordinate the Project activities including the preparation of Annual and Quarterly Work Plans, Budget, Financial Reports, etc. and will interface on project management issues. The Project Manager is responsible for:

- Managing the overall conduct of the project;
- Implementing activities by mobilizing goods and services;
- Checking on progress and watch for plan deviations;
- Ensuring that changes are controlled and problems addressed;
- Monitoring progress and risks;
- Reporting on progress including measures to address challenges and opportunities.
**Project Steering Committee:** A Project Steering Committee (PSC) will be set up under the project. It will be chaired by the NPD and comprise designated representatives from the state departments, and a designated official from UNDP. The PSC will:

- Provide overall guidance and direction to the project;
- Review the project progress and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans and timelines;
- Review programme expenditures against activities and outcomes; and
- Review, approve and sign Annual Work Plans.
- Provide guidance on new project risks and agree on possible countermeasures and management actions to address specific risks;
- Address project issues as raised by the project coordinator;
- Review combined delivery reports prior to certification by the implementing partner;
- Sign the Financial Report or the Funding Authorization and Certificate of Expenditures (FACE);
- Appraise the project annual review report, make recommendations for the next annual work plan, and inform the Outcome Board about the results of the review;
- Assess and decide to proceed on project changes through appropriate revisions;

The PSC will be the group responsible for making, by consensus, management decisions for the project including recommendations for UNDP/IP approval of project plans and revision, and holding periodic reviews. In order to ensure UNDP’s ultimate accountability, PSC decisions should be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition. In addition, the PSC plays a critical role in UNDP commissioned project evaluations by quality assuring the evaluation process and products, and using evaluations for performance improvement, accountability and learning. Both IP and UNDP will be jointly responsible for achieving outcome level results. PSC will be convened at least once a year but efforts will be made to organise quarterly meetings to ensure regular follow up.

**Project Assurance:** Project Assurance will be the responsibility of UNDP. The Assurance role will support the PSC by carrying out objective and independent project oversight and monitoring functions. This will also include a six monthly review by the Country Programme Management Board (CPMB) and an annual strategic review (in the last quarter of the year) between DEA and UNDP together with the implementing Partner. During the implementation of the project, this role ensures (through periodic monitoring, assessment and evaluations) that appropriate project management milestones are managed and completed. The assurance will:

- Ensure that funds are made available to the project;
- Ensure the project is making progress towards intended outputs;
- Perform regular monitoring activities, such as periodic monitoring visits and spot checks;
- Ensure that resources entrusted to UNDP are utilized appropriately;
- Ensure that critical project information is monitored and updated in Atlas;
- Ensure that financial reports are submitted to UNDP on time, and that combined delivery reports are prepared and submitted to the project board;
- Ensure that risks are properly managed, and that the risk log in Atlas is regularly updated;

The NPD, in collaboration with the Project Manager, will convene an annual review meeting involving the implementing Partner and Responsible Parties to review the progress in the previous year and discuss the work plan for the coming year. An independent external review may be conducted through resource persons/groups to feed into this process. The UNDP official responsible for the Project Assurance and the
Project Coordinator will meet on a monthly basis to assess progress of the decisions taken in the PSC (or whenever guidance/decision is required by an implementing agency)

At the programme level, coordination and oversight will be provided by Outcome Board established for each outcome area. The Outcome Board will meet twice a year. The review and recommendations of the Outcome Board will feed into the CPMB annual strategic review meeting. Oversight of project level activities will be provided by the Project Steering Committee (PSC) which will be responsible for approving the budgeted AWPs and providing overall guidance and oversight. The PSC will meet at least once a year although efforts will be made to convene quarterly meetings to ensure regular follow-up. The PSC will delegate day to day management of the AWPs and related decisions to a working group comprising UNDP, Implementing Partner and other stakeholders, as appropriate.

**Project Management Team (PMT):** The PMT headed by a Project Manager will be established under the project. The Project Manager will be responsible for day-to-day management; monitoring and review of project activities; coordination with Responsible Party (ies) and different stakeholders and; decision making and will be accountable to the NPD and PSC. S/he will prepare the detailed activity and monitoring plan based on the Annual Work Plan (AWP) and Budget and submit it to the PSC for approval. The Project Manager will ensure that the project produces the results specified in the project document, to the required standards of quality and within specified constraints of time and cost.

The Project Coordinator will be assisted by a Project Assistant.

The recruitment and staffing process will give due attention to considerations of gender equality and promoting diversity at workplace. The PMT will be based at the Ministry of Panchayati Raj.

**Project Manager** will be the focal point for UNDP and report to the Project Assurance with the following responsibilities:

- Plan the activities of the project and monitor progress against the approved work-plan;
- Coordinate the implementation of the activities;
- Monitor events as determined in the project monitoring schedule plan, and update the plan as required;
- Manage requests for the provision of financial resources by UNDP, through advance of funds, direct payments, or reimbursement using the FACE (Fund Authorization and Certificate of Expenditures);
- Be responsible for preparing and submitting financial reports to UNDP on a quarterly basis;
- Manage and monitor the project risks initially identified and 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;
- Capture lessons learnt during project implementation – a lessons learnt log can be used in this regard
- Perform regular progress reporting to the PSC;
- Prepare the annual review report, and submit the report to the PSC;
- In consultation with the NPD, prepare the annual work plan for the following year, as well as quarterly plans if required; update the Atlas Project Management module if external access is made available.

**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 with the following responsibilities:

- Set up and maintain project files;
- Collect project related information data;
- Assist the project manager in updating project plans;
- Administer PSC meetings and reviews;
• Administer project revision control;
• Establish document control procedures;
• Compile, copy and distribute all project reports;
• Assist in the financial management tasks under the responsibility of the project coordinator and manager;
• Provide support in the use of Atlas for monitoring and reporting;
• Review technical reports;
• Monitor technical activities carried out by responsible parties.

_Funds Flow Arrangements and Financial Management:_ All cash transfers to an Implementing Partner will be in support of the activities specified in the AWP's agreed between the Implementing Partner and UNDP. No funds will be released by UNDP without prior submission by the Implementing Partner of a signed UN standard Fund Authorization and Certification of Expenditure (FACE) report. Funds will be transferred by UNDP as: a) direct payment to vendors or third parties for obligations incurred by the Implementing Partners on the basis of requests signed by the designated official of the Implementing Partner; and b) direct payments to vendors or third parties for obligations incurred by UN agencies in support of activities agreed with Implementing Partners. Direct cash transfers shall be requested and released for programme implementation periods not exceeding three months. Reimbursements of previously approved expenditures will be requested and released quarterly or after completion of activities. The UNDP shall not be obligated to reimburse expenditure made by the Implementing Partner over and above the approved amounts.

Following the completion of any activity for on-going initiatives, any balance of funds, including accrued interests on project funds, shall be channelled back to the project by mutual agreement between IP and UNDP. The remaining balance and accrued interests for projects that have concluded shall be refunded to UNDP and then reprogrammed by mutual agreement between IP and UNDP.

The Implementing Partner may request UNDP to provide support services for project implementation. These services may include procurement, recruitment, purchase of goods and services, and organisation of training activities and workshops. UNDP recruitment and procurement rules and regulations will apply for the services provided. All direct costs which are attributable to the provision of these services (direct project costs) will be charged to the project in accordance with the policies decided by UNDP rules and regulations.

In cases when UNDP provides only direct payments on behalf of an implementing partner, UNDP’s accountability is limited to 1) assurance that request has come from an authorized official; 2) verification that the requested payment is in accordance with the project work plan; and 3) verification that payment is made the specified vendor/third party for services rendered.

_Audit:_ The project shall be subject to audit in accordance with UNDP procedures and as per the annual audit plan drawn up in consultation with DEA. The project shall be informed of the audit requirements by January of the following year. The audit covering annual calendar year expenditure will focus on the following parameters – (a) financial accounting, documenting and reporting; (b) monitoring, evaluation and reporting; (c) use and control of non-extendable reporting; (d) UNDP Country Office support. In line with the UN Audit Board requirements for submitting the final audit reports by 30 April, the auditors will carry out field visits during February/March. Detailed instructions on audit will be circulated by UNDP separately and on signature.

_Project Closure:_ Project will be operationally completed when the last UNDP-financed inputs have been provided and the related activities completed. Through the PSC, the implementing partner notifies the UNDP when this has been done. When a project is operationally complete, the parties must agree on the
disposal of any equipment and complete the transfer of assets under the project. Projects will be financially completed when the Implementing Partner has reported all financial transactions to UNDP so that the project accounts can be closed. UNDP and the Implementing Partner will certify a final Combined Delivery Report. Projects will be financially completed not more than 12 months after being operationally completed. Between operational and financial closure, the Implementing Partner will be required to identify and settle all financial obligations and prepare a final expenditure report. No adjustments can be made to a financially completed project.

V. MONITORING FRAMEWORK AND EVALUATION

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

A. MONTHLY PROGRESS REPORT: The Implementing Partner, in consultation with the project teams, will provide brief monthly updates on progress against planned activities and budgets. These monthly reports will be provided in the format provided at Annex1. These monthly reports will be consolidated, as required, by UNDP's quality assurance team for progress review meetings.

B. ONE TIME RISK LOG: Based on the initial risk analysis, a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation. This will be completed by UNDP project assurance team in consultation with the Implementing partner. Use the standard Risk Log template

C. QUARTERLY FINANCIAL REPORT: The Implementing Partner (IP) will make use of the Funding Authorization and Certificate of Expenditures (FACE) to request for advances and report on expenditures made on a quarterly basis, or more frequently if agreed. The implementing partner must submit the FACE at the end of each quarter, within the first 10 days of the following quarter. Together with the FACE, the project has to send a copy of the bank statement as up to the date of the end of the period reported and the itemized cost estimates of the activities to be funded. The FACE form has to be certified by the designated official from the IP.

D. EVALUATION will be done by UNDP assurance function towards the end of the programme cycle.

E. ANNUAL REVIEW REPORT: An Annual Review Report shall be prepared by the Project Manager and shared with the Project Board and the Outcome Board. The reporting format at Annex 2 will used to provide brief description of results achieved in the year against pre-defined annual targets.

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

LEGAL CONTEXT —

This document together with the CPAP signed by the Government and UNDP which is incorporated by reference, constitute together the instrument envisaged and defined in the Supplemental Provisions to the Project attached hereto and forming an integral part hereof, as “the Project Document”

Consistent with the above Supplemental Provisions, the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. 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.

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

The Implementing Partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/au_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under/further to this Project Document.
<table>
<thead>
<tr>
<th>Project Title</th>
<th>Annual Outputs</th>
<th>Planned activities</th>
<th>Implementing Partner</th>
<th>Monitoring framework</th>
<th>Cumulative Expenditure $</th>
<th>Progress towards meeting AWP annual outputs</th>
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Annex 2 – Annual progress report format

<table>
<thead>
<tr>
<th>Key area of UNDP strategic Plan:</th>
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<tbody>
<tr>
<td>UNDAF / CPAP OUTCOME</td>
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<td>CPAP OUTCOME Indicators</td>
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<tr>
<td>CONTRIBUTING TO CPAP OUTPUT</td>
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<tr>
<td>CONTRIBUTING TO CPAP 5 year target</td>
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Project title

Implementing partner

Year

<table>
<thead>
<tr>
<th>Annual Outputs</th>
<th>Allocated budget</th>
<th>Total Expenditure</th>
<th>Progress on planned outputs and key successes</th>
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Policy results and any additional results achieved

Lessons learned, project shortcomings and solutions

Follow-up Actions
Annex 3

Agreements: as applicable, any additional agreements, such as cost sharing agreements, project cooperation agreements signed with NGOs (where the NGO is designated as the “executing entity”) should be attached.

Annex 4

Capacity Assessment: as applicable, results of capacity assessments of Implementing Partner (Including HACT Micro Assessment)

Annex 5 - Guidance checklists

FREQUENTLY ASKED QUESTIONS ON PROGRAMME AND PROJECT MANAGEMENT (PPM) – includes gender and capacity development
https://intranet.undp.org/global/popp/ppm/Pages/FAQs-on-PPM.aspx?#_Toc316481178

CHECKLIST FOR REVIEW OF PROJECT DOCUMENTS – includes gender

ENVIRONMENTAL AND SOCIAL SCREENING PROCEDURE FOR UNDP PROJECTS

PROGRAMME DESIGN QUESTIONS FOR SCALING UP

PRINCIPLES UNDERLYING THE IDEA OF HUMAN DEVELOPMENT
http://www.in.undp.org/content/dam/india/docs/principles-underlying-the-idea-of-human-development.pdf