United Nations Development Programme  
Country: INDIA  
2013 Annual Work Plan

Project Title: Human Development – Towards Bridging Inequalities.  
Implementing Partner: Planning Commission

PROJECT DESCRIPTION (NOT MORE THAN 1/2 PAGE)

A. State the specific development challenge or gap that this AWP is addressing.
   - The prevalence of persistent inequalities and marginalization is an indication of outlays not translating into human development outcomes. The evidence base is weak with lack of availability of timely, reliable and disaggregated data on development targets. The project will assist developing evidence base for action on human development and ensuring follow-up to State HDRs.

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 – By making available evidence based data and focusing on dissemination of findings, this project will create awareness and enable policy makers to have better decision support systems. It will also bring together officials, civil society, Panchayati Raj elected representatives and academia on a common platform.
   - Changes in policies, plans, budgets and legislation through support to national assessment, planning, budgeting, policy making – Regional inequality and bottleneck analysis

C. List the possible improvements in the capacities of institutions, individuals and systems that will occur as a result of this AWP.
   - Enhanced capacities of State Planning Departments, District Planning Committees and sub-district officials for planning and budgeting for human development and mainstreaming the marginalized
   - Capacities of state-level training institutions and academic institutions developed to undertake trainings for diverse stakeholder groups, and resource centers strengthened to support this

D. List the gender issues in this AWP and specific ways in which they will be addressed.
   - HDR’s /DHDR’s being prepared by states address gender inequalities and related issues.

E. List the South-South cooperation opportunities in this AWP and specific ways in which they will be addressed.
   - The project will collaborate with the International Centre for Human Development on sharing experiences in the domain of promoting human development.

Programme Period: 2013-17  
Key Result Area (Strategic Plan): __________

Atlas Project ID: 00079936  
Atlas Output ID: 00049815  
Start date: October 2011
End Date: December 2017
PAC Meeting Date: 29.08.2011
Implementation modality: NIM

2013 AWP budget: (USD 450,250)  
MULTI YEAR INDICATIVE Budget (Subject to the availability of the necessary funds to the UNDP)
   - Regular
   - Other:
      - State Government INR 12.65 crore

<table>
<thead>
<tr>
<th>Project Expenditure</th>
<th>Total Budget</th>
<th>Exp 2011</th>
<th>Exp 2012</th>
<th>Budget 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2,700,000</td>
<td>35,836</td>
<td>333,286</td>
<td>450,250</td>
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</tbody>
</table>

Agreed by (Implementing Partner):

Agreed by UNDP:

Irenee Dabare  
Deputy Country Director (Operations)
## Key area of UNDP strategic Plan: Democratic Governance, MDGs

### 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:
- UNDAF focus states will increase the percentage of funds devolved to panchayats within the state budget by 5% points
- Government schemes and missions in UNDAF focus states will institute concurrent monitoring systems

### 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 increase budgetary allocations for programmes that improve HDI (national, state) and to strengthen local government finances

<table>
<thead>
<tr>
<th>Project Output</th>
<th>Planned Activities</th>
<th>Month of completion</th>
<th>Responsible party</th>
<th>Funding Source</th>
<th>Budget Description</th>
<th>Amount (INR)</th>
<th>Amount (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity 1: State/regional/ District Human Development Reports focusing on inclusion prepared in select States.</td>
<td>1.1 Preparation of draft report Assam, Karnataka, Maharashtra and Bihar</td>
<td>Dec-13</td>
<td>State Govt./Institutional agencies/Experts</td>
<td>UNDP</td>
<td>71300 - Local consultant short term; 72100 contractual services/Institutional Contracts; 71600 travel</td>
<td>1,29,37,500</td>
<td>2,15,625</td>
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<tr>
<td>-Finalisation of Maharashtra &amp; Bihar HDR</td>
<td>1.2 Agreements on preparation of HDRs and identification of themes with: Tamil Nadu, Delhi, Himachal Pradesh, Gujarat, Odisha, Jharkhand, Chhattisgarh, Rajasthan and Nagaland</td>
<td>Oct-13</td>
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<tr>
<td>Draft report of Bundelkhand HDR</td>
<td>1.3 Preparation of draft report on Bundelkhand HDR</td>
<td>Dec-13</td>
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<td>1.4 Preparation of Tribal HDR; Identification of agency and issuing of contract</td>
<td>Oct-13</td>
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<tr>
<td><strong>Activity 2: Statistical systems strengthened to provide HD data on an annual basis</strong></td>
<td><strong>Subtotal (A)</strong> 1,293,750 2,156,250</td>
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<tr>
<td>2.1 Study on Monitorable Target in 12th five year plan completed</td>
<td>Nov-13</td>
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<td><strong>Target:</strong> National Consultation &amp; finalisation of Base Paper on 12th five year plan</td>
<td><strong>State Govt./MoSPI/Resource Institutions/Experts</strong></td>
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<td>2.2 Developing an Action Plan to fill up data gaps against HD Indicators</td>
<td>Dec-13</td>
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<td>2.3 Supporting training on statistical systems (States)</td>
<td><strong>UNDP</strong></td>
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<td></td>
<td>71300 - Local consultant short term; 72100 contractual services - Institutional; 71400 contractual services - Individual; 71600 travel</td>
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<td>11,25,000 18,750</td>
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<tr>
<td><strong>Activity 3: Human Development Advocacy</strong></td>
<td><strong>Subtotal (B)</strong> 11,25,000 18,750</td>
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<tr>
<td>3.1 Preparation of HD Atlas - Identification of agency and issuing of contract</td>
<td>Sep-13</td>
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<td><strong>Target:</strong> Draft of Good Practices document ready</td>
<td><strong>State Govt./Resource Institutions/Experts</strong></td>
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<td>3.2 Good Practices in Social Sector Service Delivery (Draft compendium)</td>
<td>Nov-13</td>
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<td>3.3 State Level consultations</td>
<td>Dec-13</td>
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<td></td>
<td><strong>UNDP</strong></td>
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<td>71300 - Local consultant short term; 72100 contractual services - Institutional; 71400 contractual services - Individual; 71600 travel</td>
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<td>45,00,000 75,000</td>
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<td>Activity 4: Capacity development for undertaking human development oriented analysis</td>
<td>3.4 Development of the project webpage</td>
<td>Dec-13</td>
<td>Subtotal (C)</td>
<td>45,00,000</td>
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<tr>
<td>6.1 Training officials on HD indices</td>
<td>Planning Commission/State Govt./UNDP/Resource Institutions/Experts</td>
<td>Nov-13</td>
<td>UNDP</td>
<td>71300 - Local consultant short term; 72100 contractual services - institutional; 71400 contractual services - individual; 71600 travel</td>
<td>28,12,500</td>
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<td>Target: Capacity development at local level conducted in atleast 2 States</td>
<td>6.2 Strengthening capacities of state governments on HD programme management</td>
<td>Dec-13</td>
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<td>28,12,500</td>
<td>46,875</td>
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<td></td>
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<td>Subtotal (D)</td>
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<td>46,875</td>
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<td>Total in USD (A+B+C+D)</td>
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<td>Project staff salaries and project management expenses</td>
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<td>94,000</td>
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<td>Annual Audit, Evaluation, Micro assessment costs</td>
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<td>Grand Total</td>
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<td>4,50,250</td>
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II. **Multi Year Project Strategy Description**

A. Situation Analysis:

- **High growth, medium human development, persistent inequalities** - India’s high economic growth performance in recent years has been making news the world over. For a billion plus economy to experience GDP growth at more than 8% continuously since 2005-06, except in the last two years when growth slowed down to 6-7%, is an impressive record. The Human Development Report 2010 highlights that India is among top ten movers (1970-2010) in the income component of the human development index. There has been substantial reduction of poverty (to around 27% in 2004-5) and significant advances in several human development indicators.

However, India faces stiff challenges in achieving several MDGs, including those related to hunger, child and maternal mortality, gender parity in education and sanitation. The progress made by India on these MDGs will significantly determine whether the world as a whole achieves these.

There are spatial, social and gender disparities that continue to beleaguer policymakers. The MDG report of the Government of India states that addressing the growing poverty burden in the heartland is vital. At the current rate of decline, the country is expected to have a burden of about 279 million of people (22.1%) living below the poverty line in the year 2015. The major states namely, Bihar, Jharkhand, Chhattisgarh, Madhya Pradesh, Maharashtra, Odisha, Uttar Pradesh and Uttarakhand, which are incidentally the more populated States, are among the slow-moving states in reducing poverty. They currently account for 64% of the BPL population which is expected to rise to 71% of the BPL population by 2015.

The India MDG Report concedes that empowerment of women is still far too slow. Participation of women in employment and decision making remains far less than that of men and the disparity is not likely to be eliminated by 2015. Female participation in the labour market is 25.68 per cent compared to 52 per cent (Census 2001) for men1. India’s poor performance on women’s empowerment and gender equality is reflected in many indicators. The most telling indicator is that of the sex ratio which has in some parts of India dropped to less than 850 females per 1000 males. Declining child sex ratio from 927 in 2001 to 914 in 2011 is reflective of deeply entrenched socio-cultural prejudices against women. This is also reflected in the low rank on Gender Inequality Index (GII) introduced by the Global HDR 2010.

Exclusion of Scheduled Castes (SCs) and Scheduled Tribes (STs) is reflected in the gap in achievements between the SCs, STs and the rest of the population. In 2004-2005 about 36.80% of SC persons were below the poverty line in rural areas as compared to only 28.30% for others (non SC/ST). In urban areas the gap was slightly larger; 39.20% of SC households were BPL compared to 25.70% of other households. Similarly, the proportion of people belonging to STs below the poverty line was 47.3% in rural and 33.3% in urban areas, which was again much higher than the poverty ratio for the population. The linkage between rural poverty and high distress among people belonging to SCs and STs is very strong. According to the Indian Confederation of Indigenous and Tribal People (2009), 80% of the Nomadic Tribes and De-notified Tribes live below the poverty line.

- **Link between planning and budgeting needs to be stronger** – The role of the government is central in providing services that promote human development. The Five Year Plans provide a framework for promoting human development and provide the basis for a multi-year perspective

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1 As per the NSSO, 66th Round data, the Labour Force Participation Rate for females is 23.3% whereas that of males is 55.7% (usual status).
for resource allocation. However, the economic planning and budget differ in their scope and time span. The budgeting system in India is conventional input-based and more concerned with basic financial compliance. The assessment of PFM practices at central level provides little opportunity to measure service delivery as these are the responsibilities of sub-national government. While the PFM practice at both central and state government are largely similar the information on actual service delivery and resource availability to implementing agencies at field levels is limited at the central level leaving few flagship programmes. There is thus need for (a) effective planning and allocation of resources, (b) institutionalization of planning processes at all levels of government, and (c) bringing in transparency in budgeting, focusing on outputs rather than on mere expenditure and related inputs, with strong accounting and reporting procedures,

B. Scope and Strategy:

The project will contribute to the CPAP output of strengthening decentralized local governance frameworks, processes, and capacities.

The project will be implemented in 15 states including the 9 UNDAF States7. At national level, the project will be implemented by Planning Commission which will have a strong coordinating role with Ministries of Statistics & Programme Implementation (MoSPI), Panchayati Raj, Rural Development, Urban Development, Woman and Child Development, Health and Family Welfare, Tribal Affairs and Human Resources Development. At state level the State Planning Commissions/Departments/ Boards will have the coordinating role with the relevant state line departments on – Panchayati Raj, Rural Development, Woman and Child Development, Health and Family Welfare, Education, Tribal Development, Human Resources and Development, Directorate of Economics and Statistics (DES).

The project will focus on providing innovative policy options for tackling issues of persistent exclusion, and for strengthening public finance management for promoting human development. The proposed project will strengthen public finance management by linking it to the planning cycle.

Issues of inequality, with particular attention to gender and social inequalities will be focused upon. This would be done through preparation of next round of State HDRs, State specific studies on growth which is inclusive and sustainable and by focusing on advocacy and capacity development. The project will address the systemic gaps in statistical systems resulting in lack of timely, reliable and comparable data which continues to be a handicap for policy formulation and planning.

The scope of the project will include the following –

1. Supporting development of systems that enable monitoring of plan targets –

The lack of timely, reliable and comparable data continues to be a major bottleneck for policy formulation and planning. There is a need for preparing a strategy towards ensuring that data on a set of key human development indicators disaggregated by sex and social groups is made available to policy planners every year. This would require collaborating with the Ministry of Statistics and Programme Implementation as well as the key line ministries. The strategy would focus on (a) identifying a standard set of key HD indicators that would be made available on an annual basis, (b) designing a business plan for annual surveys for collection of data with statistically sound sampling techniques, (c) developing a strategy for identifying surveyors who can canvass the questionnaires, (d) preparing a plan for data analysis and dissemination, and (e) costing. Services of University students and other partners would be explored for data collection and analysis. Capacity development interventions and Training of Trainers and roll out of the plans would be undertaken in accordance with the agreed strategy.

7 The states of non UNDAF states of Karnata, Delhi, Gujarat and Himachal Pradesh have approved work plans for period till 2017. Proposals have been received from 2 other non- UNDAF States of Tamil Nadu & Nagaland and are under consideration.
One of the results of this activity would be developing a monitoring framework for the 12th Plan targets that can be adopted by Planning Commission.

2. **Ensuring that recommendations of State, regional and district level Human Development Reports focusing on social and spatial inequalities are integrated in planning processes and influence social sector resource allocation** –

The project will support preparation of next round of State level Human Development Reports as well Regional and Thematic Human Development Reports focusing on issues on persistent inequality and providing strategic solutions for reaching the unreach. **Research based policy advocacy** emphasizing the determinants of human development and inclusion would also be supported under the project.

It is imperative that the findings of the State HDR influence planning processes. Advocacy is therefore of vital importance and hence advocacy aimed at influencing policy to respond to issues of inequality and persistent deprivation will be undertaken. Platform that brings together different stakeholders to debate and discuss contemporary development challenges will be provided. The project would support key policy dialogue with participation from government, academia and the civil society at the national and state levels. In addition it would foster the discussion of ‘good practices’ and experiences from across various countries to enable the spread of innovative ideas which can be adapted to local contexts within the framework of south-south collaboration. The project will partner with the proposed International Centre for Human Development of UNDP in New Delhi in this respect.

**Budget analysis for improving human development** will be undertaken at the national and State levels to highlight adequacy of budgets and expenditures to achieve human development outcomes. The project will support development of HD criteria for resource allocation under Backward Regions Grant Fund (BRGF) in collaboration with the Government of India.

The activities at the State level will be complemented by national level initiatives which will provide an enabling framework as well as opportunities for sharing of experience among States. The importance of a national component that provides an overarching thrust on issues of equity, facilitates sharing of knowledge and ensures overall coordination among various stakeholders was emphasized in the evaluation.

The following strategies will be adopted under the project –

1. **Providing policy advice for enabling environment on promoting human development**

   Policy advocacy through cutting edge analytical studies unraveling the conundrum of consistent high growth with persistent or even widening inequalities, providing innovative strategic options to policy makers will be conducted. State, regional and district level HDRs as a tool for highlighting human development challenges and providing pathways for human development will be supported.

2. **Capacity Development and advocacy for planning, implementation and monitoring** -

   In order to mainstream the human development approach and to sustain focus on human development challenges, it is essential to develop and nurture “champions” of human development from the academia and civil society. **Capacity development initiatives** would cater to five categories of stakeholders –
   - Experts and civil society partners to act as champions or human development ambassadors
   - Young scholars and researchers through universities
   - Officials and elected representatives at the State/district/panchayat level
   - Private sector partners
   - Media
C. 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: TBD
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 increase budgetary allocations for programmes that improve HDI (national, state) and to strengthen local government finances

<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>
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<tbody>
<tr>
<td><strong>Output 1</strong></td>
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<tr>
<td>- Monitoring framework for human development outcomes in the 12th Plan as elucidated in the monitorable targets adopted by Planning Commission.</td>
<td>Year 1 Target – Gaps in monitoring Plan targets identified</td>
<td>✓ Base paper for identifying gaps in monitoring plan targets prepared</td>
<td>Planning Commission, Ministry of Statistics and Programme Implementation, other line Ministries, research institution, Civil Society Organisations (CSOs)</td>
<td>100,000</td>
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<td>Year 2 Target – A framework to address the gaps proposed to the Planning Commission and framework adopted</td>
<td>✓ Discussion with line Ministries on plugging data gaps</td>
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<td>Year 3 Target – Implementation of the strategies to address the gaps</td>
<td>✓ Framework for monitoring plan targets prepared and validated</td>
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<td>Year 4 Target – Similar process initiated for the XIII Five Year Plan</td>
<td>✓ Advocacy with Planning Commission and line Ministries for implementation of strategies to address gaps in monitoring of 12th Plan targets completed</td>
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<td>Year 5 Target – XIII Five Year Plan proposes monitorable targets</td>
<td>✓ Framework for monitoring of plan targets for the 13th Plan prepared</td>
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<td>Output 2</td>
<td>Planning Commission, Ministry of Statistics and Programme Implementation, Ministry of Tribal Affairs, State Governments (State Planning Commissions, State Planning Departments, State Planning Boards), line Departments of state governments, research institutions, individual experts.</td>
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| **Year 1 Target** - State HDRs of Bihar and Maharashtra released | ✓ Review of final draft of the Maharashtra and Bihar HDR
✓ Ensuring final approvals of State HDRs by State PSC with UNDP and PC participation; and ratified at NSC
✓ Providing technical inputs to the HDRs being prepared in Assam, Delhi, Karnataka and Bundelkhand HDR
✓ Supporting initiatives for strengthening the availability of data on HD indicators
✓ Initiating preparation of Tribal HDR in collaboration with MOTA
✓ Agreements on preparation of HDRs and identification of themes with UNDAF select states done
✓ Technical assistance provided for the preparation of Tribal HDR and State HDRs
✓ Advocacy for implementation of recommendations of state HDRs with the state governments done
✓ Advocacy for inclusion of the recommendations of the State HDRs into the State Annual Plans and State Five Year Plans
✓ Training and advocacy on human development
✓ International sharing of knowledge and experience in the context of South- |
<p>| Advocacy on recommendations of Bihar and Maharashtra HDR | |
| Capacity development on HD indices for State officials and research institutes conducted at the national level | |
| <strong>Year 2 Target</strong> - State HDRs of Assam and Karnataka released | |
| Bundelkhand HDR released | |
| Resource Book on Good Practices in the Social Sector Delivery released | |
| Human Development Atlas prepared | |
| Continued advocacy with the Government of Bihar and Maharashtra on findings of the HDRs | |
| Initiation of Urban HDR | |
| <strong>Year 3 Target</strong> - Launch of a state level HDR | |
| Launch of Tribal HDR | |
| Recommendations from all HDRs | |</p>
<table>
<thead>
<tr>
<th>advocated with national/state governments</th>
<th>South Cooperation</th>
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<tbody>
<tr>
<td>Launch of the Urban HDR and advocacy</td>
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<tr>
<td>Year 4 and 5 Target Recommendations from HDR reflected in plans of the Governments</td>
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III. MANAGEMENT ARRANGEMENTS

Implementing Partner (IP): The project will be implemented by the Planning Commission (PC), 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. Each state government will designate a nodal officer as State Project Director (SPD). SPD will be key in integrating project support at state and district and sub-district levels with mainstream implementation. 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 Planning Commission or hire from project funds a Project Manager and set up a Project Management Team headed by the Project Manager. The Project Management Team will consist of a Project Assistant and other members as approved by the National Steering Committee. 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.

Along with the Project Manager, the PMT will be based at the Planning Commission.
National Steering Committee: A National Steering Committee (NSC) 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 NSC 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 manager
- 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 NSC 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, NSC 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 case a consensus cannot be reached within the Board, final decision shall rest with the UNDP. In addition, the NSC 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. NSC 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 NSC 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 Manager will meet on a monthly basis to assess progress of the decisions taken in the NSC (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 National Steering Committee (NSC) which will be responsible for approving the budgeted AWPs and providing overall guidance and oversight. The NSC will meet at least once a year although efforts will be made to convene quarterly meetings to ensure regular follow-up. The NSC 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 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 with the Project Working Groups;
- 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 NSC;
- Prepare the annual review report, and submit the report to the NSC;
- In consultation with the Project Working Groups, 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 NSC 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 manager and manager;
- Provide support in the use of Atlas for monitoring and reporting;
- Review technical reports;
- Monitor technical activities carried out by responsible parties.

**State level Project Steering Committee (SPSC)**: State level Project Steering Committee (SPSC) will be set up at the state level chaired by the SPD. SPSC will be responsible for making by consensus, management decisions for a project including approval of state project plans and revisions, will comprise representatives from the IP and UNDP. Representatives from line departments such as the Department of Panchayati Raj, Rural Development, Women and Child Development, The State Project Directors (SPDs), or a designated representative, will also be part of the PSC. In order to ensure UNDP’s ultimate accountability, SPSC
decisions will be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition. In case a consensus cannot be reached within the SPSC, final decision shall rest with the UNDP Programme Manager. The SPSC will be responsible for functions similar to the overall PSC but its mandate will be restricted to activities at the state level. Its decisions will feed into the national PSC.

**Funds Flow Arrangements and Financial Management:** All cash transfers to an Implementing Partner will be in support of the activities specified in the AWP 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 known as direct project costs 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 to the specified vendor/third party for services rendered.

**Audit:** In support of fiduciary good practice and to facilitate scheduled and special audits, each Implementing Partner receiving funds from UNDP will provide UNDP or its representative with timely access to: a) all financial records which establish the transactional record of the fund transfers provided by UNDP; and b) all relevant documentation and personnel associated with the functioning of the Implementing Partner’s internal control structure through which the fund transfers have passed. The findings of each audit will be reported to the Implementing Partner, DEA and UNDP. As part of the process, each Implementing Partner will: a) receive and review the audit report issued by the auditors; b) provide timely statements of the acceptance or rejection of any audit recommendation to the UNDP that provided the funds; c) undertake timely actions to address the accepted audit recommendations; and d) report on the actions taken to implement accepted recommendations to the UNDP on a quarterly basis.

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 NSC, 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.

IV. 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 Annex 1. 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. There will be one project EVALUATION in the life cycle of the project.

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 be 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 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.

V. 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/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under/further to this Project Document.
Annex 2 – Annual progress report format

<table>
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<tr>
<th>Key area of UNDP strategic Plan:</th>
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<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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<td>CONTRIBUTING TO CPAP 5 year target</td>
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| Project title               |
| Implementing partner       |

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<thead>
<tr>
<th>Year</th>
<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\(^3\) (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

\(^3\) For GEF projects, the agreement with any NGO pre-selected to be the main contractor should include the rationale for having pre-selected that NGO.