AGREEMENT
BETWEEN
THE MINISTRY OF COMMERCE OF THE PEOPLE'S REPUBLIC OF CHINA
THE MINISTRY OF FOREIGN AFFAIRS OF THE PALESTINIAN AUTHORITY AND
THE UNITED NATIONS DEVELOPMENT PROGRAMME/
PROGRAMME OF ASSISTANCE OF THE PALESTINIAN PEOPLE
REGARDING
The Implementation of the Office Building of the Palestinian Ministry of Foreign
Affairs Aided by the Chinese Government

The Ministry of Commerce of the People's Republic of China (hereinafter referred as the Chinese Party), the Ministry of Foreign Affairs of the Palestinian Authority (hereinafter referred as the Palestinian Party), and the United Nations Development Programme / Programme of Assistance of the Palestinian People (hereinafter referred as the UNDP/PAPP), through consultation, have entered into this Agreement on entrusting UNDP/PAPP with implementing the project of the Office Building of the Palestinian Ministry of Foreign Affairs aided by the Chinese Government. The specific matters are as follows.

Article One: Basis of Project

1. Grant to be provided by the Chinese Government to the Palestinian Authority stipulated in the Agreement on Economic and Technical Cooperation between the Chinese Government and the Palestinian Authority signed on December 27th, 2004.

2. Letters of Exchange between the Chinese Government and the Palestinian Authority signed on June 20th, 2005 on the Office Building of the Palestinian Ministry of Foreign Affairs to be constructed by Chinese grant.

Article Two: Project Scale

The Office Building of the Palestinian Ministry of Foreign Affairs with a total area not exceeding 6,090 square meters will be constructed in Ramallah. The total investment for the project shall be controlled within USD 4,160,000. The investment for the construction works, including design costs, shall be controlled within USD 3,550,716, and only after completion of designs and determination of the accurate amount of resources needed, the parties can review the amount of Square Meters and Market Prices, accordingly. It is understood that some variations of the project costs may take place at the time of implementation depending on the market prices. Best efforts should be made to ensure the completion of construction and functionality of applicable square meters, as per the approved design of the construction works, of the whole of 6,090 square meters.
Article Three: Roles and Responsibilities of the Parties

3.1 The Chinese Party

3.1.1 To provide construction funds within the total investment amount of USD 4,160,000. The funds for construction works should be controlled within USD 3,550,716 and USD 449,284 for furnishing and supply of office equipment and furniture. The rest amount of USD 160,000 should be charged for the Administrative Fee by the Chinese Party.

3.1.2 To review and approve the project proposal submitted by the Palestinian Party and deliver the approved proposal to UNDP/PAPP.

3.1.3 To approve, together with the Palestinian Party, the project design scheme, engineering design and the scope of work. The Chinese Party holds the rights to assign its technical team, together with the UNDP Party, to conduct the technical evaluation and follow up of the project design.

3.1.4 In accordance with the requirements and specification for the equipment and furniture provided by UNDP, as well as the UNDP's Procurement rules and regulations, the Chinese Party will recommend companies to be involved in the bidding.

3.1.5 To dispatch expert team at any time during the project implementation to inspect the operational and financial progress.

3.1.6 To conduct the as-built acceptance, together with the Palestine Party, upon the completion of the project.

3.1.7 To review and approve the final financial and auditing reports submitted by UNDP/PAPP.

3.2 The Palestinian Party

3.2.1 To provide the project proposal to the Chinese Party upon the signature of the agreement, including project scale, functions of the building, site information and price information of major construction materials for reference, etc.

3.2.2 To allocate land for the project, carry out site removing works including removing ground and underground structures and other obstacles from the land and level the site; to provide water supply and drainage, electricity and road up to the site at its own expense.

3.2.3 To review and approve, together with the Chinese Party, the project design scheme, engineering design and the scope of work.
3.2.4 To provide UNDP/PAPP with all indispensable documents and licenses (such as land use license, permit of construction and etc.) required for the implementation of the project at its own expenses.

3.2.5 To provide UNDP/PAPP with the lists and requirements of equipments and furniture of the offices.

3.2.6 To assist handling in taxes and duties exemption on imported equipment and goods for the project and to assist in facilitating the entry, residence and departure permits for technical personnel involved in the implementation of the project.

3.2.7 To provide security guarantee and other essential legal and administrative assistance.

3.2.8 To conduct the as-built acceptance, together with the Chinese Party, upon the completion of the project.

3.3 UNDP/PAPP

3.3.1 To implement and manage the project, upon entrustment jointly by the Chinese and Palestinian Party.

3.3.2 In accordance with the project proposal approved by the Chinese and Palestinian Party, UNDP/PAPP will organize the bidding according to UNDP procurement rules and regulations, and in conformity to this agreement, sign the contract with contractor on behalf of the Chinese and Palestinian Party. The bidding documents, contract documents and the bidding results shall be submitted to the Chinese and Palestinian Party for their confirmation.

3.3.3 To review and approve the project design scheme prepared by EPC contractor and submit it to the Chinese and Palestinian Party for approval.

3.3.4 Once bids and tenders are floated, as per UNDP Rules and Regulations, the bidding process and bid evaluation are the sole responsibility of UNDP/PAPP.

3.3.5 The UNDP/PAPP will convert the lists and requirements of equipments and furniture provided by the Palestinian Party into a generic form, and shared with the Chinese Party. To organize with the EPC contractor to conduct procurement works of the aforesaid lists in line with UNDP Procurement Regulations and Procedures.

3.3.6 To submit the request for fund disbursement to the Chinese Party in line with the progress of the work and disbursements, and assure the funds are utilized as per the Project Document. The owner of this project is the Palestinian National Authority (PNA), represented by the Palestinian Ministry of Foreign Affairs.
3.3.7 To monitor and manage the implementation activities and use of fund in accordance with the regulations, rules, procedures and directives of UNDP, and maintain separate financial records, and submit the operational and financial progress to the Chinese Party on a quarterly basis, and to the PNA for information purposes.

3.3.8 Upon the completion and internal check and acceptance of the project, to submit the related report for final as-built acceptance by the Chinese and Palestinian Party.

3.3.9 To submit its narrative and final financial reports to Chinese Party as per the provision of the Third-Party Cost Sharing Agreement, within one month after the final as-built acceptance of the project.

Article Four: Use of Aid Fund and Payment

4.1 The total investment for the project shall not exceed USD 4,160,000, which is to be disbursed pursuant to this agreement and the UNDP/PAPP Third Party Cost Sharing Agreement, and out of the grant as stipulated in the Agreement on Economic and Technical Cooperation between the Chinese Government and the Palestinian Authority signed on December 27th, 2004. Upon each payment, the Chinese Party shall issue bill of settlement in quadruplicate and make settlement through China Development Bank and the Ramallah branch of the Arabian Bank designated respectively by the Chinese Government and Palestine Authority through Aid Account No.8. For the USD amount disbursed to UNDP account, the Chinese Party shall determine particular RMB amount for each settlement by converting the selling price of USD-to-RMB of the day announced by the Bank of China, and adding cable fee.

4.2 The above-mentioned USD 4,160,000 grant shall be earmarked for the following activities:

4.2.1 The organization of the tendering and bidding for the project.

4.2.2 The survey, design and consultancy for the project.

4.2.3 The engineering construction for the project.

4.2.4 General Management Services Fees (GMS) of 7% to the UNDP/PAPP for implementing the project.

4.2.5 The procurement of equipments and furniture valued USD 427,889 to be delivered to the Palestinian Party, where UNDP will charge a GMS of 7%. After the completion of the project, ownership of equipment, supplies and other properties under the grant vest in Palestinian Party.

4.2.6 AOS of the Chinese Party for monitoring the project implementation and fund utilizations USD $160,000.

Any changes to the use of fund outside of listed above shall be subject to prior approval of the
parties concerned.

4.3. The GMS of UNDP/PAPP shall be charged at a fixed rate of 7% of the direct fees of the total amount of award of the EPC contractor, and at 7% for the procurement of furniture and equipment for the offices. The above mentioned GMS shall be disbursed directly by the Chinese Party to the bank account designated by UNDP.

4.4. The AOS of the Chinese Party for monitoring the project implementation and fund utilization, a total amount of USD 160,000 shall be deducted from the total grant fund, and be directly disbursed to the entrusted consultancy at the same time of disbursing the first payment to UNDP as per Clause 5 of this article.

4.5. The Chinese Party will directly disburse payments of outstanding amount of four million US dollars under this trust fund agreement for the expenses of 2.1, 2.2, 2.3, 2.4, 2.5 stipulated under Clause 2 of this article to the bank account designated by UNDP/PAPP as follows:

4.5.1 A total amount of USD 2,000,000 (50%) will be paid within one month after the agreement takes effect to facilitate UNDP/PAPP in organizing bidding, survey, design, and other preparatory work for construction.

4.5.2 A total amount of USD 1,600,000 (40%) will be paid 10 months after the official construction works are launched and the submission of a progress and financial report.

4.5.3 A total amount of USD 400,000 (10%) shall be paid within one month after the Chinese and Palestinian Party complete the as-built acceptance of the project.

4.6 The Palestinian Party shall exempt all taxes related to the use of the above grant funds.

Article Five: Construction Duration

5.1 After receiving the first advance payment of the project, provided that all remaining payments are received in a timely manner, UNDP/PAPP shall assure that the project will be ready for the final as-built acceptance by the Chinese and Palestinian Party within 18 months. All the construction and procurement works will be done in line with the UNDP Rules and Procedures.

5.2 In case of any changes to the construction duration mentioned above due to force majeure, UNDP/PAPP shall get the approval from the Chinese and Palestinian Party and assure that the project shall be ready for the final as-built acceptance by the Chinese and Palestinian Party within the approved extended period.

5.3 When there is a delay caused by factors other than force majeure, UNDP/PAPP shall be required by the Chinese and Palestinian Party to investigate the contractor's responsibilities and, one thousandth of the total amount of award shall be fined for every one delay. The fine shall be deducted from the remaining unpaid construction fund, while the total fine amount shall not
exceed 10% of the total amount of award.

Article Six: Acceptance, Hand-over and Maintenance

6.1 The Chinese & Palestinian Party and UNDP/PAPP shall define the technical and standards or applicable technical codes for acceptance when reviewing and approving the engineering design document of the project. Upon the completion of the project, an Acceptance Team shall be formed with its members to be designated by the Chinese and Palestinian Party to conduct the acceptance in accordance with the defined technical standards or applicable technical criterion. UNDP shall send delegates to participate in the acceptance and provide with necessary assistance.

6.2 The qualification certificate of the project shall be signed by the three Parties when the acceptance is satisfied. The Chinese Government and Palestine Authority shall sign the letter of Hand-over. Should there be any defect found during the acceptance which is in conformity with the technical standards or applicable technical codes, UNDP/PAPP shall take all necessary measures (including re-do it) to make it satisfy the requirements and bear all the expenditures thereof.

6.3 The warranty period for this project shall be one year from the date of signing the qualification certificate. During the duty maintenance period, should any quality defects arises due to improper engineering construction, UNDP/PAPP shall make the EPC contractor remedy the problem to satisfy the design standards at the contractor's own cost.

Article Seven: Termination of the Agreement

7.1 This Agreement shall be suspended by the Parties through a written notice if any circumstances should arise which may interfere with the successful completion of the project.

7.2 Upon consensus reached through consultations, the Agreement may be terminated 30 days after one Party has given a written notice to the other two Parties.

7.3 Notwithstanding termination of the Agreement. UNDP/PAPP shall continue to hold unutilized contribution-payments until all commitments incurred in the Project implementation before the date of the notice of termination have been satisfied and Project activities brought to an orderly conclusion and the balance shall be returned to the Chinese Party. The Chinese Party shall pay the remaining GMS to UNDP/PAPP at the time of termination.

Article Eight: Amendment of the Agreement

8.1 The Agreement may be amended by consensus of the three Parties through a supplementary agreement in written form between the Chinese Party, the Palestinian Party and UNDP/PAPP. After signing the supplementary agreement, the three Parties shall undertake their own necessary approval procedures. The supplementary agreement shall be effective starting from the date of receiving mutual notices and approved document.
8.2 The supplementary agreement shall become an integral part of this Agreement.

Article Nine: Entry Into Force and Other Matters

9.1 Upon the signature of the Agreement, the three Parties shall carry out their own internal approval procedures. The Agreement shall enter into force when the Parties have all noticed and received the approval documents from each other. The Agreement shall expire when all the obligations and responsibilities of the three Parties are fully accomplished.

9.2 If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), and have not exceed 15% of the total project investment, in principle additional fund should not be arranged.

9.3 Should there arise any acts or delays from either or both the Chinese and/or Palestinian Parties, UNDP will not be held liable. The results of such delays are the responsibilities of the delaying party who shall bear any costs arising out of it.

9.4 Any matter not covered in this Agreement shall be solved amicably by the three Parties through friendly consultation.

In case of any contradiction between the Third Party Cost Sharing Agreement and this agreement, relevant UNDP rules shall prevail.

This Agreement is signed on 4. Oct. 2008 in Ramallah. Three copies shall be made, one for each party. Each copy shall be made in both English and Chinese, and the English version shall prevail.

For

The Ministry of Commerce of the People's Republic of China
Ambassador
H.E. Yang Weiguo
Date: 04. October. 2008

For

The Ministry of Foreign Affairs of the Palestinian Authority
Minister of Foreign Affairs
H.E. Riad Al-Malki
Date: 04. October. 2008

For

The United Nations Development Programme
Programme of Assistance to the Palestinian People
Special Representative of the Administrator
H.E. Jens Toyberg-Frandzen
Date: 04. October. 2008
中华人民共和国商务部、巴勒斯坦民族权力机构外交部
和联合国开发计划署驻巴勒斯坦代表处
关于中国政府援建巴勒斯坦外交部大楼项目的委托实施协议

中华人民共和国商务部（以下简称中方）、巴勒斯坦民族权力机构外交部（以下简称乙方）和联合国开发计划署驻巴勒斯坦代表处（以下简称UNDP/PAPP）经过友好协商，就委托UNDP/PAPP实施中国政府援助巴勒斯坦外交部大楼项目签订本协议，具体条文如下：

第一条 项目依据

一、中国政府和巴勒斯坦民族权力机构于2004年12月27日签署的经济技术合作协定项下规定的中国政府向巴勒斯坦民族权力机构提供的无偿援助。

二、中国政府和巴勒斯坦民族权力机构于2005年6月20日签署的中国政府援建巴勒斯坦外交部大楼项目的立项换文。

第二条 项目规模

在拉马拉建设巴民族权力机构外交部大楼，总建筑面积不超过6090平方米，项目总投资控制在416万美元以内。其中：

1. 工程建设总投资，包括设计费应控制在3,550,716美元之内。

在设计完成并确定所需材料数量后，三方重新确定相应的建筑面积和价格，各方理解在项目实施过程中，项目某些成本会随市场价格波动。届时，按已同意的建筑工程设计，尽可能保证6,090平方米的工程建设及功能要求。

第三条 各方责任和义务

一、中方责任

1. 在总投资限额416万美元以内提供本项目建设资金，其中：提供用于大楼建设的资金不超过3,550,716美元；用于采购
相应的办公设备和家具的资金为 449,284 美元；另 16 万美元为
中方管理费。
2、审核并批准乙方提交的本项目建议书，并将批准后的本
项目建议书转交 UNDP/PAPP。
3、与乙方共同批准本项目设计方案、施工图设计和工程范
围，有权派出技术组与 UNDP 共同进行技术评估并跟踪项目设计。
4、根据 UNDP 提供的设备和家具规格，以及 UNDP 采购规定，
推荐公司参与竞标。
5、在本项目实施期间随时派遣专家组检查项目实施情况和
资金使用情况。
6、会同乙方组织竣工验收。
7、审核批准 UNDP/PAPP 提交的最终财务和审计报告。
二、乙方责任
1、在本协议签署后，向乙方提供本项目建议书，包括项目规
模、使用功能、场址资料，并提供主要建筑材料市场价格资料供
中方参考等。
2、负责无偿提供本项目建设用地，负责建设场址拆迁；地
上、地下建筑物、构筑物和障碍物清除；平整场地；通水、通电、
通路，并自行承担所需费用。
3、与乙方共同批准本项目设计方案、施工图设计文件和工
程范围。
4、向 UNDP/PAPP 提供执行本项目所需的各种重要文件和许
可证（如用地许可证、施工许可证等），并承担所需费用。
5、向 UNDP/PAPP 提供所需办公设备和家具需求清单。
6、协助办理本项目所需设备物资进口的免税手续，协助办
理实施本项目的技术人员的出入境及居留手续。
7、为本项目实施提供安全保障和其他一切必要的法律和行
政协助。
8、会同乙方组织竣工验收。
三、 UNDP/PAPP 责任

[签名]

(手写签名)
1. 双方共同委托，负责组织本项目实施和管理工作。

2. 根据中、巴双方最终批准的本项目建议书，UNDP/PAPP 将根据 UNDP 的采购规定和制度以及本协议，组织招标工作，代表中、巴双方与承包商签订承包合同。招投标文件、合同和评标结果应报告中、巴双方确认。

3. 审查 EPC 承包商编制的设计方案，并提交中、巴双方审核批准。

4. 招投标工作按照 UNDP 相关规定开始后，全权负责招标和评标工作。

5. 对乙方所提供所需办公设备和家具需求清单进行分类，并通知乙方。根据 UNDP 采购规定，组织 EPC 承包商按照上述清单进行相关采购事宜。

6. 根据工程进度和支付情况，向乙方提交拨款申请，并按项目文件保证专款专用。巴勒斯坦外交部代表巴勒斯坦民族权力机构作为该项目的所有人。

7. 根据 UNDP 的规章、规则、程序及指示，监督管理本项目实施过程和资金使用，开设独立财务账户，按季度将本项目实施情况和财务进度报告递交乙方，并通报乙方。

8. 本项目竣工并内部验收后，提请中、巴双方进行最终竣工验收。

9. 本项目最终竣工验收后 1 个月内，根据《第三方成本分摊协议》规定，向乙方提交项目总结和最终财务审计报告。

第四条 拨款使用及支付

一、本项目总投资不超过 416 万美元，在中、巴两国政府 2004 年 12 月 27 日签订的经济技术合作协定规定的无偿援助项目下，并依照本委托实施协议和与 UNDP/PAPP 第三方成本分摊协议的规定支付。每次付款后都将由中方向乙方开出账单一份四份由中、巴两国政府分别指定的中国国家开发银行和阿拉伯银行拉马拉分
行通过“第8号援助账户”办理记账事宜。中方将拨付给UNDP的美元金额，按汇款当日中国银行公布的美元对人民币的卖出价折算为人民币后连同汇款手续费一并确定每次具体结算的人民币金额。

二、上述416万美元援款专项用于实施本项目的以下活动：
1、组织本项目招投标。
2、本项目考察、设计和咨询。
3、本项目工程建设。
4、UNDP/PAPP组织实施本项目的7%管理费。
5、对于向巴方提供并运抵巴方的价值427,889美元采购办公设备和家具，UNDP另收取7%的管理费。在项目完成后，援款项下设备所有权、所供物资及其他财产均归巴方所有。
6、中方监督本项目执行和资金使用的16万美元管理费。
援款如用于超出上述规定的其他活动必须事先征得有关各方的同意。

三、UNDP/PAPP设计施工部分的管理费按照本项目EPC承包商中标的总价中直接费的7%计算，采购家具及办公设备部分按照7%计算，由中方直接拨付至UNDP指定银行账户。

四、中方监督本项目执行和资金使用的管理费和16万美元，在向UNDP拨付本条第五款第1项款项的同时，从委托实施协议总额中直接扣除，并直接拨付给委托的咨询单位。

五、本条第二款规定的1、2、3、4、5项开支，由中方按以下规定，将委托实施协议总额中剩余的400万美元直接拨付至UNDP/PAPP指定账户：
1、本协议生效后1个月内，拨付2,000,000美元（50%），用于UNDP/PAPP组织本项目招投标、进行考察、设计及其他施工前期准备工作。
2、在项目正式施工并提交进度和财务报告10个月后，拨付1,600,000美元（40%）。
3. 中、巴双方完成本项目竣工验收后一个月内，拨付 400,000 美元（10%）。

六、巴方免除上述拨款使用需交纳的所有税收。

第五条 建设期限

一、自收到本项目第一期预付款后，并保障所有剩余款项能及时到位的情况下，UNDP/PAPP 应保证本项目在 18 个月内提交中、巴双方竣工验收。该项目全部施工及采购工作均应依据 UNDP 规定和程序进行。

二、因人力不可抗拒因素导致上述规定期限变更，UNDP/PAPP 应提前征得中、巴双方批准，并保证在批准的延长期限内提交中、巴双方竣工验收。

三、非因人力不可抗拒因素导致工程拖期，中、巴双方将要求 UNDP/PAPP 追究承包商的责任，每延误 1 天收取中标总价千分之一的罚金，罚金从尚未拨付的工程应付款中扣除，但罚款总额不超过中标总价的 10%。

第六条 验收、移交和保修

一、中、巴和 UNDP/PAPP 三方应当在审批本项目工程设计文件时明确本项目的验收技术标准或适用的验收技术规范。本项目竣工后，由中、巴双方指定人员组成验收组，按照验收技术标准或适用的验收技术规范进行验收。UNDP 须派代表参加并提供必要协助。

二、验收合格后，即由中、巴、UNDP/PAPP 三方签署工程合格证书；中、巴两国政府签署两国政府间交接证书。验收过程中，如发现不符合验收技术标准或适用的验收技术规范要求的，由 UNDP/PAPP 采取一切必要的积极措施（包括返工重修）使之达到验收标准要求，所产生费用由 UNDP/PAPP 方自行解决。

三、本项目质量保修期为工程合格证书签字之日起一年，在此期间如发生因施工原因造成的质量问题，由 UNDP/PAPP 责
第七条 协议的终止

一、如果出现任何干扰本项目完成的情况，各方将通过书面通知暂时延缓执行本协议。

二、各方在相互磋商一致，并在其中一方向其他各方提交书面通知 30 天后终止本协议实施。

三、如出现协议终止的情况，为使项目有序终止，UNDP/PAPP 可以继续持有尚未使用的捐款，直到协议终止之日以前所有承诺的项目内容均得以完成之后，余款归还中方。中方将向 UNDP/PAPP 支付协议终止时尚未支付的管理费。

第八条 协议的修订

一、对本协议的任何修订，须经中、巴和 UNDP/PAPP 三方协商一致后以书面形式签订补充协议规定。补充协议签署后，三方应各自履行必要的批准程序，自三方相互通知并送达批准文件之日起生效。

二、修订本协议的补充协议为本协议不可分割的组成部分。

第九条 生效和其他

一、本协议签署后，三方应各自履行必要的批准程序，自三方相互通知并送达批准文件之日起生效，有效期限至三方履行完毕本协议规定的各项义务之日止。

二、对于预计或实际发生了不可预见的增加费用和工程内容变更，凡不超过 15%（不管是通货膨胀、汇率变动或其他不确定因素引起的），均不予以追加资金。

三、任何由于中方或巴方或是双方造成的疏忽行为或延误，UNDP 将不承担责任。延误造成的后果将由延误责任方负责，并承担由此发生的费用。

四、本协议未尽事宜将通过三方友好协商解决。如在第三方
分摊成本协议和本协议条款发生矛盾时，UNDP 相关法规优先。

本协议于 2008 年 10 月 4 日在拉马拉签订，一式三份，三方各执一份，每份均用中文、英文书就，英文作准。

中华人民共和国商务部代表
杨伟国大使

巴勒斯坦民族权力机构外交部代表
马立基外长

联合国开发计划署巴勒斯坦代表处代表
詹斯特别代表
United Nations Development Programme
Country: occupied Palestinian territory (oPt)
Project Document

Project Title

Construction of the Office Building and Furnishing and Supply of Office Equipment of the Palestinian Ministry of Foreign Affairs (MoFA) in the occupied Palestinian territory

UNDAF Outcome(s):

Expected CP Outcome(s):
(Those linked to the project and extracted from the CPAP)

Expected Output(s):
(Those that will result from the project and extracted from the CPAP)

Implementing Partner: UNDP/PAPP
Responsible Parties: UNDP/PAPP

Brief Description

The project aims at constructing, furnishing and equipping the new building of the Palestinian Ministry of Foreign Affairs (MoFA) in Ramallah for a total space of 6,090 Meters square housing some 400 MoFA staff, with a total grant value of USD 4 Million from the People’s Republic of China. To complement the hard component, and under the CDI Project and with UNDP resources, the project will also provide MoFA with IT equipment, and undertake an assessment of the development and use of information and communications technology, the personnel ICT and information knowledge and capacities at MOFA, to result in developing a capacity development strategy and action plan for ICT and ICT-aided information management.

Programme Period: 24 Months
Key Result Area (Strategic Plan): Responsive Governing Institutions Strengthened
Atlas Award ID: __________
Start date: 04 October 2008
End Date 03 October 2010
PAC Meeting Date __________
Management Arrangements

YYYY AWP budget: __________
Total resources required $ 6.9 Million
Total allocated resources: $ 4 Million
• Regular $ 150,000
• Other:
  ○ Donor China
  ○ Donor __________
  ○ Donor __________
  ○ Government __________
Unfunded budget: __________
In-kind Contributions

Agreed by (Implementing Partner):

Agreed by UNDP:
I. SITUATION ANALYSIS

The Palestinian Public Sector is facing serious challenges, the most important and determinant one is the Israeli Occupation which is having severe impact, not just on the Palestinian economy and growth of the productive sectors, but also on weakening state institutions and undermining the capacity of the Palestinian Authority (PA) to develop and sustain effective institutions. The other challenges which are affecting the efficiency and effectiveness of government institutions and the services they provide to the people are a manifestation of unclear mandates, lengthy bureaucratic administrative procedures, lack of accountability and transparency, excessive centralization in decision making, inadequate legislations, non-merit based recruitment and promotion process, low-paid civil servants, and the relative absence of incentive system and motivation.

The Palestinian Public Sector has also encountered severe difficulties in performing its key functions. This was reflected in the preparation of the Palestinian Reform Development Plan (PRDP) for the period 2008-2010 which, in contrast to the previous development plans, associates specific reform and development goals to objectives, performance indicators and targets, and calls for the implementation of a monitoring and evaluation (M&E) process to measure, report and evaluate performance. Despite its finalization, the preparation of the PRDP was in fact a challenging painful process, due to capacity deficits in many of the Palestinian Authority (PA) institutions that hinder them to engage in strategic planning, budgeting and transparent financial management, clear policy formulation, and effective project proposals development. There is also lack of national systems particularly in monitoring and evaluation that would allow standardization and uniformity across all government institutions.

International experience suggests that an effective public management depends to a large extent on setting up facilitating structures and mechanisms, as well as consistent processes and systems. The Palestinian Ministry of Foreign Affairs (MoFA) represents the link of the Palestinian Authority with the World at large, as well as liaising with the Foreign Corps in Palestine. It plays a very important role in maintaining links and reflecting the Palestinian views and policies abroad. To date, MoFA is operating out of rented premises, which renders its liaising functions and operations rather cumbersome. With the new functional building, MoFA will become more efficient and effective in implementing its mandate and mission, housing some 400 civil servants. To complement the physical structural effectiveness of MoFA through the construction and equipping of its new premises, the technical intervention of UNDP will focus on developing MoFA capacities in the rebuilding of an effective, responsive, and accountable public institution that would facilitate the provision of effective, efficient and transparent services to its citizens. This would necessitate that MoFA embark on the formulation of its strategy on capacity development1 and the design of systems and processes, tools and methods for capacity development that are in line with the recommendations of the Capacity Development Initiative programme. The Project will also ensure including ongoing CD projects for the MoFA within a comprehensive framework, and that the whole picture of CD is integrated, sensible, implementable, and sequenced properly.

Link with PRDP and UNDP strategic framework

The proposed project is in line with PRDP which focuses on capacity development of public sector institutions with the view to enhancing the efficiency and effectiveness of government and strengthening public institutions through the reform of the public sector legislative framework, physical, organizational and institutional development and civil service management. The project also contributes to the strengthening of responsive governing institutions, which is one of the outcomes stated in UNDP/PAPP Mid-Term Strategic Framework for the period 2008-2012. It would support the achievement of one of the main objectives of the strategic framework related to: “Enhancing the development of efficient, responsive and accountable institutions through democratic governance interventions”. Capacity development and good governance practices would provide the “enabling environment” for the realization of the MDGs and contribute to the advancement of human development.

---

1 See Annex 2 on the concept of capacity development
Reasons for assistance from UNDP:

The PA has requested from UNDP to assist it in developing a national capacity development Initiative programme that will support the development of the institutional, physical, organizational and human capacities needed for executive government institutions to execute their core public management functions required to sustain the building of a national public services within an environment of open, structured, reliable, and accountable government. UNDP jointly with the Ministry of Planning and the General personnel Council is in the process of developing this national CD Initiative programme. The capacity development for MOFA in ICT and ICT-aided information management is of critical importance not only to assist the MOFA to carry out its mandate in a more effective and efficient way but also to empower them with the needed organizational, institutional, and human resources necessary for representing the PA in the international community in a more professional manner.

II. STRATEGY

The guiding principle for the approach to project implementation is that it will be based on the National Reform Development Plan and in coordination with the ongoing Capacity Development Initiative programme. The technical component approach will start from the organizational capacity as the point of entry, but to ensure sustainability, it will assess human capacities as well as the enabling environment. The process will build on existing consultative and participatory process to ensure the national ownership.

This overall project has four major components which stand out and which have to be handled separately but virtually simultaneously. These components are:

1. Construction of a 6,090 Square Meters Building and the procurement of Furniture and Equipment
2. Technical support and provision of IT equipment for MoFA This includes UNDP support for the advisor in having competent staff to support his office in fulfilling their responsibilities
3. Developing a three year capacity development strategy and action plan for MoFA's coordination and communication with other government institutions. The approach for the development of capacity development strategy will fully integrate the capacity assessment process. The project will identify priority areas to focus on and design the assessment in such a way to begin generating insight immediately into capacity development strategies needed to deliver on the country's priorities. This approach will have the following four phases:
   a. Launching the project: this phase will focus on reaching consensus on the approach and securing commitment of stakeholders and developing the self assessment instrument
   b. Capacity Assessment: this phase will focus on conducting the capacity assessment and identifying options for capacity development strategies
   c. Analysis of Results: this phase will focus on analyzing results of the assessment and further preliminary capacity development strategy definition.
   d. Formulation of three year capacity development strategy and action plan for the MOFA

3. Implementation of identified priority areas as per the assessment and in line with the developed strategy.

In line with the above, and to complement the technical component with a physical one for realizing the need for a fully functional premise that exports and liaises Palestinian Foreign policy, an Agreement on Economic and Technical Cooperation between the Chinese Government and the Palestinian Authority was signed on December 27th, 2004. Later, it was, followed by Letters of Exchange between the Chinese Government and the Palestinian Authority signed on June 20th, 2005 on constructing the Office Building of the Palestinian Ministry of Foreign Affairs with a Chinese grant. As such the concept for this project was officially ratified and endorsed.

Late summer 2005, UNDP/PAPP was approached by China and the Palestinian Authority, through the Chinese Representation Office in Ramallah, and the Palestinian Ministry of Foreign Affairs, respectively. UNDP/PAPP coordinated with UNDP Beijing which supported PAPP in ironing out the particulars of the
Tripartite and Third-Party Cost Sharing Agreements, which are cleared by the Chinese Ministry of Commerce in Beijing, in charge of the said grant.

On 04 October 2008, and in the presence of the Palestinian President, Mahmoud Abbas, the above-mentioned agreements were signed with the respective officials, and the corner stone was laid, announcing the launch of the project.

Management Arrangements

The project will be directly executed by UNDP following the direct execution procedures (DEX). The DEX modality is permitted only in exceptional circumstances, such as post conflict countries, where the national government lacks technical capacities to manage programmes in its portfolio. Under this modality UNDP takes full responsibility for implementation, management and achievement of project objectives. The overall work plan of a DEX modality includes developing Government capacity so as to be able to phase out from the DEX mode and return to the national execution mode (NEX) as soon as possible.

UNDP/PAPP will provide technical support to the MOFA through funding of the project personnel needed for the implementation of the programme. UNDP/PAPP, together with the Ministry of Foreign Affairs, will mobilize the needed resources to support the implementation of programme activities, whereby the Ministry of Foreign Affairs will support UNDP/PAPP and facilitate UNDP/PAPP’s role as the executing and implementing agency for the success and smooth implementation of the project.

Prior obligations and pre-requisites

There are serious risks that may hinder the implementation of the programme, or may affect the achievement of expected results and outcomes. These risks are related to:

- Deterioration of the security situation and inability of project personnel to carry out their duties
- Instability of the government and change in the management of the MOFA, since a new management may come with different priorities than the actual programme on capacity development
- Lack of willingness and political will to carry out the required reform and change, as recommended by the findings of the capacity assessments
- Lack of willingness from the MOFA to make available the required government staff to assist in programme implementation
- Difficulties in mobilizing the needed resources for the programme
- Delay in finalization of the designs and launching of the construction works, depending on how quickly MoFA finalizes its needs and premises space allocations.
- Delay in delivering the needed equipment and furniture should its specifications not be found locally.

Advisory group for the Technical Component

An advisory group will be established. It comprises of: the Ministry of Foreign Affairs, the Ministry of Planning, the General Personnel Council, the Ministry of Finance and UNDP/PAPP. The Advisory group will be chaired by MoFA. It will meet quarterly to review and discuss progress, advice on actions to be taken, and facilitate the process of implementation, whenever needed.
General Responsibilities of the Parties

1. The Parties agree to join efforts and to maintain close working relationships based on mutual commitment to partnership, as per the needs of each component;
2. The Parties agree to carry out their respective responsibilities in accordance with the provisions of the present agreement, and to undertake the intervention in accordance with UNDP policies and procedures as set out in the UNDP Programming Manual, which forms an integral part of the present agreement.
3. The Parties shall, on a regular basis, keep each other informed of and consult on matters of common interest, which in their opinion are likely to lead to mutual collaboration. Additionally, the Parties shall keep each other informed of all activities pertaining to the CD project and shall consult at minimum once a month on matters that may have a bearing on the status of the “Parties” in the country or that may affect the achievement of the objectives of the project with a view to reviewing the project annual Work Plans and Budget.
4. Each Party shall inform the other Parties of the person having the authority and responsibility to represent the party for the Project on its behalf.
5. The Parties shall undertake the appropriate activities in order to ensure proper visibility of the UNDP in supporting the state building process for the Palestinians.
6. The Parties shall cooperate with each other in obtaining any licenses and permits required by national laws, where appropriate and necessary for the achievement of the Objectives of the Programme. The parties shall also cooperate in the preparation of any reports, statements or disclosures, which are required by national law.
7. MoFA may use the name and emblem of the United Nations or UNDP only in direct connection with the Programme, and subject to prior written consent of the UNDP/PAPP Special Representative in the occupied Palestinian Territories.
8. The Parties shall cooperate in any public relations or publicity exercises, when the UNDP/PAPP Special Representative deems these appropriate or useful.

Responsibilities of China

1. The role of the Chinese partner is mainly to provide construction funds within the total investment amount of USD 4,000,000.
2. Review and approve the project proposal submitted by the Palestinian Party.
3. Approve, together with the Palestinian Party, the project design scheme, engineering design and the scope of work.
4. Dispatch expert team at any time during the project implementation to inspect the operational and financial progress.
5. Conduct the as-built acceptance, together with the Palestine Party upon the completion of the project.
6. Review and approve the final financial and auditing reports submitted by UNDP/PAPP.

Responsibilities of UNDP/PAPP

UNDP acts as the Executing Agency for the Programme responsible thereinafter for the following:

1. The establishment and administration of the CD Project, achievement of Project outcomes and output;
2. To lead the technical and operational aspects of the CD project while ensuring proper documentation and supervision of subcontractors;
3. To prepare the CD project overall work-plans and provide regular progress reports to the steering board of the project;
4. To appoint competent staff and experts for the management of the project in close collaboration with the MOFA, and according to UNDP recruitment procedures;
5. To provide continuous technical assistance to the MOFA throughout the life of this agreement utilizing its internal and external pool of experts, while tapping on international good practices in this field;
6. To implement and manage the project, upon entrustment jointly by the Chinese and Palestinian Party, organize the bidding according to UNDP procurement rules and regulations, and in conformity to this agreement, sign the contract with contractor on behalf of the Chinese and Palestinian Party;
7. To review and approve the project design scheme prepared by EPC contractor and submit it to the Chinese and Palestinian Party for approval;
8. To convert the lists and requirements of equipments and furniture provided by the Palestinian Party into a generic form, and shared with the Chinese Party;
9. To organize with the EPC contractor to conduct procurement works of the aforesaid lists in line with UNDP Procurement Regulations and Procedures;
10. To submit the request for fund disbursement to the Chinese Party in line with the progress of the work and disbursements, and assure the funds are utilized as per the Project Document;
11. To monitor and manage the implementation activities and use of fund in accordance with the regulations, rules procedures and directives of UNDP, maintain separate financial records, and submit the operational and financial progress to the Chinese Party on a quarterly basis, and to the PNA for information purposes;
12. Upon the completion and internal check and acceptance of the project, submit the related report for final as-built acceptance by the Chinese and Palestinian Party.

Responsibilities of MOFA

The PA through MoFA is the overall owner of the Programme responsible thereinafter for the following:

1. To form and lead a Steering Board that will comprise of donors, ministries and other key Palestinian institutions and a representative of UNDP as a non-voting member for the technical component;
2. To ensure overall coordination of capacity development support to the MOFA with the CD planned policies and strategies on national and local level;
3. To facilitate and coordinate communication and interaction with other government institutions pertaining the implementation of the project recommendations;
4. To provide access to necessary data and needed information for carrying out the programme activities;
5. To provide copies of all previous capacity development reports and studies that has been done to the MoFA (i.e. development plan, organizational chart and functions of the MoFA);
6. Provide official written and verbal comments on various products and/or important decisions developed or taken by the project;
7. To appoint a senior staff member to represent MOFA and serve as a counterpart to the UNDP/PAPP Project manger and to identify the team that will be assigned to the project;
8. To provide the office space for the technical component intervention of the project;
9. To provide the construction project proposal to the Chinese Party upon the signature of the agreement, including project scale, functions of the building, site information and price information of major construction materials for reference, etc;
10. To allocate land for the project, and carry out site removing works including removing ground and underground structures and other obstacles from the land and level the site, provide water supply and drainage, electricity and road up to the site at its own expense;
11. To review and approve, together with the Chinese Party, the project design scheme, engineering design and the scope of work;
12. To provide UNDP/PAPP with all indispensable documents and licenses (such as land use license, permit of construction and etc.) required for the implementation of the project at it own expenses and the lists and requirements of equipments and furniture of the offices, assist handling in taxes and duties exemption on imported equipment and goods for the project and to assist in facilitating the entry, residence and departure permits for technical personnel involved in the implementation of the project, provide security guarantee and other essential legal and administrative assistance, and
to conduct the as-built acceptance, together with the Chinese Party, upon the completion of the project.

Personnel Requirements
1. MoFA shall be fully responsible for all services performed by its personnel, agents, employees, or contractors (hereinafter referred to as "Personnel").
2. MoFA personnel shall not be considered in any respect as being the employees or agents of UNDP.
3. MoFA shall ensure that all relevant national labor laws are observed.
4. MoFA does not accept any liability for claims arising out of the activities performed under the present Memorandum, or any claims for death, bodily injury, disability, damage to property or other hazards that may be suffered by MoFA personnel as a result of their work pertaining to the programme. It is understood that adequate medical and life insurance for MoFA personnel, as well as insurance coverage for service-incurred illness, injury, disability or death, is the responsibility of MoFA.
5. MoFA shall ensure that its personnel meet the highest standards of qualification and technical and professional competence necessary for the achievement of the Objectives of the Programme, and that decisions on employment related to the Programme shall be free of discrimination on the basis of race, religion or creed, ethnicity or national origin, gender, handicapped status, or other similar factors.

Responsibility for Claims
1. MoFA shall indemnify, hold and save harmless, and defend at its own expense, UNDP, its officials and persons performing services for UNDP, from and against all suits, claims, demands and liability of any nature and kind, including their cost and expenses, arising out of the acts or omissions of MoFA or its employees or persons hired for implementing the present Memorandum and the Programme.
2. MoFA shall be responsible for, and deal with all claims brought against it by its Personnel, employees, agents or subcontractors.
### III. RESULTS AND RESOURCES FRAMEWORK

**Intended Outcome as stated in the Country Programme Results and Resource Framework:**

*An Equipped and Furnished Functional Ministry of Foreign Affairs Building in Ramallah.*

**Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets:**

- Number of Square Meters Construction, equipped and functional Building Units.

**Applicable Key Result Area (from 2008-11 Strategic Plan):** National Ownership Development and assist national governments in creating an enabling environment

**Project title and ID (ATLAS Award ID):**

<table>
<thead>
<tr>
<th>INTENDED OUTPUTS</th>
<th>OUTPUT TARGETS FOR (YEARS)</th>
<th>INDICATIVE ACTIVITIES</th>
<th>RESPONSIBLE PARTIES</th>
<th>INPUTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Construction of a 6,090 Meters Square Building.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Output 1</strong> Baseline: Empty piece of land Indicators: A functional Ministry of Foreign Affairs Building in Ramallah (6,090 m2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Targets (year 1) - Drawings and tender documents for 6,090 m2 building - Skeleton Building of 6,090 m2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Targets (year 2) - A functional building of 6,090 m2 area</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Engineering Designs and preparing Tender Documents - Tendering - Evaluation and contract award - Engineering designs and document preparation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Construction of 6,090 m2 building - Tendering - Evaluation and contract award - Construction works - Commissioning and handing over</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UNDP Vendors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design: USD 60,000 Construction Works: USD 3,250,201</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Output 2</strong> No of Furniture and Equipment Procured Baseline: None Indicators: No. of New Furniture and Equipment procured</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Targets (year 1) - -</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Targets (year 2) - A functional furnished building</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Procurement of furniture and equipment - Tendering - Evaluation and contract award - Supplying and installing of furniture and equipment - Commissioning</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UNDP Vendors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furniture &amp; Equipment: USD 427,889</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Output 3</td>
<td>Targets (year 1)</td>
<td>Capacity Assessment and Development</td>
<td>UNDP</td>
<td></td>
</tr>
<tr>
<td>---</td>
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</tr>
<tr>
<td>Enhanced Human Resources and Systems Baseline: Review of current status Indicators: No of fully functional systems and staff trained</td>
<td>-</td>
<td>Capacity Assessment List of Capacity Development Needs Number of trainees trained New Systems in Place</td>
<td>USD 100,000 USD 50,000 USD 50,000</td>
<td></td>
</tr>
</tbody>
</table>
IV. ANNUAL WORK PLAN

Year: 2008

<table>
<thead>
<tr>
<th>EXPECTED OUTPUTS</th>
<th>PLANNED ACTIVITIES</th>
<th>TIMEFRAME</th>
<th>RESPONSIBLE PARTY</th>
<th>PLANNED BUDGET</th>
</tr>
</thead>
</table>
| Construction of a 6,090 Meters Square Building. | 1. Engineering Designs and preparing Tender Documents  
- Tendering  
- Evaluation and contract award  
- Engineering designs and document preparation | Q1 | X | UNDP Vendor | China | Design Works | USD 15,000 |
| | 2. Construction of 6,090 m² building  
- Tendering  
- Evaluation and contract award  
- Construction works  
- Commissioning and handing over | Q2 | X | China | Construction | Zero |
| Output 2 | 2. Procurement of furniture and equipment  
- Tendering  
- Evaluation and contract award  
- Supplying and installing of furniture and equipment  
- Commissioning | Q4 | | China | Furniture & Equipment | Zero |

TOTAL (GMS Included) | | | | | USD 16,050 |
**Year: 2009**

<table>
<thead>
<tr>
<th>EXPECTED OUTPUTS</th>
<th>PLANNED ACTIVITIES</th>
<th>TIMEFRAME</th>
<th>RESPONSIBLE PARTY</th>
<th>PLANNED BUDGET</th>
</tr>
</thead>
</table>
| Construction of a 6,090 Meters Square Building. | 1. Engineering Designs and preparing Tender Documents  
- Tendering  
- Evaluation and contract award  
- Engineering designs and document preparation | Q1 | UNDP Vendor | Funding Source | Budget Description | Amount |
| | 2. Construction of 6,090 m² building  
1. Tendering  
2. Evaluation and contract award  
3. Construction works  
Commissioning and handing over | X | UNDP Vendor | Funding Source | Budget Description | Amount |
| | Output 1  
Baseline: Empty piece of land  
Indicators: A functional Ministry of Foreign Affairs Building in Ramallah (6,090 m²) | | | | | USD 45,000 |
| | Output 2  
No of Furniture and Equipment Procured  
Baseline: None  
Indicators: No. of New Furniture and Equipment procured | 3 | UNDP Vendor | Funding Source | Budget Description | Amount |
| | Procurement of furniture and equipment  
- Tendering  
- Evaluation and contract award  
- Supplying and installing of furniture and equipment  
- Commissioning | | | | | Zero |
### Output 3
Enhanced Human Resources and Systems
Baseline: Review of current status
Indicators: No of fully functional systems and staff trained

<table>
<thead>
<tr>
<th>PLANNED ACTIVITIES</th>
<th>TIMEFRAME</th>
<th>RESPONSIBLE PARTY</th>
<th>PLANNED BUDGET</th>
</tr>
</thead>
</table>
| 4. Capacity Assessment and Development
  • Capacity Assessment
  • List of Capacity Development Needs | X X X | UNDP/ UNDP Vendor UNDP | Needs Assessment 100,000 |

<table>
<thead>
<tr>
<th>TOTAL (GMS Included)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>USD 1,887,007.60</td>
</tr>
</tbody>
</table>

**Year: 2010**

### Expected Outputs
And baseline, indicators including annual targets

<table>
<thead>
<tr>
<th>PLANNED ACTIVITIES</th>
<th>TIMEFRAME</th>
<th>RESPONSIBLE PARTY</th>
<th>PLANNED BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Construction of a 6,090 Meters Square Building</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Output 1</strong> Baseline: Empty piece of land Indicators: A functional Ministry of Foreign Affairs Building in Ramallah (6,090 m2)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| 1. Construction of 6,090 m2 building
  • Tendering
  • Evaluation and contract award
  • Construction works
  • Commissioning and handing over | X X X | UNDP Vendor China Construction | USD 1,625,100.56 |
## Output 2

**No of Furniture and Equipment Procured**

**Baseline:** None

**Indicators:** No. of New Furniture and Equipment procured

<table>
<thead>
<tr>
<th>2. Procurement of furniture and equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Tendering</td>
</tr>
<tr>
<td>• Evaluation and contract award</td>
</tr>
<tr>
<td>• Supplying and installing of furniture and equipment</td>
</tr>
<tr>
<td>• Commissioning</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tendering</th>
<th>Evaluation</th>
<th>Contract Award</th>
<th>Supplying</th>
<th>Commissioning</th>
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<tbody>
<tr>
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<table>
<thead>
<tr>
<th>Vendor</th>
<th>UNDP Vendor</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vendor China Furniture &amp; Equipment</td>
<td>UNDP Vendor</td>
<td>China</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>USD 427,889</th>
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</thead>
</table>

## Output 3

**Enhanced Human Resources and Systems**

**Baseline:** Review of current status

**Indicators:** No of fully functional systems and staff trained

<table>
<thead>
<tr>
<th>3. Capacity Assessment and Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Number of trainees trained</td>
</tr>
<tr>
<td>• New Systems in Place</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Training Systems</th>
<th>UNDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNDP Training Systems</td>
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</table>

<table>
<thead>
<tr>
<th>USD 50,000</th>
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## TOTAL (GMS Included)

|ung |ung |ung |ung |

<table>
<thead>
<tr>
<th>USD 2,296,698.83</th>
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</thead>
</table>
V. MANAGEMENT ARRANGEMENTS

Overall responsibilities\(^2\): 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\(^3\) 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 PM 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

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\(^2\) Source: Guidelines on UNDP Implementation of UNDAF Annual Review Process

\(^3\) UNDP Financial Rules and Regulations: Chapter E, Regulation 16.05: a) The administration by executing entities or, under the harmonized operational modalities, implementing partners, of resources obtained from or through UNDP shall be carried out under their respective 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. b) Where the financial governance of an executing entity or, under the harmonized operational modalities, implementing partner, does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition that of UNDP shall apply.
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.

**Specific responsibilities:**

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

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
- 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
- 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

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

Project Manager (handled by Engineering)
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:

- 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;
- 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.
- 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.

**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:

- 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
- 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;
- 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”
- 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.

Project Support

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. The provision of any Project Support on a formal basis is optional. It is necessary to keep Project Support and Project Assurance roles separate in order to maintain the independence of Project Assurance.

Specific responsibilities:

- Set up and maintain project files
- Collect project related information data
- Update plans
- Administer the quality review process
- Administer Project Board meetings
- 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
- Provide support in the use of Atlas for monitoring and reporting
- Provide technical advices
- Review technical reports
- Monitor technical activities carried out by responsible parties
VI. 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:

Within the annual cycle

- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below.
- An Issue Log shall be activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted (see annex 1), a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, a Project Progress Reports (PPR) shall be submitted by the Project Manager to the Project Board through Project Assurance, using the standard report format available in the Executive Snapshot.
- A Project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project.
- A Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events.

Annually

- **Annual Review Report.** An Annual Review Report shall be prepared by the Project Manager and shared with the Project Board and the Outcome Board. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.
- **Annual Project Review.** Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review is driven by the Project 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.
- **Field visits.** A representative from the UNDP office should visit the project at least once a week. Field visits serve the purpose of results validation, especially when undertaken in the first half of the year. If undertaken in the latter part of the year, the field visit should provide latest information on progress for annual reporting preparation. Field visits should be documented through brief and action-oriented reports, submitted within the week of return to the office.
## Quality Management for Project Activity Results

### OUTPUT 1: Construction Works

<table>
<thead>
<tr>
<th>Activity Result 1</th>
<th>Start Date: Quarter 2/2009</th>
<th>End Date: Quarter 4/2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Construction</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Purpose</strong></td>
<td>Construction and finishing works of 6.090 Meters Square</td>
<td></td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td>Construction and finishing works of 6.090 Meters Square</td>
<td></td>
</tr>
<tr>
<td><strong>Quality Criteria</strong></td>
<td>how/with what indicators the quality of the activity result will be measured?</td>
<td></td>
</tr>
<tr>
<td><strong>Quality Method</strong></td>
<td>Means of verification. what method will be used to determine if quality criteria has been met?</td>
<td></td>
</tr>
<tr>
<td><strong>Date of Assessment</strong></td>
<td>When will the assessment of quality be performed?</td>
<td></td>
</tr>
</tbody>
</table>

- **Number of Square Meters Constructed**: On Site Engineer, Technical Reports
- **Weekly, Monthly & Quarterly**

### OUTPUT 2: Procurement

<table>
<thead>
<tr>
<th>Activity Result 1</th>
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<th>End Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Procurement</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Purpose</strong></td>
<td>Procurement of Equipment and Furniture</td>
<td></td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td>Procurement of Equipment and Furniture</td>
<td></td>
</tr>
<tr>
<td><strong>Quality Criteria</strong></td>
<td>how/with what indicators the quality of the activity result will be measured?</td>
<td></td>
</tr>
<tr>
<td><strong>Quality Method</strong></td>
<td>Means of verification. what method will be used to determine if quality criteria has been met?</td>
<td></td>
</tr>
<tr>
<td><strong>Date of Assessment</strong></td>
<td>When will the assessment of quality be performed?</td>
<td></td>
</tr>
</tbody>
</table>

- **List to be provided by Beneficiary and Verified Upon Receipt**: Signed Receipt and Inspection Report
- **Quarters 3 & 4/2010**

### OUTPUT 3: Capacity Assessment & Development

<table>
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<th>Activity Result 1</th>
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<th>End Date: Q4/2010</th>
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</thead>
<tbody>
<tr>
<td><strong>Procurement</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Purpose</strong></td>
<td>Conduct a Capacity Assessment and Development</td>
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</tr>
<tr>
<td><strong>Description</strong></td>
<td>Conduct an assessment to the needed capacities and competencies, and complement them through Human and Institutional Resource Development Interventions and structures.</td>
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</tr>
<tr>
<td><strong>Quality Criteria</strong></td>
<td>how/with what indicators the quality of the activity result will be measured?</td>
<td></td>
</tr>
<tr>
<td><strong>Quality Method</strong></td>
<td>Means of verification. what method will be used to determine if quality criteria has been met</td>
<td></td>
</tr>
<tr>
<td><strong>Date of Assessment</strong></td>
<td>When will the assessment of quality be performed?</td>
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<td>Metric</td>
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<td>Timeframe</td>
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<tr>
<td>Initial list to be provided by MoFA</td>
<td>Conduct assessment to this list and prepare an updated list</td>
<td>Quarters 2, 3 &amp; 4/2009</td>
</tr>
<tr>
<td>Existing competencies and structures</td>
<td>Conduct HR competencies development and install needed structures</td>
<td>Quarter 4/2010</td>
</tr>
</tbody>
</table>
VII. LEGAL CONTEXT

The project document shall be the instrument envisaged in the Supplemental Provisions to the Project Document, attached hereto.

Consistent with the above Supplemental Provisions, the responsibility for the safety and security of the executing agency and its personnel and property, and of UNDP’s property in the executing agency’s custody, rests with the executing agency.

The executing agency 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 executing agency’s security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The executing agency agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

VIII. ANNEXES

Risk Analysis. Annex I

Agreements.


Terms of Reference: TOR for key Engineering Works.

Special Clauses. In case of government cost-sharing through the project which is not within the CPAP, the following clauses should be included:

1. The schedule of payments and UNDP bank account details.
2. The value of the payment, if made in a currency other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Should there be a change in the United Nations operational rate of exchange prior to the full utilization by the UNDP of the payment, the value of the balance of funds still held at that time will be adjusted accordingly. If, in such a case, a loss in the value of the balance of funds is recorded, UNDP shall inform the Government with a view to determining whether any further financing could be provided by the Government. Should such further financing not be available, the assistance to be provided to the project may be reduced, suspended or terminated by UNDP.
3. The above schedule of payments takes into account the requirement that the payments shall be made in advance of the implementation of planned activities. It may be amended to be consistent with the progress of project delivery.
4. UNDP shall receive and administer the payment in accordance with the regulations, rules and directives of UNDP.

5. All financial accounts and statements shall be expressed in United States dollars.

6. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to the government on a timely basis a supplementary estimate showing the further financing that will be necessary. The Government shall use its best endeavors to obtain the additional funds required.

7. If the payments referred above are not received in accordance with the payment schedule, or if the additional financing required in accordance with paragraph [] above is not forthcoming from the Government or other sources, the assistance to be provided to the project under this Agreement may be reduced, suspended or terminated by UNDP.

8. Any interest income attributable to the contribution shall be credited to UNDP Account and shall be utilized in accordance with established UNDP procedures.

In accordance with the decisions and directives of UNDP's Executive Board:

The contribution shall be charged:

(a) 7% cost recovery for the provision of general management support (GMS) by UNDP headquarters and country offices

(b) Direct cost for implementation support services (ISS) provided by UNDP and/or an executing entity/implementing partner.

9. Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

10. The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP.”
## OFFLINE RISK LOG

*(see Deliverable Description for the Risk Log regarding its purpose and use)*

<table>
<thead>
<tr>
<th>#</th>
<th>Description</th>
<th>Date Identified</th>
<th>Type</th>
<th>Impact &amp; Probability</th>
<th>Countermeasures / Mngt response</th>
<th>Owner</th>
<th>Submitted, updated by</th>
<th>Last Update</th>
<th>Status</th>
</tr>
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<tr>
<td>1</td>
<td>Delay in Implementation due to lack of clarity whether elections will take place in January 2009</td>
<td>October 2008</td>
<td>Environmental, Financial, Operational, Organizational, Political, Regulatory, Strategic, Other</td>
<td>Delay in Implementation Enter probability on a scale from 1 (low) to 5 (high) P = 3 Enter impact on a scale from 1 (low) to 5 (high) I = 3</td>
<td>Discuss possible scenarios with Donor and Beneficiary</td>
<td>Project Manager and Project Assurance</td>
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<td>TBD</td>
<td></td>
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<tr>
<td>2</td>
<td></td>
<td></td>
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<td>Text</td>
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<td></td>
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<tr>
<td>3</td>
<td></td>
<td></td>
<td>Environmental, Financial, Operational, Organizational</td>
<td>Text</td>
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<td></td>
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</tr>
<tr>
<td>Political</td>
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<td>Other</td>
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</table>
CAPACITY DEVELOPMENT CONCEPT

ANNEX 2

What is Capacity Development?

Capacity is defined as the ability of individuals, organizations and societies to perform functions, solve problems, and set and achieve their own development objectives in a sustainable manner. Capacity development (CD) is thereby the process through which the abilities to do so are obtained, strengthened, adapted and maintained over time. Capacity development is a means towards reaching development outcomes. For UNDP it is the “how” of development, and is at the heart of the organisation’s mandate and functions.

Over the past few years it has become evident that a more rigorous approach to CD is required if its impact is to be fully realized. Capacity development (CD) is critical for the achievement of the MDGs, and more generally, long-term economic and societal development. Against the backdrop of a global commitment to fighting poverty and pledges to increase the volume of aid, the development of national capacities to utilize development finance efficiently and effectively for human development ends has acquired even greater urgency. The Millennium Declaration, the Paris Declaration on Aid Effectiveness, the UN TCPR resolution and an increasing number of National Development Strategies reflect this prominence.4

A country’s capacity resides on three levels:

- Organizational Level: systems, procedures, institutional framework
- Individual level: experience, knowledge, technical skills
- Enabling environment: policies, legislations

Capacity assessment and capacity development strategies need to be therefore addressed across these three levels.

UNDP engages on capacity development in four defined areas of support: capacity assessment, capacity development response strategies, costing capacity development strategies, and capacity development monitoring and evaluation. UNDP has identified these four capacity development areas and drawn together case evidence in each of the areas to support countries in responding better to national and local capacity needs, and for making effective use of their capacity assets. These areas have been also prioritized based on undertaking study of norms and standards, good practices and data sources where available, and thus, this informs us that these strategies have a positive and sustainable impact on the development and retention of endogenous capacity at the national and local levels. The strategies cut across thematic and sector specificity and in that sense is “practice neutral.”

What is Capacity Assessment?

Capacity assessment (CA) is the analysis of current capacities against desired future capacities; this assessment generates an understanding of capacity assets and needs leading to the formulation of CD strategies.

Capacity assessment is a dynamic and ongoing process (not a one-time event). It provides a systematic analysis of what key capacities exist, and a point of dialogue and negotiation on what additional capacities

4 Resolution 59/250 of the Triennial Comprehensive Policy Review 2004
may be required to reach a desired development outcome. CA helps to establish capacity baselines against which to measure, monitor and evaluate progress and performance in capacity development. The desired capacities have to be defined prior to undertaking the assessment. Capacity assessment provides valuable input into policy and strategy formulation work and on what needs to improve, and the financial requirements to fund the interventions.

**Objectives of the CA:**

- To produce an initial “capacity baseline” grounded in an agreed set of performance standards meeting international good practice criteria.
- Help analyze and recommend areas of intervention, through strategic capacity development initiatives and targeted quick impact actions
- To derive “areas for improvement” across all areas of operation,
- To identify a small set of priorities for initial systemic CD that could enable the achievement of a credible platform on which performance improvements at all levels could be predicated.

**The Capacity Assessment Framework is composed of three dimensions:**

- **Points of Entry:** UNDP recognises that a country’s capacity resides on different levels – enabling environment, organisation and individual – and thus needs to be addressed across these levels. A capacity assessment team selects one level as its point of entry, and may “zoom in” or “zoom out” from that level as needed.
- **Core Issues:** These represent the issues upon which UNDP is most often called to address. Not all of these issues will necessarily be analysed in any given assessment, but they provide a comprehensive set of issues from which a capacity assessment team may choose as it defines its scope: 1) leadership; 2) policy and legal framework; 3) mutual accountability mechanisms; 4) public engagement; 5) human resources; 6) financial resources; 7) physical resources; and 8) environmental resources. The issue of a human rights based approach serves as an “overlay” on any capacity assessment (it can either overlay all selected cross-sections or act as a stand-alone core issue).
- **Cross-Cutting Functional Capacities:** Specific functional capacities are necessary for the successful creation and management of policies, legislations, strategies and programmes. UNDP has chosen to prioritise the following functional capacities, which exist at all three points of entry and for all core issues: 1) engage in multi-stakeholder dialogue; 2) analyse a situation and create a vision; 3) formulate policy and strategy; 4) budget, manage and implement; and 5) monitor and evaluate.

**Capacity development strategies**

The formulation of capacity development strategies is based on the findings of a capacity assessment. These capacity development strategies may be applied to address capacity needs in a variety of sectors, and are predicated on integrated approaches to development:
- Institutional Reform and Incentives: Process facilitation for change management; functional reviews; salary schemes; incentive systems; and business processes (project management and procurement).
- Leadership Capacities: Negotiation and visioning skills; coaching and mentoring; ethics; and advocacy.
- Education, Training and Learning: Training methods; tertiary education curricula and investments; vocational education; and on-the job skills transfer.
- Accountability and Voice Mechanisms: Peer reviews; citizen watch; M&E; stakeholder feedback; and public information campaigns.
- Provision of IT equipment to MOFA: providing the requested equipment to help them to function more effectively on a daily basis, will enhance the performing capabilities of the employees towards achieving duties and mission assigned to them. Additionally, with the upgrading of the potential and capacity of existing facilities and staff (by introducing sound systems to the two existing meeting rooms, it will be possible to utilize them more efficiently, and by purchasing a number of books pertaining to Foreign Affairs, Diplomacy, Protocol, International and Humanitarian Law, it will enable to move a step forward in the establishment of specialized library that will be utilized by all the Palestinian diplomats and students interested in foreign policy and diplomacy.
- Undertake an assessment of the development and use of information and communications technology and the personnel ICT and information knowledge and capacities at MOFA, Develop a capacity development strategy and action plan for ICT and ICT-aided information management. The approach for the development of a capacity development strategy and the design for the assessment must be agreed upon bilaterally and must be specified and approved by both parties in the Terms of reference.