UNITED NATIONS DEVELOPMENT PROGRAMME

PROJECT DOCUMENT
Moldova, Republic of

Project Title: Moldova Innovation Lab (MiLab)

Project Number:

Implementing Partner: Direct Implementation Modality in partnership with stakeholders in public and private sectors

Start Date: 06/2019   **End Date:**   Open   **PAC Meeting date:**   N/A

Brief Description

One of UNDP's "next generation UNDP" initiatives is the introduction of a global network of UNDP SDG Accelerator Labs. The goal of these Labs will be to strengthen the capacity of UNDP country teams to leverage and combine global, cutting-edge thinking in development to build on and invest in local solutions and partners, thereby accelerating SDG implementation in these countries.UNDP Moldova runs an Innovation Lab (hereafter MiLab), an internal think-tank and experimentation outfit with a clear mandate to innovate and promote collaborative experimentation within UNDP Moldova and in collaboration with external partners such as Government, civil society, research community and private sector, development partners and UN agencies. MiLab will support the global network of Accelerator Labs mainly in areas of collection and making sense of new types of data for SDGs, conceptualization and running of specific innovative experiments linked to nationalized SDGs, as well as impact evaluation and strategic support to scaling-up of the successful experiments.

The scope of the Milab is to support transformative changes in the organizational and innovation culture in the public and private sectors and align all participants for the accelerated achievement of the Sustainable Development Agenda and national targets.

In its second phase, the new Moldova Innovation Lab is combining the cumulative experience of Moldova Social Innovation Lab (2014 – 2018) and Business Innovation Lab (2015 – 2018), as well the Joint UN Project on Strengthening the National Statistical System (2007-2018) and collaborating with the UNDP's Green City Lab. As such, Moldova Innovation Lab (MiLab) is focusing on supporting accelerated delivery of the SDGs and is structured around the below inter-linked areas of work:

   (a) New evidence. Collecting/using new evidence for development, aimed at harnessing the potential of alternative sources of data for informing and evaluating development interventions;

   (b) Data and analytics. Producing disaggregated official statistics data to ensure "no one is left behind" and using it for human-centred policy-making and targeted development interventions through innovative data collection tools, geo-referenced technologies, reusable formats/manner and impact-based analytics;

   (c) Public service redesign. Provide support to public sector in rethinking and reframing the services using human-centred design principles

   (d) Citizen crowdsourcing. Transform policy and decision-making process through policy crowdsourcing tools to empower citizen participation and bring the government closer to the people unlocking private financing for SDGs, focusing on the engagement with the private sector around accelerated progress on the Sustainable Development Agenda, gender mainstreaming, climate change, sustainable urban development and similar; and

   (e) Urban experimentation. Designing, mapping and testing of urban development solutions, aimed at testing small-scale solutions for sustainable urban development. Accelerated efforts are invested in building niche skills in our teams, develop new partnerships, raise capital for innovation, cutting-edge experimentation and related.

At the same time, MiLab has departed from the conventional understanding of a development project, becoming UNDP Moldova's internal innovation arm and think-tank aimed not only at testing new solutions with external partners, but also streamlining innovation and evidences into the existing UNDP portfolios through engaging with the ongoing and prospective projects and seeking ways to maximize and to measure their social impact. MiLab is able and ready to support regional and global innovation initiatives and export its skills and capabilities to support innovation. MiLab will support accelerated achievement of the SDGs as it will test out innovative approaches and then nudge external partners to up-scale impactful solutions and successful experiments.
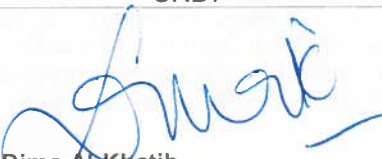
Contributing Outcome (UNDAF/CPD, RPD or GPD):

UNDAF Outcome 1: The people of Moldova, especially most vulnerable, demand and benefit from democratic, transparent and accountable governance, gender-sensitive, human rights- and evidence-based public policies, equitable services, and efficient, effective and responsive public institutions

UNDAF Outcome #3: The people of Moldova, especially most vulnerable, benefit from enhanced environmental governance, energy security, sustainable management of natural resources, and climate and disaster resilient development Indicative Output(s) with gender marker2:

Total resources required:		USD 428,212
Total resources allocated:		
	UNDP TRAC:	USD 117,868
	Swedish Embassy to Moldova:	USD 38.880
	Ministry of Finance Slovak Republic:	USD 75,000
	Government:	0,00
	UNDP Innovation Facility:	USD 189,200
	UN Women:	USD 7,264
Unfunded:		300,000

Agreed by (signatures)[1]:

Government	UNDP	Implementing Partner
N/A	Dima Al-Khatib Resident Representative	N/A
Date:	Date: Chisinau, 28 June 2019	Date:

I.   DEVELOPMENT CHALLENGE

The Sustainable Development Goals represent the boldest and the most complex manifesto which challenges the capabilities of the current governments and markets to serve their people. Conventional tools for shaping public policy and financing the public good are simply not sufficient. Due to the nature of their complexity, achieving them requires new types of partnerships, innovative business models and collective action. New forms of intelligence are required to harness the opportunities provided by advances in technology, new forms of data, and private capital. Therefore, progress on the Sustainable Development Agenda requires a cross-sector, multidisciplinary and integrated approach, able to tackle the deeply interrelated social, environmental, and economic dimensions of the Agenda.

In this context, UNDP is uniquely positioned to mobilize a broad spectrum of partners – usual and unusual suspects – to support governments and communities to effectively deliver on the Sustainable Development Agenda. Together with core partners, the State of Qatar and the Federal Republic of Germany, 60 labs serving 78 countries will work together with national and global partners to find radically new approaches that fit the complexity of current development challenges. Their design draws on the experience of policy innovation labs in seven countries since 2014, including in Moldova, and of other public and private sector actors. Supporting the Government in achieving the SDGs means leveraging new and conventional data sources, in combination with the granulation of the related official statistics, collecting insights that will allow for better and more impactful and targeted decision-making by both governments and people, building capacity to understand interdependent parts within the SDG agenda, maximising people's contributions to shape policies, and attracting new forms of financing and blend diverse funding sources towards a common goal. The five-year experience of UNDP Moldova, experimenting on the edge with innovation through its labs, and twelve years of statistics improvement, provides an opportunity to further create and run experimentation spaces in which the organization can test safe-to-fail solutions or adapt existing solutions to contribute in a measurable way to sustainable development.

Estimates on achieving the SDGs vary broadly, but some indicate that will take between USD 5 to 7 trillion, with an investment gap in developing countries of about USD 2.5 trillion. In contrast, global flows of development aid reached USD 146.6 billion in 2017. The SDGs are not only highly relevant for promoting broad-based trust and prosperity but offer an excellent economic investment opportunity for financial markets and economic growth. With an increased engagement of the private sector, academia, research community and citizens, few complementary trends are crystalizing: businesses are increasingly engaged in impact measurement and sustainability reporting to capture their sustainability impact; there is growing public sector interest in capturing the business contribution to the SDGs; research community interested in testing new approaches and use of their research potential for social good; citizens eager to contribute with data, insights and improved behaviours and so on. Therefore, capitalizing on these trends and increasing engagement with the private sector, in complementation of/combination with the civic engagement and governance, for the SDGs is crucial for advancing on the national Sustainable Development Agenda.

Regionally and globally, the developmental challenges are not only complex, but often transcend the national boundaries. Such development challenges and the finding of practical solutions are equally at the core of the global network of the UNDP's Acceleration Labs. MiLab has already rich and relevant experience in tackling complex development challenges and could export such knowledge to the Acceleration Labs in the region and worldwide.

National context

The new vision and agenda for the development of the Republic of Moldova up until 2030 is the country's human-centred high-level strategic planning document, strongly focused on the SDGs and EU-Moldova Association Agreement commitments. The Strategy focuses on the life-cycle approach and lists 10 national development priorities: 1. Increase revenues from sustainable sources and reduce economic inequalities; 2. Increase people's access to physical infrastructure, public utilities and housing; 3. Improve working conditions and reduce informal employment; 4. Ensure quality education for all and promote life-long Education; 5. Ensure fundamental right to best physical and mental health; 6. Building a solidary and inclusive society; 7. Better work-life balance; 8.   Ensure efficient governance and rule of law; 9. Promote peaceful and safe society;

and 10. Ensure fundamental right to healthy and safe environment. Addressing these complex development challenges requires qualitative and timely data and solid evidences broad partnerships, immense resources, and a handful of new approaches and innovative business models to tackle structural and root causes, as well as experimental/analytic capacity and mindsets. Experimentation at the intersection of governance and public policy, human rights and equity for all, impact on environment, civic activism and economic growth is therefore, crucial for progressing on the national priorities and SDGs.

II.   STRATEGY

Moldova Innovation Lab is designed to respond to several crucial necessities identified in the national consultations on the post-2015 and Moldova 2030 Agenda, namely:
  a) To enable people to contribute meaningfully and practically to the development of their country and communities, becoming co-producers of development and agents of action;
  b) To facilitate the communication between the Government and people, by enabling people to participate more actively in the policy development process;
  c) To engage with businesses, expert communities and facilitate their involvement in the effective and efficient achievement of SDGs;

The new Moldova Innovation Lab is intended to run as a platform rather than a conventional finite project. The team will constantly scan the horizon and current UNDP portfolios to identify opportunities for accelerating and improving project delivery through testing new solutions and experimenting with new tools and innovative approaches for impact achievement.   This will empower the UNDP Moldova office to run top-notch experiments aligned to the Moldova 2030 and SDGs, quickly identify existing and emerging challenges and opportunities, measure impact of the innovation work and scale-up at a speed that is aligned or close to the speed of development of various markets.

Our strategy towards the network of the global AccLabs is focused on (a) supporting the network and individual labs in areas in which UNDP Moldova has top-notch skills and experience by ensuring knowledge transfer and capacity building for partners in the network; (b) supporting collaborative experimentation work and engagement with 'unusual' suspects, with particular focus on partnering with private sector, local administrations and citizens for accelerated achievement of the nationalized SDGs; and (c) support in mainstreaming SDGs into policy work, with particular focus on new evidence and how this might support SDG M&E process.

Theory of change
In a world of complex development challenges, our theory of change is straightforward:

IF the Government and all other actors learn and adopt a more experimental approach in sourcing country- and context-specific solutions to complex development challenges
IF new ways of financing development are tested and scaled up
IF citizens, communities, and corporate citizens become more aligned with and engaged towards the national development goals
IF Government adopts and applies a more evidence-based policy-making and impactful development interventions for all people and
IF all actors invest more in the generation and use of new and traditional evidence, collective intelligence and alike to experiment

THEN (gradually) the innovation culture in Government and external to UNDP partners will further improve and strengthen
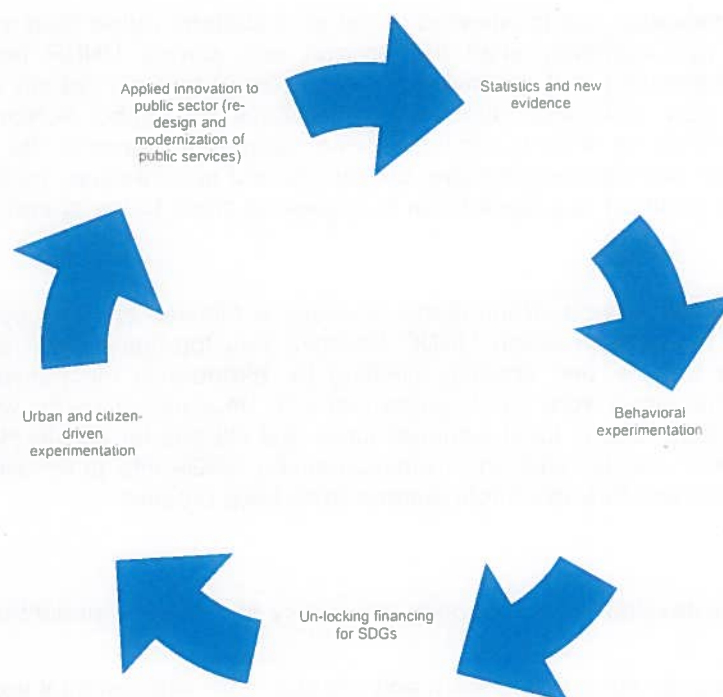**THEN** new grassroots solutions to old problems could be tested out with local actors, citizens and corporate citizens
THEN more inclusive, collaborative and accelerated sustainable human development could be achieved

The strategy vis-à-vis innovation is to look beyond single interventions, testing solutions at small scale; it is about dynamically combining people, ideas, technologies and resources in a way that supports national development agenda and priorities and provides content and insights for all those involved, but also learning what works for the best benefit of people. This also implies an

5

important role and place for impact evaluation and making best use of available and new types of data and statistics, as the impact of the experiments and development interventions should be measured and documented. Ultimately, MiLab will provide stakeholders with solutions that have been tested on the ground and elaborated with strong involvement of beneficiaries and end-users. Further, these solutions are ready to be scaled-up in extended environments.

The MiLab will focus on several inter-linked components of work as described below:

Applied innovation to public sector (re-design and modernization of public services)

Statistics and new evidence

Behavioral experimentation

Un-locking financing for SDGs

Urban and citizen-driven experimentation

III.   VALUE PROPOSITION FOR THE GLOBAL NETWORK OF ACCELERATION LABS

The UNDP Moldova value proposition to the global network of Acceleration Labs and innovation outfits across the world and RBEC region is structured around three core elements described below in details:

- **Knowledge transfer and capacity building**

MiLab could build the skills in the AccLabs teams within the niche segments on which UNDP Moldova has competitive advantages, in particular in the area of new evidence (generation and use of big and thick data for development), sense-making of such new types of data, human-centered design and its application for redesigning of public services and similar, horizon scanning and systems thinking, SDG acceleration and ways to engage with private sector around redesign of the existing business models, alternative financing (crowdfunding and crowd-investment), urban experimentation and how to co-design various experiments for testing safe-to-fail solutions to complex problems. Milab is also ready to provide peer-to-peer mentorship support.

- **Experimentation work**

MiLab is ready to support the AccLabs teams in changing corporate culture in the offices and partners and transition to a more experimental and innovative way of thinking and testing-out of solutions to complex problems. MiLab can co-design and support the teams in generating, conceptualizing and running various experiments. Offices around the world could also decide to 'import' successfully tested experiments by adapting these to the specific contexts and realities in their respective countries. MiLab team has unique experience in several experimentation areas, as it regards new evidence for SDGs, re-design of public services, financing for SDGs, private sector engagement and urban experimentation (please refer to the section Our Experiments).

- **Partnerships and resource mobilization**

MiLab has outstanding experience in working with knowledgeable partners in several areas and could connect the AccLabs to such expertise and facilitate further partnership development. At the end of the day, these partnerships are more efficient when experimentation work covers multiple countries and regions and tackle regional or global complex problems that transcend national boundaries. Looking to the future, the fruits of this partnership should help UNDP, as well as other parts of the UN, in supporting governments and businesses in their efforts to stay abreast of such developments, in policy and in practice. MiLab has experience in developing and pushing forward specific value propositions to private sector companies to join experimentation work and builds on it to scale solutions.

IV. RESULTS AND PARTNERSHIPS

Expected Results

The scope of the Milab is to support changes in the organizational and innovation culture in the public and private sectors and align all participants for the accelerated achievement of the Sustainable Development Agenda and national targets. If cultural shift is a long-term commitment, UNDP could at least help craft local solutions to a range of challenges such as addressing critical bottlenecks and accelerators, supporting all stakeholders to align and reach the nationalized SDGs.

The main long- - term expected results of the MiLab work are enlisted below:
- *Shift in the mindset at the level of main stakeholders as measured by the degree of engagement of partners in various undertakings achieved and methods used for public policy development and evaluation overtaken;*
- *Rapid horizon scanning, solutions mapping achieved and experimentation capability reached and owned/assimilated by the main stakeholders;*
- *Tested solutions are taken over by partners and successfully scaled up nationally;*
- *Portfolio of partners diversified, and resource mobilization targets achieved.*

The expected medium- and short- term results of the MiLab work are enlisted below:
- Portfolio of co-designed development experiments implemented and impact on SDGs evaluated
- Innovative experiments and solutions co-designed and tested with internal UNDP portfolio/programs
- Internal knowledge management and innovation platform created

The MiLab is focused on combination of experimentation work, innovative approaches, methods, knowledge and skills that support the way how UNDP and its external partners organize and deploy their assets, business models and capabilities to achieve greater integration and improve efficiency and development effectiveness. This shall respond to the broader development agenda, focused around the core needs of end-clients, be innovative, safe-to-fail, low or no cost, feasible,

scalable, sustainable and accompanied with robust outcome/impact evaluation protocols. Selective planned interventions are enlisted and briefly described below.

Horizon scanning and sense-making

- Constant horizon scanning and identification of gaps and challenges by applying systems thinking and similar
- Supporting the engagement with private sector companies for accelerated achievement of the SDGs and making sense of the opportunities in the SDGs for the corporate citizens
- Collecting and use of thick data and related sense-making around the perceptions of populations over complex development challenges to support innovation and experimentation work

Collective intelligence and use of new evidence and statistics

- Supporting Government's engagement with citizens around strategic policy priorities through collective intelligence
- Generation and use of alternative types of data, including in particular big and thick data, for improved and evidence-based policy design, impact assessment, targeted development interventions
- Applying innovative approaches to disaggregated statistics' collection, exchange/sharing and re/use for proper targeting, prioritization, impact evaluation thus sustaining national capacities on SDGs monitoring and evaluation

Experimentation and impact evaluation

- Promoting evidence-based policy-making by supporting the use of Randomized Control Trials and alternative data for policy design and ex-ante policy impact evaluation
- Supporting design and testing of alternative financing mechanisms for delivering on social outcomes, i.e. social and development impact bonds
- Supporting modernization and re-engineering of public services through design thinking and human-centered design
- Behavioral experimentation using social norms and similar for accelerated achievement of the SDGs
- Supporting crowdfunding and crowd-investment as means to validating experiments and raising capital for SDGs achievement
- Supporting green urban development, experimentation with safe-to-fail solutions to support sustainable urbanization
- Improving quality of life of urban citizens and increase their participation to urban planning and development
- Developing and testing new business models in areas of critical importance for sustainable urban development, to include urban mobility, security, housing, access to services, education, employment, waste management, energy transition

Resources Required to Achieve the Expected Results

In order to achieve the expected medium- and long- terms results the MiLab requires a mix of people, skills and resources. We are aiming at connecting skilled specialists and practitioners, from the country (inside UNDP and outside) and globally, specialized in the below areas:

- Horizon scanning/political economy analysis
- Identification of alternative data sources and incorporating them in decision- or policy-making processes, M&E frameworks, training and coaching
- Quantitative and qualitative research skills
- Statistical methodologies and analysis
- Collection and sense-making of thick data
- Geospatial and georeferenced data
- Use of big data on mobility, consumption behaviour and similar
- Design and redesign of public services and public spaces, with emphasis on human-centred design
- Systems analysis
- Foresight
- Citizens' engagement in decision making and policy making process
- Urban experimentation
- Platforms building
- Engagement with private sector and financing for SDGs
- Development and testing of alternative ways to finance social outcomes

The MiLab is expected to contribute to the implementation of several specific outputs that lead to the expected development results, as enlisted below:

Output 1: Portfolio of co-designed development experiments implemented and impact evaluated in partnership with external partners

Under this output, Milab will intervene with specific experimentation work conducted in partnership with **external partners** in Government, civil society, scientific and expert community, development partners and UN agencies and/or private sector. Milab will run experiments to accelerate achievement of selective SDGs and support the Government in the delivery of the 2030 Agenda and evidence-based monitoring and reporting of SDGs targets achieved, impact produced and people socially included. Milab will work in the areas of new evidence and collective intelligence as to collect new data and insights about the complex development challenges of the country, support modernisation of statistical capability to generate reliable statistics for SDGs and analytical capacities to use the data, and tackle these through innovative approaches and experimental activities. It will also support modernization and redesign of selective public services to improve quality and accessibility of such services, particularly for those marginalized and socially excluded. Milab will engage with actors in private sector to seek ways of accelerating progress towards the SDGs, including through finding and testing new ways of financing SDGs and engaging private sector companies as providers of products or services that are conducive to an accelerated achievement of the national 2030 Agenda. Finally, Milab will support experimentation work at urban level, by engaging with local public administration in the resolution of the complex urban problems in areas of mobility, responsible consumption, waste management, energy efficiency and many others. The impact of the experimentation work with external partners will be evaluated using robust techniques, to include Randomized Controlled Trials and other methods. Close partnerships with external partners, listed in the next section below, will ensure transfer of knowledge, building of the external capacities and overall cultural change and increase in the propensity of the partners to innovate.

To achieve planned results under this output, the MiLab will implement a *myriad of activities*, to include but not limited to:

- Building of the new evidence platform – a collaborative data platform to collect, make sense and use available and new types of data for SDGs
- Implement several behavioural experiments in areas of anti-corruption, responsible consumption, employment promotion, green urban development and similar
- Design and implement an SDG Accelerator multi-year program for private sector companies to design and test new products or services conducive to accelerated achievement of SDGs
- Run impact evaluation of various experiments to evaluate the specific impact of experiments and UNDP projects on SDGs, specific targets and indicators
- Communicate on the contribution of the experimentation work, as well as work of the projects on the achievement of SDGs
- Support up-scale of the successful experiments and local initiatives, subject to availability of funding and support from external partners.

In supporting the global network of the AccLabs, MiLab will complement its operations by performing the below activities upon solicitation:

- Provide focused support to the AccLabs by being the 'front runner' and experiment in areas in which the newly established Labs want to specialize, alternatively in areas of high complexity
- Support the collection and making sense of new evidence; support the establishment of new partnerships in particular with private sector and municipalities for collection and use of big and thick data
- Support conceptualization for new experiments and co-running under mentorship of MiLab
- Support in impact evaluation and up-scaling of the successful experiments

Output 2: Innovative experiments and solutions co-designed and tested with internal UNDP portfolio/programs

Under this second output, Milab will support existing portfolios and clusters of projects to become more efficient and innovative in delivering the planned results under the 2030 Agenda. Milab will support with data collection and sense-making, solutions mapping, design of new experiments, support in the impact evaluation of the specific interventions, for internal clusters and portfolios and resource mobilization. Milab's solid partnerships with local and international think-tanks and practitioners in the above-mentioned areas will be made available to all interested UNDP projects and clusters. The impact of the experimentation work with UNDP portfolios will be evaluated using robust techniques.

To achieve planned results under this output, the MiLab will implement a *myriad of activities*, to include but not limited to:

- Support internal clusters and portfolios to design and test innovative experiments to speed up or bolden the contribution of the UNDP projects towards the accelerated achievement of SDGs
- Support global and regional network(s) of Accelerator Labs for experimentation and up-scaling
- Support clusters in the data collection, sense-making, solutions mapping, experimentation work and impact evaluation
- Generate new ideas and spot niche opportunities for new projects by UNDP clusters
- Support innovative approaches to improve communication on innovation and SDGs by existing and new projects/portfolios

Output 3: Internal knowledge management and innovation platform created

MiLab will support the internal capacity building agenda for UNDP staff/office through investing in the skills of the staff in MiLab so that to ensure that top-notch knowledge is available in house in

the areas of competitive advantage for UNDP Moldova, that knowledge and expertise of its staff is shared with other portfolios and projects and innovative experiments are jointly designed. MiLab will regularly organize trainings and learning events for external partners, particularly in areas related to new evidence, behavioural experimentation, financing for SDGs, new technologies in urban sustainable development, robust impact evaluation and similar. Achieving this output will catalyse the achievement of the above two other outputs.

To achieve planned results under this output, the MiLab will implement a *myriad of activities*, to include but not limited to:

- Organize monthly Innovation Sessions for UNDP staff covering topics related to behavioural experimentation, new evidence, sense-making, solutions mapping, design thinking, impact evaluation or similar
- Produce internal knowledge products to be shared within the existing portfolios and clusters and with external partners
- Support internal research and development efforts to identify new business models, financing opportunities and new ways to engage with un-usual partners
- Support collaborative experimentation through inter-cluster cooperation and innovation work in partnership with sister UN agencies

In supporting the global network of the AccLabs, MiLab will complement its operations by performing the below activities upon solicitation:

- Organize thematic Innovation Sessions for staff of the AccLabs
- Support the design of collaborative multi-country experiments in areas of mutual interest to advance SDGs agenda on a regional level
- Produce knowledge products adapted to the needs of the specific AccLabs or groups of AccLabs

Through delivering on the above-mentioned outputs, Milab will contribute to the change in culture of innovation at the level of key national stakeholders, be it in public or private sectors, as well as at mainstreaming innovation within UNDP in Moldova across context analysis, programme design and operational implementation. Milab is to become a country innovation platform accelerating structural transformations for sustainable development, especially through innovative solutions that have multiplier effects across the Sustainable Development Goals.

Partnerships

MiLab's approach is to create broad partnerships and engage stakeholders and end-users in the development and testing of innovative data-driven solutions. The Project holds experience in working with knowledgeable partners in several areas and experience in developing specific value propositions to private sector companies to join experimentation work. To achieve the expected *development results*, Milab will create new and strengthen existing partnerships with several key stakeholders at four levels:

- ***Government and public entities*** – Milab will be very active in working with the CPAs and LPAs in delivering results and impact. Milab will cooperate with the State Chancellery, National Bureau of Statistics, all line ministries and subordinated entities to accelerate achievement of the SDGs and testing out of new development solutions related to redesign of public services, policy advisory services, data generation and (re)use for SDGs progress monitoring, national and regional reviews, analytics and impact evaluation, with particular focus on most vulnerable and marginalized groups of populations and leaving no-one behind. Milab will also cooperate with local administrations to design and test out innovative solutions within urban context of complex challenges. Milab has already strong partnerships with the Ministry of Labour, National Employment Services, Ministry of Economy and Infrastructure, National Bureau of Statistics and others.
- ***International and local think-tanks/researchers, and development partners*** – Milab will strengthen existing partnerships with international and local think tanks to advance the SDG agenda. Milab will collaborate with BIT (Behavioural Insights Team, UK) for

behavioural experimentation. It will continue cooperation with [Cognitive Edge](#) for the implementation of thick data and sense-making methodology to solve complex problems. It will work with [Danish Design Centre](#) and similar to support development and testing of platforms for SDGs. Work on big and geospatial data will continue with [Data Pop Alliance](#) and [European Space Agency](#), world leaders in promoting use of big and GIS data, combined with national statistics, for SDGs acceleration, development and monitoring activities. MiLab will consolidate partnerships with all other UN agencies on the ground and will explore new ways of financing development and test integrated approaches of 'delivering as one'.

- *Corporate citizens* – Milab will strengthen partnerships with private sector companies and business associations to advance the SDGs agenda. The focus of private sector engagement will be on finding innovative solutions of un-locking private funding and financing for SDGs, supporting product and service development to accelerate progress towards specific targets, as well as support behavioural experimentation. Milab will collaborate with all interested and SDG-aligned companies. In particular we will target telecom companies (Orange, Moldcell, other), energy distributor (Union Fenosa), companies in retail sector (i.e. METRO Cash and Carry, other) and similar for our work on big data and behavioural experimentation. We will work with large EPC partners (i.e. Photon Energy) for the promotion of renewables (in particular solar) in city context, as well as global crowd-investment platforms (the Sun Exchange, other).

- *Citizens and communities* – Milab will strengthen partnerships at very local level with communities and citizens, end-users, so that to better sense make of the complex challenges faced by people, but also in terms of data collection, collective intelligence, measurement of impact, support well-being and reduce vulnerabilities, and so on.

Risks and Assumptions:

The Milab is facing a set of risks and comes up with specific mitigation actions, in particular:

- *Political and national ownership* – the political instability is a concern and might have an impact on the speed and quality of the implementation of the innovative solutions and resource mobilization efforts. Similarly, this is one of the major risks in terms of ownership and scaling up the solutions. Milab will continuously search to diversify its partnerships and will work at all levels, i.e. central, local and with citizens to achieve maximum impact with limited available resources.

- *Environmental* – no major environmental risks are being envisaged by the project. Experiments should not adversely affect the environment or cause negative externalities on people, communities and the society at large.

- *Availability and use of data* – in order to design and test the innovative approaches and measure the impact of the interventions the Milab will either make use of the available data or collect new evidences. Scarcity or unavailability of data is a risk, but this will be mitigated through making use of available partnerships with entities representing the national statistical system, in particular the National Bureau of Statistics, but also through the Milab's internal capacity to generate and use data.

- *Scarcity of the financial resources* – Milab results are subject to the availability of funds for the experimentation work. Milab is active in mobilizing financial resources from different sources, including through the UNDP Global Innovation Facility, Regional City Experiment Fund, Regional Impact Investment Facility, donors and private sector.

- *Local capacities and sustainability* – limited capacities and sustainability of the experimentation work is a concern. MiLab will support local partners in building the existing capacities and engaging such partners in all stages of the experimentation work, mainstreaming innovation, even if temporary substitution of capacities is applied.

Stakeholder Engagement

The key stakeholder groups are enlisted and described below together with the engagement strategies and plans:

- *Central Government* – MiLab will engage with the Government, State Chancellery, National Bureau of Statistics, line ministries and subordinated agencies to achieve impact and accelerate achievement of the SDGs and nationalized targets. It will dynamically identify policy and data gaps, existing and upcoming needs of the government and will invest its resources into finding and testing alternative and new solutions to complex problems.
- *Local public administrations* – MiLab will engage with cities and local administrations in mapping urban solutions and implementing safe-to-fail experiments to improve the quality of life in cities across the country.
- *Corporate citizens* – MiLab will identify, select and engage with a multitude of private sector companies for accelerated achievement of selective SDGs and for tapping into the capabilities and skills and resources of corporate citizens supporting sustainable development.
- *Academia and research institutions* – MiLab will work closely with the local academia and research outfits to source potential ideas for collaborative experiments and innovation work.

South-South and Triangular Cooperation (SSC/TrC)

Due to its previous unique expertise of the innovation teams working inside the Centre of Government and with the private sector since 2014, MiLab represents a knowledge repository for other countries which want to develop innovation capacity inside their UNDP offices and Governments. Having previous experience in coaching countries in the region in the application of innovation methodologies for public sector redesign and engagement with private sector for SDGs, MiLab is ready to provide support in the setting up, recruitment, and running of the first experiments for foreign social innovation and SDG acceleration teams, thus sharing the wealth of knowledge accumulated over the years.

Knowledge

The Project will share expertise in the area of new evidence (generation and use of big, GIS and thick data for development) and statistics for SDGs, sense-making of such new and alternative types of data, human-centred design and its application for redesigning of public services and similar, horizon scanning and systems thinking, SDG acceleration and ways to engage with private sector around redesign of the existing business models, alternative financing (crowdfunding and crowd-investment), urban experimentation and how to co-design various experiments for testing safe-to-fail solutions to complex problems, also peer-to-peer mentorship support that can be provided to colleagues from other projects.

Sustainability and Scaling Up

The ambition of the MiLab is to serve the Moldova CO and all the enlisted above stakeholders as long as this innovation capability is required and relevant for the development landscape in the country and abroad. MiLab will enter into agreements with a multitude of partners in public and private sector to advance the innovation and experimentation agenda. MiLab could support up-scaling of selective successful experiments and innovative solutions in partnerships and with the financial resources of the key stakeholders involved. There are at least three ways to ensure financial sustainability of the MiLab:

- Resource mobilization from donors and development partners, as well as through core funding for innovation and accelerated achievement of the SDGs, including through accessing regional and global innovation funds, funding from bilateral donors, development agencies, government cost-sharing and similar
- Resource mobilization from unusual suspects, in particular from corporate citizens and local authorities and citizens, testing out of alternative ways of financing for SDGs, crowdfunding and crowd-investment
- Resource mobilization from existing clusters and portfolios, resident and non-resident agencies, RC office, other
- Mixed financing by blending public and private resources, including in particular financial resources coming from multiple partners

V.   PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

MiLab plans to operate in the most effective and efficient way possible and for that end will make best use of the available resources and skills. Moreover, the lab will be continuously exploring the opportunities of having collaborative experiments with its partners, through which the resources will be shared and all partners will have their own contribution to the design, testing and running of the experiments. It will make best use of the already existing solid partnerships in public and private sectors, so that partners are engaged in a mutually beneficial experimentation and testing work on the ground.

Project Management

UNDP Country Office in Moldova (UNDP CO) will be the Implementing Partner of this project and will be responsible for producing outputs and use of resources. As such, it will bear the overall accountability for delivering the programme in accordance with its applicable regulations, rules, policies and procedures, as outlined here.

The MiLab is physically located at the premises of the Tekwill (ICT Center of Excellency), a co-working space and collaborative project initiated by USAID, SIDA, UNDP Moldova and a myriad of private sector companies. It has a dynamic team of practitioners and specialists in various areas that is financially covered from core funding and donors resources, but also through the global innovation facilities and corporate funding for innovation and experimentation work.

The responsibility of the overall management and coordination of Milab lies with the UNDP, while an Advisory Board, composed of representatives of the Government, private sector, civil society and donor community will have the task to guide the Project strategically and help it achieve its overarching goals. The Advisory Board shall meet at least two times per year, physically or virtually, guide the implementation of the project activities and advise on the strategic direction of the Project. The team of the Milab reports directly to UNDP Policy/Innovation Specialist. The Policy Specialist is responsible for the overall quality assurance of the project. More specific management arrangements are described in Section VIII.

Project Assurance is a key element of the PRINCE2 project management method, upon which the Project Management Arrangements are based. 'Assurance' is essentially an independent audit function, whereby the Advisory Board is able to monitor progress against agreed work plans. On behalf of UNDP, the function is delegated to a UNDP Policy Specialist/Innovation Lead. Specific 'Assurance' tasks are to:

- Ensure that funds are made available to MiLab;
- Ensure that risks and issues are properly managed and monitored, and that the logs are regularly updated;
- Ensure that Programme Progress/Financial Reports are prepared and submitted on time, and according to standards in terms of format and content quality and submitted to the UNDP management;

VI. RESULTS FRAMEWORK[2]

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

UNDAF Outcome 1: The people of Moldova, especially most vulnerable, demand and benefit from democratic, transparent and accountable governance, gender-sensitive, human rights- and evidence-based public policies, equitable services, and efficient, effective and responsive public institutions
UNDAF Outcome 2: The people of Moldova, especially most vulnerable, have access to enhanced livelihood opportunities, decent work and productive employment, generated by sustainable, inclusive and equitable economic growth
UNDAF Outcome 3: The people of Moldova, especially most vulnerable, benefit from enhanced environmental governance, energy security, sustainable management of natural resources, and climate and disaster resilient development

---

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

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

Indicator: Proportion of sustainable development indicators produced at the national level with full disaggregation relevant to the national target
Baseline (2016): Disaggregated data are available for 35% of Sustainable Development Goal global indicators, partially available for 15% is and are lacking for 50%
Target (2022): 50% available, 30% partially available

Indicator: Share of renewables in the gross final energy consumption
Baseline (2016): 14,2%
Target (2022): 17%

Indicator: Extent to which special climate finance is accessed by Moldova
Baseline: 0 (There are no interventions financed by Adaptation or Green Climate Fund) (2016)
Target: At least one project approved and financed from each of two funds (2022)

Indicator: Employment rate, by sex, age, urban/rural
Baseline (2015)
Total: 40.3%

Urban: 42%; Rural: 38.9%
Women: 38.4% (urban 39.5%; rural 37.5%)
Men: 42.3% (urban 44.9%; rural 40.4%)
By age: 15-24 years: 18.2%; 25-34 years: 45%; 35-44 years: 58.6%; 45-54 years: 60.6%, 55-64 years: 41.4%
Target (2022)
Total: 44.1%; Urban: 46.0%; Rural: 42.6%
Women: 42.6. % (urban 43.8%; rural 41.6%)
Men: 45.6% (urban 48.4%; rural 43.6%)
By age: 15-24 years: 19.9%; 25-34 years: 49.2%; 35-44 years: 64.1%; 45-54 years: 66.3%; 55-64 years: 45.3%

Indicator: Proportion of young people, aged 15-29, not in employment, education or training (NEETs)
Baseline (2015): Total: 29.3%
Men: 23.6%; Women: 35.2%
Urban: 26.6% Rural: 31.4%
Target (2022): Total: 26.8%;
Men: 21.5%; Women: 32%
Urban: 24.5% Rural: 29%

Other, as relevant.

Applicable Output(s) from the UNDP Strategic Plan:

(a) Develop integrated policy and programmatic content. UNDP will improve its performance through quality programming, building on the strengths and opportunities noted in the evaluation and strengthening proficiencies in multidisciplinary, targeted approaches to poverty reduction and in enabling responsive institutions, democratic governance, public administration and access to basic services through all programmes and projects, with a central role in advancing the Sustainable Development Goals; (b) Strengthen collaborative engagement, partnerships and coordination with other development partners. UNDP will strive for alignment with the United Nations system and other partners, working collaboratively with the funds and programmes in the priority areas of poverty eradication, gender equality and women's empowerment, building and sustaining peace, climate change and sustainable data. (c) Mainstream gender equality and women's empowerment and South-South and triangular cooperation across operational programming. Concrete improvements in policy, institutional and programming measures and processes for gender equality and the progress in filling the policy gap in South-South cooperation through the adopted strategy and operational approaches as noted by the evaluation will remain central to continued efforts by UNDP to accelerate development progress for all.

Output 1.1.1 Capacities developed across the whole of government to integrate the 2030 Agenda, the Paris Agreement and other international agreements in development plans and budgets, and to analyse progress towards the SDGs, using innovative and data-driven solutions;

Output 1.1.2 Marginalised groups, particularly the poor, women, people with disabilities and displaced are empowered to gain universal access to basic services and financial and non-financial assets to build productive capacities and benefit from sustainable livelihoods and jobs;

Output 1.2.1 Capacities at national and sub-national levels strengthened to promote inclusive local economic development and deliver basic services including HIV and related services;

Output 1.2.2 Enabling environment strengthened to expand public and private financing for the achievement of the SDGs;

Output 1.4.1 Solutions scaled up for sustainable management of natural resources, including sustainable commodities and green and inclusive value chains;

Output 1.5.1 Solutions adopted to achieve universal access to clean, affordable and sustainable energy;

Output 2.2.1 Use of digital technologies and big data enabled for improved public services and other government functions;

Output 2.5.1 Solutions developed, financed and applied at scale for energy efficiency and transformation to clean energy and zero-carbon development, for poverty eradication and structural transformation;

Project title and Atlas Project Number: Moldova Innovation Lab

EXPECTED OUTPUTS	OUTPUT INDICATORS[3]	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)						DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	Year 3	Year 4	Year 5	FINAL	
Output 1: Portfolio of co-designed development experiments	1.1 No. of explore and horizon scanning exercises to use DT, ST, other (national and regional)	Internal review	1	2019	4	4	4	4	4	20	Quantitative and qualitative data collection; collection of primary data from different internal and external sources.

---

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

Output	Indicator	Source	Baseline	Year						Target	Means of verification
implemented and impact evaluated in partnership with external partners	1.2 Number of co-designed experiments with external partners (national and regional) .	*Internal review*	3	2019	5	5	5	5	5	25	*Internal reports*
	1.3 Number of successfully implemented experiments and proposed policy options (ready for up-scale, national and regional)	***Internal and external sources***	2	2019	3	3	3	3	3	15	*Internal and external reports*
Output 2: Innovative experiments and solutions co-designed and tested with internal UNDP portfolio/programs	2.1 No. of internally co-designed and implemented experiments in partnership with UN/UNDP	*Internal review*	1	2019	3	3	3	3	3	15	*Internal and external reports*
	2.3 No. of supported projects which now use different/innovative approached in project delivery	*Internal review*	1	2019	5	5	5	5	5	25	*Internal and external reports*
Output 3: Internal knowledge management and innovation platform created	3.1. No. of capacity building sessions for staff of the Innovation Lab	*Internal review*	1	2019	2	2	2	2	2	10	*Internal and external reports*
	3.2. No. of learning events annually organized by staff of the Lab for other UNDP country offices (including AccLabs) and partners	*Internal review*	0	2019	1	1	1	1	1	5	*Internal and external reports*
	3.3. No. of support initiatives to build capacities in other COs and promote collaborative innovation and experimentation work	*Internal review*	0	2019	2	2	2	2	2	10	*Internal and external reports*
	3.4. No of other COs and UN sister agencies connected to various UNDP Moldova initiatives and cost-sharing experimentation work; No. of services provided to other COs.	*Internal review*	3	2019	5	5	5	5	5	25	*Internal and external reports*

VII. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans:

Monitoring Plan

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

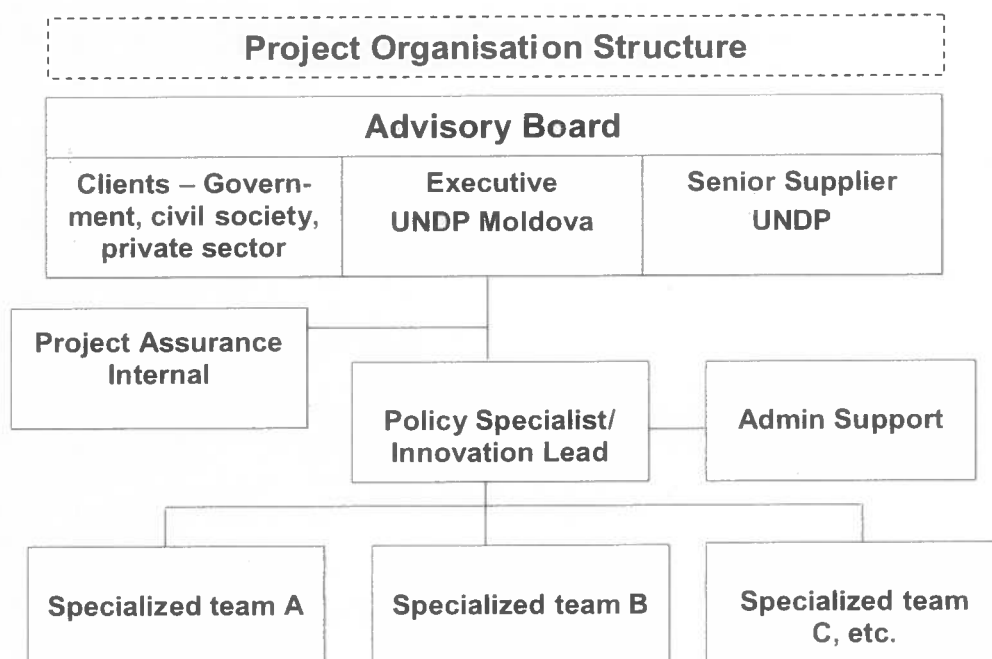|		project (final report)		N/A	
	consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period.		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

VIII. MULTI-YEAR WORK PLAN

The detailed Work Plan and Project Budget for 2019 is presented in Annex 1. Further years' budget will be developed and approved by the Board on a yearly basis.

IX. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

MiLab is an initiative with special management arrangements that are adapted to the complexity and scope of the work and subject to amendments. In order to consult and take into account the voice and preferences of the key clients and stakeholders, UNDP will convene Advisory Boards to inform and guide the implementation of the planned activities. Advisory Boards could be thematic and convene diverse partners in public and private sector(s), in particular various line ministries and subordinated agencies (e.g. Ministry of Economy and Infrastructure, Ministry of Health, Labour and Social Protection, subordinated National Employment Agency, other), LPAs, private sector companies and business associations (e.g. Orange Moldova, Moldcell, Union Fenosa, Association of ICT companies, other), and local NGOs and think-tanks.

Project Organisation Structure

Advisory Board		
Clients – Government, civil society, private sector	Executive UNDP Moldova	Senior Supplier UNDP

Project Assurance Internal

Policy Specialist/ Innovation Lead

Admin Support

Specialized team A

Specialized team B

Specialized team C, etc.

X.   LEGAL CONTEXT

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

XI.   RISK MANAGEMENT

1. UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)

2. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the project funds 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 this Project Document.

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

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

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

6. UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor and sub-recipient:

    a. Consistent with the Article III of the SBAA *[or the Supplemental Provisions to the Project Document]*, the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP's property in such responsible party's, subcontractor's and sub-recipient's custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:
        i. 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;
        ii. assume all risks and liabilities related to such responsible party's, subcontractor's and sub-recipient's security, and the full implementation of the security plan.

    b. 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 responsible party's, subcontractor's and sub-recipient's obligations under this Project Document.

    c. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, subcontractors and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.

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

e. In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.

f. Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where it becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, each responsible party, subcontractor and sub-recipient will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). It will provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

Option 1: UNDP will be entitled to a refund from the responsible party, subcontractor or sub-recipient of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of this Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement. Recovery of such amount by UNDP shall not diminish or curtail any responsible party's, subcontractor's or sub-recipient's obligations under this Project Document.

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

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

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

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

i. Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled "Risk

Management Standard Clauses" are adequately reflected, *mutatis mutandis*, in all its sub-contracts or sub-agreements entered into further to this Project Document.

Cumulative risk log is presented below:

Risk	Description	Impact	Mitigation
Political instability and interest of the main stakeholders	Frequent changes in Government and overall political instability is a real threat for the promotion of the innovation work and various experimentation undertakings.	Medium	MiLab to convene a broad range of partners and engage with multitude of stakeholders, including the Government
Experiments showing neutral or even negative results	Not all experiments end up with very promising results; some experiments turn out to be unsuccessful or not scalable	Medium	Robust and impartial selection of the experiments through filtering, getting endorsements from partners, tapping into collective knowledge and connecting with peers from other Cos and IRH for consultations. Additionally, acknowledge that experimentation is not 100% successful, but unsuccessful experiments are important sources of learning.
Scarcity of financial resources	Innovation work requires financial resources; low-cost experiments are usually prioritized	Medium	MiLab to be very active in area of resource mobilization and engaging with new partners for leveraging of the available financial resources
Scalability of the successful experiments	Up-scaling of the successful experiments and tested solutions depends on several external factors, including availability of financial resources and commitment of the key partners.	Medium	Scalability potential is explored in the process of the conceptualization of the portfolio of experiments, prior to testing/implementation.
Weak data literacy	Both the public servants and the civil society or businesses lack appropriate skills and abilities to make proper use of data and evidences.	Medium	MiLab to envisage the component/aspect of skills development and building of abilities related to data literacy and use in all Project's activities

XII. ANNEXES

1. **Annual Work Plan and Budget for 2019**
2. **Project Quality Assurance Report**
3. **Social and Environmental Screening Template** [English][French][Spanish], including additional Social and Environmental Assessments or Management Plans as relevant.
   (NOTE: The SES Screening is not required for projects in which UNDP is Administrative Agent only and/or projects comprised solely of reports, coordination of events, trainings, workshops, meetings, conferences, preparation of communication materials, strengthening capacities of partners to participate in international negotiations and conferences, partnership coordination and management of networks, or global/regional projects with no country level activities).
4. **TORs of key management positions**