

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

المملكة العربية السعودية

الهيئة العليا

لتطوير مدينة الرياض



المادة السادسة : نسخ العقد :

تم تحرير هذا العقد من خمس نسخ مستوفية لتوقيع الطرفين، استلم الطرف الثاني نسخة منها، سلاحي واحتفظ الطرف الأول بالنسخ المتبقية لإرسالها إلى الجهات المعنية أصولاً. مسه

أ.

عن الطرف الأول

عن الطرف الثاني

فيصل بن بندر بن عبدالعزيز

المنسق المقيم لأنشطة الأمم المتحدة

الممثل المقيم لبرنامج الأمم المتحدة الإنمائي

الاسم: Alfugaw

رئيس الهيئة العليا لتطوير مدينة الرياض

التوقيع: Alfugaw

United Nations Development Programme

Country: Saudi Arabia

Project Document

Project Title:	SAU10-95661: Support to Riyadh Urban Observatory
CCSF Outcomes:	Cross-cutting outcomes 1-7 on Training, Transport, Manpower, Internal Trade, and Municipal Services.
Expected CP Outcomes:	Outcome 3: Sustainable development mainstreamed across economy
Expected Outputs:	Policies to enhance the social effectiveness and efficiency of services sectors and facilities as well as to strengthen local economies.
Executing Entity:	Arriyadh Development Authority (ADA)
Implementing Agencies:	National Implementation (NIM)
Cooperating Agency:	

Brief Description

This project (2016-2017) has been designed to lend technical and substantive assistance to Arriyadh Development Authority (ADA) in maintaining the services of the Riyadh Urban Observatory and extending its products and services to all sectors of the economy in the Riyadh city. In the previous phase of this project (2012-2014), ADA had established a comprehensive database, collating data from 75 sectors in Riyadh city, to ultimately produce 80 urban indicators (out of which, 42 are the global UN-Habitat indicators; and the remaining 38 are Riyadh-specific indicators).

In the next 2 years, the project is expected to achieve three key outputs: 1) Institutional and individual capacity developed for sustained updating of the Riyadh Urban Observatory database; 2) Consensus built around policy implications of urban indicators across sectors of the economy; and 3) Advisory services provided to enable ADA to expand urban indicators from the city-level to the region-level. These outputs are conceived to pave the way for a paradigm shift in promotion of the evidence-based decision-making at the sectoral level in the urban area of Riyadh. In this respect, the urban observatory database will be boosted by the GIS. Meanwhile, ADA will get prepared for the measurement of the City Prosperity Index (CPI) of Riyadh within the framework of a national program, which is presently in implementation by MOMRA, UN-Habitat and UNDP.

2-Year Project:	2016 - 2017
Current CPD:	2012-2016
Start date:	1 Jan 2016
End Date:	31 Dec 2017
PAC Meeting Date:	17 May 2015

Total resources:	\$ 950,000
Total allocated resources:	\$950,000
• Regular	
• Government:	\$950,000
Unfunded budget:	Nil

Agreed by ADA:

Prince Faisal Bin Bandar Bin Abdulaziz Al-Saud,
Chairman, High Commission for the Development of Arriyadh

Signature: _____
Date: _____

Agreed by UNDP:

Mr. Ashok Nigam,
UN Resident Coordinator
UNDP Resident Representative
Signature: _____
Date: _____

(Both signed on the Arabic document on 17 May 2016)

I. SITUATION ANALYSIS

Saudi Arabia achieved obvious socio-economic development over the last four decades. The GDP, for instance, increased from SR156 billion in 1969 to SR942 billion in 2011 in the constant prices. This is ample evidence of the economic and social progress achieved at all sectors with greater focus on the availability and quality of the infrastructure projects in terms of roads, bridges, tunnels, water supply, sewers, electrical grids, telecommunications, etc. During the same period, Saudi Arabia has been able to move from an underdeveloped status to a middle-income country with all the means of a promising and sustainable future. Based on the annual ranking of the Human Development Index (HDI) of the Human Development Report, Saudi Arabia has steady moved from the middle-income category in the 1990s to the very high-income category in 2013 at 0.836 value of HDI. Perceptions of well-being reflect favourable figures, particularly with respect to the standard of living (with 77% satisfaction rate; and job provision (90% satisfaction).

This overarching socio-economic development has been characterized by a constant population growth. The population of Saudi Arabia increased from 7 million in 1974 to 25.37 million in 2009. According to the Ninth Development Plan (2010-2014), population growth was estimated to average 4.9% per year during the period 1974-1992, yet such a rate declined to 2.4% for the period 1992-2004. The 2004 national census indicates that almost two thirds of the population of Saudi Arabia live in three regions: Riyadh, Makkah and the Eastern region. That is, around 80% of the overall population is estimated to reside in urban areas. Despite the fact that there are about 258 urban centres, but the five cities of Riyadh, Jeddah, Makkah, Madinah, and Dammam host 45% of the overall population as in the preliminary results of 2010 census, with projections of constant increases in urbanization towards the year 2025.

This high level of urbanization causes a host of challenges to the development and its sustainability. In fact, urbanization is believed to be integrally linked to the three pillars of sustainable development: economic development; social development; and environmental protection. Particular challenges, probably specific to the national context of Saudi Arabia, include the increasing demand for municipal services, which in turn calls for an urgency to tap into the modality of public-private partnership in service provision with speed and cost-efficiency.

Nevertheless, there is a strong and “robust relationship between urbanization and per capita income” as all high-income countries in the world are 70-80% urbanized. The positive correlation between development and planned urbanization is attributable to the fact that urban economy is usually more productive as a result of the proximity of the factors of production together with the increased specialization and market-sizes.

Riyadh city, with an overall population of 5.8 million in 2013, and a growth rate of 4%, is considered amongst the highest growing urban centres in the world. Currently, the Government is constructing a huge public transport project of six-lane urban rail system to feed and compliment the 178-kilometer monorail network that would certainly boost the investment climate of the city in the very near future.

It is to be noted that the ongoing Country Programme Document (2012-2016), which represents the framework of the cooperation between UNDP and the Government of Saudi Arabia, seeks among its three outcomes to mainstream sustainable development across the economy. That is, the perceived intervention to broaden evidence-based through a concerted effort in formulating and applying urban indicators at the city-level, would certainly support this trend.

II. STRATEGY

The project falls within the current Country Programme Document (2012-2016). The CPD embraces three outcomes on socio-economic and institutional strengthening; sustainable use of natural resources; and mainstreaming sustainable development across the economy. In addition, it foresees the use of three cross-cutting priorities: capacity development; global partnerships and gender mainstreaming.

Parallel to this, UNDP's Strategic Plan (2014-2017) has been taken into consideration in the formulation of the present project. The Strategic Plan has seven outcomes, the most relevant to this project are those addressing: a) Growth and development to become inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded; b) Countries have strengthened institutions to progressively deliver universal access to basic services; c) Development debates and actions at all levels prioritize poverty, inequality and exclusion, consistent with our engagement principles.

In line with the above orientation and relevance aspects, the project embraces three outputs as follows:

- 1) Institutional and individual capacity development for sustained updating of the Riyadh Urban Observatory database;
- 2) Consensus built around policy implications of urban indicators across sectors of the economy; and
- 3) Advisory services provided to enable ADA to expand urban indicators from the city-level to the region-level.

The previous phase of this UNDP-supported intervention achieved the establishment of the basic urban indicators' database for the Riyadh city. However, ADA decided recently to expand such database to cover the whole region rather than to be confined to the city-level. This objective is to be achieved in the framework of developing the institutional and individual capacities of Riyadh Urban Observatory. AT the same time, the project, through provision of advisory services, will enable ADA to actively get involved in the measurement of the CPI in the context of the programme for the future Saudi cities, which is currently under implementation by MOMRA with the technical and substantive assistance of UN-Habitat and UNDP. In the process of developing the national capacities, both at ADA and within the focal parties at the sectoral level, the South-South Cooperation modality will be considered, particularly with respect to forging partnerships with world cities of remarkable and relevant best practices.

III. RESULTS AND RESOURCES FRAMEWORK

Intended Outcome: Sustainable development mainstreamed across economy				
Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets: National capacities developed for policy formulation and implementation				
Applicable Key Result Area (from 2014-17 Strategic Plan): Outcome 3: Countries have strengthened institutions to progressively deliver universal access to basic services				
Partnership Strategy: Riyadh Urban Observatory to forge partnerships with three urban observatories of best practices at the global level				
Project title and ID (ATLAS Award ID): SAU10-95661- Technical Assistance to Riyadh Urban Observatory				
INTENDED OUTPUTS	OUTPUT TARGETS FOR (YEARS)	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
<u>Outcome 1: Urban indicators applied for sectoral decision-making in Riyadh city</u>				
Output 1: Institutional and individual capacity developed for sustained updating of the Riyadh Urban Observatory database Baseline: Capacity assessment conducted and reported with capacity gaps identified Indicators: 1. Urban Observatory capable of updating urban indicators database with efficiency 2. At least five sectors (education, labor, health, trade and transport) pursued sector policies based on urban indicators analyses	1.1 National capacity developed to sustain urban indicators' database and generalize its products among sectors in Riyadh	1.1 Develop and deliver training toolkit on method of indicator calculation, verification and integration into policy 1.2 Conduct workshop on linkage of GIS to the urban indicator database	ADA	<i>National and International Consultants</i> <i>National Consultants</i> <i>Travel International Consultants</i>
Output 2: Consensus built around policy implications of urban indicators across sectors of the economy Baseline: A set of 80 urban indicators formulated in 2014 (42 global indicators and 38 Riyadh-specific indicators) Indicators: Riyadh urban indicators applied for decision-making by at least three sectors (health; education; and municipality)	2.1 Cross-sectoral review of urban indicators to explore linkages and establish causality	a. Conducting cross sectoral studies for the main three clusters of indicators b. Conducting workshops to review urban indicators across sectors	ADA	<i>National and International Consultants</i>

<p>Output 3: Advisory services provided to enable ADA to include geographical sub-level urban indicators from the city-level to neighbourhoods-level.</p> <p>Baseline: A set of 80 urban indicators formulated in 2014 (42 global indicators and 38 Riyadh-specific indicators)</p> <p>Indicators: At least five sectoral studies conducted to probe implications of urban indicators on decision-making processes for education, labor, health, trade and transport.</p>	<p>3.1 The production of urban indicators on geographical sub-levels for the city of Riyadh such as municipalities and neighbourhoods</p> <p>3.2 Studies conducted on linkages of indicators and policy prioritization</p> <p>3.3 Indicators relevant to key sectors (agriculture; industry; and real estate) analysed to reflect city-specificities</p> <p>3.4 Integrating indicators into policy and program with cost-benefit analysis to identify key issues and priorities for specialized studies</p>	<p>3.1.1 Comprehensive region-level workshop to review existing indicators and produce missing ones (geographical sub-level indicators)</p> <p>3.2.1 Two workshops organized to conducted studies on:</p> <ol style="list-style-type: none"> 1. Linkages of indicators 2. Policy prioritization <p>3.3.1 Workshop conducted to analyse indicators of relevance to agriculture; industry; and real estate</p> <p>3.4.1 Desk review with policy recommendations to integrate urban indicators into sectoral decision-making</p>	<p>ADA</p>	<p><i>National and International Consultants</i></p>
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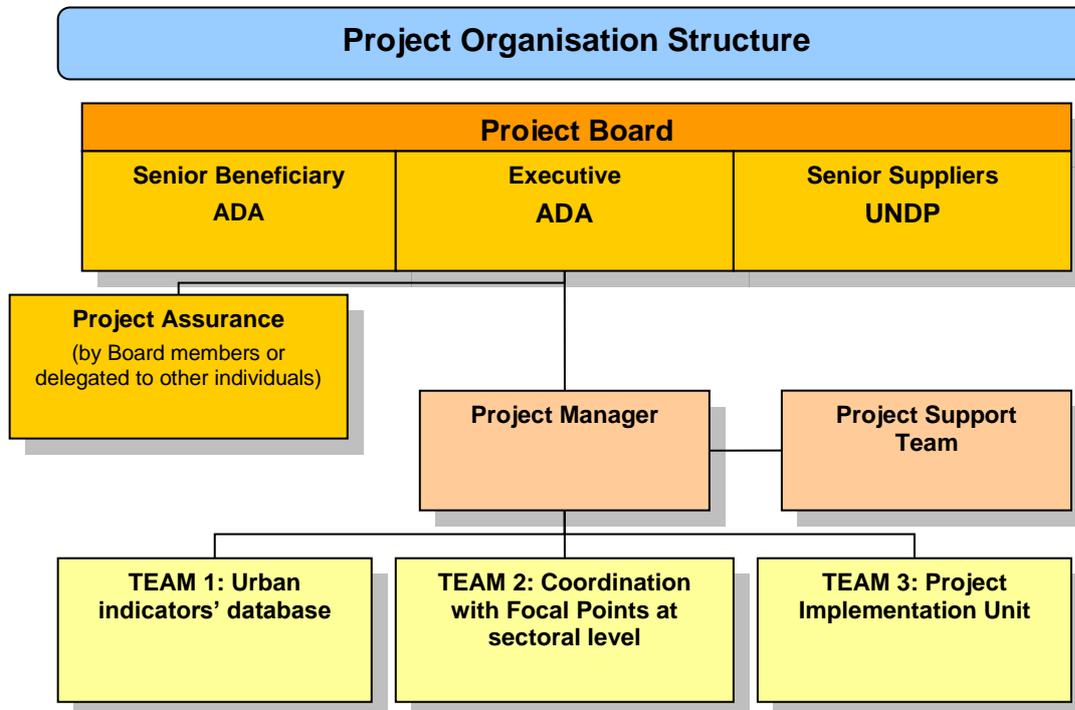
Annual Work Plan
Year 1: Jan 2016-Dec 2016

EXPECTED OUTPUTS <i>And baseline, indicators including annual targets</i>	PLANNED ACTIVITIES <i>List activity results and associated actions</i>	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
		Q1	Q2	Q3	Q4		Funding Source	Budget Description	Amount (\$)
Output 1: Institutional and individual capacity development for sustained updating of the Riyadh Urban Observatory database <i>Baseline:</i> Capacity assessment conducted and reported with capacity gaps identified Indicators: <ul style="list-style-type: none"> Urban Observatory capable of updating urban indicators database with efficiency At least five sectors (education, labor, health, trade and transport) pursued sector policies based on urban indicators analyses 	<ol style="list-style-type: none"> Capacity assessment exercise conducted to Riyadh Urban Observatory and to Contact Persons at sectoral level Capacity development programs formulated and delivered Training delivered on mainstreaming SD into development plans. 					ADA	Government	<i>National and International Consultants</i>	336,000
Output 3: Advisory services provided to enable ADA to expand urban indicators from the city-level to the neighbourhoods-level. <i>Baseline:</i> A set of 80 urban indicators formulated in 2014 (42 global indicators and 38 Riyadh-specific indicators) Indicators: Riyadh urban indicators applied for decision-making by at least three sectors (health; education; and municipality)	Information gathered at the neighbourhoods level, tabulated and incorporated into database formats					ADA	Government	Short-term consultants	125,190
	Urban indicators expanded for greater geographic coverage of the Riyadh province							Short-term consultants	
								Monitoring and Evaluation	15,000
								Total Budget	476,190
								GMS (5%)	23,810
								Project Total	500,000

Annual Work Plan
Year 1: Jan 2017-Dec 2017

EXPECTED OUTPUTS <i>And baseline, indicators including annual targets</i>	PLANNED ACTIVITIES <i>List activity results and associated actions</i>	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
		Q1	Q2	Q3	Q4		Funding Source	Budget Description	Amount (\$)
Output 2: Consensus built around policy implications of urban indicators across sectors of the economy Baseline: A set of 80 urban indicators formulated in 2014 (42 global indicators and 38 Riyadh-specific indicators) Indicators: At least two workshops convened on urban indicators' analysis	2.1 Focus group workshop designed and delivered for urban indicators' analysis					ADA	Government	<i>National and International Consultants</i>	2600,000
	2.2 Workshop on role of regional councils in achieving sustainable development					ADA	Government	<i>National and International Consultants</i>	166,190
	2.3 GIS system fully operational in ADA								
								Total Budget	426,190
								GMS (5%)	21,310
								Project Total	450,000
								Project Grand Total (2 years)	950,000

IV. MANAGEMENT ARRANGEMENTS



Execution Arrangements

This project will be implemented under the National Implementation (NIM) modality with activities implemented through UNDP NIM modality, whereby assumes implementation responsibility with UNDP Implementation Support Services for recruitment of international and national advisors and other activities as noted in the Annual Workplan. All activities under the project will be done through standard Project Board mechanism to serve as a steering committee between and UNDP to ensure coherence of all activities under the project. UNDP will provide technical advisory support to all activities through the UNDP Country Office in Riyadh, UNDP Regional Service Centre in Cairo and various units in UNDP Headquarters in New York, as well as support for overall project management activities on request through ISS mechanism on cost-recovery basis. Other UN agencies/bodies (UN-Habitat, etc) may also be invited to contribute to specific activities in the project.

Project Board

The Project Board is the group responsible for making on a consensus basis management decisions for a project when guidance is required by the National Project Manager, including recommendation for approval of project revisions. Project reviews by this group are made at biannual basis in Riyadh, or as necessary when raised by the National Project Manager. This group is consulted by the National Project Manager for decisions when management tolerances (i.e. constraints normally in terms of time and budget) have been exceeded. This group contains three roles: executive representing the project ownership to chair the group, senior Supplier role to provide guidance regarding the technical feasibility of the project, and senior Beneficiary role to ensure the realization of project benefits from the perspective of project beneficiaries.

The Project Board has the following members: (Executive and Senior Beneficiary), Resident Representative, United Nations Development Programme, Saudi Arabia (as Senior Supplier). and UNDP must always be present in the project board which works on a consensus basis and final decision making on project activities and accountability in accordance with its applicable regulations, rules, policies and procedures.

Project Assurance

Project Assurance is the responsibility of each Project Board member, but the role can be delegated to staff within each agency. 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. The Team Leader for Governance UNDP Saudi Arabia will hold the Project Assurance role for the UNDP, a Division Chief under DSD for UNDESA, and a similar level government representative would undertake this role for ADA. The National Project Manager and Project Assurance roles will never be held by the same individual.

National Project Manager

The National Project Manager will be the Director of Riyadh Urban Observatory and 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 Project Board. The National Project Manager is responsible for day-to-day management and decision-making for the project. The National 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 National Project Manager is appointed by Arriyadh Development Authority through letter to UNDP. will also provide counterpart staff, offices facilities and necessary office equipment (including computers) for project staff, other project support facilities as required including for project related seminars, workshops and training facilities; other support in kind.

Terms of Reference/job descriptions for the respective long term advisers and short term experts/consultants are set out in the **Annex**.

Prior Obligations and Requisites

There are no prior obligations and requisites attached to this document.

Summary of Inputs to the Project

For UNDP:

Two long-term project advisors as follows:

- Statistician (12 months)

Two short-term advisors:

- Demographer (three missions)
- Urban economist (two missions)

For ADA

Counterpart staff, offices facilities and necessary office equipment (including computers) for project staff, other project support facilities as required including for project related seminars. Workshops and training facilities; other support in kind.

The schedule of payments (US\$) and UNDP bank account details:

Payments	Amount in US\$	Contributor
Payment due in February 2016	950,000	Government of Saudi Arabia
Total	950,000	

The value of the payment, in Saudi Riyal 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.

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. UNDP shall receive and administer the payment in accordance with the regulations, rules and directives of UNDP. All financial accounts and statements shall be expressed in United States dollars. 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 endeavours to obtain the additional funds required.

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. Any interest income attributable to the contribution shall be credited to UNDP Account and shall be utilized in accordance with established UNDP procedures. 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. The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP." In accordance with the decisions and directives of UNDP's Executive Board, the contribution shall be charged: 5% cost recovery for general management support (GMS) by UNDP headquarters and country office, and Direct cost for implementation support services (ISS) provided by UNDP.

V. MONITORING FRAMEWORK AND EVALUATION

In accordance with UNDP Programme and Operations Policies and Procedures (POPP) 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 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. Project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and ptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project.

- 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.

Quality Management for Project Activity Results

Replicate the table for each activity result of the AWP to provide information on monitoring actions based on quality criteria.

OUTPUT 1:		
Activity Result 1 (Atlas Activity ID)	<i>SAU10-xxx Technical Assistance to Riyadh Urban Observatory</i>	Start Date: 1 June 2015 End Date: 31 May 2016
Purpose	<i>What is the purpose of the activity?</i>	
Description	<i>Planned actions to produce the activity result.</i>	
Quality Criteria <i>how/with what indicators the quality of the activity result will be measured?</i>	Quality Method <i>Means of verification. what method will be used to determine if quality criteria has been met?</i>	Date of Assessment <i>When will the assessment of quality be performed?</i>

VI. LEGAL CONTEXT

If the country has signed the Standard Basic Assistance Agreement (SBAA), the following standard text must be quoted:

This project document shall be the instrument referred to as such in Article 1 of the SBAA between the Government of (country) and UNDP, signed on (date). Consistent with the Article III of the Standard Basic Assistance Agreement, 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: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; and 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.

VII. ANNEXES

- 1. Risk Analysis/Risk Log**
- 2. Letter of Agreement between ADA and UNDESA**
- 3. Terms of Reference: for key project personnel**

ANNEXES

JOB DESCRIPTIONS