

## PROJECT PROGRESS REPORT

**Project title:** Public and Private Finance for Development (PPFD)  
**Award ID:** 00100708  
**Project ID:** 103519, 103520, 103521  
**Implementing partner:** UNDP  
**Period covered in this report:** January – November 2018  
**Date of the last Project Board meeting:** virtual, on 31 July 2018

### List of abbreviations used in this report:

AWP	Annual Working Plan
CB	Capacity Building
CEF	Center for Excellence in Finance
CO	UNDP Country Office
DEV	Development
IMF	International Monetary Fund
MF	Ministry of Finance
MF Montenegro	Ministry of Finance of Montenegro
MF SR	Ministry of Finance of the Slovak Republic
MF Serbia	Ministry of Finance of Serbia
PFD	Public Finance for Development
PFM	Public Finance Management
PPFD	Public and Private Finance for Development Project
RfP	Request for Proposals
RMF	Resource Mobilization Facility
TA	Technical Assistance
UNDP	United Nations Development Programme
VAT	Value Added Tax

### 1. Project Performance

- a) **Please state the expected Output of the Project, set indicators and corresponding CP Outcome (as per project document/AWP):**

**Output 1:** National public finance capacities in partner countries enhanced and strengthened through effective provision of the Slovak knowledge and experience – **Public Finance for Development (PFD)**

Output indicators:

1. Number of specific knowledge-sharing activities (1)
2. Number of country-specific projects launched and enhanced to more sustainable capacity-building projects (4)
3. Number of project duplications with other donors identified (0)

Output targets:

1. (1) – target achieved: 2 study visits (Serbian representatives of the Ministry of Finance and Tax administration to Slovakia, and technical visit of Slovak experts to Montenegro – bilateral initiative between Slovak Ministry of Finance and Ministry of Finance of Montenegro, supported by UNDP);

2. (4) – target achieved: PFD project proposals submitted by UNDP CO Montenegro and Serbia, plus cooperation on new initiatives in Serbia (e-fiscalization) and Montenegro (budget support);
3. (0) – target achieved: the project activities were coordinated with other donors' activities in PFM.

**Output 2: Capacities of the Slovak private sector to participate in development cooperation enhanced with a view to mobilize financial resources, knowledge, expertise and technologies - Private Sector in Development Cooperation**

Output indicators:

1. Number of Slovak companies participating on IFIs and/or IGOs tenders (incl. those in consortia) (4);
2. Projects prepared bringing Slovak private sector expertise and investment to the beneficiary countries (5)

Output targets:

1. (4) – target achieved: 4 companies participated on IFIs tenders;
2. (5) – target not achieved.

**Output 3: Capacities of Ministry of Finance of the Slovak Republic officials enhanced in managing Slovakia's development cooperation - DEV CB**

Output indicators:

1. Number of relevant capacity-building actions and active participation of MF SR staff on DEV events (5),
2. Number of MF SR presentations on international events (2)

Output targets:

1. (5) – target achieved
2. (2) – target achieved

b) Were the indicators and output achieved?      Yes       No       Partially

c) If no or partially, please explain why?

**Output 2:** The implementation of Resource Mobilization Facility that would result in projects *bringing Slovak private sector expertise and investment to the beneficiary countries* came in 2018 through the process to define the implementation modality to avoid any potential conflict of interests and/or discrimination. This was not clarified until late spring, which resulted in projects being submitted after June 2018. However, RMF already supported 6 CO projects that should bring the expected results in early 2019.

## 2. Progress Reporting

Please summarize the main achievements during the project cycle

### PUBLIC FINANCE FOR DEVELOPMENT

#### General project development – RE-POSITIONING

Based on long-term discussions between the Slovak Ministry of Finance (as the Donor) and the UNDP, and on the Donor's articulated dissatisfaction with the Public Finance for Development's strategic development, it was decided to start the PFD re-positioning process at the beginning of 2018. This shifted the main responsibilities of planning and implementation to the COs' level, whereas IRH coordinated the project at regional level. IRH remained the primary communication channel for all partners and all project components, implemented some project

components, as visibility, technical assistance in Moldova, cooperated with CEF on capacity building, and participated on project strategic development. The new arrangement better responds to the needs of the partner countries defined by the COs, brings broader space to capitalize the synergies between the project activities and other UNDP/COs initiatives in place, and ensures higher ownership of the project by COs.

Based on this strategic decision, in July 2018 the PPFD Project Board approved the revised Multi-Year Working Plan, where two COs (Montenegro, and Serbia) were assigned as responsible parties to assigned activities. One precondition of COs' projects was that they have to be in line with the overall PPFD project goals and results. However, the COs were encouraged to strategically develop the cooperation. The other precondition was that the COs would take over the implementation of all activities that have been implemented in the respective countries, including the initiatives that were under the process of negotiations<sup>1</sup>.

UNDP COs Montenegro and Serbia submitted the following project proposal which were approved by IRH (Donor was acknowledged at PB held in July 2018)

- Montenegro project: *Strengthening Transparent and Accountable Public Finance Management in Montenegro*;
- Serbia project: *Support for Improving Governance and Economic Planning at the Local Level for Accelerating the Implementation of SDGs in the Republic of Serbia*

It was agreed with the Slovak Ministry of Finance that the main channel of the cooperation with CEF would be the Ministry. However, already planned activities will be implemented in cooperation of UNDP-MF SR and CEF.

## MOLDOVA

Based on the PFD re-positioning and agreement with the Donor and CO Moldova, a majority of interventions in Moldova were temporarily closed, except the *Capacity building and institutional strengthening of MF Moldova for spending reviews* project, implemented in the cooperation with the IMF. The decision on activities suspension was made because of upcoming 2018 parliamentary elections in Moldova, changes at the Ministry of Finance of Moldova, and agreement with the UNDP CO in Kishinev. Restructuring at the MF of Moldova resulted in i) break in the project implementation due to organizational changes; and ii) change of the priorities of the Ministry and reduced scope of the project due to limited capacity for implementation. However, during the discussions, the Ministry confirmed the interest to continue the cooperation, including extending its scope to spending reviews in cooperation with IMF. It was agreed that the discussion on potential cooperation in other areas would be reopened after the elections.

In 2019 the PFD will continue the cooperation with IMF, implementing the *Capacity building and institutional strengthening of MF Moldova for spending reviews* with a new pilot project at a selected ministry. The ministry has not been chosen yet, but will be discussed with the Ministry of Finance of Moldova in early 2019.

***Capacity building and institutional strengthening of Ministry of Finance of Moldova for spending reviews***  
Background/scope of work: The cooperation with the IMF was established in 2017. The aim of technical assistance is to support Moldovan ministries with introducing the spending reviews.

2018 progress: In 2018, the pilot project was launched at the Ministry of Education. The UNDP (Slovak) experts participated in 4 common missions (1 more is expected in December 2018). Work performed in 2018/during the missions and home-based assistance): defining the scope of work, presentations of Slovak experience with the spending reviews, on-the-job trainings for the Ministry of Education supporting the analyses drafting and commenting and reviewing prepared analyses.

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<sup>1</sup> Due to the Donor's dissatisfaction with the project strategic development, the Donor took over the role of strategic development.

## MONTENEGRO

Intervention in public finance management in Montenegro:

- i. Project submitted by the UNDP CO: Strengthening Transparent and Accountable Public Finance Management in Montenegro,
- ii. and Ministry of Finance of Slovak Republic and Ministry of Finance of Montenegro bilateral cooperation on Budget Support – technical assistance for budget support will be channeled by UNDP CO.

Initiatives developments:

**i. Strengthening Transparent and Accountable Public Finance Management in Montenegro**

The main goal of the intervention is *to support the Ministry of Finance of Montenegro in strengthening the transparent and accountable public finance management on central and local levels* in 3 intervention areas:

***Support to Accrual Accounting***

Background/scope of work: The PFD implemented in Montenegro aims to provide assistance to the MF Montenegro in improving the public-sector accounting and reporting systems. The first phase of the project resulted in assessment of the current accounting and reporting systems, and drafting the medium-term strategy for transition to accrual accounting. The Strategy for the Transition of the Public Sector to Accrual Accounting was adopted by the Parliament in March 2015, and it is envisaged that the Strategy will be implemented based on the Action Plan prepared by the Ministry of Finance of Montenegro and adopted by the Government in March 2018. The purpose of the Strategy and Action Plan is to reform the current public-sector accounting policy, and transition from modified cash-based accounting to accrual accounting. The aim is to align with the relevant international accounting standards, more effectively manage public finances, and more transparent and efficient report to the European Union and International Monetary Fund more transparently and efficiently. Three pillars defined by the Strategy are:

- development of the relevant legislation;
- development of IT system and
- training of human resources.

Targeted capacity building via hands-on training, coaching and advising on transition to accrual accounting and reporting continued in phases 2 and 3. Activities now are based on the implementation plan for 2017 – 2018 that was prepared and agreed upon with MF Montenegro. In terms of the development of the relevant legislation, the MF Montenegro has elaborated the first draft of the public-sector Accounting Law. The project aims to support the MF Montenegro with (i) the advisory services (TA) in establishing and implementing accrual accounting and reporting mechanism; and (ii) with a Study tour to Slovakia of the Treasury Department in MF Montenegro in light of the implementation of the new legislative framework.

2018 progress: In 2018, PFD supported the MF Montenegro with commenting the drafts (first and second) law, updating the assessment of the current accounting system and financial reporting in the public sector and the requirements of IPSAS standards (input for Action Plan); preparation of study trip content on accrual accounting to Slovakia, and active participation of working group overseeing the Law on Accounting Development. Furthermore, lectures in Montenegro at the state and private universities on the transition of the Montenegrin public sector to accrual accounting and benefits entailed in this process will be organized and given by the expert in this field. Interested students and future accountants will be significantly informed of the legislative modifications and changes in practice that will take place in the near future.

***Transparent and Accountable Public Finance at the Local Level***

Background/scope of work: Within the CO project proposal, the new strategic topic of the cooperation was introduced – public finance on a local level, which reflects the needs of MF Montenegro and is set within the framework of the Montenegro CO good governance programme. Based on the project proposal, the PFD will support MF Montenegro within the period of 2018 – 2019. The TA is focused on the following: the development of methodology and procedures for assessment of the fiscal risk within public enterprises and local governments,

improvement of the revenues collection at the local level (analysis, recommendations, TA on action plan preparation), drafting the amendment of the Law on Local Self-Government Financing (aimed at improvement and strengthening of the municipal finances, introduction of the Equalization Fund for underdeveloped municipalities), software developments (based on the formula for the Equalization Fund in order to calculate the allocations for local governments), establishment of the appropriate mechanism designed to assist the municipalities in the pre-financing of the EU-funded projects, the Revolving Fund, and harmonization of the existing regulations concerning local self-government financing. The TA will be supplemented by the study visit to Slovakia for the representatives of the local governments to exchange knowledge and good practices, and development of the Regulatory Impact Assessment (RIA) manual.

2018 progress: The project was launched in September 2018 and the List of activities/project implementation plan was prepared and discussed with the MF Montenegro. The Round Table in the scope of the public discussion on the Draft Law on Local Self-Government Financing was organized. The Minister of Finance opened the Round Table and the presidents of all municipalities in Montenegro and other relevant national authorities attended. The lively discussion resulted in a number of suggestions and comments to improve the Draft Law, whose adoption is expected by the end of the year (*Attached is the agenda in English and the report from the Public Discussion in Montenegrin language*). It should be noted that no objections were received to the normative part related to the Revolving Fund and Equalization Fund and hence, consultancy support will be provided to the MF Montenegro to start developing a Bylaw related to the Revolving Fund, including preparation inputs for the establishment of Equalization Fund software in the forthcoming months. The preparation of the methodology for assessment of the fiscal risk within public enterprises and local governments is also defined as a priority and MF Montenegro plans to launch it by the end of 2018.

With regard to the reform of regulatory framework, the participation of the MF Montenegro and UNDP representatives in three-day international gathering: *Inspection Reform Conference 2018: Transformation, Technology and Trade, Meeting the Challenges of Regulatory Delivery*, jointly hosted on 9 – 11 October, 2018 by Safety and Standards, and the UK Foreign and Commonwealth Office in London, was supported in the scope of the project (the report from the mission is attached in English).

#### **(ii) Technical Assistance to Ministry of Finance of Montenegro within the framework of Budget Support**

Background/scope of work: The budget support is linked to providing the technical assistance based on Slovak expertise to support 'online' supervision of gambling (Games of Chance). The technical assistance, upon an agreement between UNDP and MF SR, will be channeled through PFD. The technical assistance will be concentrated on the reform of the legislative framework (amending and adopting the new Law on Games of Chance) and establishment of software for online supervision of the games of chance.

2018 progress: UNDP CO was supporting the communication and negotiations between MF SR and MF Montenegro in defining the subject and indicators of the budget support, and organizing the technical mission of Slovak experts to MF Montenegro, which took place on 15 – 17 October, 2018. The objective of the technical mission was to define, in more detail, the TA subject to be provided by UNDP in the scope of PFD project upon signing of the Agreement on Budget Support between the Ministries of Finance of Montenegro and Slovak Republic, which is expected by the end of November 2018.

## **SERBIA**

There are 2 ongoing areas of cooperation with Serbia:

- *The project on Improving Governance and Economic Planning at the Local Level for Accelerating the Implementation of SDGs in the Republic of Serbia was approved by the Project Board in July 2018;*
- *A new emerging initiative on electronic fiscalization between the Slovak Financial Administration and the Serbian Tax administration.*

Initiative developments:

**i. Support for Improving Governance and Economic Planning at the Local Level for Accelerating the Implementation of SDGs in the Republic of Serbia**

The overall goal of this project is to improve the public finance management on the local level, including setting the conditions for its more effective application. The project will provide support to selected local self-governments (LSGs) in assessing and identifying governance issues (primarily those related to the internal organization, internal control, and resources allocation) in developing and updating policies and regulations, and policy and planning documents. The project will provide support for building and strengthening the capacities of the local administrations in project planning and implementation in order to increase their absorption capacities for external financing.

This project has 2 main components:

***Organizational development and optimization of the operations of local self-governments in Serbia***

Background and scope of work: The local self-governments adjust their internal organizational structure in order to meet functional and operational requirements, and optimize their business processes to increase their functionality. This will be implemented by the TA aimed at preparation of the universal model of the optimal organization and selection criteria, functional reviews of the LSGs and customization of models, and development of internal documents and procedures, and trainings on new SOPs and exposure to best practices.

***Improved medium-term economic planning and resource mobilization for sustainable development***

Background and scope of work: The local self-governments improve their tools and methodologies for medium-term economic planning and increase their capacities for absorbing and blending their own funding with available external financing for sustainable development. This will be implemented by the TA aimed on preparation of Medium Term Economic Development Programs based on the Economic Development Assessment, training of staff on PCM and the applicable EU rules according to PRAG and exposure to best practices.

2018 progress: The new technical project manager was selected (1 January 2019 start date). The study visit of Serbian local self-governments representatives to Slovakia was pre-discussed (February 2019 – preliminary date) and the areas of work for Slovak experts were outlined.

**ii. A new emerging initiative on electronic fiscalization between Slovak Financial Administration and Serbian Tax administration**

2018 progress: In 2018, the Ministry of Finance of Serbia approached the Slovak Ministry of Finance via UNDP with the request of the cooperation in setting the new electronic fiscalization conditions. Based on this request, the Serbian Tax Administration and Slovak Financial Administration meeting took place during June 2018 in Bratislava. It was agreed that the meeting would be followed by a study visit focused on lessons learned from electronic fiscalization in Slovakia, mainly in the context of Slovakia's fight against tax evasion and tax fraud in VAT area.

As agreed upon, the Serbian Ministry of Finance and Tax Administration representatives study visit to Slovakia took place in October 2018 and focused on i) Slovakia's approach towards increasing state budget revenues via introducing institutional control over the major portion of tax revenues (Tax Office for Selected Tax Payers) and ii) Slovakia's good practices in detecting and preventing tax evasions and tax fraud in VAT (analytical tools).

The Serbian Tax Administration and the Slovak Financial Administration agreed that in 2019, the Slovaks will visit Serbia, and the topics of technical assistance will be defined.

**Knowledge sharing, dissemination of information and improving outreach**

Based on the Communication Action Plan prepared by the UNDP and the Slovak Ministry of Finance in 2017, the Project recruited a communication consultant in January 2018. She prepared the detailed project communication action plan for 2018. Communication on social media was refreshed (Facebook,) and Twitter and LinkedIn PFD accounts were opened. All social media outlets are regularly updated. The proposal of the new website (content and design)



was prepared. The new website is expected to be uploaded at the end of 2018. In close cooperation with MF SR 4, the testimonies of PFD stakeholders on the PFD programme relevance, place of public finance management on fulfilling the SDGs, relevance of Slovak expertise for partner countries, etc. were prepared and published via social media. The layout of all printed materials is based on the design used for the PFD brochure prepared in 2017 by the IRH UNDP.

### UNDP Vetted Experts Roster in Public Finance

The IRH opened the Public Finance Experts Roster for new applications in 2017 and finalized it in 2018. 13 new Slovak experts were added to the Roster.

### Centre for Excellence in Finance (CEF)

CEF is a long-term partner that supports the PFD capacity-building activities. In 2018, the UNDP through PFD cooperated on **Introducing Evidence-Based Budgeting course** – a blended learning programme that aims to support public officials from SEE countries and the EU countries with the process of deepening the theoretical and practical knowledge in spending reviews. The programme had 2 components: an e-learning course (22 October 2018 – 5 November 2018) and a face-to-face workshop (20 – 22 November, at the CEF headquarter in Ljubljana). Four Slovak experts lectured (3 MF SR internals and 1 external consultant). PFD also supported six participants from MF Moldova and MF Montenegro by covering the participation costs.

In 2018 the CEF submitted the proposal for financing the Public Accountants Certification Training in Montenegro to the UNDP (PACT Montenegro 2018 – 2020; 3rd Generation at Certificate Level). Due to the PFD re-positioning, it was decided that the UNDP would not financially cover this training. MF SR supported the training bilaterally.

## PRIVATE SECTOR IN DEVELOPMENT COOPERATION

### Rozvojmajstri

**Rozvojmajstri**<sup>2</sup> implemented the project under the contract and ToR agreed. The following was implemented within the reporting period:

- Desk and advisory service for Slovak companies (final number will be added after the December progress report);
- Coaching sessions: 7 companies coached until 31 June 2018 (4 participated on IFIs tenders in 2018: Bureau Veritas, Energy Center Bratislava, Asseco a Stormlevel);
- Tender digest (UN Development Business - UNDB database) was successfully integrated into Rozvojmajstri webpage and companies were offered a trial version;
- Missions: CEB mission in March 2018, EBRD mission in April 2018, Asseco mission to BiH to meet local company Telex and UNDP (related to the RMF projects);
- Workshop: WS for NGOs with the aim to increase engagement of NGOs in development business in the IFIs system (June 2018);
- Outreach event: Rozvojkom, under the preparation, to be held 27 November 2018;
- Support and advisory services for stakeholders (MF SR, MFAE SR, Eximbanka) and IRH – Resource Mobilization Facility were delivered in line with ToR.

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<sup>2</sup> See: <https://rozvojmajstri.com/>

## Resource Mobilization Facility (RMF)

In June 2018 the UNDP COs submitted the project proposals for support under the RMF. A total of 7 projects were submitted and assessed with Slovak investment capacities. The following 6 projects were supported with a total amount \$772,810. The following table also describes the up-to-date implementation progress of the projects.

UNDP CO	Project	Status as of November 2018
BiH	Municipality Lightening (5/10 municipalities)	Request of Proposal (RFP) published: <a href="https://jobs.undp.org/cj_view_job.cfm?cur_job_id=81694">https://jobs.undp.org/cj_view_job.cfm?cur_job_id=81694</a>
Montenegro	Modernized public lighting system of Capital Podgorica	Request of Proposal (RFP) published: <a href="http://procurement-notices.undp.org/view_notice.cfm?notice_id=51442">http://procurement-notices.undp.org/view_notice.cfm?notice_id=51442</a>
Montenegro	Development of ICT	Request of Proposal (RFP) published: <a href="http://procurement-notices.undp.org/view_notice.cfm?notice_id=50029">http://procurement-notices.undp.org/view_notice.cfm?notice_id=50029</a>
Serbia	Solar Thermal Energy in Serbia	Request of Proposal (RFP) published: <a href="http://www.rs.undp.org/content/serbia/en/home/procurement.html">http://www.rs.undp.org/content/serbia/en/home/procurement.html</a> <a href="http://procurement-notices.undp.org/view_notice.cfm?notice_id=51444">http://procurement-notices.undp.org/view_notice.cfm?notice_id=51444</a>
Serbia	Public Lighting in Aleksinac, Knjazevac and Raska	Request of Proposal (RFP) published: <a href="http://www.rs.undp.org/content/serbia/en/home/procurement.html">http://www.rs.undp.org/content/serbia/en/home/procurement.html</a> <a href="http://procurement-notices.undp.org/view_notice.cfm?notice_id=51446">http://procurement-notices.undp.org/view_notice.cfm?notice_id=51446</a>
Serbia	Innovative Business Models for Solar Energy	Request of Proposal (RFP) published: <a href="http://www.rs.undp.org/content/serbia/en/home/procurement.html">http://www.rs.undp.org/content/serbia/en/home/procurement.html</a> <a href="http://procurement-notices.undp.org/view_notice.cfm?notice_id=51445">http://procurement-notices.undp.org/view_notice.cfm?notice_id=51445</a>

## DEVELOPMENT CAPACITY BUILDING (CB DEV)

MF SR capacity building plans 2018 were prepared and approved by IRH in January 2018. The following MF SR employees joined the CB DEV: Sona Gabcova, Marianna Macaskova, Tatiana Zilkova, all Development Cooperation Dept., Martina Kobicova, Director General at International Relations Section, Milada Kucekova, International Tax Relations Specialist. In 2018 they attended the following capacity-building events:

Tatiana Zilkova		
<b>Event (title)</b>	<b>Dates (start – end)</b>	<b>Note</b>
The course “Public Finance Management – Systems and Principles”, Brussels, Belgium	May 14 – 18, 2018	DG DEVCO
The course “DEVCO/M - DRM – Domestic Revenue Mobilization”, Brussels, Belgium	Nov 15 – 16, 2018	DG DEVCO
Sona Gabcova		
<b>Event (title)</b>	<b>Dates (start – end)</b>	<b>Note</b>
Working Party on Development Finance Statistics (WP STAT), Paris, France	January 28 – 31, 2018	OECD
EU Budget Support Technical Experts meeting in Brussels, Belgium	February 6, 2018	DG DEVCO
Working Party on Development Finance Statistics (WP STAT), Paris, France	June 12 – 15, 2018	OECD
The course “DEVCO/M - DRM – Domestic Revenue Mobilization”, Brussels, Belgium	Nov 15 – 16, 2018	DG DEVCO
WP STAT Paris, France	Nov 22 – 23, 2018	
Marianna Macaskova		
<b>Event (title)</b>	<b>Dates (start – end)</b>	<b>Note</b>
EU Budget Support Technical Experts meeting in Brussels, Belgium	February 6, 2018	DG DEVCO



The course "Public Finance Management - Systems and Principles", Brussels, Belgium	May 14 – 18, 2018	DG DEVCO
2018 ANNUAL MEETING - Learn4dev, Torino, Italy	May 28 – 30, 2018	Hosted by ITC/ILO, GIZ, Poland
EU Capacity4dev training on PFM II., Public Finance Management Reform, Brussels, Belgium	Nov 12 – 13, 2018	
Toško Beran		
<b>Event (title)</b>	<b>Dates (start – end)</b>	<b>Note</b>
CEF Learning Event "Leading Change in Modern Tax Administration", Podgorica, Montenegro	March 25 – 28, 2018	CEF
CEF Learning Event "Leading Change in Modern Tax Administration", Podgorica, Montenegro	March 25 – 28, 2018	CEF

List of MF SR presentations at international events:

- Intra-Governmental Economic Commission of the Ministry of Economy of the SR and Ministry of Economy of Serbia in September 2018 in Bratislava (Marianna Macaskova),
- CEF Advisory and Partners Meeting on September 3 – 4, 2018 in Ljubljana (Marianna Macaskova),
- Learn4dev Core Group Meeting on September 24 – 25, 2018 in Brussels (Marianna Macaskova),
- Kick-off meeting of PACT 3 in Podgorica on October 17, 2018 (Marianna Macaskova),
- Intra-Governmental Economic Commission of the Ministry of Economy of the SR and Ministry of Economy of Macedonia in Bratislava Working Group Finance on October 24, 2018 (Marianna Macaskova).

### **3. Lessons learned and follow-up steps (if applicable)**

*Please provide the lessons learned and further steps after the project's closure.*

The project came through an important change that reflected long-term problems with project management and project strategic development (both were captured in previous project board minutes). A couple months of the implementation under the new modality (see re-positioning description above) shows that closer cooperation with the COs brought more strategic visions, higher implementation flexibility, and a faster response to the challenges on the ground (partner countries). This also tackles the problem articulated by the past project manager, with low personal capacities of the project.

Additionally the newly introduced communication model between the Donor, IRH and CO (IRH became the liaison officer for communication, primarily communicating with the Donor and COs) shows that the communication flow is more fluent, fewer misunderstandings occur, and the communication is streamlined.

It will be important to use this new implementation modality with the new project that should be prepared next year.

### **4. Transfer of Assets or other related matter**

*Please state on any past or future transfer of assets made within the project cycle (Attach list of equipment, cooperation frameworks with beneficiaries, etc.)*

n/a

**5. Other Issues (Risk Monitoring, Partnerships and other issues)**

Risk log updated in Atlas. Risk log attached.

**6. Financial management**

<b>Total approved budget (2018):</b>	<b>\$1,839,761</b>
CORE:	\$0
NON-CORE:	\$1,839,761
<b>Total expenditure:</b>	<b>\$573,273</b> (as of 25 October 2018)
CORE:	\$0
NON-CORE + OTHERS:	\$573,273
<b>Delivery rate:</b>	<b><u>31.16 %</u></b>

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**Date:**