



PROJECT DOCUMENT

Pakistan

Project Title: Merged Areas Governance Programme

Project Number: 00147167

Implementing Partner: UNDP

Start Date: January 1, 2023 **End Date:** December 31, 2027 **PAC Meeting date:** 15 December 2022

Brief Description

Almost four years into the merger of the former Federally Administered Tribal Areas (ex-FATA) into the province of Khyber Pakhtunkhwa (KP), measurable progress has been made towards integration but significant challenges remain to the Government’s ability to fully deliver on the dividends of the merger, notably in addressing the significant development lag and in implementing context-specific reforms that take into account the distinctive political economy of the Merged Areas (MAs) as border districts.

Against this background, and in line with the priority areas of the newly approved UNDP Country Programme (2023-2027), as well as building on the achievements and lessons learned of the Merged Areas Governance Project (2019-2022), the expanded Merged Areas Governance Programme (MAGP II) (2023-2027) is a comprehensive governance initiative that focuses on technical assistance and implementation support to the Government of Khyber Pakhtunkhwa (GoKP) in three main areas: (1) accelerated development with an emphasis on the delivery of basic services; (2) border governance and connectivity; and (3) support to local governance.

The overall objective of the Programme is to enhance the capacity of the GoKP to successfully integrate the Merged Areas and strengthen border governance and cross-border connectivity by extending laws, policies, and strategies; planning, designing, and delivering development initiatives; and implementing inclusive local government systems. An emphasis will be placed on inclusive development, to ensure that marginalized population groups benefit from development in the MAs, as well as on disaster-risk reduction and improved risk management, to help prevent, mitigate and/or address the effects of climate change and other risks.

Contributing Outcome (UNSDCF, CPD):
 CPD OUTCOME No. 1. By 2027, the people in Pakistan, especially women, children, the most vulnerable and marginalized, have increased access to fundamental rights, gender equality and fundamental freedom through inclusive, accountable, effective and evidence-driven governance systems and rule-of-law institutions at all levels of Government, contributing to good governance and stability

Indicative Output(s) with gender marker:
Output 1: Strengthened policy frameworks, strategies for inclusive development and improved capacity, contributing to improved development results at district and local levels (GEN2)

Total resources required:	USD 44,060,511	
Total resources allocated:	USD 30,899,488	
	UNDP TRAC:	Nil
	Donor:	USAID= \$24,752,475
		FCDO/CSSF= \$5,156,766
		Govt of Japan = \$990,247
Government:	N/A	
In-Kind:	N/A	

United Nations Development Programme
Project Document

Output 2: Strengthened border governance and connectivity for a resilient Afghanistan-Pakistan border, contributing to regional stability and security (GEN2)

Output 3: Local governance systems are functional and capacitated, contributing to the delivery of basic services (GEN2)

Unfunded: USD 13,178,705

Agreed by (signatures):

Government	UNDP
 Print Name: Mr. Shahab Ali Shah Additional Chief Secretary, Government of Khyber Pakhtunkhwa	 Print Name: Mr. Knut Ostby Resident Representative UNDP
Date:	Date:

I. Development Challenge

The 25th Constitutional Amendment passed in 2018 providing for the merger of the Federally Administered Tribal Areas (FATA) into the Province of Khyber Pakhtunkhwa (KP) set in motion a process of historical transformation for a region that has faced unique political, economic, and security challenges and has long struggled with multi-dimensional poverty. From a governance perspective, prior to the merger, the semi-autonomous FATA stood outside the purview of important provisions of Pakistani law and was governed by the Federal Government under the provisions of Article 247 (since repealed) of the Constitution through the Governor and officers subordinate to him and administered. Administration of FATA was carried out under the Frontier Crimes Regulation Act (FCR) passed by the British in 1901, with a dilute presence of the state in the largely self-managed communities. The strategic location of FATA (now Merged Areas (MAs)) and its deep cultural ties to Afghanistan had, furthermore, left it vulnerable to infiltration by militant groups, escalating after the war in Afghanistan in 2001, when Al-Qaeda and various Taliban groups used the area as a staging ground. It can be expected that improved governance systems that enable strengthened service delivery in the MAs will constrain militant group's access or influence in the region and contribute towards improved stability and law and order.

Historically, people from the neighbouring districts on both sides of the Afghanistan-Pakistan border have been connected through a wide array of social and commercial interactions, ranging from seasonal migrations of livestock to frequent movement of goods and people driven by economic opportunities. Several recent developments on the Pakistan side of the border have, however, reshaped this dynamic, with a 'hard' border approach deeply affecting livelihoods. To some extent, this approach has arisen as a default measure in the absence of robust border management systems and border district governance that allow for the movement of goods and people while managing and resolving security concerns. The challenges are further compounded by the fact that district administrations are still reeling from the adjustments necessitated by the merger, with major changes in their mandates and systems, and do not yet have well-developed civil response systems or other critical mechanisms, whether to address local security concerns and conflict or effectively engage with the population.

Compounding these challenges, climate change has been emerging more recently as a foremost risk to hard-won development progress in KP, including the MAs. Preliminary findings emerging from the ongoing assessment of the destruction wreaked by the recent floods are sobering: while the assessment is yet to be completed, evidence to date suggests a devastating impact across the MAs, with over 300 lives lost and close to 100,000 houses damaged. Over 670,000 people have been left displaced and over 107,000 acres of crops

washed away. To date, 1,500 educational and 500 health facilities have been either completely or significantly damaged, and over 100 bridges have fallen.¹

Against this background, the MAs today find themselves at a crossroads: much has been achieved since their integration into KP in 2018 but much more remains to be done, especially with respect to ensuring equitable and quality access to basic services for vulnerable groups, including women, youth and minorities. The Tribal Decade Strategy (TDS) (2020-2030) and its operationalization through the Accelerated Implementation Programme I (AIP-I) (2019-2022), and now, AIP-II (2022-2025), reflect the Government of KP's (GoKP) commitment to fast-tracking development, as well as the recognition that the unique character of the MAs requires context-specific solutions that can address both the magnitude and the multi-dimensional nature of the challenges. Preliminary results of this targeted approach are encouraging: of the total allocations of the PKR 380 billion (USD 1.7 billion) made under AIP-I over the past three years, the highest proportions went to health (16%), roads and other connectivity infrastructure (16%), as well as elementary and secondary education (14%).² Substantial gains have also been made in reforming and strengthening the rule of law and governance systems, including establishing local governance institutions³.

In effect, recent local elections, conducted for the first time in two phases in December 2021 and March 2022, respectively, have seen the emergence of the first cohort of an estimated 4,050 elected village and neighbourhood councillors, with 700 women and 100 minority representatives being elected on reserved seats.⁴ The emergence of local governments has, furthermore, gone hand in hand with efforts to decentralize governance systems, by establishing 25 tehsil (municipalities) offices and the devolution of nine line departments throughout the MAs, with a mandate to contribute to more effective and locally-led service delivery (KP is the first province in Pakistan, to hold transparent and timely local government elections in recent years). However, despite these encouraging steps, the gaps remain wide: almost a year into their mandate, the tehsil and newly elected Village and Neighbourhood Councils (VC/NCs) have yet to be rendered functional. Tehsil Municipal Administrations (TMAs) are currently limited by vast capacity and infrastructural deficits, including basic office spaces, human resources and essential equipment to perform basic administrative and service delivery (such as solid waste management, water supply etc.). These challenges are compounded by overall poor systems of planning and monitoring (for further details, see Section II).⁵

Stereotypes around the Merged Areas focus on the perceived resistance of citizens to advancements in development policy and priorities and integration due to their adherence to the seemingly immutable traditional norms. Work under MAGP-I tells us that positive incremental change is happening, and work around gender

¹ Provincial Disaster Management Authority. 2022. Flood Damages Live Dashboard. https://datastudio.google.com/reporting/2b726786-5451-419a-b737-f2a40f0e25f4/page/p_iih1fhi6zc

² Accelerated Implementation Programme II, Planning & Development, Government of Khyber Pakhtunkhwa

³ Ibid

⁴ Election Commission of Pakistan. 2022. <https://www.ecp.gov.pk/notifications.aspx>

⁵ Needs Mapping of TMAs in Merged Areas of Khyber Pakhtunkhwa, MAGP

inclusivity, enhanced service delivery and strengthening state-citizen dialogue is possible and desirable. According to preliminary results of a recent citizen perception survey conducted by MAGP (total sample size of 10,000 respondents across the seven districts), a striking 77% of respondents declared themselves ready to 'endure a restriction on some of my freedoms in exchange for security,' 73% said they were open to paying taxes, and 55% believed that 'following the merger, I feel more connected, both socially and economically, to people of Pakistan living in other areas.' For a majority of the MAs residents surveyed, loss of the tribal identity does not appear to be a concern: 63% disagreed with the statement that following the merger, their tribal identity is weakening or might be completely lost. However, the survey also revealed that respondents were split on the question of the state delivering on the dividends of the merger, with less than half (47%) supporting the view that 'institutional changes have fully delivered on my aspirations,' and only just above half (56%) feeling that, following the merger, they have more say in the affairs of their district.⁶

In light of this dynamic, integration will continue to require not only the physical extension of infrastructure and services to the MAs, but significant technical assistance to enable the GoKP to continue pursuing the challenging task of extending laws, adopting gender mainstreamed policies, designing and implementing gender responsive interventions, and establishing new governance structures, while at the same time tackling emerging challenges such as climate change. It will further require a specific focus on addressing the challenges and opportunities arising from their distinct dynamic and political economy as border districts. The shortfall in both funding and capacity is expected to remain significant, and therefore future support, essential, especially as the focus of the MAs' development expands beyond the legal, administrative, and planning frameworks for integration to encompass a stronger emphasis on delivering on the dividends of the merger through institutional development and improved, inclusive systems at district and sub-district level, taking into account their individual and differentiated developmental, economic and security profiles.

II. Project Development and Rationale

The new phase of the Programme builds on the first phase of technical assistance – the Merged Areas Governance Project (MAGP I) (2019-2022) - provided by UNDP to the GoKP in the immediate aftermath of the merger and the subsequent first three years, aimed primarily at putting in place the frameworks, systems and reforms that would translate a political decision into tangible on-ground improvements for people. MAGP II will contribute to United Nations Sustainable Development Cooperation Framework (UNSDCF) Outcome on Governance, which focuses on the strengthening of democratic governance institutions and systems – including legislative bodies, local governments and electoral management bodies – and, thus, increasing their responsiveness to people's needs for transparent and equitable service delivery, with a focus on data governance systems and digital solutions. The project will also contribute to UNDP's Country Programme (CP) 2023-2027 Output (1.1), which calls for strengthening the democratic governance of state institutions,

⁶ Early results from MAGP's Citizen Perception Study, 2022 (4,000 respondents)

including the local governments, by increasing their effectiveness and responsiveness to citizens in order to enhance transparent and equitable service delivery. While its primary contribution will remain on the governance outcome of strengthening democratic governance and institutions, MAGP II will also contribute to UNDP's three signature solutions on governance for peaceful just and inclusive societies; women's empowerment and gender equality; and crisis prevention and increased resilience.⁷

Reflecting these development challenges, MAGP has combined from its inception a focus on reforms and the formal extension of governance systems with an emphasis on rendering state institutions more service-oriented and responsive, while advocating for adequate resource allocation across all districts as well as the importance of strengthening local governance.⁸ As a result, MAGP I was able to support the GoKP in achieving several transformational results, which include:

- the development of a 10-year development plan known as the Tribal Decade Strategy (TDS), as well as the ring fencing of Government investment in the MAs through two 3-year Accelerated Implementation Programmes (AIP I and II). The AIP II (2022-2025), recently finalized in mid-2022 through a rigorous, participatory and evidence-based process, increases the total development portfolio by 21% (as compared to AIP I), to a total cost of PKR 460 billion (USD 2.1 billion)
- a three-year economic recovery plan known as *Azm-e-Nau*, developed in the aftermath of the COVID-19 outbreak, to manage the GoKP's development priorities and resource allocations
- capacity building and training of 808 local councillors (686 male, 122 female) across 2 districts (Bajaur and Mohmand) following the first ever local government elections
- the introduction of unique, high impact, evidence-based pilot projects, known as the Special Emphasis Programs (SEPs), to transform development outcomes in key areas (including education, health, women's entrepreneurship, skills development and others). A total of eight SEPs were approved by the Provincial Cabinet under AIP I (and subsequently implemented with technical assistance from MAGP), which grew to 74 additional initiatives across 14 sectors under AIP II.

While the focus has necessarily been adjusted over the past three years to account for a dynamic and evolving situation on the ground, addressing the same fundamental and multi-faceted dimensions of the merger

⁷ UNDP Strategic Plan 2022-2025

⁸ MAGP I Theory of Change states:

IF the provincial government (in close coordination with state institutions, opinion leaders, and citizenry) introduce reforms that include the extension of the formal justice system, local governance and public financial management in the Merged Areas;
AND state institutions are more service oriented and responsive to the challenges of the integration process;
THEN it will facilitate a peaceful transition process (and ultimately a successful integration) through the creation and development of public institutions and adequate resource allocations across all districts
WHICH WILL strengthen local governance, public financial management and rule of law
AND ultimately contribute to the economic, social and political development of the region via the creation of a virtuous circle for improved service delivery and administration of justice

remains an ongoing priority of the GoKP, and, therefore, the underlying rationale for MAGP II (also reflecting findings of an independent evaluation of MAGP I)⁹, with support coalescing around three focus areas:

A. Accelerated development with an emphasis on inclusive service delivery: Building on the achievements and lessons learned under AIP I, AIP II, seeks to consolidate gains and adopt development approaches tailored to the differentiated needs of each sector and aligned with the priorities of MAs citizens, particularly women, girls, and vulnerable population, and any challenges that emerge. The formulation of AIP II included consultative sessions in all 25 subdivisions of the MAs, with approximately 3,000 participants, including elected representatives (members of the National and Provincial Assemblies), local elders, academia, youth, civil society, the business community, religious scholars, and district officers of line departments and federal departments (1,620 local participants from these sessions also formally recorded their feedback in a survey). These were supplemented with ten additional Focus Group Discussions (FGDs) with 55 women (in Khyber, Kurram, Bajaur and Mohmand) to ensure the inclusion of female voices throughout the process. Key findings from the FGDs reinforced the need for enhancing basic service delivery particularly with respect to health, education and drinking water and is reflected in the sectoral allocations of AIP II, a majority of which is targeted towards interventions that support improved human development outcomes. Major insights from an earlier ethnographic study (2021) exploring challenges and opportunities for women in work were also incorporated in the design and implementation of selected interventions proposed under AIP II, particularly for enhancing women's economic livelihood opportunities. All GoKP departments (22 line departments and the Planning and Development Department), as well as technical experts, further contributed to the planning and design process through an in-depth, iterative planning process.

B. Border governance and connectivity: Given the complexity of the Afghanistan-Pakistan border dynamic, as well as the scarcity of reliable data, MAGP's programme design efforts in this area have focused on a mix of quantitative and qualitative data illustrating challenges and opportunities. As part of this effort, 213 community consultations and 14 diagnostic and visioning workshops were conducted, in addition to two data collection efforts, involving an estimated 5,000 participants and spanning a wide range of key stakeholders, ranging from a high-level dialogue organized in partnership with the Office of the Pakistan Envoy for Afghanistan to village-level interviews. The district administration, as well as representatives of the police and relevant line departments, were actively involved in identifying challenges and opportunities for improved border governance and connectivity.

C. Support to local governance: Establishing a new functional tier of government will be a complex undertaking, requiring substantial and sustained outreach to the residents of the MAs. While the basic legal framework laying the foundation for local governance is now in place, the systems and processes required to

⁹ MAGP I de-centralised evaluation (2022). The evaluation commended the project's effectiveness and efficiency in achieving the objectives it set out to achieve in 2018, while highlighting the need to align the project document with the evolving areas of MAGP intervention, reflecting the dynamic transition of the MAs and corresponding GoKP priorities

make local governance work are yet to be fully introduced, and critical prerequisites of decentralized service delivery, such as basic infrastructure, human resources and basic equipment, are still lacking. To date, the structure of local government in the MAs consists of 25 Tehsil Municipal Administrations (TMAs) and tehsil councils, nine devolved line departments and 711 Village and Neighborhood Councils (VC/NCs). The GoKP has initiated the recruitment and placement of civil servants for these offices and councils, but the process is ongoing. According to a field level assessment conducted by MAGP (August 2022) to determine the infrastructural, institutional, and human resource capacities of major administrative and governance units across the 25 sub-divisions in the MAs, none of Tehsil Municipal Officers (TMOs), apart from Kurram and Bara (in Khyber) had dedicated offices, and over a quarter of all sanctioned positions were vacant. Over half (14 out of 25) of subdivisions scored below the median scores on an integrated index of 26 specific indicators of key resource requirements, signalling major constraints in delivery, especially with respect to human resources.¹⁰ During its initial stages, both civil servants and elected representatives will need support to fully comprehend the new system and structures and to address the 'teething problems' that their implementation are likely to face.

III. Strategy

Starting from the assumption that conventional approaches to development would be insufficient to meet the pace of change required to narrow the gap between the MAs and the rest of Pakistan, and articulated around a strategy focused on three core principles – notably, a) data-driven, inclusive and contextualized policy development and planning; b) an ethos of innovation; and c) the need to foster citizen trust – MAGP II will continue pursuing a strategy of problem-driven iterative adaptation based on the following theory of change:

Theory of Change (ToC) MAGP II:

IF the GoKP continues formally extending laws, policies, strategies and governance systems through data-driven and contextualized reforms informed by citizen priorities and reflecting emerging challenges such as climate change **AND** these reforms take into account the asymmetric profile of the MAs as border districts experiencing formal local governance systems for the first time **THEN** development and planning in the MAs will be able to continue on an accelerated path with an emphasis on service delivery and improved border governance and connectivity **WHICH WILL** establish more responsive and inclusive governance institutions **AND** facilitate the free flow of goods and people across the Afghanistan-Pakistan border as well as the promotion of organic economic opportunities **THEN** institutional resilience and citizen trust will be enhanced, contributing to the successful integration of the MAs into KP and Pakistan as well as improved regional stability and security.

¹⁰ The indicators base broadly included key infrastructural and other components including offices (availability and space type), electricity, furniture fixtures, IT equipment, machinery etc.

Reflecting the experience, best practices and lessons learned under MAGP I, the ToC is based on the assumption that stronger, more agile and accountable institutions and governance systems that can deliver context-specific solutions and enhance preparedness, foster reforms and innovation while reducing and/or mitigating the risk of disasters (including but not limited to climate change) can consolidate an accelerated development path to improve the lives of the people of the MAs while responding to the needs of the most vulnerable and marginalized (as captured under the CPD Outcome 1 on governance transformation for a sustainable future). Furthermore, creating a platform for addressing specific cross-border challenges from a systemic perspective and crafting innovative solutions allowing for the free flow of goods and people, as well as the organic promotion of shared economic opportunities informed by the political economy, can contribute to regional security and stability, while improving the livelihoods of local populations (see the structural transformational objectives under the CPD Outcome 1).

Problem-Driven Iterative Adaptation¹¹

Adaptive Management

As highlighted by MAGP I, 'adaptive management' is required in difficult contexts, based on the conclusion that the most difficult development challenges, including 'wicked hard' issues - such as MAs Governance - require a robust management approach that is iterative rather than definitive, and inclusive rather than technocratic. The approach underlying MAGP I, which will remain a guiding approach for MAGP II, is therefore focused on four main principles:

1) Local solutions for local problems	}	<ul style="list-style-type: none"> • The methodology focuses on the identification of locally defined problems. In our context, this means, for example, exploring local government and border connectivity challenges as defined locally rather than based on generic templates
2) Pushing 'problem-driven positive deviance'	}	<ul style="list-style-type: none"> • The methodology encourages local-level innovation to solve delivery problems based on what is already working on the ground rather than outside prescriptions. For example, we are exploring why some local institutions and practices in the MAs have been sustainable since colonial times, while others have come and gone with development spending
3) Try, learn, iterate, adapt	}	<ul style="list-style-type: none"> • The adaptive policy cycle includes analysis and problem identification, followed by cycles of iteration, which build both authorization and learning
4) 'Scale through diffusion'	}	<ul style="list-style-type: none"> • As practices are developed and proven through iterations, they are then spread

Based on this ToC, as well as the comparative advantage MAGP I has been able to establish over the past three years as a technical assistance project embedded with the GoKP (at both the provincial and district levels), the proposed ToC comprises of interlinked and mutually reinforcing, components under the following three solution pathways:

A. Accelerated development with an emphasis on service delivery:

Innovative development solutions are the core of the AIP-II approach, with multiple development schemes launched in response to the identified priorities that adopt a non-traditional approach. MAGP will focus on the following interventions:

- **Special Emphasis Programs (SEPs):** SEPs are context-specific solutions, inscribing innovations in project designs to seek expedited and transformative changes in key public sectors. Under AIP-II, 13 umbrella schemes will be launched that entail 74 interventions, covering a wide range of sectors, including agriculture (09), drinking water and sanitation (05), elementary & secondary education (08), energy and power (03), forestry (02), health (05), legal literacy (03), industries (17), law and justice (3), local government (04), mines and minerals (04), relief and rehabilitation (02), social welfare (09), and sports, tourism, archaeology, culture and youth affairs (02). Additional SEPs are under development in response to the recent floods (August/Sept 2022), meeting the urgent need for adequate systems and capacity for disaster-risk reduction and improved resilience
- **Qabail Led Development:** The Qabail Led Development (QLD) programme is a two year (2022-2024) and PKR 5 billion (USD 23 million) rural development program, to be implemented in the 711 Village and Neighborhood Councils (VC/NCs), building on social capital of communities to address immediate needs of micro-infrastructure and local service delivery. Aiming to strengthen state-citizen trust through community-driven development, MAGP support to QLD will focus on a broad range of small-scale interventions, including the development of small local public infrastructure (see area C below).
- **Da Khushaale Laara District Packages:** Similarly, support to the GoKP in the implementation of the *Da Khushaale Laara* District Packages Program (DPP), specific to each district, will help translate community demands into responsive government projects; 13 packages, one for each district and subdivision, are included in the Government's development plan under which a specific share of funds will be allocated to each region to initiate small-scale schemes (up to PKR 50 million/USD 230,000) aimed at improving service delivery, basic infrastructure and boosting economic opportunities under the overall supervision of the district administration
- **Development Solutions Lab:** Established with MAGP support in 2022, the Pakhtunkhwa Development Solutions Lab (DSL) is the first ever institutional mechanism in Pakistan to generate context-specific and locally feasible solutions to longstanding development problems that haven't yielded meaningful results through traditional sectoral programs. Examples of this include deploying a community leadership initiative to promote women entrepreneurship through capacity building of local female leaders; enhancing farmers' incomes through introduction of modern farming technique to allow off-season cultivation; using app-based awareness raising and behaviour change communication, delivered through integrated apps, to promote improved maternal care, sanitation and hygiene practices and foster greater parental engagement in students' learning experiences. MAGP will continue supporting the institutional development of the lab

through capacity and technical assistance, which will be led by GoKP, have a multisector outreach, and serve as a link to international best practice.

B. Border governance and connectivity:

The key hypothesis underlying MAGP support under this component is that strengthened governance and cross-border connectivity in KP would lay the groundwork for a resilient border allowing for the free flow of goods and people and the organic promotion of shared economic opportunities along the Afghanistan-Pakistan border, thus contributing to the overall regional stability and security. Informed by this hypothesis, specific programmable responses to key challenges and opportunities were identified by MAGP, informed by the following objectives and explored under three main areas (for additional details, please refer to Section IV):

- i. **Governance:** Strengthened governance of border districts through improved systems for a facilitated movement of people and goods, and effectiveness in addressing security concerns. Key areas of focus under this will include pilot initiatives to strengthen capacity and functioning of district administrations, augment institutional systems of key governance structures and engender responsive governance responses through establishment of district discretionary funds.
- ii. **Connectivity:** Strengthened (cross-border) connectivity through development and upgradation of key institutional mechanisms and systems at selected border crossing points in order to facilitate greater economic activity and contribute to improved livelihoods on both sides of the Afghanistan-Pakistan border
- iii. **Community Resilience and Trust:** Community resilience and trust improved through inclusive and effective service delivery with cross border dimensions. This will include working closely with local governance systems to pilot initiatives for improved access to formal governance institutions, local security and civic engagement along the border communities in the MAs.

C. Support to local governance: An integral part of work under components A and B above will involve strengthening local governance, with a focus on improved capacity at district level as well as local levels. Although the QLD has been designed by the GoKP (with MAGP I support) as a contribution to substantive local governance, its rollout to 711 VC/NCs is likely to present a challenge, in view of both the number and the varied distinct profiles of the VC/NCs. MAGP II will continue building the capacity of elected officials at both the tehsil and VC/NC levels in Mohmand and Bajaur, where a critical mass of 1,414 councillors, including 239 women and 7 minorities are being trained under MAGP I, while seeking to expand both the scope and the participation to ensure its inclusiveness. Notably, over the course of 2022 (until October), MAGP was able to successfully mobilize and train 122 female VC/NC councillors from Bajaur and Mohmand, in what was a first-of-its-kind experience for nearly all participants.

Building on this experience, MAGP II will deepen this approach to ensure the inclusiveness of trainings and other local governance processes in the context of its support to the GoKP. MAGP II will further leverage complementary interventions by other UNDP projects, notably by partnering the Stabilization and

Development Programme (SDP) which focuses on economic development in KP, including the Mas, with the objective of designing joint interventions in Kurram and Orakzai.

The project may also explore linkages with the Amn-o-Insaaf (Rule of Law) project which seeks to strengthen access to justice in KP, including the MAs, and other relevant interventions from the UNDP Climate Change portfolio

Taking into account the challenges and opportunities outlined above, MAGP's approach under this component will be structured around three main types of interventions:

- i. Capacity building of the newly elected council members in budgeting, planning, project formulation and implementation
- ii. Implementation of the QLD (see component A for details), managed and executed through local bodies to foster increased citizen participation in development planning and service delivery
- iii. Development of functioning systems at tehsil level to improve service delivery

The solution pathways described above have been designed to be highly flexible and evolve organically, reflecting the ongoing transition of the MAs and will be contributing to the achievement of the Country Programme (CP) outcome 1, through t three Project Outputs, outlined in Section IV

IV Results and Partnerships

Expected Results

MAGP has been established in response to the lessons learned from ongoing implementation in close consultation with the GoKP, which will remain the primary beneficiary of the project. Working in close partnership with the Planning and Development (P&D) Department, MAGP I has established working relationships with the Local Government Elections and Rural Development Department, Home and Tribal Affairs Department and federal level agencies for the implementation of relevant activities. Synergies will also be developed with development partners through information sharing sessions to complement and avoid duplication.

Contributing to the achievement of the Country Programme outcome I, the Programme's ToC is structured around the overarching Programme Outcome of achieving *'legitimate governance structures and effective governance systems, resulting in enhanced service delivery and contributing to improved resilience, connectivity and citizen trust in the MAs by 2027.'*

SMART indicators have been developed at the output level with baselines, targets and related progress data to be collected at regular monitoring intervals as well as for mid-term and/or final evaluations where required during the programme life cycle. Indicators have pre-defined data collection methods, frequency, data

disaggregation and analyses plans, which will be followed to provide senior management with the information required for course correction, informed decision-making and risk management.

Output 1: Strengthened policy frameworks and strategies for inclusive development, contributing to improved development results at district and local levels

Under Output 1, MAGP will identify the bottlenecks that require reform, legislation, policy formulation, strategic frameworks, and procedural changes to strengthen institutions in the space created by the administrative merger, increase budget utilization, and promote systemic solutions to advance inclusive development focused on women, minorities and other disadvantaged groups. MAGP's extensive baseline survey revealed a number of on-ground development lags which vouch for the criticality of not only extending critical services and Government presence, but enhancing their effectiveness when extended.¹² As such, special emphasis will be placed on systemic solutions in key priority areas, such as health, education and climate change. In this regard, MAGP will work closely with some of the key line departments of the GoKP, including the Planning and Development (P&D), Education, Health, Finance, Law, Home and Tribal Affairs, Social Welfare (Gender) and Forestry, Environment and Wildlife departments.

Output 1 Indicators:

- 1.1 Number of policies, regulations, or guidelines developed or improved for Merged Areas to implement GOP/GoKP laws (including for climate resilience and risk governance)

- 1.2 Number of development products based on research and data analytics for development planning of the MAs

- 1.3 Number of reforms approved to mainstream climate change issues at sectoral/service delivery level in ADP/AIP

- 1.4 Number of innovative projects (SEPs) designed and implemented

This result area will focus on the following activities:

- i. Providing technical inputs and expertise including policy analysis, data collection, evidence-based program design, planning and monitoring and district level support to build and strengthen responsive and accountable institutions
- ii. Identifying policy gaps that require reform, strategic planning, and procedural changes to consolidate the administrative merger through regular engagement with government counterparts and communities at the provincial and local levels and informed by emerging results of key data collection efforts undertaken in the

- region (both by MAGP and GoKP); expand and optimize public budget utilization; and advance key development priorities (such as education, health, climate change mitigation and disaster risk reduction)
- iii. Strengthening the focus on women, minorities and other disadvantaged groups in developing systemic solutions for inclusive development. These will include design and implementation of targeted SEPs to enhance women's economic opportunities, skills development, legal literacy as well as special education initiatives for intellectually and physically challenged children.
 - iv. Offering technical assistance to GoKP in developing context-specific and results-driven systems solutions, backed by scientific evidence and global best practices and promoting innovations in design through targeted, high-priority SEPs (with a specific focus on SEPs furthering women's economic participation, skills development, education and health)
 - v. Expanding and differentiating focus at district and local levels for time-bound transformational impact

Output 2: Strengthened border governance and connectivity for a resilient Afghanistan-Pakistan border and contributing to regional stability and security

Building on MAGP's extensive experience and field presence in all seven border districts since 2018, the focus of Output 2 is three-fold: (1) contribute to a clearer understanding of the border dynamics that is evidence-based and supported by both quantitative and qualitative data and analytics to serve as a planning foundation for governance and connectivity interventions; (2) support the GoKP in developing a systemic approach to strengthen border governance and connectivity, driven by innovative solutions grounded in international best practice but adapted to the local context through iterative design and implementation; and (3) ultimately lay the groundwork for a resilient border allowing for the free flow of goods and people and organic promotion of shared economic opportunities amplified through connectivity, and contributing to regional stability and security.

Output 2 Indicators:

- 2.1 Number of district administration officials trained for improved governance and service delivery
- 2.2 Number of border crossings with robust systems commissioned
- 2.3 Number of people benefiting from extended governance services along the border communities in MAs

Interventions will be piloted and dynamically readjusted as necessary over the course of implementation, grouped around three proposed flagships activities/ results:

i. Boost/Enhance Deputy Commissioner (DCs) (and local administration/state) performance:

District governance and administration revolve around the Deputy Commissioner (as per the Civil Administration Act 2020). MAGP will work with DCs to upgrade district administration systems and create systems for community engagement. As part of this initiative, a career development program will be designed and implemented for the DCs and key officials in the administration.

- ii. **Re-open and upgrade systems of high demand secondary crossing points:** Following the border fencing, there are very limited crossing points, as a result of which the movement of people and goods has been restricted and local economies adversely impacted. The traditional routes in particular are of great importance for both sides but lack necessary infrastructure, facilities and services to function as secure border crossings. Working closely with the Office of the Pakistan Envoy for Afghanistan, MAGP will support relevant dialogues and activities related to the re-opening of secondary crossing-points, with the overall objective of enhancing economic linkages and improving stability in the region.
- iii. **Build “sentinel communities” for improved border area resilience:** “Frontline” or sentinel communities adjacent to the border are particularly vulnerable to violence and militancy and, therefore, require higher levels of security. These are also areas which historically have experienced a very thin presence of the state and its services. MAGP will work closely with the Government at both provincial and federal levels to support an increased state presence in vulnerable areas. For this purpose, MAGP will work with Government partners to help identify relevant Village Councils (VCs) on the border with Afghanistan to carry out the following set of activities: (a) community dialogues to understand key local perspectives; (b) set up of VC/NC offices and training of elected VC/NC members on community engagement and local development (see also Output 3); and (c) in consultation with the VCs/NCs, create an integrated strategy to support placement of key service delivery mechanisms through the National Database and Registration Authority (NADRA), the Livestock and Agriculture Extension Services, special school enrolments, health services and information on youth skills development/employment opportunities. MAGP will also liaise with other rule of law programmes for this component at the federal level as the work becomes relevant.

Output 3: Local governance systems are functional and capacitated, contributing to the delivery of basic services

Under Output 3, MAGP, in close partnership with the GoKP’s Local Government, Elections and Rural Development Department (LGE&RRD), will focus on inclusive capacity-building strategies and plans to support elected women, youth, minorities, and other vulnerable population groups, and on the implementation of community-led development under QLD. Given that the QLD is a new development approach in the MAs, MAGP will support the GoKP in piloting its implementation and generating critical data and evidence base that can help inform the design of effective local governance systems in the future. A further area of focus will be supporting decentralized service delivery through the Tehsil Municipal Authorities (TMAs), a majority of which lack basic systems and capacities (as well as knowledge in some cases) to deliver on their institutional mandates (for details please refer to Section II).

Output 3 Indicators:

3.1 Number of elected local government representatives trained

3.2 Number of sub-divisions supported for improved service delivery

3.3 Increase in government capacity to enhance citizen participation in improving service delivery at the local levels (through the Qabail Led Development Programme)

3.4 Number of Qabail Led Development (QLD) micro-initiatives implemented at local levels

3.5 Number of people engaging with local government community outreach plans

The output will focus on the following main activities and results:

- i. **Capacity building of the newly elected council members:** As the training needs for councillors across the seven districts (total estimated 4,050) require extensive resources beyond any one project, MAGP will work closely with the Local Government Department to (a) develop an integrated capacity building strategy and support the coordination of international partners engaged in local government activities in the MAs, including through the KP Donor Coordination Group; (b) develop targeted training modules that reflect the real-life challenges the councillors are likely to face and endowing them with essential skills for their new role, including budgeting/funds management, negotiation, public speaking and communication.
- ii. **Implementation of QLD:** Under QLD, the 711 VC/NCs in the MAs will, for the first time since the introduction of elected local governments will have the opportunity to address community priorities and implement small infrastructure projects. While all VC/NCs are expected to receive funds for projects ranging from PKR 0.5 to 5 million (USD 2,262 to USD 22,624), based on a specific sub-divisional distribution weighted on population, the rollout of the programme is expected to begin in 2023 after initial consultation workshops with district administrations and local officials, formulation of official guidelines and establishment of essential management and monitoring structures. MAGP will continue to provide technical assistance to the GoKP in establishing and monitoring key implementation mechanisms, supporting district level outreach, and mobilizing donor engagement efforts to explore potential partnerships that can contribute to bridging the funding gap (estimated at PKR 2.5 billion/USD 1.1 million).
- iii. **Development of functioning systems at tehsil levels to improve service delivery:** Given that a majority of the basic administrative and governance units at the local levels still lack basic infrastructure and systems, the newly introduced local governance structures in the MAs have yet to have any meaningful impact on people's lives, further contributing to an increasing sense of citizen dissatisfaction and widening of the citizen-state trust deficit (as evidenced during the community consultations held as part of the AIP II development process). Building on its previous capacity strengthening initiatives, MAGP will work closely with the LG Department to assess and fulfil key capacity gaps for its tehsil level staff (especially in budgeting, project planning and delivery) while supporting the design and uptake of specialized technological solutions to enhance local government functioning, citizen engagement and service delivery. It will also work directly with the TMAs to bolster their coordination and functioning with district administrations, the Provincial Government, and the private sector with the objective of improving their municipal service delivery and other functions.

Resources Required to Achieve the Expected Results

A. People

MAGP I has established a highly effective model for delivering technical assistance to the MAs, allowing it to successfully overcome access constraints and adapt to the rapidly evolving situation on the ground, in addition to responding to the newly emerging priorities and requests for technical assistance from the GoKP. Given the sensitivities associated with the MAs in general and border interventions in particular, MAGP's core team includes a Senior Economic Adviser and a Senior Strategic Adviser (both consultants), who provide critical strategic and technical inputs for strategic planning and stakeholder management. The model further incorporates a large pool of expertise recruited through a third-party hiring firm and falling into three main categories:

- A. Implementation consultants: contributing to the development and responsible for the overall implementation of Programme activities in the MAs, these consultants are embedded within the Provincial Government and the district administrations
- B. Resources on Call (RoCs): national RoCs engaged by MAGP are local experts responsible for contextualizing solutions developed in close partnership with international RoCs (recruited through UNDP) and drawing on global best practices and cutting-edge research
- C. A dedicated field team, known as the Field Augmentation and Support Task (FAST) team, consisting of sub-engineers, procurement, Field and M&E specialists is present across all districts of the MAs working out of the district administrations offices; they act as an important liaison between MAGP, the Government (both at district and provincial levels) and local communities.

MAGP II will continue to require support from the Country Office throughout its implementation, including the Governance, Procurement, Finance, Human Resources, Management Support and Security Units. The project will also budget 8% GMS and the Direct Project Cost (DPC) in accordance with UNDP Programme and Operations Policies and Procedures (POPP) .

MAGP II will establish a close working relationship with the UNDP Peacebuilding Adviser in Regional Center (Bangkok), as well as a partnership with the UNDP CO in Afghanistan and the UNDP Governance Center in Oslo (see below).

B. Partnerships

1. **Planning and Development Department, GoKP:** The Department is the major development policy and decision-making stakeholder at the provincial level. It plays a key role in policy-making (provincial and sectoral policies, budgeting and prioritization of projects according to the required resources), appraisal and processing of development projects/schemes, approval (ADP/AIP compilation, allocation of funds, the recommendation for approval) and implementation (monitoring releases and intersectoral re-appropriation and evaluation). MAGP has been collaborating with the Department since 2019 to support

formulation of key development policy and planning frameworks (including the TDS, AIP I and II and PAMFRAMES) and will continue to partner with them to support structural reforms for achievement of accelerated development outcomes in the MAs.

- 2. The Office of Chief Minister, GoKP:** The highest office in the Province, the CMO is the head of the provincial government and is in-charge of the Planning and Development and Home and Tribal Affairs Departments.
- 3. Home and Tribal Affairs Department, GoKP:** The Department oversees the public order and internal security, administration of justice, constitution and organization of courts (except the High Court) in the province. MAGP will work closely with the implementing arms of the Department, particularly the district administrations, across the seven (now eight) districts, to strengthen governance systems and service delivery at the local levels.
- 4. Local Government, Elections and Rural Development Department, GoKP:** The Department has regulatory and administrative functions of ensuring smooth execution and functioning of local governments at the village and sub-divisional levels. MAGP collaborates with the LG Department to lay the groundwork for establishing effective, responsive and robust local governance mechanisms in the Merged Areas. This also includes working closely with its attached institutions, such as the Local Governance School and Local Council Board, to contribute to institutional level capacity-building efforts.
- 5. Ministry of Interior, Pakistan:** The Ministry is primarily responsible for ensuring state security, administration of internal affairs, and assisting the government on territorial affairs. Collaboration with the Ministry of Interior is important for MAGP to operate within the national framework of policies with respect to cross-border trade and governance under Component B.
- 6. Federal Bureau of Revenue (FBR), Pakistan:** A federal law enforcement agency of Pakistan that regulates collection of tax and is an important partner for MAGP in its support to facilitating cross-border trade under Component B.
- 7. UNDP Oslo Governance Center:** As UNDP's dedicated Global Policy Centre for Governance issues, the Oslo Center promotes transformative governance for peaceful, just, and inclusive societies by generating knowledge, insight, and data on key governance challenges, drawing on the experience of a wide range of practitioners, policymakers, and researchers. MAGP will engage with the Centre to foster a dialogue on lessons learned and best practices emerging from cross-border projects around the world. .
- 8. Office of the Special Envoy for Afghanistan/Afghan Inter-ministerial Coordination Committee (AICC):** A federal body under the Prime Minister's Office primarily responsible for overseeing border management and related matters between Pakistan and Afghanistan. MAGP will partner with AICC to support opening and upgradation of targeted border crossing points under Component B.
- 9. UNDP Afghanistan:** UNDP Afghanistan works to eradicate poverty and reduce inequalities through sustainable development in the country. Given MAGP's programmatic intervention around border governance and connectivity, UNDP Afghanistan will be an important partner to ensure strategic alignment and sustainability of its cross-border pilot initiatives under Component B.

10. CSOs, NGOs and other relevant partners: MAGP will maintain close engagement with other development partners and UN agencies working in KP (detailed below) and presently coordinates organization of the KP Donors Group. Moving forward, the Programme will continue to identify and partner with additional CSOs/NGOs and UN agencies as required over the next five years.

Output	Government Partner	Potential Development Partner
1. Strengthened policy frameworks and strategies and systems for inclusive development, contributing to improved capacity and development results at district and local levels	Agriculture Department, GoKP	USAID LRMA, USAID ERDA, USAID FERP, FCDO SNG-II,
	Elementary and Secondary Education Department, GoKP	
	Energy and Power Department, GoKP	
	Finance Department, GoKP	
	Forestry, Environment and Wildlife Department, GoKP	
	Health Department, GoKP	
	Higher Education Department, GoKP	
	Home and Tribal Affairs Department, GoKP	
	Industries, Commerce and Technical Education Department, GoKP	
	Local Government, Elections and Rural Development Department, GoKP	
	Minerals Department, GoKP	
	Planning and Development Department, GoKP	
	Public Health Engineering Department, GoKP	
	Relief, Rehabilitation and Settlement Department, GoKP	
	Social Welfare Department, GoKP	
Sports, Tourism, Archeology, Culture and Youth Affairs Department, GoKP		
The Office of the Chief Minister, GoKP		
2. Strengthened border governance and connectivity in KP lay the groundwork for a resilient Afghanistan-Pakistan border allowing for the free flow of goods and people and contributing to regional stability and security	Home and Tribal Affairs Department, GoKP	UNDP Oslo Governance Center
	Ministry of Interior, GoP	
	Federal Bureau of Revenue, GoP	UNDP Afghanistan
	Office of the Special Envoy for Afghanistan/ Afghan Inter-Ministerial Coordination Committee	

<p>3. Local governance systems are functional and contribute to the delivery of basic services</p>	<p>Local Government, Elections and Rural Development Department, GoKP</p>	<p>USAID LRMA, FCDO SNG-II, GIZ</p>
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MAGP II will also ensure close coordination and synergies with other KP focused projects, including (but not limited to):

- USAID FATA Economic Revitalization Program (FERP) is a program contribution grant with UNDP that aims to provide capacity building support, access to finance, provision investment capital to potential entrepreneurs, and support to the government of KP to promote sustainable, private sector-led economic growth in the MAs.
- USAID Land Registration in Merged Areas Activity (LRMA), implemented by DAI, is working on introducing land registration in the MAs through supporting GoKP efforts to further the objectives of the 25th Amendment and complements GoKP efforts under its Settlement and Land Record activity.
- USAID Economic Recovery and Development Activity (ERDA) is to expand economic opportunities and build a foundation for private sector-led economic activity in the MAs. Building on USAID’s ongoing economic growth programming in the region, the activity seeks to strengthen and modernize the agriculture sector and promote Micro Small, and Medium Enterprises (MSMEs). Interventions will aim to complement and further the GoP development strategies and private sector-led approaches to bring the MAs on par with other parts of the KP province.
- USAID KP Revenue Mobilization Activity (KPRM), implemented by Chemonics International, is helping the GoKP to increase revenue by improving its efficiency in the collection of existing taxes. The activity focuses on making it more convenient and less costly for taxpayers and businesses to voluntarily comply with paying taxes. In addition to increasing provincial revenue, the activity also bolsters the GoKP’s ability to plan and extend its taxation system to the newly merged districts after the post-tax exemption period ends.
- UKAID/FCDO-funded Sub-National Governance Programme-II (SNG-II), supports the provincial and district governments of KP including MAs to improve public service delivery to respond more efficiently to the needs of the local community. The project supports reforms in planning, budgeting, and monitoring.
- The GIZ Support to Local Governance Program assists the KP (including MAs) provincial government to promote political participation and improve the performance of local governments to effectively provide local services to citizens. The program offers technical support to the local government departments and other relevant institutions in the province in the revision of existing laws and regulations of the local governance system to improve service delivery.

C Risks and Assumptions

The project has been designed based on the following preconditions and assumptions:

1. The improved security environment in the MAs will prevail and allow for continued support to the institutions and areas outlined in this document (all project outputs)

It is assumed that the security conditions in MA will continue to improve (or at least not deteriorate), notably as a consequence of the evolving situation in Afghanistan and/or political instability in Pakistan. This will also partly depend on the perceptions of the local population, and the capacity of the public institutions, to deliver services and build confidence with the people of the MAs. At present, the security situation remains volatile in certain areas, some of which are seeing an increase in militant activity. In consideration of this concern, all activities will be carried out in close coordination with the GoKP.

2. The Government of Pakistan will remain committed to implementing structural reforms in the Mas (Output 1)

Strong political commitment remains an essential prerequisite for pursuing the reform process in the MAs. At the time of the merger, the Federal Government made a policy statement to provide PKR 100 billion (USD 453 million) per annum for MA development, but only PKR 72,500 million (USD 328 million) (cumulatively over the past three years) actually came through, amounting to 24% of the committed funds. The GoKP, on the other hand, has added PKR 16,109 million (USD 73 million) from their own resources. MAGP will advocate with all key stakeholders for additional resources for the MAs. Additionally, MAGP will continue to fund initiatives by the Government which are likely to be adopted and scaled up in the long run.

3. The international community in Pakistan will remain committed to supporting the Government and people of the MAs throughout the reform process (all project outputs)

The operating environment in the MAs is complex, with non-governmental organizations, private sector firms, and international partners often facing access constraints. MAGP has so far benefitted from unhindered access, due in part to the presence of its Field Augmentation Support Teams (FAST) embedded with the district administrations in all seven (now eight) districts. MAGP II will ensure the close coordination of USAID and CSSF/FCDO activities, building on the comparative advantages of their respective program focus. The Programme will further continue its advocacy with other donors (e.g. Government of Japan) to ensure complementarity of donor support for the objectives outlined in this document, as well as advocate with the GoKP regarding the importance of communication and engagement with development partners around the AIP-II priorities and the inclusive development agenda.

4. Adequate capacity and resources will augment the Government's ongoing efforts for enhancing the inclusivity and efficiency of innovative service delivery (Output 1 and 3)

Weak institutional capacity creates challenges in terms of adopting and sustaining innovative interventions. MAGP will engage and retain the expertise at the technical level to promote innovation and sustain interventions.

D Stakeholder Engagement

Stakeholder engagement is based on the overall approach of problem-driven iterative adaptation. As such, building on the lessons learned and best practices established under MAGP I, MAGP II will continue conducting regular context analyses using multiple sources of information and effect course corrections as needed. The key stakeholders of the programme include:

The Government of KP: P&D Department, Home and Tribal Affairs Department, Local Government Department and other line departments, including Social Welfare, Education, Health, Industries, Agriculture etc., as well as the district and tehsil administrations

The Federal Government/LEAs: To the extent that border jurisdiction lies with the Federal Government – notably a plethora of agencies and bodies, as well as security actors – successful implementation will require an active engagement of all relevant actors, including the military establishment

Beneficiaries include (but are not limited to the list below, as the list will be reviewed and updated periodically):

Citizens of the Merged Areas, with a focus on women, minorities and other vulnerable groups:

As target beneficiaries of key institutional policy plans under AIP and the Flood Response Plan, the citizens of the Merged Areas will be key beneficiaries of the Programme and will be regularly engaged through both quantitative and qualitative data collection efforts including surveys and direct pilot interventions under SEPs. Leveraging its vast experience in deploying hybrid data collection techniques, MAGP II will ensure engagement with vulnerable and minority groups, including women and youth. Under MAGP I, special emphasis was placed on SEPs with a gender and/or women empowerment focus. Two of the eight projects concentrated on enhancing women's livelihood/economic opportunities and another one sought to tackle the issue of rising maternal mortality rates in the region (which are significantly higher than any other part of the country), and MAGP II will further develop this focus.

Border communities (including youth and women): A resilient border management system would allow some of the lost livelihoods to be restored, while meeting the security requirements of a modern border and contributing to regional stability. Communities would have contributed to the project design through community consultations (carried out as part of various consultations held as part of AIP II formulation and identifying challenges and opportunities for strengthening border district governance and management systems) and their regular participation would be facilitated through community feedback mechanisms.

GoKP/District administrations: The integration of FATA into KP has led to major changes in the mandates and district governance systems, with well-developed civil response and other critical mechanisms are not yet in place - whether to address local security concerns and conflict or effectively engage with the population. MAGP II is demand-driven and the GoKP/district administrations will remain closely involved in its implementation as well as the design of future interventions based on the data and evidence-base generated by the project.

Government officers of provincial and district line departments: MAGP will work directly with counterparts in various line departments (approximately 22) at both provincial and district levels to support their institutional and capacity development through indirect and direct technical support including training, provision of trained human resource and various consultative engagements.

Elected Local Government representatives: As mentioned earlier, MAGP will seek to foster enduring linkages with local level elected representatives to support their integration with the newly introduced system, preparing them to adequately deliver on their mandated roles and responsibilities, while institutionalizing systems level improvements to support robust, locally driven and self-sustainable local governance systems in the MAs.

Law Enforcement Agencies (LEAs): Similar to their counterparts in the district administrations, law enforcement agencies have been facing enormous challenges in managing the transition from the Frontier Crime Regulation system to a new system based on the rule of law and respect for individual rights. The early involvement of the LEAs and their continued consultation/engagement in the design of the Programme would be critical to its success.

Federal agencies with a border mandate: At the moment, insufficient clarity around the implementation modalities of existing mandates presents a challenge for actors on the ground. The involvement of relevant federal agencies in MAGP II would reflect their role as both key stakeholders and beneficiaries.

Regional/International community: A resilient border between Pakistan and Afghanistan would play an important role in regional stability and international security and may therefore require engagement with a diverse set of regional and international stakeholders.

E. South-South and Triangular Cooperation (SSC/TrC)

The expansion and strengthening of cross-border connectivity, through facilitated movement of people and goods, is one of MAGP's desired outputs. This facilitation will serve not only to enhance livelihood opportunities but will also increase instances and ease of cross-border cooperation- at the individual, district and institutional levels. To this end, MAGP plans to liaise with UNDP Afghanistan as a strategic neighboring partner in ensuring the feasibility and sustainability of its border interventions. Through a mutual interest in advancing the welfare of border communities on both sides, MAGP and its counterparts in Afghanistan will seek to co-facilitate cross-border cooperation.

F Knowledge

Building on the best practices and lessons learned under MAGP I, MAGP II's knowledge products will fall into three categories:

- a) Policy documents (including plans, strategies, implementation frameworks, monitoring guidelines etc): as part of its technical support to the GoKP, MAGP regularly contributes to a range of knowledge products to highlight key learnings/insights from its ongoing and previous work in the MAs, capturing relevant local and international expertise. Developed through a rigorous, iterative and participatory approach, these products further GoKP's vision towards achieving accelerated development outcomes in the MAs and will be targeted towards policy makers, development practitioners and international development partners to engender targeted, responsive and informed policy and programming in the MAs.
- b) Media products: these may include a variety of communication/outreach products capturing key insights emerging from MAGP's various interventions and stakeholders' engagements, designed for wider, public consumption. These will range from media stories to feature articles, IEC materials and media tracking databases, which may be routinely shared with diverse group of stakeholders to further the discourse on MA development and explore possible synergies.
- c) Analytical knowledge products: the third stream will seek to fulfil key data gaps and information asymmetries with respect to MAs through creation of repository of scientifically backed evidence base. These involve identification and exploration of the specific problem area(s) through in-depth desk and field-based research efforts, resulting in analytical products which can be published for dissemination to a wide range of stakeholders. To the extent that insights emerging from MAGP's work can inform a broader audience within and/or beyond UNDP, MAGP II will also partner with relevant organizations, such as the UNDP Oslo Governance Center, to produce reports and other knowledge products aimed at contributing to higher-level policy and academic debates

G Sustainability and Scaling Up

The proposed project structure – including the specific formulation of activities, outputs and outcome – has emerged out of in-depth consultations with the GoKP and the expressed need for technical assistance, building on MAGP's close engagement with the GoKP since 2018. The innovations introduced with MAGP support over the past three years – notably in planning, monitoring and evaluation of resource allocations to the MAs and the Special Emphasis Programmes (SEPs) that are seeking to tackle seemingly intractable development challenges through innovative designs that draw on international best practice and are contextualized and adapted to the MAs – have been integrated into the GoKP's development planning and implementation processes, demonstrating their sustainability. The current project draws on the experience of MAGP I and proposes to expand the approach to border governance and connectivity, building on MAGP's field presence in all seven (now eight) districts and existing close engagements with the district administrations. The governance and border management interventions will be installed in government systems for their continued relevance and effective implementation. The project will ensure the sustainability of these actions by encouraging ownership throughout the project, fostering an implementation approach

with the objective of reinforcing institutional capacity building and ensuring that activities are aligned with provincial priorities. Furthermore, the project will search to reinforce the sustainability of the activities by establishing synergies and coordination linkages with international stakeholders to strengthen the capacity of the Government.

V. Project Management

Cost Efficiency and Effectiveness

MAGP's implementation is built on the principles of "avoiding duplication" and "building synergies" as it seeks to leverage existing government and UNDP's capacities and resources at both the provincial and district levels. The Programme works closely with the relevant government departments to avoid replication of commitments with other development partners and partners with other UNDP projects in KP, where relevant, to maximize its reach and impact.

MAGP's team is based in Peshawar, Islamabad and as well in the MAs, with regular access to the KP Government and Federal Government's key officials. As a function of its technical assistance role with the GoKP, MAGP's staff is physically present at the Peshawar Civil Secretariat and DC offices across the MAs on a daily basis, significantly reducing the coordination and operational costs of the Programme (including cost for office space). Furthermore, MAGP seeks to reduce its overhead and operational costs through personnel outplacement (through a third party) which significantly reduces hiring lag, compliance costs in the recruitment process, security costs, and inflexibility.

Project Management

The MAGP Project is part of UNDP's Democratic Governance Unit (DGU) which aims to support democratic development and promotion and protection access to justice in Pakistan. The unit works towards improved governance at federal, provincial and district levels to support the devolution and decentralization objectives by strengthening transparency and accountability through strengthening state institutions capacity to deliver basic services to citizens, while improving eco and gender footprints.

The Project Management team, led by the Programme Manger (PM), will be responsible for implementing the recommendations of the Project Review Board (PRB), preparing and implementing the Annual Work Plan and periodic progress reports. The PM has the responsibility to regularly update on the progress to Assistant Resident Representative (ARR), Democratic Governance Unit (DGU) and other project stakeholders. The DGU Programme Analyst under the guidance of ARR, DGU, will ensure quality assurance and provide oversight on project results and utilisation of resources. Additionally, on a quarterly basis the PM is required to prepare a Quarterly Progress Review as part of its donor commitments to monitor progress, discuss risks and challenges and take remedial actions. MAGP will have a dedicated Monitoring Officer to collect and report progress of

activities and results achieved under the project outputs as well as reporting on project contributions towards CPD Outputs and Outcome. The PM will manage all contracts/programming instruments with third parties, maintain communication with them and follow up on their reporting requirements as per the overall project monitoring and reporting framework. The Project staff will be based at the UNDP Country Office in Islamabad.

The Programme will be executed with the Direct Implementation Modality (DIM), and the UNDP Country Office teams (DGU, MSU, FRMU, PU, HR etc.) will jointly deliver on responsibilities and accountabilities in accordance with UNDP POPP for: a) planning and supervising project activities and taking decisions; b) quality assurance and oversight, c) programme risk management including mitigation, d) technical and operational support for implementation of activities; e) monitoring progress and f) commissioning project decentralised evaluation etc. The DIM modality will promote local ownership of results, institutional strengthening through capacity development of government/local stakeholders, south-to-south collaboration, and innovation and learning within UNDP.

Through the DIM modality, UNDP will apply its technical and administrative capacity to assume the responsibility for mobilizing and providing the required inputs to reach the expected outputs. Accordingly, UNDP will follow all procedures defined in UNDP Programme and Operations and Policies and Procedures (POPP). The DIM modality will enable UNDP to engage with Responsible Parties/vendors, as well as other UN Agencies based on a written agreement or contract to purchase goods or provide services using the project budget. The Responsible Parties/vendors may manage the use of these goods and services to carry out project activities and produce outputs. All Responsible Parties/vendors are directly accountable to UNDP following the terms of their agreement or contract with UNDP (see Section X Risk Management for legal obligations applicable on Responsible Parties and Vendors).

The MAGP team will be present in Islamabad, Peshawar and at district levels to ensure smooth execution of the Programme activities. A dedicated field team comprised of technical resources (at the time of writing, this includes sub-engineers, procurement, Field and M&E specialists; this structure is likely to evolve over the course of the Programme) will be present across the seven (now eight) districts acting as an important liaison between MAGP, the government (both at district and provincial levels) and local communities, and supporting key field mobilization efforts where needed. The Programme will be supported by the Programme Management Unit (PMU), led by the Programme Manager, under the overall supervision of the Democratic Governance Unit based at the UNDP Country Office (see Governance and Management Section).

As further detailed under the Governance and Management Arrangements, the Project Review Board (PRB) will provide strategic guidance and oversight to the Programme, including inputs related to quality assurance, technical discussions, and recommended priorities, while the Programme Manager will lead, manage, monitor, and ensure successful implementation of Programme, ensuring compliance with UNDP policies to guarantee

proper use of resources. As much as possible, Provincial Government of Khyber Pakhtunkhwa's logo will be made visible in initiatives in which the project is supporting the former.

UNDP will ensure that communication and visibility are integrated into project activities (more details in the knowledge products section). The program will detail an agreed communications and visibility strategy, objectives, and activities, including allocated financial resources. UNDP will report on implementing the communication and visibility plan under its standard reporting requirements.

VI. Results Framework¹³

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

UNSDCF OUTCOME INVOLVING UNDP No. 1. By 2027, the people in Pakistan, especially women, children, the most vulnerable and marginalized, have increased access to fundamental rights, gender equality and fundamental freedom through inclusive, accountable, effective and evidence-driven governance systems and rule-of-law institutions at all levels of government, contributing to good governance and stability

UNSDCF OUTCOME INVOLVING UNDP No. 4. Gender equality and women's empowerment: By 2027, more women and girls at greatest risk of being left behind are able to benefit from and contribute to an environment in which they are empowered to exercise their fundamental rights, agency and decision-making power over all aspects, towards lives free from all forms of discrimination, violence and harmful practices.

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

Outcome Indicator 5.1. Government effectiveness, rule of law, political stability and accountability

Baseline (2020): Government effectiveness: -0.5 Political stability: -1.85 Rule of law: -0.7 Voice and accountability: -0.88

Target (2027): Government effectiveness: -0.3 Political stability: -1.00 Rule of law: -0.5 Voice and accountability: -0.5

Outcome indicator 2.1: Percentage of achievement of legal frameworks in place to promote, enforce and monitor gender equality and non-discrimination on the basis of sex in the areas of: (a) Public life (b) Violence against women (c) Employment and economic benefits (d) Marriage and family

Baseline (2018): (a) 50% (b) 75% (c) 10% (d) 54.6%

Target (2027): (a): 60% (b): 85% (c): 20% (d): 65%

Applicable Output(s) from the UNDP Strategic Plan:

Output 1.1. Open, agile, accountable and future-ready governance institutions and systems in place to co-create and deliver solutions to accelerate transparent and equitable service delivery and SDG achievement.

Output 4.1. Empowerment of women, girls, transgender persons and vulnerable and institutional leadership is promoted through gender responsive policies, programmes, strategies and instruments through the provision of public and private financing and institutional development and strengthening

Project title and Atlas Project Number: Merged Areas Governance Programme | Atlas ID: 00147167

¹³ 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.

EXPECTED OUTPUTS	OUTPUT INDICATORS ¹⁴	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 Strengthened Policy Frameworks, and Strategies for Inclusive Development contributing to Improved Development Results at District and Local Levels	1.1 Number of policies, regulations, or guidelines developed or improved for Merged Areas to implement GOP/GoKP laws (including for climate resilience and risk governance)	<i>Project records GoKP notification s</i>	4 (TDS, AIP I, AIP II, FRP)	2022	1	0	1	1	0	3	<i>Project progress reports Government notification(s) Policy document(s)</i>
	1.2 Number of development products based on research and data analytics for development planning of the MAs (baseline and endline and survey reports focused on 5 key priority sectors including: education, health, women, water and climate and natural resource management)	<i>Project records</i>	26	2022	5	5	5	5	5	25	<i>Survey reports Project progress reports</i>
	1.3 Number of innovative projects (SEPs) designed and implemented across all seven districts	<i>Project records</i>	8	2022	0	3	4	4	4	15	<i>Project progress reports Government notification(s) PC-I(s)</i>
Output 2 Strengthened border governance and	2.1 Number of district administration officials trained for improved governance and service delivery	<i>Project records GoKP notification s</i>	0	2022	20	20	30	0	0	70	<i>Project progress reports Government notification(s) Training report(s)</i>

¹⁴ 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.

EXPECTED OUTPUTS	OUTPUT INDICATORS ¹⁴	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	
connectivity for a resilient Afghanistan-Pakistan border and contributing to regional stability and security	2.2 Number of border crossings with robust systems commissioned	<i>Project records GoKP notification s</i>	0	2022	1	0	1	0	0	2	<i>Project progress reports Government notification(s) Policy document(s)</i>
	2.3 Number of people benefiting from extended governance services along the border communities in MAs including gender disaggregated data.	<i>Project records GoKP notification s</i>	0	2022	26,000 (4VCs)	32,500 (5 VCs)	39,000 (6 VCs)	0	0	97,500	<i>Project progress reports Government notification(s) Citizen Perception Survey results</i>
Output 3: Local Governance Systems are Functional and capacitated contributing to the delivery of basic services	3.1 Number of elected local government representatives trained including women.	<i>Project records GoKP notification s</i>	808	2022	250 (225 male; 25 female)	250 (225 male; 25 female)	0	0	0	500 (450 male; 50 female)	<i>Project progress reports Government notification(s) Training report(s) Training assessment(s)</i>
	3.2 Number of sub-divisions supported for improved service delivery	<i>Project records</i>	0	2022	3	5	6	6	5	25	<i>Project progress reports Government notification(s)</i>

EXPECTED OUTPUTS	OUTPUT INDICATORS ¹⁴	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		
	3.3 Increase in government capacity to enhance citizen participation in improving service delivery at the local levels (through the Qabail Led Development Programme) <i>[Scale 1= No structures exist to engage citizens in improving service delivery at district levels Scale 2= Evidence-based plans are designed to engage citizens in improving service delivery Scale 3= Basic structures exist to engage citizens in improving service delivery at district level Scale 4= fully functional structures and human resources exist to engage citizens in improving service delivery at district levels]</i>	<i>Project records GoKP notification s</i>	1	2022	0	3	0	0	0	0	3	<i>Project progress reports Government notification(s)</i>
	3.4 Number of Qabail Led Development (QLD) micro-initiatives implemented at local levels	<i>Project records GoKP notification</i>	0	2022	15	60	0	0	0	0	75	<i>Project progress reports Government notification(s)</i>
	3.5 Number of people engaging with local government community outreach plans with special emphasis on women.	<i>Project records</i>	0	2022	500 (450 male; 50 female)	1,000 (900 male, 100 female)	1,500 (1,350 male, 150 female)	1,500 (1,350 male, 150 female)	500 (450 male, 50 female)	5,000	<i>Project progress reports Communication products</i>	

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: *[Note: monitoring and evaluation plans should be adapted to project context, as needed]*

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.	UNDP	
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.	UNDP & GoKP	
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.	UNDP	15,000
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.	Bi-Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.	UNDP	
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.	UNDP	
Project Report	A progress report will be presented to the Project Board and key stakeholders, 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	Annually, and at the end of the project (final report)		UNDP	

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
	mitigation measures, and any evaluation or review reports prepared over the period.				
Project Review (Project 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 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.	UNDP & GoKP	10,000

Evaluation Plan¹⁵

Evaluation Title	Partners (if joint)	Related Strategic Plan Output	UNSDCF/CPD Outcome	Planned Completion Date	Key Evaluation Stakeholders	Cost and Source of Funding
End-of-term Evaluation MAGP I	UNDP	Output 1.1. Open, agile, accountable and future-ready governance institutions and systems in place to co-create and deliver solutions to accelerate transparent and equitable service delivery and SDG achievement.	By 2027, the people in Pakistan, especially women, children, the most vulnerable and marginalized, have increased access to fundamental rights, gender equality and fundamental freedom through inclusive, accountable, effective and evidence-driven governance systems and rule-of-law	2024	GoKP, Federal agencies	Cost: 50,000 Source: Multiple donors

¹⁵ Optional, if needed

			institutions at all levels of government, contributing to good governance and stability			
Mid-Term Evaluation MAGP II	UNDP	Output 1.1. Open, agile, accountable and future-ready governance institutions and systems in place to co-create and deliver solutions to accelerate transparent and equitable service delivery and SDG achievement.	By 2027, the people in Pakistan, especially women, children, the most vulnerable and marginalized, have increased access to fundamental rights, gender equality and fundamental freedom through inclusive, accountable, effective and evidence-driven governance systems and rule-of-law institutions at all levels of government, contributing to good governance and stability	2027	GoKP, Federal agencies	Cost: 50,000 Source: Multiple donors

VIII. Multi-Year Work Plan ¹⁶¹⁷

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year					RESPONSIBLE PARTY	PLANNED BUDGET			
		Y1	Y2	Y3	Y4	Y5		Funding Source	Budget Description	Amount	
Output 1: Strengthened Policy Frameworks, and Strategies for Inclusive Development contributing to Improved Development Results at District and Local Levels Gender marker: GEN2	1.1	Support the GoKP in developing the recommendations under the Flood Response Plan (FRP) 2022 into a Climate Resilience Plan and the establishment of a Fund for its implementation	178,780	126,257	169,942	90,905	104,794	UNDP	USAID	Workshops, Technical Assistance	670,679
	1.2	Support the GoKP in developing an Electrification strategy for the MAs	54,712	82,067	29,460	29,460	16,834	UNDP	USAID	Technical Assistance	212,533
	1.3	Support dialogue on key policy issues in the MA, including governance, resilience, development resources, community priorities and socio-economic transformation	22,095	22,095	22,095	22,095	22,095	UNDP	USAID	Workshops, Surveys	110,475
	1.4	Identify bottlenecks in policy formulation and approval, and provide technical assistance to relevant GoKP departments to review, amend and draft legislation, policies, and procedures, as required for accelerated and inclusive development	35,352	-	35,352	-	-	UNDP	USAID	Workshops, Technical Assistance	70,704
	1.5	Institutionalization of the GoKP's 3D development approach for improved resource targeting, assessment and active learning for improvement in key public programs	21,885	21,885	21,885	21,885	168,343	UNDP	USAID	Technical Assistance, Equipment	255,881
	1.6	Design of institutional arrangement and governance mechanisms for strategic option monitoring and risk prediction and policy adaptation	166,239	237,469	236,943	204,537	187,703	UNDP	USAID	Technical Assistance, Workshops, Survey	1,032,890
	1.7	Designing high impact solutions and mainstreaming into key sectors, including through implementation support (proposed : 15 new SEPs prioritized in consultation with Government, as a subset of SEPs undertaken by the GoKP)	843,273	882,833	785,363	782,837	687,892	UNDP	USAID	Technical Assistance, Sessions, Survey	3,982,198

¹⁶ Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32

¹⁷ Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

	1.8	Capacity development of district administration and key line departments (at the provincial and district levels) to deliver services, with a focus on the SEP priority sectors	1,336,547	1,015,643	1,168,204	805,214	1,378,633	UNDP	USAID	Trainings, Technical Assistance, Equipment	5,704,242
	1.9	Capacity development of government officials on citizen-centric governance and citizens' participation in the planning, implementation, and monitoring of development interventions	39,981	23,147	23,147	51,555	39,981	UNDP	USAID	Technical Assistance, Survey	177,812
	1.11	Implementation of District Packages Program to ensure responsive and inclusive development at district and sub-division levels	69,442	68,600	68,600	68,600	47,557	UNDP	USAID	Technical Assistance, Trainings, Survey	322,798
	1.12	Special Emphasis Programmes(SEP)		1,500,000	1,500,000	1,500,000	1,500,000	UNDP	TBC	Technical Assistance, Workshops, Survey	6,000,000
	Sub-Total for Output 1		2,768,305	3,979,997	4,060,991	3,577,089	4,153,832				18,540,213
Output 2: Strengthened border governance and connectivity for a resilient Afghanistan-Pakistan border and contributing to regional stability and security Gender marker: GEN2	2.1	Diagnostic workshop sessions with key stakeholders: DCs, LEAs, Civil Defense and Relief Department etc	116,280	-	-	-		UNDP	FCDO	Trainings, Technical Assistance	116,280
	2.2	Consultations with relevant local, provincial and federal stakeholders	3,739	-	-	-		UNDP	FCDO	Sessions	3,739
	2.3	Community consultations and data collection to identify key systemic challenges	3,332	-	-	-		UNDP	FCDO	Consultations	3,332
	2.4	Innovation Fund with interventions in all 7 districts on systems and mechanisms for effective border governance	255,574	-	-	-		UNDP	FCDO	Equipment	255,574
	2.5	Boost District Commissioner performance to stabilize border districts	55,104	217,845	159,861	35,205		UNDP	FCDO	Trainings, Technical Assistance, Equipment	468,015
	2.6	Augment critical dispute resolution to stabilize border districts	6,999	14,111	9,482	2,371		UNDP	FCDO	Workshops, Sessions	32,963
	2.7	Design and implement discretionary funds, supporting the mission transition locally	2,371	6,943	3,556	677		UNDP	FCDO	Workshops	13,546

2.8	Strengthen and institutionalize Khuli Kachehri, enhancing citizens' access to the State	2,032	8,128	6,604	1,524		UNDP	FCDO	Workshops	18,288
2.9	Diagnostic workshop sessions with key stakeholders: DCs, Chambers of Commerce, Business Associations NADRA, Pakistan Customs, Ministry of Interior, MOFA, etc	110	-	-	-		UNDP	FCDO	Workshops	110
2.1.1	Consultations with relevant local, provincial and federal stakeholders	8,428	-	-	-		UNDP	FCDO	Consultative Sessions	8,428
2.1.2	Data collection for diagnostic study on border management and citizen perceptions	7,498	-	-	-		UNDP	FCDO	Technical Assistance and Survey	7,498
2.1.3	Re-open and upgrade systems of high demand crossing points for people and trade connectivity	112,076	491,449	448,089	107,210		UNDP	FCDO	Technical Assistance,	1,158,824
				100,000			UNDP	TBC	Workshops, equipment	100,000
2.1.4	Support to Afghan Inter-Ministerial Coordination Cell (AICC) for continued strategic dialogue on border connectivity and stabilization	7,225	25,851	22,126	5,306		UNDP	FCDO	Workshops, Surveys	60,507
2.1.5	Conduct studies and policy analysis for identifying and advocating medium to long-term policy options to strengthen geo-economic linkages and improve bilateral border management, trade and connectivity	2,822	16,876	17,215	4,177		UNDP	FCDO	Workshops	41,091
2.1.6	Streamline border security and management, regulatory regime and practices	8,692	83,874	35,559	3,499		UNDP	FCDO	Workshops, Survey, Equipment	131,625
				145,000			UNDP	TBC		145,000
2.1.7	Foster trader to trader (T2T) linkages for regional stability	1,016	23,367	9,482	677		UNDP	FCDO	Workshops, Software	34,543
				50,000			UNDP	TBC		50,000
2.1.8	Promote dialogue and linkages between public and private actors for high functionality border crossings	3,612	3,612	-	-		UNDP	FCDO	Workshops	7,22
2.1.9	Organize (xx number) community consultations with elders, youth and other key community stakeholders in pilot district(s)	21,066	-	-	-		UNDP	FCDO	Technical Assistance	21,066
2.2.1	Support district administration & police in establishing (xx number/type) of community engagement	1,536	-	-	-		UNDP	FCDO	Events/Sessions	1,536

2.2. 2	Conduct study on trust modulators and potential areas for economic amplification through border connectivity	134,019	-	-	-		UNDP	FCDO	Survey	134,019
2.2. 3	Build "sentinel communities" for improved border area resilience	105,524	387,235	375,614	93,903		UNDP	FCDO	Technical Assistance, Workshops	962,276
2.2. 4	Elected Village Committees (VC) will be supported to complement the formal State-led security provision. Border VCs will be strengthened with necessary infrastructure and equipment, members will be trained, and their governance and effectiveness enhanced by extending other necessary development and livelihood promoting services	180,674	234,877	18,067	-		UNDP	FCDO	Infrastructure (Prefab Offices)	433,618
2.2. 5	Extend governance and services to isolated/enclaved border villages vulnerable to security threats	-	272,959	92,510	508		UNDP	FCDO	Infrastructure	365,977
				365,000	365,000		UNPD	TBC		730,000
2.2. 6	Develop and support implementation of district specific border security plans	12,417	35,277	19,134	3,838		UNDP	FCDO	Workshops, Survey	70,667
				54,500			UNDP	TBC		54,500
2.2. 7	Implement initiatives for civic engagement, partnering with the community, including women and youth	1,016	55,994	92,099	24,591		UNDP	FCDO	Workshops, Survey	173,700
				27,093			UNDP	TBC		27,093
2.2. 8	Strengthening of Basic Health Unit (BHU) Torkham		8,579	137,495	2,032		UNDP	TBC	Infrastructure	148,107
2.2. 9	Establishment of Health Referral System		19,642	101,823	-		UNDP	TBC	Infrastructure	121,466
2.3. 1	Setting up an Isolation Centre for Infectious Diseases		6,322	131,400	22,577		UNDP	TBC	Equipment	160,298
2.3. 2	Pilot for design adaptation cross border vocational and technical training program		1,355	48,315	-		UNDP	TBC	Workshop, Survey, Sessions	49,670
2.3. 3	International Conference on Cross Borders		500,000		500,000		UNDP	TBC	Conferences	1,000,000
Sub-Total for Output 2		1,053,164	2,414,295	2,470,025	1,173,096					7,110,580

Output 3: Local Governance Systems are Functional and capacitated contributing to the delivery of basic services Gender marker: GEN2	3.1	Provide technical assistance in extending Qabail (tribal)-Led Development (QLD) to all Merged Areas. QLD is a district-level integrated area development initiative under TDS to involve community Jirgas (traditional community councils) in conducting the needs assessment, defining community priorities, and ensuring implementation and monitoring of development interventions.	429,485	473,886	513,657	460,629	429,485	UNDP	USAID	Technical Assistance, Survey, Software	2,307,142
	3	Enhance the capacity of elected representatives, including women, youth and other marginalized groups, in budgeting, planning, project formulation, and implementation.	82,067	43,264	35,647	36,699	31,438	UNDP	USAID	Trainings, Technical Assistance, Software	229,115
				750,000	750,000	750,000	750,000	UNDP	TBC		3,000,000
	3.3	Institutional development of VCs and establishment of VC 'campuses' to deepen the presence of the state and to incorporate leash social capital into local governance solutions	576,504	375,544	417,630	432,086	388,822	UNDP	USAID	Technical Assistance, Sessions	2,190,585
	3.4	Develop basic institutional 'nodes' for the first ever 19 municipal bodies; oOn-the-job training of TMA staff on budgeting and delivering improved services, as well as coordination with district administration, provincial government departments, and private sector	135,937	175,077	175,077	70,388	213,796	UNDP	USAID	Printing, Survey, Technical Assistance	770,275
	3.5	Support design and adoption of technological solutions for improved local government functioning, citizen engagement and service delivery	105,846	119,313	142,039	36,825	-	UNDP	USAID	Technical Assistance, Survey	404,023
	3.6	Develop and roll out an outreach and communication strategy about the local governance system	62,077	85,118	61,550	106,267	82,593	UNDP	USAID	Technical Assistance, Sessions	397,605
	3.7	Establishment of VC/NC offices.		422,625	281,750			UNDP	JAPAN	Infrastructure (Prefab Offices)	704,375
					250,000	250,000		UNDP	TBC		500,000
Sub-Total for Output 3			1,391,915	2,444,827	2,627,350	2,142,894	1,896,134	-	-	-	10,503,121
Evaluation (as relevant)	4.1	Evaluation	50,000			50,000		UNDP	TBC		100,000
Staffing and operations, including DPC	5.1	PMU and Operations	836,861	1,021,351	1,026,567	842,077	816,000		USAID, JAPAN, FCDO		4,542,856

General Management Support	@8%	488,020	788,838	814,795	622,812	549,277	UNDP	3,263,742
TOTAL								44,060,511

IX. Governance and Management Arrangements

MAGP II's governance and management approach is underpinned by a locally-driven and adaptive approach, pursuing iterative and responsive programming that reflects and responds to on-ground realities in the MAs. The programme will be aligned with the country level outcomes in the Country Programme Document (2023-2027) and UNDP's Strategic Plan (2022-2025), and implemented directly by UNDP Pakistan under a DIM modality in close collaboration with the GoKP and will formally commence after approval and formal signature by the Government of Pakistan (GoP) and UNDP. The Democratic Governance Unit at UNDP Pakistan will provide quality assurance and oversight role in accordance with UNDP Programme and Operations Policies and Procedure (POPP), working closely with other relevant project teams within the Country Office. The principal institutional beneficiaries of the Project are the Planning and Development, Home and Tribal Affairs and Local Governance Departments and the civil-society (including local traders and border communities) . Financial contributions to the Programme will be consolidated, coordinated, and administered by UNDP Pakistan, which will be subject to regular financial reporting throughout the duration of the Programme.

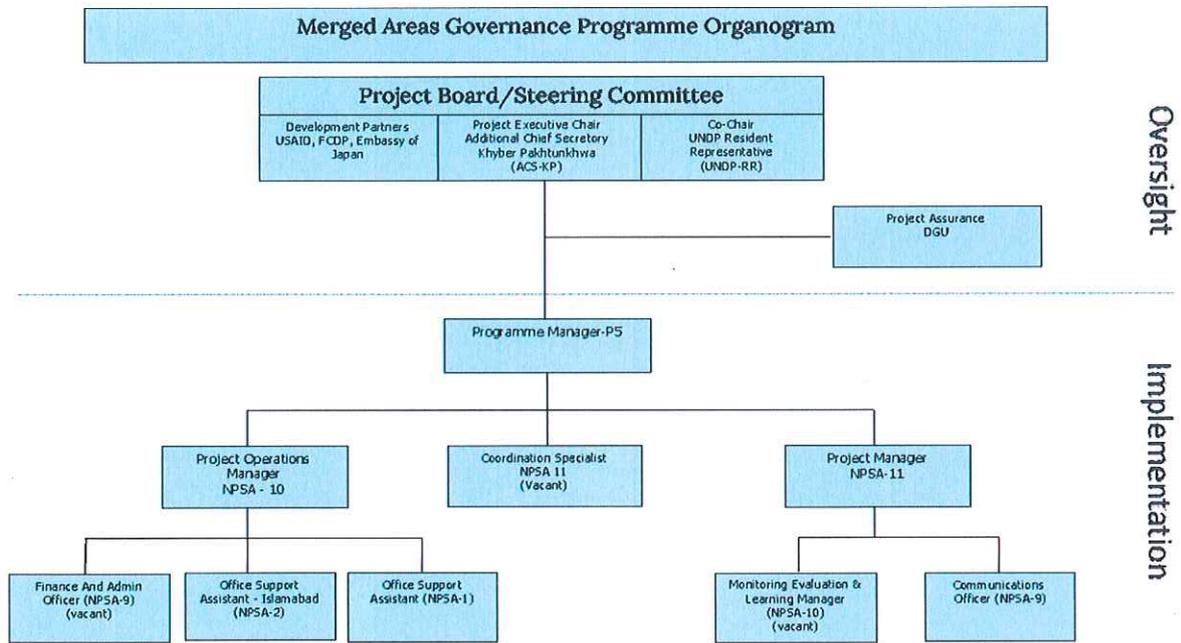
The project will be guided by a Project Review Board (PRB) in accordance with UNDP POPP. The Board will periodically review the Programme's progress and provide strategic guidance and oversight. Co-chaired by the Additional Chief Secretary (ACS) Planning & Development GoKP and UNDP Resident Representative (RR), the PRB will include relevant provincial and federal ministries, line departments (e.g. P&D, Home & Tribal Affairs and Local Government) and key development partners (including USAID and FCDO). The Economic Affairs Division (EAD) will be a key counterpart at the federal level. The committee shall meet on a bi-annual basis to:

- A. Review annual project progress;
- B. Approve annual outputs from the annual work plan;
- C. Avoid overlap and duplication with any other programs;

Special sessions of the Project Review Board may be called on an as-needed basis should any significant change to the project design or implementation be required. Meetings may be in person or virtual. PRB meetings may also be combined with other events when appropriate.

The Programme Manager (P5) will be responsible for overall Programme delivery and quality assurance of all activities. S/he will have principal budgetary and reporting responsibilities and will serve as the chief contact point for the Programme. The Democratic Governance Unit at UNDP Pakistan will also support the Programmes' internal quality assurance and oversight activities, working closely with other relevant project teams within the Country Office, as needed. Dedicated programme management and operations will be based in both Peshawar and Islamabad to support smooth management of project activities.

The proposed organization structure is illustrated below:



NPSA: National Professional Services Agreement

IX. Legal Context

The project document shall be the instrument envisaged and defined in the [Supplemental Provisions](#) to the Project Document, attached hereto and forming an integral part hereof, as “the Project Document”.

This project will be implemented by UNDP (“Implementing Partner”) 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.

X 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]¹⁸ [UNDP funds received pursuant to the Project Document]¹⁹ are used to provide support to individuals or entities associated with terrorism , that the recipients of any amounts provided by UNDP hereunder do not appear on the United Nations Security Council Consolidated Sanctions List, and that no UNDP funds received pursuant to the Project Document are used for money laundering activities. The United Nations Security Council Consolidated Sanctions List can be accessed via <https://www.un.org/securitycouncil/content/un-sc-consolidated-list>. 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. In the implementation of the activities under this Project Document, UNDP as the Implementing Partner will handle any sexual exploitation and abuse (“SEA”) and sexual harassment (“SH”) allegations in accordance with its regulations, rules, policies and procedures.

¹⁸ To be used where UNDP is the Implementing Partner

¹⁹ To be used where the UN, a UN fund/programme or a specialized agency is the Implementing Partner

6. 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.

7. 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 (each a "sub-party" and together "sub-parties") acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the sub-parties, and other entities involved in Project implementation, either as contractors or subcontractors and their personnel, and any individuals performing services for them under the Project Document.

(a) In the implementation of the activities under this Project Document, each sub-party shall comply with the standards of conduct set forth in the Secretary General's Bulletin ST/SGB/2003/13 of 9 October 2003, concerning "Special measures for protection from sexual exploitation and sexual abuse" ("SEA").

(b) Moreover, and without limitation to the application of other regulations, rules, policies and procedures bearing upon the performance of the activities under this Project Document, in the implementation of activities, each sub-party, shall not engage in any form of sexual harassment ("SH"). SH is defined as any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment. SH may occur in the workplace or in connection with work. While typically involving a pattern of conduct, SH may take the form of a single incident. In assessing the reasonableness of expectations or perceptions, the perspective of the person who is the target of the conduct shall be considered.

d. In the performance of the activities under this Project Document, each sub-party shall (with respect to its own activities), and shall require from its sub-parties (with respect to their activities) that they, have minimum standards and procedures in place, or a plan to develop and/or improve such standards and procedures in order to be able to take effective preventive and investigative action. These should include: policies on sexual harassment and sexual exploitation and abuse; policies on whistleblowing/protection against retaliation; and complaints, disciplinary and investigative mechanisms. In line with this, sub-parties will and will require that their respective sub-parties will take all appropriate measures to:

(i) Prevent its employees, agents or any other persons engaged to perform any services under this Project Document, from engaging in SH or SEA;

(ii) Offer employees and associated personnel training on prevention and response to SH and SEA, where sub-parties have not put in place its own training regarding the prevention of SH and SEA, sub-parties may use the training material available at UNDP;

(iii) Report and monitor allegations of SH and SEA of which any of the sub-parties have been informed or have otherwise become aware, and status thereof;

(iv) Refer victims/survivors of SH and SEA to safe and confidential victim assistance; and

(v) Promptly and confidentially record and investigate any allegations credible enough to warrant an investigation of SH or SEA. Each sub-party shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties with respect to their activities under the Project Document, and shall keep UNDP informed during the investigation by it or any of such sub-parties, to the extent that such notification (i) does not jeopardize the conduct of the investigation, including but not limited to the safety or security of persons, and/or (ii) is not in contravention of any laws applicable to it. Following the investigation, the relevant sub-party shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.

e. Each sub-party shall establish that it has complied with the foregoing, to the satisfaction of UNDP, when requested by UNDP or any party acting on its behalf to provide such confirmation. Failure of the relevant sub-party to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.

f. Each responsible party, subcontractor and sub-recipient will ensure that any project activities undertaken by them will be implemented in a manner consistent with the UNDP Social and Environmental Standards and shall ensure that any incidents or issues of non-compliance shall be reported to UNDP in accordance with UNDP Social and Environmental Standards.

g. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud, corruption or other financial irregularities, 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, anti-fraud and anti money laundering and countering the financing of terrorism policies are in place and enforced for all funding received from or through UNDP.

h. 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 (b) UNDP Anti-Money Laundering and Countering the Financing of Terrorism Policy; and (c) 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.

i. 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.

j. 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, corruption other financial irregularities 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.

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 corruption or other financial irregularities, or otherwise paid other than in accordance with the terms and conditions of the 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.

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, corruption or other financial irregularities, 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.

k. 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.

l. 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.

m. 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.

XI. ANNEXES

1. Project Quality Assurance Report

2. 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).*

3. Risk Analysis. Use the standard [Risk Register template](#). Please refer to the [Deliverable Description of the Risk Register](#) for instructions

4. Project Board Terms of Reference and TORs of key management positions. The standard Project Board TOR can be found [here](#).

5. On-Granting Provisions Applicable to the Implementing Partner²⁰. On-granting clauses for non-UNDP Implementing Partners can be found [here](#).

²⁰ Applicable for non-UNDP Implementing Partner as Grant Making Institution facilitating on-granting.