UNDP-NIO Clean Parks Project

PROJECT DOCUMENT

June 2023

Project Title: UNDP-NIO Clean Parks Project
Project Number: 00131986 (Project Award ID: 00144123, Output ID: 00131986)
Implementing Partner: Nanjing Institute of Environmental Sciences, MEE
Start Date: June 28 2023 **End Date:** July 31 2025 **PAC Meeting date:** April 24, 2023

Brief Description
Biodiversity loss & climate change are two intertwined and interacting environmental issues that are closely related to the supply chain management of the automobile manufacturing industry, greenhouse gas emissions from its production and use, and the potential environmental pollution of waste batteries as well. The objective of this project is "to improve the management of natural reserves/national parks and strengthen their biodiversity conservation and climate change response efforts by encouraging private sector investment in nature conservation, particularly by guiding the automotive industry to implement green supply chains and pilot renewable energy solutions". Respect for human rights, the advocation of gender equality, and the enhancement of women's empowerment will be upheld and practiced during the implementation. Specifically, this project will also aim to support youth and women to enhance their awareness, knowledge and skills that leads to better conservation and resource governance outcomes. This project including three components. The theory of change has been adopted in the document development of the project which aims to achieve eight outputs and three outcomes within three years through effective management, monitoring, and evaluation of 18 specific activities. The total budget for this project is RMB 4,800,000 (about USD 697,979). This project will build up the synergistic mechanism between biodiversity conservation and climate change response, as well as an energy self-circulation system construction in the pilot Shanghai Chongming Dongtan National Nature Reserve and Shandong Yellow River Delta National Nature Reserve. The project design and implementation will be done via a participatory manner involving all stakeholders, especially women and youth, ensuring the decision is made through a risk-responsive approach. The project will also actively explore scale-up opportunities in China.

Contributing Outcome (UNDAF/CPD, RPD or GPD):
CPD 2021-2025 Outcome 2: People in China and the region benefit from a healthier and more resilient environment.
Indicative Output(s): Refer to Results Framework Section
Gender Marker: GEN 2

Total resources required:	RMB 4,800,000 (about USD 697,979)	
	UNDP TRAC:	0
	Donor:	RMB 4,800,000
	Government:	0
	In-Kind:	0
Unfunded:	0	

Agreed by (signatures):

UNDP	Implementing Partner
Print Name: James George Deputy Resident Representative UNDP in China	Print Name: Liu Guocai Liu Guocai Director General Nanjing Institute of Environmental Sciences, MEE
Date: 2023.6.28	Date: 2023.6.28

LIST OF ACRONYMS

ABD	Asian Development Bank
BSAP	Biodiversity Strategies and Action Plan
DA	Donor Agency
DNRSP	Department of Natural Resources of Shandong Province
FECO	Foreign Environmental Cooperation Center
GEF	Global Environment Facility
IA	Implementing Agency
IEA	International Energy Agency
MEE	Ministry of Ecology and Environment
M&E	Monitoring and Evaluation
NFGA	National Forestry and Grassland Administration
NIES	Nanjing Institute of Environmental Sciences (NIES), MEE
NIM	National Implementation Modality
PDDT	Project Document Design Team
PMO	Project Management Office
PPR	Project Progress Report
PSC	Project Steering Committee
SCDNRC	Shanghai Chongming Dongtan Nature Reserve Management Affairs Center
SDYRNRC	Shandong Dongying Yellow River Delta National Nature Reserve Management Committee
SLCAAB	Shanghai Landscaping and City Appearance Administrative Bureau
UNFCCC	United Nations Framework Convention on Climate Change

I. DEVELOPMENT CHALLENGE

1.1 Development Context

The automobile industry is a pillar industry of China's national economy, featuring highly intensive production factors such as capital, resources, and technology. Its healthy development is closely related to China's economic growth and the improvement of people's livelihoods. As estimated by the National Development and Reform Commission, the total output value of China's automobile industry exceeded RMB 10 trillion (approximately 1.52 trillion dollars in USD) in 2021, accounting for nearly 10% of the country's GDP.

Biodiversity loss and climate warming are two global environmental issues facing humanity today. The "*Post-2020 Biodiversity Framework*" has clearly identified restoring degraded ecosystems, reduced environmental pollution, and mitigated the impact of climate change on biodiversity as action goals for the next decade. It is also stated in Article 4 of the *Paris Agreement*, which says that to advance greenhouse gas emissions reduction, the global average temperature rise will be controlled within 2 degrees Celsius this century. The raw materials required for automobile manufacturing (such as metals, glass, rubber, plastics leather) not only involve production activities closely related to biodiversity such as mining operations or rubber plantations but also vehicle uses directly contributes to oil and gas resource development and greenhouse gas emissions.

In order to effectively conserve biodiversity and actively respond to climate change, in the recent decade, Chinese government has strongly supported new energy vehicles, mainly electric vehicles; actively promoted their use in public transportation systems in many urban areas across China, in addition to some natural reserves/national park tourism transport systems. China's electric vehicles have already shown positive results in reducing greenhouse gas emissions, showing by preliminary calculations that greenhouse gas emissions from China's electric vehicles have been reduced by about 35% compared with traditional gasoline vehicles. In addition, the International Energy Agency (IEA) points out that carbon dioxide emissions will increase by nearly one billion tons without widespread use of renewable energy sources or electric vehicles.

Biodiversity loss & climate change are intertwined and interacting environmental issues that involve many stakeholders in the automobile industry. Mainstreaming of biodiversity and climate change requires guidance and promotion from competent government departments and conservation agencies, but more importantly active participation of production sectors/companies, especially private ones. Therefore, It will be of great significance for China to address the dual crisis of climate change and biodiversity loss by implementation of national and local policies, such as reasonable planning and use of natural resources, comprehensive advocacy for green production & consumption, accelerating the decarbonization of the entire automotive industry chain, exploring and demonstrating synergistic governance mechanisms for biodiversity conservation in nature reserves/national parks.

In China, since 2014, new energy vehicles have also shown a high-speed growth trend and have ranked first in global electric vehicle sales for six consecutive years. According to statistics, the production, and sales of new energy vehicles in China increased from 341,000 and 331,000 respectively in 2015 to 3.545 million and 3.521 million respectively

in 2021. China and Europe together contributed more than 85% of the global electric vehicle sales volume. As of the end of September 2022, China's stock of new energy vehicles reached 11.49 million units, accounting for 3.65% of the total vehicle stock. Among them, the number of pure electric vehicles is 9.26 million, accounting for 80.56% of the total new energy vehicles. It is expected that by 2030, China's pure electric vehicles will reach 80 million.

Women constitute almost half of the world's population, but the gender dimension in biodiversity and climate action is often overlooked. For example, only 33 percent of decision-making positions at the United Nations Framework Convention on Climate Change (UNFCCC) are occupied by women, and globally, at the level of governments and other institutions this percentage is even lower[1]. Not only is this unjust, but it is also unwise. A growing body of literature shows that women demonstrated a higher social preference towards pro-environmental behaviors. For example, a 2022 study by Asian Development Bank (ABD) found that women in China tend to show higher social preference and care for environment issues, but only in areas that they are aware and sufficient information, such as daily consumption and daily household issues.

The objective of the project is to "improve the management of nature reserves/national parks and strengthen their biodiversity conservation and climate change response efforts by incentivizing private sectors to invest in nature conservation, particularly by guiding the automotive industry to implement green supply chains and pilot renewable energy solutions." Besides, this project will also seek to support women to enhance their awareness, knowledge and skills that leads to better conservation and resource governance outcomes.

1.2 Introduction to the two proposed pilot nature reserves/national parks

During the survey and visit, two reserves expressed their interest in participating in the project. However, if these two nature reserves/national parks are unable to collaborate for reasons after multiple consultations, other pilot nature reserves/national parks will be selected for the project.

- **Shandong Yellow River Delta National Nature Reserve:** established in October 1992 with the approval of the State Council, it is a wetland nature reserve primarily dedicated to protecting the ecological system of the new wetlands and rare and endangered birds at the Yellow River estuary. Covering a total area of 153,000 hectares, it is situated at 118°33'-119°207'E and 37°35'-38°12'N and divided into the northern and southern areas. The southern area is located at the current estuary of the Yellow River, while the northern area

[1]https://www.wecf.org/intrinsically-linked-gender-equality-climate-and-biodiversity/

is situated at the estuary of the former course of Yellow River that was diverted in 1976.

The nature reserve is situated on a marine sedimentary plain in a warm-temperate zone with a continental monsoon climate. It is a home to 1,627 species of wildlife, including 368 bird species. Among them, there are 12 national first-class protected bird species such as red-crowned cranes, great bustards, and oriental white storks, and 51 national second-class protected bird species such as common cranes, whooper swans, and mandarin ducks. The reserve also has 685 plant species, with seepweeds, tamarisks, and bluish dogbanes widely distributed. Reeds are concentrated in an area of 400,000 mu (about 600 hectares), while the national second-class key protected plant wild soybean is concentrated in an area of 65,000 mu (about 97 hectares).

The nature reserve's management organization comprise nine functional departments, namely, the Party and Government Office (Organization and Personnel Section), Party Committee, Finance Bureau, Resource Management Section, Legal and Safety Management Section, Tourism Management Department (Planning and Construction Section), Scientific Research Center, Eco-Tourism Center, and Ecological Monitoring Center.

- **Shanghai Chongming Dongtan National Nature Reserve:**

established in 1998 with the approval by the Shanghai Municipal People's Government, it is located at 121°50'-122°05'E and 31°25'-31°38'N, with a total area of 241.55 km^2.

The nature reserve is situated in the northern subtropical monsoon climate zone and is located in the middle of the East Asian-Australasian Flyway. Its main focus is on protecting water birds and wetland ecosystems. The nature reserve is home to 116 bird species, making up one-tenth of China's total bird species. Notably, Dongtan once hosted 3,000-3,500 overwintering tundra swans, a species that enjoys national second-class protection. In addition, there are 2-3 million of migratory birds passing through from Australia, New Zealand, Japan, and other countries. Dongtan and nearby waters are breeding grounds and migration channels for aquatic animals.

The Management Department of the reserve has the Office, Law Enforcement Center, Scientific Research Center, Community Affairs Management Center, Environmental Education Center, and five management and protection stations under its jurisdiction.

II. STRATEGY

2.1 Problem Analysis: Environmental issues related to the automotive industry

In the lifecycle of automobiles, the upstream industries mainly involve the collection and

processing of multiple raw materials such as metals, rubber, plastics, glass, leather, etc. The midstream industries involve automobile parts manufacturing and vehicle assembly while the downstream industries include automobile sales and supporting after-sales services. Many industries in the automotive industry chain are closely related to biodiversity and climate change. In particular, upstream industries directly or indirectly have adverse effects on biodiversity. Direct environmental issues identified below (more details in Annex 1 Background info and root cause analysis):

- **Issue 1:** The metal materials required for automobile manufacturing can cause habitat destruction.
- **Issue 2:** Strong demand for leather material used in automobiles can lead to excessive grazing on grasslands, resulting in a decline in the ecosystem's multiple service functions.
- **Issue 3:** Tire production can lead to tropical rainforest destruction, vegetation homogenization and severe species richness decline.
- **Issue 4:** The manufacturing and use of automobiles can lead to environmental pollution and greenhouse gas emissions.
- **Issue 5:** There are potential environmental risks associated with preparing and recycling new energy electric vehicle batteries.

2.2 Root Cause Analysis

The root causes for China's biodiversity and climate change problems are multifaceted, involving national legislation and policies, government regulation, functional coordination, as well as the participation of enterprises and civil society in mainstreaming biodiversity and climate change. Improvements in these areas all involve a core issue: **the need to further enhance the effectiveness of China's governance of biodiversity and climate change.** Based on some research results and the findings from this project field survey, the following preliminary analysis is provided regarding the Tree Analysis Diagram for Environmental Issues (Figure 1) at both national and enterprise levels for this core issue.

2.3 Barrier Analysis

In recent ten years, practical experience has shown that mainstreaming efforts aimed at conserving China's biodiversity along with addressing climate change depend mainly on the level of capacity building achieved by government functional departments at all levels, nature reserve agencies, enterprises, and social organizations in addition to political, economic, social, and cultural environments, etc. With regard specifically to this project's implementation components, key barriers (Figure 1) affecting its goals and outcomes.

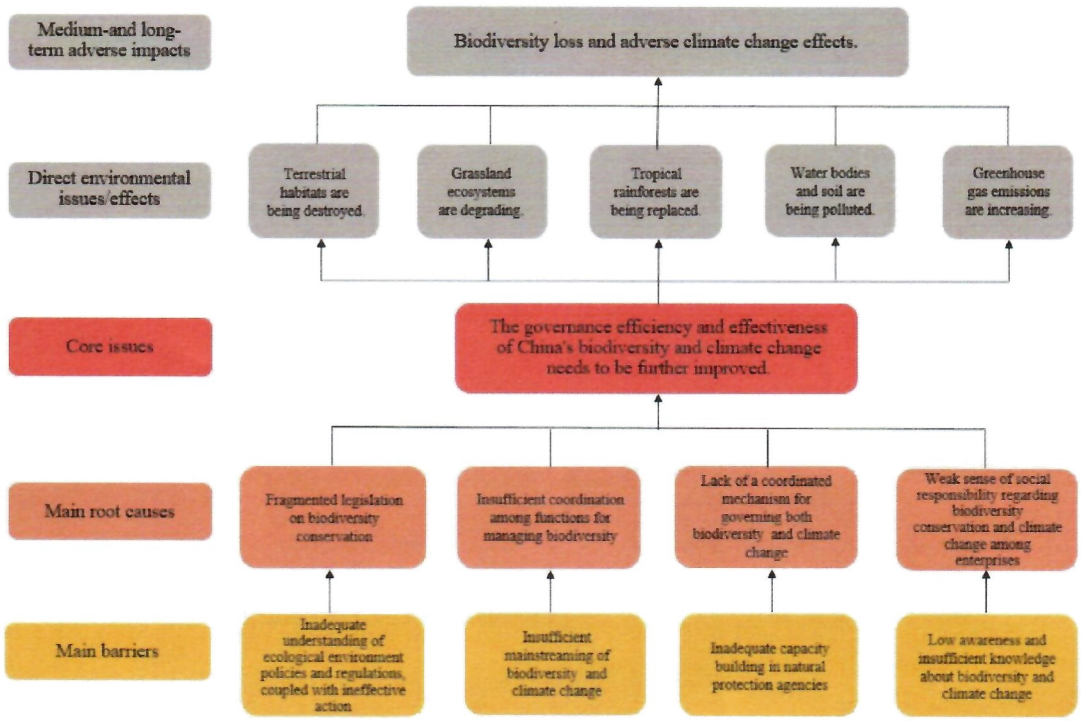


Figure 1: Tree Analysis Diagram for Environmental Issues

2.4 Project Strategy

The project strategy is based on the Theory of Change (TOC, see Figure 2) into which there are five assumptions incorporated namely, persistent implementation of the "ecological civilization" concept, ongoing improvement and updating of ecological and environmental policies and regulations related to the automotive industry, steadily increasing sense of social responsibility among automotive companies, willingness of nature conservation organizations to try innovative management approaches, and continuous promotion of inclusive involvement of women and young people over the next five years in China.

The TOC recognizes that the 8 meticulously designed outputs and 18 specific activities of the project (see Section 4.3 of this chapter) will provide robust support for the realization of its outcomes. It highlights that the project's activities, outputs, and outcomes will be managed, monitored, and evaluated in a transparent and accountable manner, ensuring the achievement of the objective during the implementation period and the generation of medium to long-term positive impacts. It also champions respect for human rights, gender equality, and women empowerment, particularly emphasizing the direct involvement of females and young people in project-related activities and decision-making processes, designating funds to facilitate their involvement.

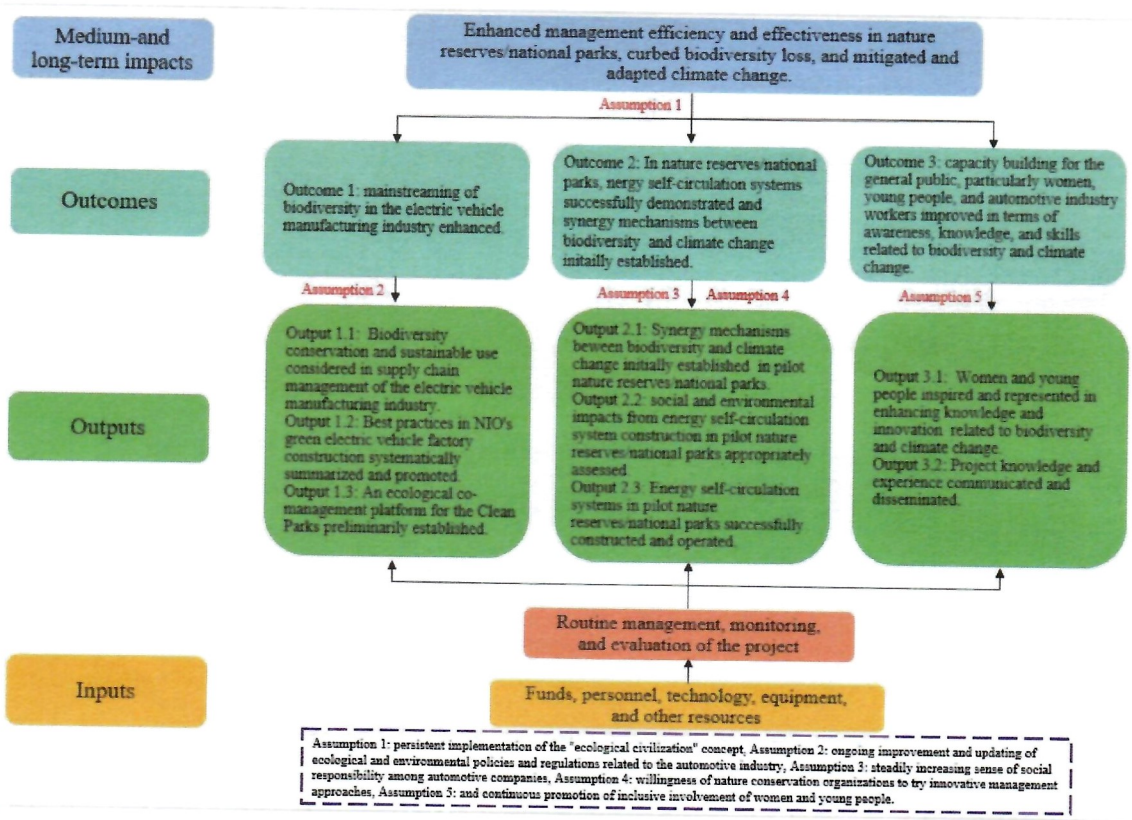


Figure 2: Theory of Change for the Project

III. RESULTS AND PARTNERSHIPS

3.1 Expected Results

The project result framework has been prudently designed based on the baseline investigation (Annex 2) by the experts. In the project implementation cycle, the following outcomes will be achieved:

- **Outcome 1-** Mainstreaming of biodiversity in the electric vehicle manufacturing industry enhanced.
- **Outcome 2-** In nature reserves/national parks, demonstration of energy self-circulation systems successfully demonstrated and framework of synergy mechanisms between biodiversity and climate change developed; (e.g., greenhouse gas emission reduction, carbon sink management); and
- **Outcome 3-** capacity building for the general public, particularly women, young people, and automotive industry workers improved in terms of their awareness, knowledge, and skills on the biodiversity and climate change.

The project is designed effectively through the participatory approach with all the relevant stakeholders involved. During the field research and subsequent discussions conducted by the project document development team, the interviewed organizations (including NIO, local competent government departments for nature conservation, and potential pilot nature reserves/national park management agencies) and other stakeholders expressed their hope/requirement that **the following guiding principles be taken into account to design specific outputs/services for the project:**

- providing guidance for green supply chain management in the automotive manufacturing industry;
- summarizing and promoting best practices in electric vehicle green factory construction;
- fostering channels of business communication, information sharing, and resource support between companies and nature conservation organizations;
- combining energy self-circulating system construction with research and patrol activities in nature reserves/national parks;
- acknowledging that biodiversity and climate change synergistical governance is a new issue requiring proactive exploration and small-scale pilots; and
- further promoting capacity building for public awareness and knowledge on biodiversity and climate change, particularly for enterprises, women, and young people.

Based on these guiding principles and suggestions from some stakeholders regarding the project's outputs and activity design, the project document design team has planned a total of 8 outputs under the three aforementioned outcomes, along with key activities for each output, to effectively support the achievement of the project's outcomes during its implementation period. Refer to the Multi-Year Workplan (Annex 10) for the details of outcomes, outputs, and activities.

NIO Ltd is expected to provide some recycled vehicles, sign agreements with nature reserves, and deliver services such as maintenance. NIO Ltd plans to install charging piles and batteries. The procurement and installation of roof-top solar PV panels is expected to be supported by the pilot natural reserves or financed through other channels. The nature reserves will be fully responsible for small-size infrastructure supporting energy self-circulation system.

3.2 Resources Required to Achieve the Expected Results

To achieve the expected objectives of this project, this project will be covered by the

NIO's contribution of RMB 4,800,000 (about USD 697,979, exchange rate: 6.877). This project will be implemented as a NIM (National Implement Modality) project. UNDP China will be responsible for monitoring the whole process to align with the overall objective of the project, deliver results and targets identified in this Project Document, make sure the process follows the standard procedure and coordinate this project with relevant UNDP-GEF programmes/projects to achieve greater biodiversity and climate benefit. To this end, the DPC and GMS will be charged.

3.3 Risks and Assumptions

During the field survey and visit of this project, its document design team initially identified potential risks that may be involved during its implementation (Table 1, also see Annex 4 and 5). All these risks are low-level. The assumptions on which the project is based included in its Theory of Change (Figure 2).

Table 1: Main risks and their response measures

Risk	Level	Prevention and mitigation measures
Risk 1: The lack of coordination mechanisms in the participating agencies/partners.	Low	The project will establish PSC for overall coordination and decision making. PSC is composed of representatives from NIES, UNDP, NIO, Shanghai Chongming Dongtan NNR, Shandong Yellow River Delta NNR and line departments and relevant experts. The PSC is responsible for monitoring the progress, reviewing annual work plan and providing technical input and advices. Once the annual work plan is formally approved under the leadership of PSC, PMO will be responsible for ensuring coordination and cooperation among all agencies or units.
Risk 2: The established standard/guideline on the biodiversity-friendly supply chain management and Synergistic framework (text) for biodiversity conservation and climate change response from this project will not be widely agreed and accepted by smart car enterprises or stakeholders in the future.	Low	The China National Institute of Standardization could support to develop and optimize the potential criterion at the national level for establishment of group standard/guideline. The project also provides workshops and meetings to discuss and dialogue among stakeholders. Thus, this risk has been resolved in the project design stage.
Risk 3: The project fund, donated vehicles, and supporting facilities for the energy self-circulation system were not timely or did not meet the requirements stipulated in the agreement, which affected the implementation of the project according to plan.	Low	UNDP should ensure the fund could be timely transferred to NIES. NIO should ensure that the project funds, vehicles could be timely delivered. NIES should make sure the project to be implemented effectively to apply for the budgets according to UNDP's finance requirements.
Risk 4: Employees in the	Low	(1) UNDP will provide support on gender

automobile industry (including women and youth) may not have enthusiasm for participation.		mainstreaming, the NIES will recruit a gender expert to provide support on this. (2) Local governments/industry associations will mobilize and organize employees of automobile companies to participate in activities related to this project, especially training and publicity activities, and give commendations, certificates of honor, and/or appropriate material rewards. (3) High-level experts will be organized to develop easy-to-understand training materials with pictures and texts. Lecturers who can teach vivid, interesting, and interactive lessons should be employed. (4) Relevant news media will be organized to interview the relevant event participants to increase their popularity and sense of honor

3.4 Partnership

See below table 2.

Table 2: Roles of key stakeholders in this project

Key partners	Key roles in this project
Ministry of Ecology and Environment	Provide policy guidance on ecological environment protection, biodiversity conservation and climate change response
National Forestry and Grassland Administration	Provide policy guidance on species conservation and nature reserves/national parks, advice and coordination for screening pilot nature reserves/national park
UNDP	Implementing agency of this project, and the project steering committee (PSC) member
Nanjing Institute of Environmental Sciences (NIES) of the Ministry of Ecology and Environment	Executing agency of this project, and the project steering committee (PSC) member
NIO Ltd.	Project donor (including provision of the recovered vehicles), confirming the pilot nature reserves /national parks, and directly participating in project implementation, and the project steering committee (PSC) member
Department of Natural Resources of Shandong Province	Recommending Shandong Nature Reserve/National Parks for pilot, not directly involving in the implementation of this project; providing guidance during the future project implementation
Shanghai Landscaping and City Appearance Administrative Bureau	Recommending Shanghai Nature Reserves/National Parks for pilot, not directly involving in the implementation of this project;

	providing guidance during the future project implementation
Shanghai Chongming Dongtan Nature Reserve Management Affairs Center	A project pilot institution, directly participating in project pilot, and the project steering committee (PSC) member
Shandong Dongying Yellow River Delta National Nature Reserve Management Committee	A project pilot institution, directly participating in project pilot, and the project steering committee (PSC) member

3.5 Stakeholder Engagement

From January to March 2023, the project's design team conducted surveys through symposiums, on-site visits and personal communication at Hefei NeoPark, Anhui Gujingyuan National Nature Reserve, Anhui Anqing Caizihu National Wetland Park, Shanghai Chongming Dongtan Birds National Nature Reserve, and Shandong Dongying Yellow River Delta National Nature Reserve. The surveys mainly cover the following topics:

- Functional/business positioning and capacity building of stakeholders;
- Stakeholders' perception of synergistic governance of biodiversity and climate change;
- Stakeholders' overall views on the willingness, needs and benefits of engaging in the project;
- Stakeholders' suggestions on the pilot contents and activity design of this project.

During the surveys, a total of 5 symposiums and 4 field investigations were conducted, involving 6 organizations and 40 participants (including 19 women and 12 young people). Main findings from these surveys (see Annex 8 for details) are summarized as follows:

- **Awareness of biodiversity, climate change, gender equality and new energy electric vehicles:** Overall, most of the respondents know about biodiversity, climate change, and new energy electric vehicles. However, they do not understand the inherent relationship between the manufacturing of new energy electric vehicles and biodiversity conservation or the synergistic governance of biodiversity and climate change. Moreover, women's role in biodiversity conservation, climate action and sustainable production and consumption needs to be further recognized and supported with dedicated interventions.

- **Willingness and attitude to participate in this project:** Anqing Caizihu National Wetland Park Conservation Center, Shanghai Chongming Dongtan Nature Reserve Management Affairs Center, and Shandong Dongying Yellow River Delta National Nature Reserve Management Committee all showed high willingness to engage in pilot of this project while Anhui Gujingyuan National Nature Reserve showed unwillingness for internal considerations.
- **Main needs for and benefits from this project:** The pilot institutions have expressed the following as their major needs for this project: First, they hope to equip as many vehicles as possible for routine patrol and scientific monitoring; Second, the issue of the right to use and ownership of the vehicles shall be clarified; Third, the specific requirements for energy self-circulation system construction shall be clarified; Fourth, financial or technical support for the follow-up maintenance, repair and others of the donated vehicles shall be provided; Fifth, they expect guidance from the project execution agency and implementation agency on the project implementation; and Sixth, formal letters and documents are requested in the follow-up considering international involvement in the project.

- **Possible barriers in the project implementation:** As stated by the respondents, on the whole, no political, legal, or policy barriers are present in the local implementation of this project, but some difficulties and concerns, for example, lack of human resources and knowledge & skills, property rights of donated vehicles, inadequate R&D equipment, and siting of the energy self-circulation system.
- **Opportunities for women and youth to participate:** All respondents stated that they and their organization do not discriminate or hold any bias towards individuals of different genders, ages, ethnicities, or ownership structures participating in this project, and respect for human rights as well. They hope that the implementation of the project can effectively enhance awareness, knowledge

and skills of youth and women particularly women's empowerment in the field of biodiversity conservation. Furthermore, this project will take measures to support women and youth's enhanced and effective participation in decision-making and implementation of biodiversity and environment governance.

As for benefits from the project, most respondents believe that participating in the project can demonstrate the sense of political responsibility that the local governments and nature conservation agencies have shouldered for the synergistic governance of biodiversity conservation and climate change, improve local public awareness of environmental protection and enhance the routine management of pilot institutions in patrol, monitoring, fire prevention, and publicity. In addition, the project will also improve popularity of NeoPark of NIO Ltd, thereby expanding the market shares.

3.6 Knowledge Management

The project will come out at least a series of knowledge products, including: Analysis and assessment reports on the impacts of supply chains of the electric vehicle manufacturing industry on biodiversity, biodiversity-friendly supply chain management guidelines, Summary report on the best practices of the green electric vehicle factory construction, Synergistic framework (text) for biodiversity conservation and climate change response in nature reserves/national parks, Assessment report (with suggestions) of social and environmental impacts from energy self-circulation systems, etc..

These knowledge products and best practices will be further polished, communicated and scaling up through workshops and activities to share with others.

3.7 Sustainability and Scaling Up

The highlight of this project is The Clean Parks ecological co-management platform to encourage other enterprises and stakeholders to join in conservation, and the practices in the sustainable supply chain of smart car industry, which would make sure the project has sustainable impact. Meanwhile, the replicable and scalable achievements of this project mainly focus on best practices and experience at the level of its pilot nature reserves/national parks, including the synergistic governance of biodiversity and climate change, the construction and operation of energy self-circulation system, and Clean Parks ecological co-management platform. The areas to be replicated and promoted mainly include: to replicate the results of this project in nature reserves/national parks, for instance, the Qilian Mountain National Park， etc.; to make more automobile companies participate the governance of biodiversity and climate change in nature reserves/national parks through Clean Parks' ecological co-management platform by donating money and goods.

The scalability of the synergistic mechanism framework for biodiversity conservation and climate change response in this project is not limited by the type or location of nature reserves/national parks but may have special practical value and feasibility for the types and regions that are sensitive to climate change. Based on the achievements of this project, different types of nature reserves/national parks can carry out innovative approaches according to their natural and socio-economic conditions, conservation goals,

scientific research tasks and facilities, management regulations and mechanisms, and financial and human resources.

As for the best practices for the construction and operation of energy self-circulation systems (including electric vehicles, charging facilities, energy storage facilities, etc.) in nature reserves/national parks of this project, can be replicated in other protected areas.

The Clean Parks ecological co-management platform, which has been initially established in this project, can provide a good channel for information exchange and experience sharing for other vehicle companies that are interested in participating in biodiversity and climate change actions. Besides, it is a good platform for more electric vehicle companies to demonstrate their social responsibility for nature conservation. Therefore, the best practices and experience of this project will have broad prospects for promotion and replication across China.

IV. PROJECT MANAGEMENT

4.1 Cost Efficiency and Effectiveness

This project will leverage more resources and align with other UNDP-GEF projects to ensure the Cost Efficiency and Effectiveness

(1) GEF project - Strengthening the protected area network for migratory bird conservation along the East Asian-Australasian Flyway (EAAF) in China

The GEF project (referred to as the "Migratory Bird Conservation Project") is implemented by the United Nations Development Program (UNDP) and executed by the National Forestry and Grassland Administration (NFGA). The project period is from December 2020 to December 2026. The pilot sites of the project highly overlap with those of the "Migratory Bird Conservation Project". The GEF project and this project will complement each other. The outcomes and outputs of this project, especially those related to corporate involvement in the capacity building of nature reserves, will provide strong support for the implementation of the GEF project. UNDP will provide support for the coordination between this project and the GEF project, especially in the technical exchange on effectively improving wetland nature reserve management and mainstreaming biodiversity.

(2) China's Protected Area Reform (C-PAR) for Conserving Globally Significant Biodiversity funded by GEF-6

The six child projects of C-PAR, supported by the UNDP and the Foreign Economic Cooperation Office (FECO) of the Ministry of Ecology and Environment, have been approved by CEO of GEF. The launched C-PAR project will offer a valuable opportunity for this project, providing technical support as well as knowledge exchange and coordination mechanisms. It is expected that the C-PAR project will further promote the establishment of new protected areas to expand China's protected area system. In the later expansion stage, it is possible to include this project into the C-PAR project as a demonstration site. This will enable mutual support between the two projects in promoting biodiversity through enterprise support. During this process, UNDP will provide support to coordinate between this project and the GEF project.

4.2 Tasks and Roles

According to the United Nations Sustainable Development Cooperation Framework and Country Programme Document signed between UNDP and the Chinese government, the project is implemented in accordance with the UNDP National Implementation Modality (NIM).

The implementing partner of this project is the Nanjing Institute of Environmental Sciences, MEE, who is a research and management agency entrusted by UNDP, which is responsible for implementing the provisions in this signed project document, accepting UNDP assistance and effectively using UNDP resources to achieve project output. The project implementation partner is responsible for the execution of the project. Specific tasks include:

- Project planning, coordination, management, monitoring and reporting.

These includes providing the information and data needed for timely, comprehensive and evidence-based project reports, as well as results and financial data when necessary. The implementing partners will try their best to ensure that the projects carried out consistent with the national system, so that the data used and generated by the project supports the national system. Potential crisis management is as outlined in the project document.

- Procurement of goods and services including human resources.
- Financial management, including supervision of financial expenditures according to project budget; approval and signing of multi-year work plans.
- Sign financial report or own authorization and proof of expenditure
- Coordination and preparation with UNDP for TE
- Monitor and collect data for gender-disaggregated for gender-related indicators and provide information in the project annual progress report, evaluation and reports on progress of related indicators and results

The Nanjing Institute of Environmental Sciences, MEE are responsible for implementing whole project throughout and the daily management of all project activities. A PMO will be set under the management by NIES. The UNDP China Office would supervise the management and implementation of the project.

UNDP's role: UNDP as quality assurance agency will communicate and collaborate fully with all project partners and stakeholders to ensure that the design and implementation of this project comply with UNDP's policies, regulations, and procedures related to project

management (including technical guidelines, fund expenditure, risk response, social environmental impact, monitoring and evaluation, complaints etc.). UNDP will maintain contact, communication, and coordination with NIO to ensure the timely disbursement of funds according to the agreement, etc.

PMO's role: PMO is responsible for the daily management of this project. Under the leadership of PSC and coordination of the head of the PMO, the Project Manager (PM) and the Project Assistant will be fully responsible for the specific implementation of plan, recruitment, procurement, liaison, knowledge management, communication, publicity, monitoring and evaluation, reporting, finance etc.

In response to concerns for data and lessons by the PAC meeting, the PMO, in close collaboration with stakeholders and partners, will determine how and when data/information to be collected, by who data/information to be provided/produced, and at the same time will require CA/other PMO members to verify their accuracy, reliability, completeness and sources, and how to disclose will be decided with PSC approval. Besides, PMO members will also go out of the office to visit some sites/key persons which delivers data/information to help them deal with difficulty in data collection and verification of the project. The lessons learned by the project will be fully shared among different actors using workshops, meetings, training, campaign, field visits, publications, news etc., and applied to guide or improve the biodiversity conservation practices at governmental and technical levels. In particular, they will be integrated into the Actions of the Chinese Ecological Civilization which is an integral part of overall layout in the Chinese economic, political, cultural, social and ecological progress.

V. RESULTS FRAMEWORK

Intended Outcome as stated in the UNDAF/Country [or Global/Regional] Programme Results and Resource Framework: Outcome 2: People in China and the region benefit from a healthier and more resilient environment.

Outcome indicators as stated in the Country Programme [or Global/Regional] Results and Resources Framework, including baseline and targets:

Indicative Indicator 2.2.a: GHG/ODS emissions in target areas.
Baseline: 1,931.10 Ozone-depletion potential (ODP) tons (2020) Target: 1,149.73 ODP tons (2025)

Indicative Indicator 2.2.b: Size of protected areas and other effective area- based conservation measures (hectares).
Baseline: tbd (2020) Target: tbd (2025)

Indicative Indicator 2.3: Number of pilots with adopted sustainable and gender-sensitive biodiversity-friendly approaches and practices.
Baseline: 0 (2020) Target: 5 (2025)

Applicable Output(s) from the UNDP Strategic Plan:
SP Output 4.1 Natural resources protected and managed to enhance sustainable productivity and livelihoods
SP Output 4.2 Public and private investment mechanisms mobilized for biodiversity, water, oceans, and climate solutions

Project Title: UNDP-NIO Clean Parks Project

EXPECTED OUTPUTS	OUTPUT INDICATORS	BASELINE		TARGETS (by frequency of data collection)		DATA COLLECTION METHODS & RISKS
		Value	Year 2023	Year 2024	Final 2025	
Outcome 1: Mainstreaming of conservation in private sector and building of ecological co-management platform for Clean Parks						
Output 1.1: Biodiversity conservation and sustainable use considered in supply chain management of the electric vehicle manufacturing industry	1. To release the biodiversity-friendly supply chain management guidelines for the electric vehicle manufacturing industry	No guidelines	2023	- Draft of the guidelines	One copy of the management guideline prepared and released	Proof from government, departments or industry associations on the guideline release

	# Number of trainees (30% of female)	0	2023	- 300 trainees (including 20 from the management and 280 from the front line, at least 150 women)	1,000 trainees (including 50 from the management and 950 from the front line, at least 300 women)	Trainee evaluation sheet and news report
Output 1.2: Best practices in NIO's green electric vehicle factory construction systematically summarized and promoted.	3. # Number of recommendations for improvement accepted by NIO Ltd	0	2023	Recommendations proposed	3 Recommendations for improvement that have been accepted and executed	PowerPoint slides from conferences
Output 1.3: An ecological co-management platform for the Clean Parks preliminarily established.	4. To convene the first Clean Parks ecological co-management forum, with special focus on gender-sensitive approaches and practices (40% of female speakers and participants)	-	2023	- plan for the forum	Successful hosting of the first forum (40 % of female speakers and 40% of participants)	Minutes of the forum and news report
Outcome 2: Enhancement of biodiversity management performance in nature reserves/national parks through energy self-circulating system demonstration and pilot synergy mechanisms between biodiversity and climate change						
Output 2.1: Framework of synergy mechanisms between biodiversity and climate change developed in pilot nature reserves/national parks;	5. Gender-sensitive Biodiversity conservation and climate change synergy mechanism framework	- No framework	2023	Draft of the framework	One copy of the "framework" text	Minutes of expert review meetings
Output 2.2: Social and environmental impacts from energy self-circulating system construction in pilot nature reserves/national parks appropriately assessed.	6. Social and environmental impact assessment report	Only the screening of the social and economic impact of the project has been completed	2023	Draft report	Assessment reports per UNDP MEE management regulations Developed	The assessment reports have been recognized by experts on the social and environmental impact

Output 2.3: Energy self-circulating systems (including electric vehicles, charging facilities, and energy storage devices) in pilot nature reserves/national parks successfully constructed and operated.	7. Construction and operation of the energy self-circulation systems	No energy self-circulation system has been installed or operated in the pilot nature reserves/national parks	2023	- one set of energy self-circulation system shall be constructed	At least one set of energy self-circulation system shall be constructed and operated per pilot nature reserve/national park, totaling 3 sets.	Completion and operation of the energy self-circulation system is confirmed by NIO, UNDP and the pilot nature reserves/national parks in writing
	8. Cost accounting for the energy self-circulation systems in the nature reserves/national parks and its application value assessment reports	Monitoring is provided for some species from time to time due to the fund limit	2023	- Draft report	Report released	- Minutes of expert review meetings on the report, and news report
Outcome 3: Knowledge management and capacity building, especially for youth and women						
Output 3.1: Women and youth inspired and represented in enhancing knowledge and innovation related to biodiversity and climate change.	Gender mainstreaming % female participate in the events	-	2023	Ratio of female participation in the 5th Youth Event in China in 2022 and other project activities: 50%	Ratio of female participation in the 5th Youth Event in China in 2022 and other project activities: 50%	Reports on the 5th Youth event, audio and video materials, event reporting or minutes of meetings
Output 3.2: Project knowledge and experience communicated and disseminated in a gender-responsive manner	# Number of project achievement communication	0	2023	At least one online seminar and one offline workshop shall be convened in 2024	At least one online seminar and one offline workshop shall be convened per year between 2024 and 2025, totaling 4 times.	News release of the events and relevant links.

VI. MONITORING AND EVALUATION

The main purpose of monitoring and evaluating for this project is to inspect, supervise, and guide the implementation of its planned activities according to its work plan and requirements, to ensure that all outputs and outcomes can be achieved within their implementation period while maximizing their goals and mid- and long-term positive impact.

- **Reporting:** Project Progress Reports will be submitted at least once per year.
- **Routine monitoring and evaluation:** A full-time PMO staff is dedicated to tracking and monitoring the daily activities of this project (including potential risks and social and environmental impacts), evaluating its output progress every six months, evaluating its outcome progress once a year, and reporting any problems, difficulties, or delays that occur during the implementation of this project to the PMO manager in a timely and complete manner so that PSC and relevant decision-makers can take appropriate support and corrective measures. Project quality assurance (QA) will be assessed every two years.
- **Independent monitoring and evaluation:** After the implementation of this project, its terminal evaluation will be carried out independently by independent evaluator recruited by UNDP during the 30th - 32nd month period. The cost of the consultant will be included in the project expenses.

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

6.1 Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners	Cost (USD)
Inception Report and Inception Workshop				Implementing Partner Project Manager	5,000
Project Progress Report	A progress report will be presented to the Project PSC 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,	Annually	Providing PPRs annually that can reflect detailed performances and progresses again the results indicators in the last month of each year.	NIES	None

	an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period.				
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.	Annually	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.	PMO, PSC, UNDP	None
Learning and Knowledge Management	Knowledge, good practices and lessons will be captured regularly.	Annually	Relevant lessons are captured by the project team and reported to the PSC at the annual project report meeting.	UNDP and NIES	5,000
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	None
PSC Meeting	To review project results, project risk and finalize the workplan for the next year under consent of all PSC members.	Annually	PSC Minutes	PMO, UNDP, NIES Key stakeholders	20,000
Audit/spot checks	To ensure all activities including procurement and financial services are carried out in strict compliance with UNDP procedures	Annually	UNDP will appoint auditors at least once a year to ensure the alignment	UNDP	8,000
Supervision missions	Monitoring of indicators in project results framework	Annually	UNDP will conduct oversight mission or field visit at least once a year to monitor the progress of the project for quality assurance	UNDP	10,000

6.2 Evaluation Plan

Evaluation Title	Partners (if joint)	Related Strategic Plan	UNDAF/CPD Outcome	Planned Completion	Key Evaluation Stakeholders	Cost and Source of Funding ($)

		Output		**Date**		
Project Terminal Evaluation (Light assessment)				31/7/2025	NIES, UNDP	10,000

VII. MULTI-YEAR WORK PLAN

Expected outputs/indicators of outcomes	Planned activities	Responsible party	Planned Budget						
			Source of funds	Accounting code	Budget description	Expenditure (USD)			
						2023	2024	2025	total
Output 1.1: Biodiversity conservation and sustainable use considered in supply chain management of the electric vehicle manufacturing industry	Activity 1.1.1: To survey (literature review and field surveys), analyse, assess, and address the impacts on biodiversity brought by supply chains of the electric vehicle manufacturing industry	NIES	NIO	71300	Local Experts	13,081	0	0	13,081
	Activity 1.1.2: To conduct training on biodiversity-focused knowledge and awareness for supply chain managers in the electric vehicle manufacturing industry	NIES		71300	Local Experts	0	1,454	578	2,032
				75700	Training, Workshops and Conference	4,367	7,860	4,367	16,594
	Activity 1.1.3: To develop biodiversity-friendly supply chain management guidelines for the electric vehicle manufacturing industry	NIES		72100	Contractual Services	0	14,539	14,539	29,078
				71300	Local Experts	7,267	7,267	7,267	21,801
Output 1.2: Best practices in NIO's green electric vehicle factory construction systematically	Activity 1.2.1: To interview with relevant NIO departments and visits to its sites	NIES	NIO	71300	Local Experts	2,906	0	0	2,906

summarized and promoted	Activity 1.2.2: To identify , analyse, and refine the design concepts, implementation conditions, and management experience of NIO's green electric vehicle factory construction, and with UNDP's sustainable development give suggestions for green electric vehicle factory operation and management and address the feedback from NIO	NIES		71300	Local Experts	7,278	0	0	7,278
	Activity 1.2.3: To develop promotional materials related to the best practices of the green electric vehicle factory construction.	NIES		74200	Audio Visual & Print Prodn Costs	1,454	1,454	1,454	4,362
Output 1.3: A gender balanced ecological co-management platform for the Clean Parks preliminarily established	Activity 1.3.1: To develop the regulation on the ecological co-management platform for the Clean Parks	NIES	NIO	71300	Local Experts	1,747	1,454	0	3,201
	Activity 1.3.2: To convene the first forum of ecological co-management platform for the Clean Parks.	NIES		75700	Training, Workshops and Conference	0	14,554	0	14,554
	Travel expenses	NIES	NIO	71600	Travel	1,454	2,906	2,906	7,266
	Conference expenses	NIES	NIO	75700	Training, Workshops and Conference	2,906	2,906	2,906	8,718
Subtotal for outcome1						42,460	54,394	34,017	130,871
Output 2.1: Framework of Synergy mechanisms between	Activity 2.1.1: To identify and analyse domestic and international best practices in biodiversity conservation and climate change response (e.g., greenhouse gas	NIES	NIO	71300	Local Experts	4,365	4,365	4,075	12,805

biodiversity and climate change developed in pilot nature reserves/national parks;	reduction, carbon sink management);								
	Activity 2.1.2: To develop a synergetic framework for biodiversity conservation and greenhouse gas reduction in pilot nature reserves/national parks;			71300	Local Experts	7,272	7,272	0	14,544
Output 2.2: Social and environmental impacts from energy self-circulating system construction in pilot nature reserves/national parks appropriately assessed.	Activity 2.2.1: To screen and assess social and environmental impacts from energy self-circulating systems to be constructed, serving as a reference for future equipment installation and deployment;	NIES	NIO	71300	Local Experts	4,365	7,272	5,818	17,455
Output 2.3: Energy self-circulating systems (including electric vehicles, charging facilities, and energy storage devices) in pilot nature reserves/natio	Activity 2.3.1:To carry out design, procurement, installation, test, and trial operation of energy self-circulating systems in pilot nature reserves/national parks and develop an instruction manual on siting, installation and others	NIES	NIO	71300	Local Experts	4,365	7,272	7,272	18,909
				72100	Contractual Services	0	29,074	0	29,074
				72800	Information Technology Equipment	0	14,539	0	14,539
	Activity 2.3.2: To monitor			71300	Local Experts	0	29,074	29,074	58,148

nal parks successfully constructed and operated.	representative species in pilot nature reserves/national parks and analyse data			74200	Audio Visual & Print Prodn Costs	0	2,912	1,457	4,369
	Activity 2.3.3: To carry out cost accounting and application value evaluation of energy self-circulating system in nature reserves/national parks			71300	Local Experts	7,272	29,074	14,540	50,886
				71600	Travel -attend COP16 and show project results	0	11,632	0	11,632
	Activity 2.3.4:To scale up the energy self-circulating system to other nature reserves/national parks.			71300	Local Experts	0	14,540	14,540	29,080
				75700	Training, Workshops and Conference	0	0	14,540	14,540
	Audit	UNDP	NIO	74100	Professional Services	2,181	2,181	6,107	10,470
	UNDP M&E	UNDP	NIO	71600	Travel	4,362	4,362	4,362	13,087
				71300	Local Consultants	0	29,082	29,082	58,165
	Travel expenses	NIES	NIO	71600	Travel	1,458	2,912	1,458	5,828
Subtotal for Outcome 2						35,640	195,563	132,325	**363,531**
Output 3.1: Women and youth inspired and represented in enhancing	Activity 3.1.1: To hold the 5th Annual National Dialogue in China in 2022 themed "Green Development, encourages young people to leverage technologies and digital skills to respond to climate and	UNDP	NIO	71600	Travel - exchange in Bangkok	11,633	0	0	11,633

knowledge and innovation related to biodiversity and climate change.	biodiversity challenges with green, inclusive and sustainable solutions". especially encourage women's participation, some small grant will be allocated to women participants			72100	Contractual Services-Companies	8,725	0	0	8,725
				72300	Meals	131	0	0	131
				72600	Grants	43,624	0	0	43,624
				74500	Miscellaneous expenses	3,199	0	0	3,199
Output 3.2: Project knowledge and experience communicated and disseminated.	Activity 3.2.1: To hold meetings sharing the project experience and outcomes of nature reserve/national park projects piloted and/or to be scaled up	NIES	NIO	75700	Training, Workshops and Conference	0	5,575	5,575	11,150
	Activity 3.2.2: Public promotion of project achievements and practices.			71300	Local Experts	0	0	1,660	1,660
Subtotal for Outcome 3						67,312	5,575	7,235	**80,122**
Project Management/ PMC (5%)	Office Supplies	NIES	NIO	72500	Supplies	1,455	1,455	1,455	4,365
	Project Management	NIES	NIO	74105	Project Management	8,249	8,249	8,249	24,746
	Travel	NIES	NIO	71600	Travel	2,414	2,414	2,414	7,242
Subtotal for project management:						12,118	12,118	12,118	**36,353**
Total project expenditure						157,530	267,650	185,695	**610,877**
Project Document Development (project design)/PPG		UNDP	NIO		Project design				14,541
General Management Service-GMS (8%)		UNDP	NIO						55,838
Direct Project Cost-DPC		UNDP	NIO						16,722
Total									697,979

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

8.1 Institutional arrangements

The implementation of this project will comply with relevant UNDP project management policies and requirements. The decision-making, coordination, and daily management of this project will be operated according to the organizational framework shown in Figure 3. The main components of the institutional framework include Project Steering Committee (PSC), Donor Agency (DA), Implementing Agency (IA) and Executing Agency (EA), Pilot Agency (PA), etc.

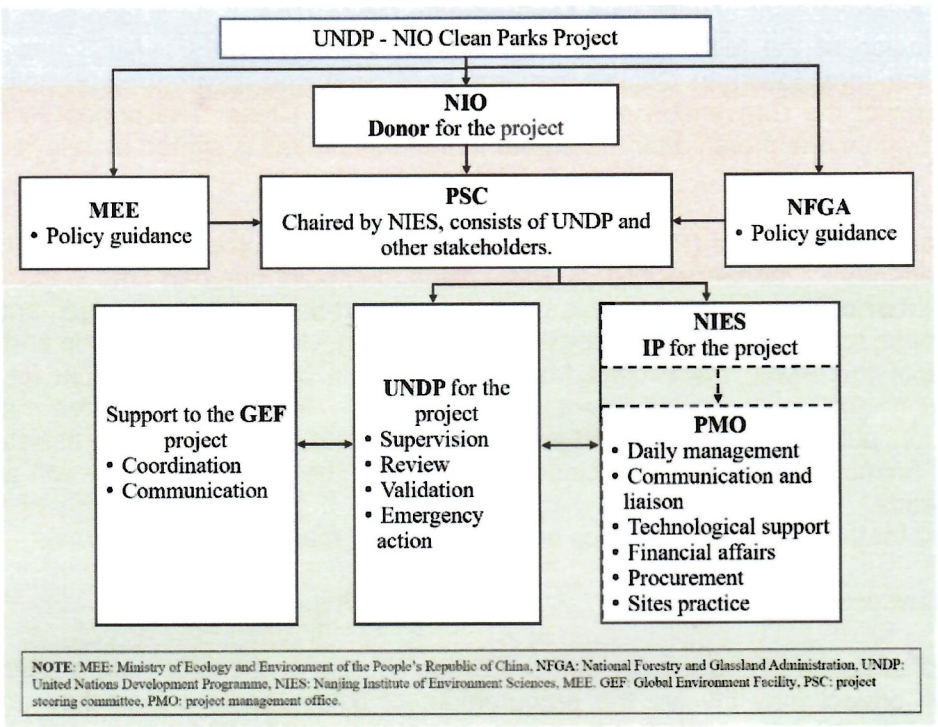


Figure 3: Project Management Arrangement

Project Steering Committee (PSC): PSC is the coordinating and decision-making body of this project, mainly composed of representatives from DA, IA, EA, and other stakeholders. The final members will be adjusted as necessary based on changes in circumstances after the kick-off meeting of this project. A competent leader of the EA will serve as the PSC director. The main responsibilities of PSC include: supervising the implementation of this project; approving the three-year overall work plan (Annex 10), annual work plan, and the budget plan proposed by the project manager; approving major changes in the project work plan; approving annual implementation reports and final independent evaluation reports of the project; providing advice and opinions on important issues related to this project, including decision-making on addressing major risks; approving the main results of this project. During the execution period of the project, PSC meeting will be hold at least once per year., and meetings will be held irregularly when major issues need to be discussed.

Donor: NIO Ltd is the donor for this project. In August 2022, UNDP and NIO signed a project cooperation agreement, and UNDP officially became the co-builder of the Clean Parks platform. NIO will make decisions on participating in the pilot natural reserve/national park, directly participate in the design of the project documents and the implementation of its subsequently related activities, donate electric vehicles and supporting facilities for energy self-circulation system construction to the pilot and proposed natural reserves/national parks, and cooperate with the communication and promotion of project achievements.

UNDP: UNDP will communicate and collaborate fully with all project partners and stakeholders to

ensure that the design and implementation of this project comply with UNDP's policies, regulations, and procedures related to project management (including technical guidelines, fund expenditure, risk response, social environmental impact, monitoring and evaluation, complaints etc.). UNDP will maintain contact, communication, and coordination with NIO to ensure the timely disbursement of funds according to the agreement. UNDP will provide business guidance for the EA and pilot agencies of this project. In accordance with specific technical requirements for monitoring and evaluation of projects by UNDP, it will organize monitoring and evaluation for this project. Additionally, UNDP will also provide guidance and coordination on other important issues (including risks) in the implementation process of this project through its international influence and expertise.

Implementing Partner (IP): Nanjing Institute of Environmental Sciences (NIES), MEE (see Annex 6 for its micro assessment) is the IP of the project and is fully responsible for its daily management through the establishment of a Project Management Office (PMO). As a long-term key technical support institution of the Ministry of Ecology and Environment (MEE), NIES has been deeply involved in the formulation of China's national ecological and environmental policies and the implementation of the Convention on Biological Diversity in China. The project kick-off meeting shall be held within one month after the agreement of this project is signed by relevant parties and takes effect.

Project Management Office (PMO): In view of the limited resources of this project and the rich project management experience of NIES, PMO plans to appoint one part-time leader (who will not receive any labor compensation from this project), one part-time project manager, and one project assistant (whose salary will be full paid by the project funds). Under the leadership and coordination of the head of the PMO, the Project Manager (PM) will be fully responsible for the specific implementation of plan, recruitment, procurement, liaison, knowledge management, communication, publicity, monitoring and evaluation, reporting, finance (with the assistance of NIES professional financial personnel) and clean governance. The project assistant will assist the PM and PMO Heads.
(See Annex 7 for the Terms of Reference and TORs of key management positions).

8.2 Equipment procurement

Since the construction of the energy self-circulation system in the pilot nature reserves/national parks of this project may involve the procurement of solar panels and related accessories, a procurement list will be formulated at the beginning of the project. IP will ensure that all purchase activities comply with the procurement regulations, policies, and procedures of the Chinese government and UNDP. Procurement of all goods and services will be made solely and impartially based on the merits of suppliers' bids, including factors such as cost, quality, environmental impact, delivery, and payment terms. All procurement decisions shall take into account the supplier's environmental policy and the environmental impact of purchased goods or services with a view to minimizing the environmental impact of procurement.

IX. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of (country) and UNDP, signed on (date). All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner."

This project will be implemented by NIES ("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. Consistent with the Article III of the SBAA *[or the Supplemental Provisions to the Project Document]*, the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:

a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;

b) assume all risks and liabilities related to the Implementing Partner's security, and the full implementation of the security plan.

2. 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 Implementing Partner's obligations under this Project Document.

3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml.

4. The Implementing Partner acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the Implementing Partner, and each of its responsible parties, their respective sub-recipients 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.

5. (a) In the implementation of the activities under this Project Document, the

Implementing Partner, and each of its sub-parties referred to above, 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, the Implementing Partner, and each of its sub-parties referred to above, 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.

5. a) In the performance of the activities under this Project Document, the Implementing Partner shall (with respect to its own activities), and shall require from its sub-parties referred to in paragraph 4 (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, the Implementing Partner will require that such 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 the Implementing Partner and its sub-parties referred to in paragraph 4 have not put in place its own training regarding the prevention of SH and SEA, the Implementing Partner and its sub-parties may use the training material available at UNDP;

iii. Report and monitor allegations of SH and SEA of which the Implementing Partner and its sub-parties referred to in paragraph 4 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. The Implementing Partner shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties referred to in paragraph 4 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 Implementing Partner shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.

b) The Implementing Partner 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 Implementing Partner, and each of its sub-parties referred to in paragraph 4, to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.

6. 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).

7. The Implementing Partner shall: (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.

8. 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.

9. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds. The Implementing Partner will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.

10. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner 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.

11. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes in accordance with UNDP's regulations, rules, policies and procedures. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', 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 the Implementing Partner to find a solution.

12. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

13. Choose one of the three following options:

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

Option 2: The Implementing Partner agrees that, where applicable, donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities which are the subject of this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Option 3: UNDP shall be entitled to a refund from the Implementing Partner of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the Implementing Partner under this or any other agreement.

Where such funds have not been refunded to UNDP, the Implementing Partner 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 the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

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

14. Each contract issued by the Implementing Partner 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 the Implementing Partner shall cooperate with any and all investigations and post-payment audits.

15. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, 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.

16. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, *mutatis mutandis*, in all sub-contracts or sub-agreements entered into further to this Project Document.

ANNEXES

1. Background info and root cause analysis

2. Baseline information and project site background

3. Project Quality Assurance Report

4. Social and Environmental Screening Checklist

5. Risk Analysis.

6. Capacity Assessment: Results of capacity assessments of Implementing Partner (including HACT Micro Assessment)

7. Project Board Terms of Reference and TORs of key management positions

8. Stakeholder Analysis

9. Gender Analysis and Action Plan

10. Multi-year Work Plan