PROJECT DOCUMENT

[Kenya]

Project Title: Reducing post-harvest losses through solar powered cold chains services in Kenya (Kenya Post-harvesting solar-cooling)
Project Number:
Implementing Partner: UNDP and UNCDF
Start Date: JULY 2024 **End Date:** 2028 **PAC Meeting date:**

Brief Description
The Mitigation Action Facility (MAF)[1] is a multi-donor facility established to support projects that can demonstrate the potential for climate change mitigation outcomes, have a transformational impact within the specific sector and market or region, and that also leverage private sector finance for these activities. The requirement to leverage private sector finance is to ensure that the projects are based on a financially viable concept, can sustain themselves and continue delivering impact beyond the life of the grant-delivery time frame. UNDP-UNCDF's joint proposal for implementing a MAF project in Kenya was approved by the MAF & its donors. MAF approves projects in 2 phases- (a) initial approval to conduct a "Detailed Project Preparation" (DPP), spread over 12-15 months; and (b) final approval for project "implementation"- typically 5-year tenor. UNCDF & UNDP have successfully obtained the final approval from the donors to implement the project after a successful joint preparatory phase. This Project aims to reduce emissions from post-harvest losses, that constitute a significant proportion of emissions generated through waste in Kenya. Kenya's updated NDC outlines the importance of delivering Kenya's Climate Smart Agriculture (CSA) Strategy and includes a specific target for reducing post-harvest losses that the project will contribute to. The Food and Agricultural Organisation estimates post-harvest losses in Kenya at more than 40% due to poor harvest and handling techniques; inadequate cold storage facilities; low awareness around cold chains services; lack of well-trained workforce; lack of access to finance and a poor enabling environment. The Project will enable a market driven expansion of harvest-to-market solar powered cold storage services by: A) supporting the installation of 1,000 cold storage facilities by providing responsive and flexible financial mechanisms required to attract commercial capital (equity + debt); B) Raising awareness about the benefits of cold stores amongst all stakeholders; C) Providing technical assistance and training to both the technical providers, farmers and Cooperatives to build their confidence and understanding around the mechanics of cold storage services ; D) Improving the enabling environment by offering training courses in e-waste management and circular economy as well as in agribusiness, market opportunities and value addition techniques to beneficiaries. The Project will be implemented through UNDP and UNCDF. Target groups include small-holder farmers and cooperatives and markets. 1,200 jobs are expected to be created through cold chains service providers and 60,000 small-holder farmers will benefit from the Project. Supply chain actors, including distributors, merchants, e-waste organisations as well as end-customers are also expected to benefit indirectly from the project. The reduction of post-harvest losses will open up additional income-generating opportunities for smallholder farmers, leading to the creation of indirect employment opportunities. Direct and indirect GHG emission are expected to be reduced by 4.8 million and 3.9 million tons respectively. The Project expects to leverage EUR 27 million from the private sector through capital injection in support of the project. Through an integrated and comprehensive set of interventions. The project will enable private sector-driven transformational change across the agricultural sector. UNDP & UNCDF's joint proposal to the donors- The project, as outlined above, has been presented to the donors via a joint proposal- i.e.: one wherein UNDP & UNCDF have common goals, but with different roles and responsibilities. UNDP is responsible for the project's technical components (TC) - i.e.: providing the technical assistance and ensuring

[1] https://mitigation-action.org/

the overall development impact. Meanwhile, UNCDF is responsible for the financial components (FC) - with responsibility to design, provide and manage the Concessional Loans component, Guarantees and the Tariff Support Facility as detailed later in this programme document.

Contributing Outcome (UNSDCF, CPD, RPD): **UNSDCF Outcome 2.1:** By 2026, all people in Kenya at risk of being left behind – particularly all women and girls, all youth and children, all in the ASAL counties and all in the informal urban settlements – benefit from inclusive, sustainable, diversified and environmentally / climate-sensitive quality livelihoods with decent work in the sector economies and realise growth that is resilient, green and equitable. **CPD**: Output 3.4 Capacities to deliver on nationally determined contributions enhanced *Indicative Output(s) with gender marker:* **UNCDF SF Outcome 2**: Unlocked public and private finance for the poor **Contributing SDG Target**: SDGs, 5, 7, 9, 13 and 17	**Total resources required:**	EUR 51,902,424	
	Total resources allocated:		
		UNDP :	EUR 6.77 million
		UNCDF Amount:	EUR 17.90
		Donor:	EUR 24.67M
		Government:	
		In-Kind:	
	Unfunded:	EUR 27.5 million	

Agreed by (signatures):

UNDP	UNCDF
Print Name: Anthony Ngororano Resident Representative, UNDP Kenya	Print Name: Pradeep Kurukulasuriya, Executive Secretary
Date:	Date:

I. DEVELOPMENT CHALLENGE

The goal of the Project is to permanently address the barriers preventing the provision and adoption of solar powered cold storage systems across Kenya's agricultural sector. The Project was shaped through consultations with local government officials, who are in touch with the small holder farmers and cooperatives in Kenya, as well as other stakeholders in the cold chain service market including financial institutions and solar cold storage value chain service providers. The key development challenges are mentioned below:

A) Limited access to finance: Limited access to finance presents a significant barrier to the provision and adoption of solar-powered cold storage systems in Kenya's agricultural sector. This barrier is primarily driven by various factors, with one prominent factor being the prevailing perception of inefficiency and non-viability in the sector. Furthermore, challenges such as high food losses, inadequate storage facilities, lack of technical expertise, and limited awareness contribute to financial institutions perceiving the agriculture sector as high risk. The engagement with solar cold storage value chain service providers has underscored the critical role of access to finance as a major hurdle to investment.

Solar cold storage value chain service providers often encounter difficulties in securing financing due to their limited collateral, which poses challenges for banks in underwriting such high-risk propositions. Consequently, these providers face higher costs of capital, leading to negative internal rates of return (IRR) in their financial models. Additionally, their relatively small size and limited sophistication make it challenging for them to attract funding from risk-averse financial institutions. Moreover, the substantial upfront costs involved in establishing solar-powered cold stores and transport infrastructure create a significant financial burden, making it financially unfeasible for smallholder farmers to make the necessary investments. These financial barriers are further exacerbated by the conservative mindset of smallholder farmers and cooperatives who have already factored in initial food losses when contemplating investments in solar cold storage value chain services.

B) Low awareness around solar cold storage value chain services and post-harvest management: Low awareness around solar cold storage value chain services is a key barrier that needs to be addressed by targeting multiple actors along the entire value chain. On the one hand, small holder farmers and cooperatives usually have little knowledge around i) best practices in post-harvest management and packaging of perishable goods, ii) have low awareness of opportunities to access affordable cold store services, iii) low level of organisation amongst small holder farmers, supply chain actors and on the benefits of economies of scale. On the other hand, solar cold storage value chain service providers need support to familiarize cooperatives and small holder farms to the financial mechanisms available and clearly communicate the benefits of cold storage. For small holder farms and cooperatives, this implies learning about the mechanics of solar powered cold storage services in order to strengthen their confidence in this technology. Lastly, through DPP1 and DPP2, we have seen that awareness around e-waste management is generally low leading to both health and environmental hazard whilst preventing the full development of a circular economy as well as recycling-reuse programs. Thus, awareness raising for E-waste has to target all actors throughout the value chain, from small-holder farms to cooperatives, solar cold storage value chain service providers and policy makers.

C) Low levels of available expertise that is required for distributing, operating, maintaining and using cold storage equipment: Stakeholder engagement has also highlighted an important lack of technical expertise for operators. Through increasing farmers/Cooperative technological expertise, this will enable them to have a better understanding of the necessity of paying a few coins to use such cold stores and in the value of using such installations. From the solar cold storage value chain service providers, the level of business expertise needed to obtain, manage and maintain the solar powered cold storage services is not sufficient to scale up the deployment of this service across Kenya. A new service-orientated business model will require each service provider to develop robust business plans and business models, hire staff, access finance and run fiscally sound businesses needed to meet market demand and scale up activities across Kenya. Limited capacity to do this hampers the growth of the market. The lack of technical expertise was a key barrier highlighted during stakeholder engagement with solar cold storage value chain service providers.

D) Poor enabling environment: From a policy perspective, the lack of targeted policies to incentivize the development of new solar cold storage value chain services and stimulate the growth of solar cold storage value chains services remains problematic. Moreover, high import duties and extra costs throughout the value chain (e.g., road taxes, market

taxes) inhibit investment. Interviews with solar cold storage value chain service providers (Baridi, Interview 23.03.2023) has shown that the cost of importing cold storage facilities from India leads to an increase in CAPEX of 47%, dramatically reducing the incentive of solar cold storage value chain service providers to invest in cold stores. Moreover, there is a lack of minimum quality standards for cold stores, which could hinder trust from customers and dampen demand and subsequently push-away investors if low quality cold stores are imported/installed.

UNCDF will be, responsible for deploying the financial support mechanism (Concessional Loans, Guarantee and Tarriff Support Facility) to improve access to finance, reduce cost of investment, de-risk investments within the Solar Cold Storage Value Chain and thereby increase efficiency and attract more private capital into the project.

UNDP will act as the Technical implementing partner- providing targeted TA to the Kenya Post-harvesting solar-cooling project and manage the relationship with the governmental entities, cooperatives, and counties.

II. STRATEGY

The Theory of Change (ToC) details the channels through which the Mitigation Action Facility Project will achieve its intended goals through multiple activities each with its own set of outputs. These outputs together will allow the Project to achieve its overarching goals i.e., the outcomes which are expected to impact *the governmental targets for food security, reduction of pre-and post-harvest losses and decreasing GHG emissions in Kenya.*

The **ToC** is grounded on the recognition that specific approaches are required to address the root structural problems of food waste and food security, namely the lack of financial and policy incentives as well as the low awareness around access to cold storage and post-harvest management, as necessary precursors to the development of cold storage infrastructure and reduction of post-harvest food loss in Kenya.

As part of integrated sustainable energy solutions to prevent food waste amongst smallholder farms and cooperatives in Kenya, the Project has identified a significant potential for GHG emission reductions through the introduction of solar-powered cold stores with green refrigerants in different regions of Kenya. As confirmed during our field work in Kenya throughout DPP1, significant food waste occurs throughout the value chain, highlighting the acute need for solar-powered cold stores in Kenya.

Introduction of cold stores can prevent about 40% of food-loss occurring between harvest and transport to markets, thereby greatly reducing carbon emissions across the country. Reduction in food waste will therefore increase the income of smallholder farmers and strengthen food security in Kenya. Additional benefits include the increased usage of renewable energy in Kenya through the introduction of solar energy, phasing-out of Diesel generators, and increased job creation through the expansion of solar cold storage value chain service providers.

Outputs:

1. Increased private investments through flexible finance mechanisms in the form of concessional loans, guarantees and Tariff Support Facility.
2. Improved regulatory environment for solar cold storage value chain service providers.
3. Adoption and capacity building of cold storage harvest to market systems.
4. Implementation of MRV, strengthening of the Project.

To achieve these outcomes and outputs, multiple activities have been prescribed as part of the Project, which have been elaborated below:

ToC Activity 1 – Financial Component Preparation: One of the biggest challenges for cold store service providers when it comes to investment and growth is the lack of suitable financing solutions at reasonable terms, creating a "missing middle" in the investment continuum. The Project aims to address this issue by targeting the solar cold storage value chain in Kenya and providing financial support. UNCDF, using a transparent and competitive process shall select qualified cold chain service providers to be supported through Concessional Subordinate Loans for up to 10-year tenure and up to 3-year grace period. To fully implement the financial components aimed at supporting cold chain service providers during this Project, this first activity is focused on finalizing setting up the Financial Component (initiated during Implementation Phase 1). **Sub-activities include i)** Resource allocation: Allocate existing staffs to the project either full time or part time and hire new staffs dedicated to the project. In addition ensure that other resources such as selection committee members, Peer Review Team, and investment committee members are well allocated to this project.; **ii)** Onboarding UNCDF staff and training on the project deliverables: Familiarize allocated staff with the project goals, objectives, and implementation strategies. Provide training on the specific roles and responsibilities related to providing financial tools to cold chain service providers., **iii)** Finalize set up of the Bridge Window dedicated to the

Project within UNCDF system with all related SOPs, documentation, and agreements in place., **iv)** Communication campaign among stakeholders: Launch a comprehensive communication campaign to raise awareness among stakeholders about the initiation of the project. Communicate the project's objectives, benefits, and the available financial support for cold chain service providers.; **v)** Conduct sensitization and training programs: Organize virtual workshops and awareness sessions to educate cold chain service providers about the available financing mechanisms and how to plan their investment projections to become eligible.

ToC Activity 1 – Output 1 plays a crucial role in laying the foundation for the financial component of the project, setting the stage for successful implementation and scaling up of solar-powered cold chain services in Kenya. It represents the initial steps taken to address the financial barriers and create an enabling environment for investment in sustainable and climate-resilient agricultural practices. The setting up and introduction of flexible finance mechanisms, including Concessional Loans, Guarantees and the Tariff Support Facility, will address the missing middle in the investment continuum of the solar cold storage value chain in Kenya. Informing stakeholders of the initiation of the project and providing guidance will ensure that relevant stakeholders can rapidly scale up their cold chain services and benefit from the financial mechanisms implemented under TOC Activity 2 (below). This will attract private sector resources and increase investment and development of cold store service providers, filling the financing gap that previously hindered their growth.

ToC Activity 2 – Solar Cold Storage Value Chain Financial Component Deployment: Deployment of financial tools under Activity 2 will require the following **sub-activities: i)** Selection of Solar Cold Storage Value Chain Service Providers in a competitive process based on UNCDF SOPs: Publicly announce the availability of financial support for solar cold storage value chain service providers. Clearly communicate the eligibility criteria, required documents, and submission deadlines to encourage qualified applicants to participate; **ii)** Evaluate and select qualified solar cold storage value chain service providers: Review and assess the received bids based on predetermined criteria. Select the most eligible candidates considering their financial viability, business plans, and potential for impact; **iii)** Finalize due diligence and obtain Impact & Disbursement Investment Committee recommendation for approval: Conduct a thorough due diligence process for the selected eligible operators. Gather all necessary information and obtain a recommendation from the Impact Investment Committee for final approval; **iv)** Finalize term sheet and execute loan agreement: Prepare For Operators recommended for approval by the IDIC; develop a detailed term sheet outlining the terms, conditions, and requirements of the financial component and execute the related agreements; **v)** Deploy the Financial Component (FC): Deploy the agreed-upon financial component to the selected solar cold storage value chain service providers. Ensure the FC align with their investment and growth plans, considering the requirements of the concessional loans, guarantee and Tariff Support Facility; **vi)** Transaction Management and Servicing and finally; **vii)** Portfolio Monitoring and assessment.

ToC Activity 2 – Output will enable long-term private sector investments from solar cold storage value chain services, thereby increasing access of small holder farmers to cold stores and markets in Kenya whilst filling the financing gap that previously hindered the growth of solar cold storage value chain services in Kenya. **ToC Activity 2- Output 1** plays a critical role in the successful implementation of the project by translating the financial investments and planning into tangible outcomes on the ground. By deploying cold storage facilities powered by solar energy, the project aims to enhance the resilience of smallholder farmers, improve food security, and promote sustainable agricultural practices in Kenya.

ToC Activity 3 – Financial de-risking of loans through Banks: In order to further mobilize private sector investment and address the missing middle, the Project will introduce a partial credit risk guarantee against third-party loans, covering up to 50% of the risk for participating financial institutions. This guarantee will reduce the collateral requirements imposed by third-party financiers i.e Financial Institutions, enabling cold storage service providers to access financing in the local market at reasonable terms. UNCDF's guarantee will reduce the FI's risk exposure, facilitating them to offer credit facilities to cold storage service providers with reduced collateral requirements, addressing a market gap where higher collateral coverage is often required. Sensitization efforts and capacity development for participating banks will ensure their understanding of the Project and their ability to provide the necessary financial services. Sub-activities will include **i)** Selection of Banks in a competitive process based on UNCDF SOPs: Publicly announce the availability of financial support for Banks. Clearly communicate the eligibility criteria, required documents, and submission deadlines to encourage qualified applicants to participate; **ii)** Evaluate and select qualified Banks: Review and assess the received bids based on predetermined criteria. Select the most eligible banks considering their financial viability, loan deployment capabilities, and offered terms; **iii)** Finalize due diligence and obtain Impact & Disbursement Investment Committee recommendation for approval: Conduct a thorough due diligence process for the selected eligible Banks. **iv)** Finalize term sheet and execute guarantee agreement: Banks recommended for approval by the IDIC; develop a detailed term sheet outlining the terms, conditions, and requirements of the financial component and execute the

related agreements; **v)** Deploy the Financial Component (FC): Execute the financial component including the bank and operator **vi)** Transaction Management and Servicing and finally: **(vii)** Portfolio Monitoring and assessment.

ToC Activity 3 – Output 1 will enable banks to provide financing loans for cold store service providers at reasonable terms, further mobilizing private sector investment and addressing the missing middle in the investment continuum. This will contribute to the growth and development of cold store service providers within the solar cold storage value chain in Kenya.

ToC Activity 4 – Developing supportive governmental policies: In order to compliment the financial mechanisms developed in Output 1, this Project will support policy developments around tax exemptions on cold storage service infrastructure, highway taxation and import taxes in order to reduce costs of commercial cold storages as well as cold storage transit. This will be outlined in guidance document in consultation with all relevant stakeholders which will be developed throughout the Project. Furthermore, we well develop quality standards for solar-powered cold stores. To develop a clear and consistent governmental policy framework, the Project will create a feedback loop to local authorities regarding policy changes needed based on the evidence collected from the deployment of the financial support mechanism.

ToC Activity 4 – Output 2: Through the implementation of supportive governmental policies and increasing the participating of local counties in this Project, we will lower the cost of purchasing and operating cold stores, creating a much-improved environment for private investment in cold stores and development of cold store service providers.

ToC Activity 5 – Build Awareness of the Project: While solar cold storage value chain service providers are not new to Kenya, there is a significant lack of awareness and information in rural Kenya about the benefits of cold stores. We will raise awareness of this Project by working with local stakeholders such as cooperatives, solar cold store value chain service providers, small holder farms and local county officials through UNDP staff and experts hired during the Implementation Phase 1. We will target **(i)** small holder farmers and cooperatives in order to showcase the benefits and accessibility of cold storage services as well as **(ii)** solar cold storage value chain service providers around the market opportunity for delivering solar cold storage services. Moreover, sub-activities also include ensuring the submission of a minimum of two news reports per year to the TSU of the Mitigation Action Facility showcasing the Project. In addition, in order to increase the scaling-up of solar cold storage value chain services and offer new opportunities in terms of new, cheaper technologies, UNCDF has also developed a Quarterly competitive process based on its SOPs targeted towards technology providers who would like to provide their technologies to solar cold storage value chain service providers (e.g., repurposing of Li-ion batteries for a sustainable green economy) but without wishing to developed solar cold storage value chain services in Kenya. Finally, in order to increase the participation of counties in Kenya, we will promote Quarterly competitive process based on UNCDFs SOPs for county governments to apply and participate in various forms to this Project, such as through 1) Confirming support for this Project; 2) Facilitate outreach and engagement; 3) Provide Oversight and Licensing; 4) Support in Policy Development; 5) Infrastructure Improvements.

ToC Activity 5 – Output 3: By building up awareness of the benefits of solar cold stores and linking solar cold store value chain service providers with cooperatives and small holder farms, the Project will increase the acceptance of the technology, thereby increasing the demand for solar cold stores, spurring growth of solar cold store service providers.

ToC Activity 6 – Provide Targeted Technical and Business Assistance: In order to increase the demand for solar cold stores and solar cold store service providers, the sub-activities will target small holder farmers to build their confidence and understanding around the mechanics of solar cold storage services. In addition, the Project will provide business assistance to solar cold storage value chain service providers regarding the adoption of service-oriented business models. Moreover, our Project will deliver certified training courses in usage and maintenance of solar-powered cold stores, e-waste management and circular economy as well as in agribusiness, market opportunities and value addition.

ToC Activity 6 – Output 3: By providing technical and business assistance to both small farm holder farms and providers of solar cold stores, we aim to strengthen both the demand for solar cold store value chain service providers as well as the offer of such providers with the aim of strengthening and expanding the number of active solar cold storage value chain service providers active in Kenya whilst making sure that increasing cold-chain services is implemented in a sustainable, environmentally respectful manner (e.g., E-waste management and circular economy).

ToC Activity 7 – Established and Operational MRV system: In addition to the implementation of the Project, the implementation partners (UNCDF, UNDP) shall also be responsible for hiring of M&E staff and implementing a robust and extensive MRV system incorporating gender sensitization as one of its key features. This will ensure that the Project is constantly tweaked based on learnings from previous years to continuously increase its efficacy and efficiency, ensuring that its benefits equally all its stakeholders, especially women. Moreover, sub-activities will link the current reporting plan with the National Kenyan MRV system (IMRV) and ensure bi-yearly reporting to the Mitigation Action Facility.

ToC Activity 7– Output 4: The MRV will ensure that the Project delivers its outputs in an efficient and timely manner while also making sure that its benefits reach every stakeholder in equal measure, especially women.

Outcomes: These activities and their respective outputs will help the Project achieve the outcomes which are:

a. Catalyze private sector investments for the deployment and adoption of solar-powered solar cold storage value chain services;
b. Reduction of harvest losses for small holder farms and strengthened food security;

Impacts: In tandem with the collective culmination of project outcomes, Kenya's journey towards a low-carbon society, particularly within its vital agriculture and food sectors, gains significant traction. These achievements intricately intertwine with Kenya's paramount national climate objectives (NDC) and reinforcing the nation's commitment to bolstering food security while combating the scourge of pre- and post-harvest food loss. Through a strategic fusion of sustainable practices, innovative technologies, and inclusive financial mechanisms, this initiative emerges as a beacon of transformative progress, exemplifying a harmonious blend of environmental stewardship, economic prosperity, and social equity.

III. RESULTS AND PARTNERSHIPS

Expected Results

1. The Project will catalyse a transition towards the widespread provision and adoption of solar powered cold chains in Kenya. Through targeted technical assistance amongst the small holder farming cooperatives and the farming associations, the project will catalyse demand for affordable solar powered cold chain services, with a target of 1,000 cold stores installed over 5 years, at a size of 5T is equivalent to storing 5,000 tons of food produce, creating 1200 jobs, and providing a livelihood for 60´000 farmers by the end of the 5-years of the Project Implementation. In addition, the use of a Revolving Fund implemented through the UNCDF Financial Component will allow more installation of cold stores in the years following the end of the implementation phase, thereby leading to long term transformative change in the solar cold storage value chain sector. It will also enable the provision of these services by providing the service providers access to affordable finance, the benefits of which they can pass onto their customers in the form of affordable and good-value service fees. By addressing both the demand and supply side components of the solar cold storage value chain services market, the Project will catalyse the widespread adoption of a solar powered solution to the chronic issue of post-harvest losses. Furthermore, the Project will catalyse investments from private sector that would not have been possible without the financial mechanisms offered by UNCDF for the project.

2. The Project is designed to have a lasting and sustainable impact on addressing post-harvest management in the agricultural sector. One of the key barriers that has currently prevented adoption of cold storage in Kenya is its perceived high costs. This is partly because affordable solar cold storage value chain services aren't widely available, an issue the Project is tackling through a flexible financing mechanism and other supply side interventions that target the solar cold storage value chain service providers. However, a fundamental reason is a lack of demand coming from cooperatives and small holder farmers. This is down to awareness and understanding. Farmers bake post-harvest losses into their plans. By default, they expect to sell only a fraction of their crops, surrendering 40%-60% to waste. With income tight, paying upfront for a service that isn't widely used, with no guarantee of success, is perceived to be risky. This Project has several TA interventions that aim change this perception. Through widespread trainings, and awareness raising, farmers will learn how the service providers will keep their crops fresh from harvest-to-market. This will allow them to build trust in the service providers and see the service fee as an investment (with pretty much immediate returns) versus seeing it as a cost. This TA component of the Project aims to drive a lasting and sustainable change in the farming communities and cooperatives in counties throughout Kenya including Nakuru and Meru County, some of the largest areas of agricultural production in the country. At the end of the Project, cooperatives in Kenya will be far more informed about the availability and mechanics of solar powered cold chain services and see it as post-harvest management necessity and opportunity, opposed to a risk or a cost.

3. The Project's approach will be scaled up and adopted by other solar cold storage value chain service providers across East and Sub-Saharan Africa. The Project will demonstrate the viability of UNCDF-led innovative financial mechanisms and flexible business models developed to create an enabling financial ecosystem for solar cold storage value chain service providers, whereby solar powered cold storage can be provided at key points across the supply chain; i) near the producers and cooperatives; ii) in transit to the end market; and iii) at the end markets themselves. This set of services charged at an affordable rate has not been provided in Kenya before. With strengthened capacity of financial institutions and credit markets as a result of the Project, lenders will feel more comfortable lending against

this set of infrastructure and business model and eventually these lessons learned could spill over to other countries in East Africa and the wider Sub-Saharan Africa region.

Resources Required to Achieve the Expected Results

To achieve the expected results outlined in the theory of change, a comprehensive allocation of resources is necessary. The key inputs include a dedicated team and strategic partnerships, which have been meticulously estimated, costed, and incorporated into the project budget. From UNCDF, the resources required are as follows: the Deputy Director of the Investment Platform will allocate 5% of their time, the Project Manager-Investment Specialist will commit 100%, and three Investment Analysts will also be fully dedicated at 100%. Additionally, the Portfolio Specialist, Credit Risk Specialist, Backup and Legal Specialist will each contribute 7% of their time. A group of investment specialists acting on Technical Committees will devote 20%, and one consultant will be engaged for the project. From UNDP, the NY Climate team, 20% of their time will be allocated, along with 20% from the Kenya Climate/Environment Coordinator. The Project Manager will be fully dedicated at 100%, supported by the UNDP MRV Officer at 100%, and the UNDP Project Assistant contributing 15% of their time.

In addition, the project will involve several consultants: a National Expert/Consultant on cold storage solutions will provide training, ensure proper handling and packaging of food, and install monitoring systems at cold stores to develop standards, as well as support the development of a guidebook and course. An International Expert/Technician on cold storage solutions will support cold chain service providers in acquiring cold stores, develop the guidebook and course, and conduct measurement and data analysis of monitored cold stores. National Technical Advisors on Environmental Policies will offer expertise on best practices in green refrigerants, international standards for cold stores, and e-waste strategies. A National Agribusiness Expert will focus on value-chain development and innovative business models, and also develop an online certified course on agribusiness models, market opportunities, agribusiness, and value chain addition. A National Marketing and Communication Specialist will handle the production of short films, website management, outreach, and awareness raising. Additionally, a National Gender Expert and Independent Auditors will be engaged to ensure gender considerations are integrated and financial accountability is maintained.

These resources will be utilised to deliver the outcomes and results outlined above. These combined efforts from UNCDF and UNDP staff, along with the expertise of specialized consultants, will ensure a robust support structure to deliver the desired outputs effectively. The total cost of the project is EUR 24.67 million. The FC component under UNCDF will require a total grant of $17.72 million and the TC led by UNDP will require $6.77million.

Partnerships

UNDP as Technical Implementation Organisation will be directly implementing the technical component of the Project in Kenya, including training, certified courses, awareness raising and development of policies. The project will receive guidance from the Government of Kenya through the **Ministry of Environment, Climate Change & Forestry** and **Ministry of Agriculture and Livestock Development**. The project will also forge partnerships with other organisations working on sustainable cooling solutions. These include development partners, private sector, farming cooperatives, cold chain service providers, academia and civil society.

UNCDF, as the Financial Implementation Organization, plays a direct role in implementing the financial component of the project and engaging directly with solar cold storage value chain Service Providers. Part of the financial component will also be implemented through Financial Institutions in collaboration with UNCDF. The selection of **Financial Institutions** for this purpose is carried out through quarterly, public, and transparent competitive process based on UNCDFs SOPs. These Financial Institutions will undergo due diligence and are recommended by a committee before being authorized to implement this part of the financial mechanism. There was an initial Competitive process based on UNCDFs SOPs submission by 12 Financial Institutions in early 2023, along with their commitments to implement the proposed Financial Component with UNCDF support. The final due diligence on these 12 financial institutions and recommendations from the Committee will take place during the initial stages of the Project Implementation phase. It is important to note that the Competitive process based on UNCDFs SOPs will occur regularly to attract more Financial Institutions willing to support and implement the Financial Component.

Risks and Assumptions

Several assumptions have been made and subsequently addressed during the development of the Project.

Risk(s) assessment concerning the overall project are summarized below. During DPP1 and DPP2, stakeholder engagement has allowed to develop specific solutions and actions to minimizes the outlined risks.

#	Risk	Addressed by:
1	**Political support and interest are not maintained throughout the Project nor maintained AFTER the end of the 5-year project to sustain replication of cold storage harvest to market systems. (TC)**	In order to ensure that political support and interest is maintained throughout the Project we will be continually working, engaging with, and informing, governmental Ministries and County officials. The project will be diversified and focused on a variety of different counties and focused on a variety of value chains (horticulture, meat, fish, dairy) through different cold-chain service providers, which will mitigate risk associated with changes in National or local political support. Workshops bringing together government officials at state/county/municipality levels in addition to other actors (solar cold storage value chain service providers,…) have already been taken into account in this project.
2	**The installed solar powered cold stores might not perform as expected due to bad quality equipment, a lack of quality checks, quality guaranties, maintenance and repair has affected many projects and could be cause for problems here as well. Furthermore, incorrect daily usage/operation of cold stores as well as incorrect handling of green refrigerants (hydrocarbons) also plays an important part in decreasing the efficiency of the cold stores. This will lead to lack of adoption, decreasing demand and loss by the financiers. (TC)**	The Project has included guidelines in the competitive process based on UNCDFs SOPs which require solar cold storage value chains service providers who seek support from UNCDF and UNDP to outline clear technical aspects, following ISO standards as well as outlines for maintenance, handling of refrigerants, as well as training of personnel. We will have funding for Technical Assistance, which includes training stakeholders in the best use and maintenance of cold stores. We will have funding to develop standards for solar cold storage value chain services (as well as awareness raising) in collaboration with solar cold storage value chain service providers, technology providers and government Ministries.
3	**Improper disposal and recycling of system components. (TC)**	1. UNDP will work with E-waste service providers, solar cold storage value chain service providers, government Ministries and County officials to strengthen the end-of-life value chain and support recycling, repurposing, and upcycling. 2. Target proper disposal of e-waste at cooperatives and farmers. 3. A competitive process based on UNCDFs SOPs for financial support required participants, such as solar cold storage value chain service providers, to outline an e-waste strategy for end-of-life disposal of solar-powered cold stores. 4. Our Project will have yearly certified training sessions on e-waste and circular economy.
4	**Pandemic-related risk, such as another strain of COVID, which might lead to delays in the implementation of the Project (Health & Natural Hazards) (TC, FC)**	Lessons learnt during the 2019-2023 COVID pandemic has strengthened the ability of stakeholders to be flexible and react to such circumstances, such as the use of virtual communication facilities in data collection, analysis, and reporting. We will also emphasize, when possible, the use of local experts to reduce long travels and movements.
5	**Environmental hazards such as droughts or floods are currently affecting significant portions of eastern Africa (TC, FC)**	The UNCDF Financial Component is structured in a way that it will offer liquidity to solar Cold storage value chain service providers, for a determined period (3-6months), thereby supporting solar cold storage value chain service providers in case of loss of produce and decrease usage of cold stores in

		loan repayments. These allows solar cold storage value chain service providers to be flexible and mobile and target different value chains. This Project has been expanded to target a variety of value chains as well as environmentally different regions of Kenya, thereby decreasing the impact of environmental risks on the efficient implementation of the Project.
6	**Lack of adequate and reliable market data to facilitate the monitoring of project impacts and planning of further policy measures. (Operational Risk) (TC, FC)**	UNDP will develop a detailed MRV plan to ensure data tracking during project implementation. This will be done in collaboration with solar cold storage value chain service providers, banks and financial institutions to ensure the timely collection and analysis of various datasets in order to strengthen the Project.
7	**Inadequate and/or non-capacitated human resources to successfully implement the project and support the mainstreaming of its results. (TC)**	Awareness raising and early training of key project proponents and later intensive training of key actors particularly agriculture extensionist in targeted states and localities.

Stakeholder Engagement

The project will engage **various stakeholders** for achieving the intended results within the sector. For the Financial Component, these include :(A) financial institutions, (B) solar cold storage value chain service providers, (C) small-holder farmers (D) aggregators, (E) technology providers and (F) farmers' cooperatives.

The Target Group of this Project is the Small-holder farmer.

Direct and Indirect Target Groups for the Financial Component (FC):

1. **Small-holder Farmers:** The direct target group of the FC includes approximately 60,000 small-holder farmers and their families. These farmers will benefit from the installation of cold storage infrastructure and the involvement of cooperatives. The cold storage units, each serving around 100 small-holder farmers, will contribute to increased incomes, improved post-harvest management knowledge, and enhanced food security. The smaller size of the cold storage units will offer flexibility and mobility, maximizing their utilization.
2. **Solar cold storage value chain Service Providers:** Solar cold storage value chain service providers are an indirect target group of the FC. Through the Tariff Support Facility and concessional loans, these providers will benefit from financial support to facilitate their involvement in the solar-powered cold storage value chain. Their participation during the project planning phase, including information sessions and the submission of applications, strengthens the financial model.

The participation of the target groups in the project planning phase is evident through stakeholder consultations and their involvement in information sessions and the competitive process based on UNCDFs SOPs. The small-holder farmers and solar cold storage value chain service providers actively engaged with the project planners, providing insights, feedback, and demonstrating their interests in the Project. **The target groups aim to benefit from increased incomes, improved post-harvest management, and enhanced livelihoods through the adoption of solar-powered cold storage solutions.**

Direct and Indirect Target Groups for the Technical Component (TC):

1. **Small-holder farms**: Through the cooperatives and installation of cold storage infrastructure, approximately 60,000 small holder farmers and their families will benefit through increased incomes, improved post-harvest management knowledge and food security.
2. **Cooperatives and Markets:** The Project will target cooperatives and markets in Kenya, with the installation and access of 1000 cold stores.
3. **Solar cold storage value chain Service Providers:** Solar cold storage value chain service providers and their employees will benefit directly through the financial mechanisms, providing new business opportunities and the direct creation of at least 1200 jobs through the provision of the solar cold storage value chain services.

4. **Government Institutions and local governments:** Public entities such as the Ministry of Agriculture and Livestock Development and the Ministry of Environment Climate Change and Forestry - responsible for regulating the agricultural and farming sectors - through participating in the Steering Committee. Moreover, an important part of the Project will be to target local county governments (e.g. Makueni, Kisumu, Nakuru, Meru), both through awareness raising programs (use of cold stores, collaboration with solar cold storage value chain service providers) and workshops in conjunction with UNCDF who will carry out a competitive process based on their SOPs targeting Local County Governments in Kenya. The support and collaboration of Ministries will be needed to develop action plans and sustainable quality standards for cold stores in Kenya. (ToC Activity 4).
5. **Solar cold storage value chain Trainers (e.g., The Technical University of Kenya) and E-Waste Service Providers (e.g., EWIK, Nairobi):** Capacity building of solar cold storage value chain service providers requires extensive training, such as certified "training the trainers" courses. The project will target two different certified courses on E-waste and use + maintenance of cold stores.
6. **Secondary (Indirect) Groups**: Other supply chain actors, such as distributors, merchants, other market participants and the end consumers indirectly, through increased food security and potentially reduced prices in food, due to increased supply. Additional beneficiaries are local manufacturers of cold stores, such as Freshbox, who build their own Cold Stores in Nairobi. Finally, the TC is also targeting additional technology providers who could propose innovative technology to solar cold storage value chain service providers (e.g., Moment Energy, Solask), with UNDP acting as a key driver to link these actors together and provide a platform to share expertise, technology, and knowledge. This is supported by the development of an additional call - a competitive process based on UNCDFs SOPs (UNCDF FC) focused solely on technology providers in order for international and national technology providers to get in contact with solar cold storage value chain service providers and implement new technologies in the Kenya cold store market.

South-South and Triangular Cooperation (SSC/TrC)

Sustainable cooling as an emerging field will benefit from a network of projects that UNDP has implemented for instance in Sri Lanka and India. UNDP Kenya will form part of the community of practice to share, knowledge and experience gained through the implementation of the project.

Digital Solutions

Cooling as a service model implemented through this project will involve installation of digital technology for monitoring performance of the cold storage facilities. This technology will provide critical data on utility, real time monitoring of defects to inform repairs as well as on amount of solar usage. The data will provide an evidence-base for scaling-up of future projects.

Knowledge

The project will have a detailed knowledge management strategy to share project results. The project will work to increase the visibility of the Mitigation Action Facility and Donors by showcasing the successful implementation of the Project, at the county level, regional level and International level. This will be done through appropriate communication and knowledge-sharing strategies including, mainstream media, social media, campaigns, conferences and workshops.

Sustainability and Scaling Up

The project will ensure the sustainability and scaling up of outputs and results through close collaboration with relevant partners and stakeholders.

Reduction/removal of barriers for investments into GHG mitigation activities through a tripled-pronged financial mechanism

The Project provides opportunities for local solar cold storage value chain service providers to invest in GHG mitigation activities and the provision of solar cold storage value chain infrastructure services to communities across Kenya. This private sector led approach is essential to ensuring the sustainability of the project and to demonstrating the success of a business model (Cooling-as-a-service, CAAS) that could be replicated in other places, where farmers have faced similar challenges accessing affordable and solar cold storage value chain and transportation infrastructure.

Private Sector investment enabling the scaling-up of solar cold storage value chain services

The Project foresees that the private sector will contribute EUR 27.470.808[2] inform of debt financing and equity investment, through the equity that is required from the local and regional solar cold storage value chain service providers as well as the direct loans from commercial lenders.

The long-term intervention of the TC is underpinned by detailed action plans for policy changes (tax incentives, quality standards) which will have been developed in collaboration with government actors during the length of the Project. Moreover, the development and implementation of quality and energy standards for cold stores in Kenya during this Project will strengthen the demand for cold stores, catalysing the growth of this sector. By supporting the training of trainers in different counties we will strengthen the sustainability of the Project long after the 5 years of the project. Finally, our training courses will be set-up on the online UNDP learning for Nature platform and will therefore be freely available to interested participants.

IV. PROJECT MANAGEMENT

A. UNDP will receive the funds for the Technical Component (TC) from the Mitigation Action Facility and will hold the funds throughout the duration of the Project. The National Coordinator at UNDP will receive administrative support through dedicated support staff hired under the project and oversight will be provided through UNDP and the Steering Committee. Technical assistance will be provided by UNDP for a period of 5 years to scale-up the Project implementation. UNDP along with farming cooperatives, solar cold storage value chain service providers and e-waste collection centres will market the Project to the target groups which will include activities such as showcasing solar cold storage technologies, financial benefits of such technologies, best practices when using these technologies and the safe disposal of these technologies as well as information dissemination. Technical assistance will also involve workshops and technical working groups involving government and county ministries, cooperatives, and cold storage service providers to provide targeted incentives to stimulate the uptake of solar cold chain services (e.g., decrease in import duties, market taxes). UNDP will also provide trainings to cooperatives and farmers and the 'know-how', to use and efficiently operate and maintain installed solar cold stores as well as certified training courses. UNDP will also implement awareness raising programs related to increasing gender representation and equality at all levels of the value chain. Technical assistance will also include implementation of monitoring and reporting activities (MRV) which will be conducted by UNDP based on a set of clearly defined indicators including gender indicators. MRV activities and data collection will be conducted in collaboration with the different stakeholders involved in the Project (banks, service providers for solar cold storage value chains, cooperatives, small-holder farmers). MRV trainings will be provided to the target groups to make them understand the indicators and the monitoring processes. UNDP will appoint a technical manager to conduct these activities overseeing MRV for both the TC and FC components of the overall Project as well as providing bi-yearly MRV Reports to the TSU at the Mitigation Action Facility.

B. UNCDF will receive the funds for the Financial Component (FC) from the Mitigation Action Facility and will hold the funds throughout the duration of the Project. As part of the three-pronged financial components spearheaded by UNCDF (namely, concessional loans, partial credit risk guarantee and tariff support facility), ongoing preparatory activities during DPP1 and DPP2 include the initiation of a competitive selection process for potential financial institutions, operators, and technology providers. All stakeholder engagement were based on competitive process based on UNCDFs SOPs inviting the participation of eligible service solar cold storage value chain providers and financial institutions to take part in the Project. UNCDF has already made an open invitation to solar cold chain service providers, cooperatives, and financial institutions, several of whom have already submitted their response to this Competitive process based on UNCFDs SOPs expressing their interest to participate in the Project. UNCDF will support UNDP in MRV activities and communication to the Mitigation Action Facility as well as be a member of the Project Steering Committee (PSC). The total financial component of EUR 17.90 million, enabling more than 1,000 facilities within the Solar Cold Storage Value Chain, is estimated for the implementation of the three financial instruments by UNCDF. To ensure successful execution, UNCDF will mobilize significant resources. These resources will include the part-time engagement of key personnel from HQ to ensure proper supervision, administration, financial operations, compliance and risk

[2] As according to the Modelled Financial Component

function, and portfolio monitoring. Additionally, the project will benefit from the expertise of a fully dedicated Investment Specialist (project Manager) and 3 Investment Analysts.

C. The Project Steering Committee (PSC) will form the highest organ of the project and will be responsible for overseeing project implementation, project status review and appraisal of the project annual work plans. The PSC will be co-chaired by the Resident Representative (UNDP Kenya) and UNCDF. Other members of the committee with be drawn from the Government of Kenya, private sector, and academia.

D. The Technical Committee, co-chaired by UNDP will be focused on guiding project activities through technical discussions and technical backstopping and will include government representatives from Ministries represented in the PSC. This Committee will meet prior to the bi-yearly PSC meeting.

From the Technical Component (TC) funds, UNDP will cover the costs of Steering Committee Meetings, Technical Committee Meetings, and MRV Checks for a period of 5 years. The Steering Committee will consist of the following institutions and representatives:

- Representatives from the Ministry of Agriculture and Livestock Development
- Representatives from the Ministry of Environment, Climate Change & Forestry
- Representatives from the Ministry of Energy
- Representatives from the private sector
- UNDP as Technical Implementation Organisation
- UNCDF as a lead on FC

V. **RESULTS FRAMEWORK – FINANCIAL COMPONENT**

Intended Outcome as stated in the UNCDF Strategic Framework: Unlock public and private finance for the poor

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

UNCDF SF Outcome 2: Unlocked public and private finance for the poor

Project title and Quantum Project Number: Reducing post-harvest losses through solar powered cold chains services in Kenya (Kenya Post-harvesting solar-cooling)

EXPECTED OUTPUTS & OUTCOMES	OUTPUT & OUTCOME INDICATORS	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 *Volume of private finance mobilized for low-carbon investment and development [referred to as M5 by donor]* ***[private sector leverage]***	*Amount of Private Funding leveraged through the UNCDF Financial Component:* ***Commercial Loans (EUR)***	*UNCDF and Bank records*	0	2024	2,268,412	3,024,549	4,533,607	5,289,744	0	*15,116,312*	*UNCDF financial model & Measurements*
	Amount of Private Funding leveraged through the UNCDF Financial component: ***Equity (EUR)***	*UNCDF records*	0	2024	1,853,963	2,471,951	3,705,297	4,323,284	*0*	*12,354,495*	
	Amount of Private Funding leveraged through the UNCDF Financial component: ***Revolving Fund (EUR)***	*UNCDF records*	0	2024	*0*	*0*	*0*	*0*	*137,987*	*17,524,336*	

Outcome Indicators											
TOC Outcome Indicator 1 Increased private investments through flexible finance mechanisms in the form of concessional loans and guarantees. **(Referred to as M4 and M5 by donor)**	*Concessional Debt Deployed*	*UNCDF Loan Agreements signed*	0	2024	480,000	640,000	960,000	1,120,000	0	3,200,000	*UNCDF Financial Model*
	Guarantee Deployed	*UNCDF Guarantee Agreements Signed*	0	2024	1,155,000	1,540,000	2,310,000	2,695,000	0	7,700,000	
	Tariff Support Facility Deployed	*UNCDF records, Cold Chain service providers supported by the Liquidity Facility*	0	2024	330,000	440,000	660,000	770,000	0	2,200,000	

VI. RESULTS FRAMEWORK - TECHNICAL COMPONENT

Intended Outcome as stated in the UNSDCF/Country [or Regional] Programme Results and Resource Framework:
UNSDCF Outcome 2.1: By 2026, all people in Kenya at risk of being left behind – particularly all women and girls, all youth and children, all in the ASAL counties and all in the informal urban settlements – benefit from inclusive, sustainable, diversified and environmentally / climate-sensitive quality livelihoods with decent work in the sector economies and realise growth that is resilient, green and equitable.

Applicable Output(s) from the UNDP Strategic Plan:
CPD: Output 3.4 Capacities to deliver on nationally determined contributions enhanced

Project title and Quantum Project Number: Reducing post-harvest losses through solar powered cold chains services in Kenya (Kenya Post-harvesting solar-cooling)

EXPECTED OUTPUTS & OUTCOMES	OUTPUT & OUTCOME INDICATORS	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	
M2-a: *Number of people directly benefitting from Project*	*Women*	*UNDP reports, information from cooperatives, cold chain service providers*	0	2024	*9,000*	21,000	39,000	60,000	*60,000*	*60,000*	*Measurement*
	Men				*9,000*	21,000	39,000	60,000	*60,000*	*60,000*	
	Children (assuming 3 children per family in Kenya)				*27,000*	*27,000*	*63,000*	*117,000*	*180,000*	*180,000*	
M2-b*: Number of People Directly Benefiting from the Revolving fund (additional 953 cold Stores)*	*Women*	*UNDP reports, information from cooperatives, cold chain service providers*	*0*	*2024*	*0*	*0*	*0*	*0*	*480*	*57,180*	*Measurement*
	Men				*0*	*0*	*0*	*0*	*480*	*57,180*	
	Children (assuming 3 children per family in Kenya)				*0*	*0*	*0*	*0*	*480*	*57,180*	
M3*: Degree to which the supported activities are likely to catalyse impacts beyond the Project (potential for scaling-up,*	*Replicable, scalable and long-lasting financial instruments for financing low-carbon sustainable development have been established as a result of the Project's activities.*	*UNDP reports, information from cooperatives, cold chain service providers, financial institutions*	*0*	*2024*	*0*	*0*	*0*	*0*	*4*	*4*	*Measurement*

EXPECTED OUTPUTS & OUTCOMES	OUTPUT & OUTCOME INDICATORS	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	
replication transformation)	***UNDP Technical Component supported by UNCDF Financial Component***										
	Decision-makers or decision-making entities in the implementing country (e.g. parliament, business associations) take landmark decisions aimed at moving the country towards low-carbon sustainable development	*UNDP reports, information from cooperatives, cold chain service providers, financial institutions*	*0*	*2024*	*0*	*0*	*0*	*0*	*4*	*4*	*Measurement*
M6: Contribution of the Project to the country's measures to promote green recovery from the impacts of	[3]*M6-A: Creation of sustainable Private Sector employment* ***UNDP Technical Component supported by UNCDF Financial Component***	*UNDP + UNCDF + information from Cold Chain Service providers*	*0*	*2024*	*240*	*600*	*960*	*1200*	*1200*	*1200*	*Measurement* *Unit: direct cumulative jobs from cold chain service providers*

[3] (Note that this value is conservative - and does not take into account indirect jobs in local manufacturing of cold stores or additional jobs created through the preservation of 33% of food at local markets, transport, etc.)

EXPECTED OUTPUTS & OUTCOMES	OUTPUT & OUTCOME INDICATORS	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	
the Covid-19 pandemic	*[4]M6-B:Creation of sustainable Private Sector employment* ***UNDP Technical Component supported by UNCDF Financial Component***	*UNDP + UNCDF + information from Cold Chain Service providers*	*0*	*2024*	*0*	*0*	*0*	*0*	*10*	*525*	*Measurement* *Unit: direct cumulative jobs from cold chain service providers*
Outcome indicators											
TOC Outcome indicator 1: *Catalysed Private Sector Investments for the deployment and adoption of cold chain storage*	*Number of sustainable solar-powered cold stores installed through the UNCDF financial mechanisms during the Project Implementation Phase (Year 1-5)* ***UNDP Technical Component and. UNCDF Financial Component***	*UNCDF and records from Financial Institutions, Banks and cold chain service providers.*	*0*	*2024*	*750MT[5]*	*1,750MT*	*3,250MT*	*5,000MT*	*5000MT*	*5,000MT*	*Measurement* *Unit: cumulative number of cold stores*
TOC Outcome indicator 3:	*Number of sustainable solar-*	*UNCDF and records from*	*0*	*2024*	*0*	*0*	*0*	*0*	*40MT*	*2,175MT*	*Measurements*

[4] Note that this value is conservative - and does not take into account indirect jobs in local manufacturing of cold stores or additional jobs created through the preservation of 33% of food at local markets, transport, etc.)

[5] We assume an average size of 5MT per cold room

EXPECTED OUTPUTS & OUTCOMES	OUTPUT & OUTCOME INDICATORS	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	
Catalysed Private Sector Investment s for the deployment and adoption of cold chain storage	*powered cold stores installed through the UNCDF Revolving Fund (Years: 4- 14)* ***UNDP Technical Component and. UNCDF Financial Component***	*Financial Institutions, Banks and cold chain service providers.*									*Unit: cumulative number of additional cold stores*
TOC Outcome indicator 2: *Reduction of Harvest Losses for small holder farms and strengthen ed food security*	*Yearly prevented Food Waste through the use of solar powered cold stores and better packaging of produce (Cold Stores installed through the UNCDF financial mechanisms during the Project Implementation Phase* ***(Year 1-5)***	*UNDP reports, Cold Chain Service Providers, information from cooperatives*	*0*	*2024*	*7000*	*24,525*	*45,545*	*70,070*	*140,138*	*140,138*	*Measurements* *Unit: yearly food waste prevented (tons)*
	Yearly prevented Food Waste through the use of solar powered cold stores and better packaging of				*0*	*0*	*0*	*0*	*1,118*	*61,048*	

EXPECTED OUTPUTS & OUTCOMES	OUTPUT & OUTCOME INDICATORS	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	
	produce (Cold Stores installed through the UNCDF Revolving Fund ***(Years: 4- 14)***										
Output Indicators											
ToC Activity 4 - Output 2: *Improved Regulatory Environment for cold chain service providers*	***Milestones*** *Yearly*	*UNCDF Reports, reports from workshops*	*0*	*2024*	*3*	*6*	*6*	*3*	*3*	*-*	***Indicator****: Workshop with Governments, Ministries, hired experts/consultants and other stakeholders on developing policies and standards* ***Unit****: no. workshops per year (not cumulative)*
ToC Activity 4 - Output 2: Improved Regulatory Environment for cold chain service providers	***Milestones*** *End of Project*	*UNDP Reports, Reports from Hired Consultants, reports/ Meeting Minutes from yearly workshops help with policymakers*	*0*	*2024*	*0*	*0*	*0*	*0*	*1*	*-*	***Indicator****: Presentation of an Action Plan/Roadmap to policymakers to catalyse the growth of cold stores in Kenya and lead to transformative change (1 Action Plan*)
ToC Activity 4 - Output 2: *Improved*	***Milestone(s).***	*UNDP Reports, Reports from Hired*	*0*	*2024*	*0*	*0*	*1*	*1*	*1*	*-*	*Measurements*

EXPECTED OUTPUTS & OUTCOMES	OUTPUT & OUTCOME INDICATORS	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	
Regulatory Environment for cold chain service providers	*Year 3[6] and end of the Project*	*Consultants, reports/ Meeting Minutes from yearly workshops help with policymakers*									***Indicator**: development and introduction of quality standards (solar-powered cold stores) to catalyse the growth of high-quality cold stores in Kenya and lead to transformative change.* ***Unit**: nos.*
***ToC Activity 4 - Output 2:** Improved Regulatory Environment for cold chain service providers*	***Milestones*** *Yearly*	*UNDP Reports, Reports from Hired International cold store Consultants.*	*0*	*2024*	*10*	*20*	*30*	*40*	*50*	*-*	*Measurements* ***Indicator**: Cumulative number of cold stores monitored for energy efficiency and quality assurance* ***Unit**: nos.*
***TOC Output 3 Activity 4:** Build Awareness of the Project*	***Milestones*** *Per Year*	*UNDP Reports*	*0*	*2024*	*1*	*2*	*3*	*4*	*5*	*-*	*Measurements* ***Indicator**: Cumulative No. of Workshop with County Governments in Kenya to increase awareness about the Project* ***Unit**: no of workshops (cumulative)*
	Milestones	*UNDP Reports*	*0*	*2024*	*1*	*2*	*2*	*1*	*1*	*-*	*Measurements*

[6] we expect to initially ease-in quality standards incrementally: Initial introduction of quality standards will therefore be voluntary (year 3) prior to finalizing a full set of quality standards which will be presented to the Kenya Government.

EXPECTED OUTPUTS & OUTCOMES	OUTPUT & OUTCOME INDICATORS	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	
TOC Output 3 Activity 5: *Provide Targeted Technical and Business Assistance*	*Per Year*										***Indicator****: No. of in - person Certified Training Course on maintenance, operation of Cold Stores and best practices and packaging* ***Unit****: no of certified courses*
	Milestones *Per Year*	*UNDP Reports*			*1*	*2*	*2*	*1*	*1*	*-*	***Indicator****: No. of in - person Certified Training Course on E -waste and circular economy* ***Unit****: no of courses*
	Milestones *Beginning Year 2*	*UNDP Reports*			*0*	*3*	*3*	*3*	*3*	*-*	***Indicator****: Cumulative No. of Certified Training Courses which are set - up online on the UNDP platform Learning for Nature and freely available* ***Unit****: no of courses (cumulative)*
ToC - Output 4 Activity 6: *Established and Operational M&E – MRV System*	***Milestones****:* *Per year* *Improve Project and Mitigation Action Facility efficacy through MRV*	*UNDP Reports*	*0*	*2024*	*1*	*2*	*3*	*4*	*5*	*-*	*Measurement* ***Indicator****: No. of capacity building sessions held on MRV framework* ***Unit****: no of training sessions (cumulative)*

EXPECTED OUTPUTS & OUTCOMES	OUTPUT & OUTCOME INDICATORS	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	
ToC - Output 4 Activity 6: *Improve Project and Mitigation Action Facility efficacy through MRV*	***Milestones:*** *Bi-yearly* *Improve Project and Mitigation Action Facility efficacy through MRV*	*UNDP Reports*	*0*	*2024*	*2*	*4*	*6*	*8*	*10*	*-*	*Measurement* ***Indicator****: No. of bi-yearly reports submitted to the Mitigation Action Facility* ***Unit****: no of reports, cumulative*

VII. MONITORING AND EVALUATION

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

Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)
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 & UNCDF
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 & UNCDF
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 & UNCDF
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.	UNDP & UNCDF
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 & UNCDF
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 mitigation measures, and any evaluation or review reports prepared over the period.	Annually, and at the end of the project (final report)		UNDP & UNCDF

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)
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.	Bi-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 & UNCDF

Evaluation Plan

Evaluation Title	Partners (if joint)	Related Strategic Plan Output	UNSDCF/CPD Outcome	Planned Completion Date	Key Evaluation Stakeholders
Mid-Term Evaluation	Joint	**CPD**: Output 3.4 Capacities to deliver on nationally determined contributions enhanced	**UNSDCF Outcome 2.1:** By 2026, all people in Kenya at risk of being left behind – particularly all women and girls, all youth and children, all in the ASAL counties and all in the informal urban settlements – benefit from inclusive, sustainable, diversified and environmentally / climate-sensitive quality livelihoods with decent work in the sector economies and realise growth that is resilient, green and equitable.	July 2026	Target beneficiaries

The Project has a duration of 5 years and is subject to a mid-term and end- term evaluation directly by the MAF. 1% of the requested MAF funding has been set aside for the mandatory evaluation.

VIII. MULTI-YEAR WORK PLAN

EXPECTED OUTPUTS		PLANNED ACTIVITIES	Planned Budget by Year						RESPONSIBLE PARTY	PLANNED BUDGET		
			Y1	Y2	Y3	Y4	Y5	Y6		Funding Source	Budget Description	Amount
Output 1&2: *Increased private investments through flexible finance mechanisms in the form of concessional loans and guarantees. (Referred to as M4 and M5 by donor)* ***Gender marker:***	Deployment of the Financial Mechanism including UNCDF Concessional debt, Guarantee on Commercial Debt and Tariff Support for Farmers/Users	Concessional Debt	480,000	640,000	960,000	1,120,000	0	0	UNCDF	MAF/ GIZ	Deployment of Financial Instrument to beneficiaries	13,100,000
		Guarantee	1,155,000	1,540,000	2,310,000	2,695,000	0	0				
		TSF	330,000	440,000	660,000	770,000	0	0				
		Staff Costs	602,621	560,772	560,772	560,772	560,772	93,462	UNCDF	MAF/ GIZ		2,939,173
		Travel Costs	29,934	48,542	48,542	48,542	48,542	8,090	UNCDF	MAF/ GIZ		232,193
Evaluation[7]			3,571	173,656	0	0	0	0	MAF/ GIZ	MAF/ GIZ	assessing the design, implementation, and outcomes of an initiative project	177,228
General Management Support		1% UN Levy	3,279	159,435								162,714
		8% Administration costs/ GMS for UNCDF	25,970	1,262,723								1,288,692
TOTAL FC												**17,900,000**

[7] The Evaluation Budget will not be disbursed to the Implementing Agencies

EXPECTED OUTPUTS		PLANNED ACTIVITIES	Planned Budget by Year						RESPONSIBLE PARTY	PLANNED BUDGET		
			Y1		Y2	Y3	Y4	Y5	Y6		Funding Source	Budget Description	Amount
Output(s) ***2.*** *Improved regulatory environment for cold chain service providers* ***3.*** *Adoption of capacity building of cold storage harvest to market*	Including, Developing supportive governmental policies; Building awareness of the project; Providing targeted technical assistance	Staff costs-	-	-	-			-	-	UNDP	MAF		1,312,916
		Consultancies	523,900		515,100	485,100	484,100	515,100	-				2,524,300
Output 4 Implementation of MRV and strengthening of the Project	Establish and operational MRV system	Training costs	-		-	-	-	-	-	UNDP	MAF		1,002,920
		Travel Costs	28,000		19,000	19,000	19,000	19,000	-	UNDP	MAF	Travel	104,000
		Procurement of goods	-		-	-	-	-	-	UNDP		Procurement	510,500
		Other costs and consumables	-		-	-	-	-	-	UNDP		Other costs	502,424
Subtotal direct costs													**5,957,060**
		Administration costs	-		-	-	-	-	-	UNDP		Administrative	751,784
Subtotal direct and indirect costs w/o Project evaluation													**6,708,844**
		Project Evaluation Budget (will not be disbursed)	-		-	-	-	-	-	UNDP		Evaluation	67,088
TOTAL TC													**6,775,932**

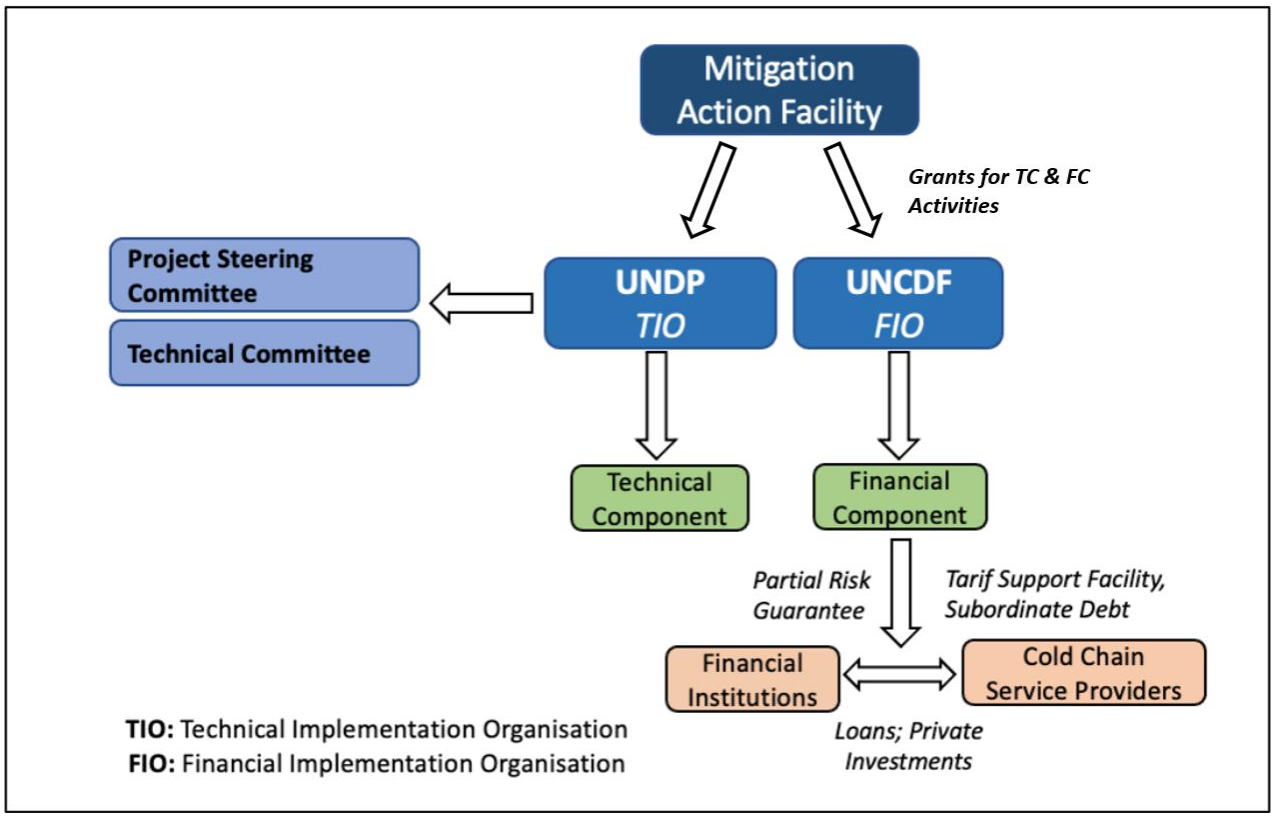


Figure 1: Cooperation structure for financial flow of the Project

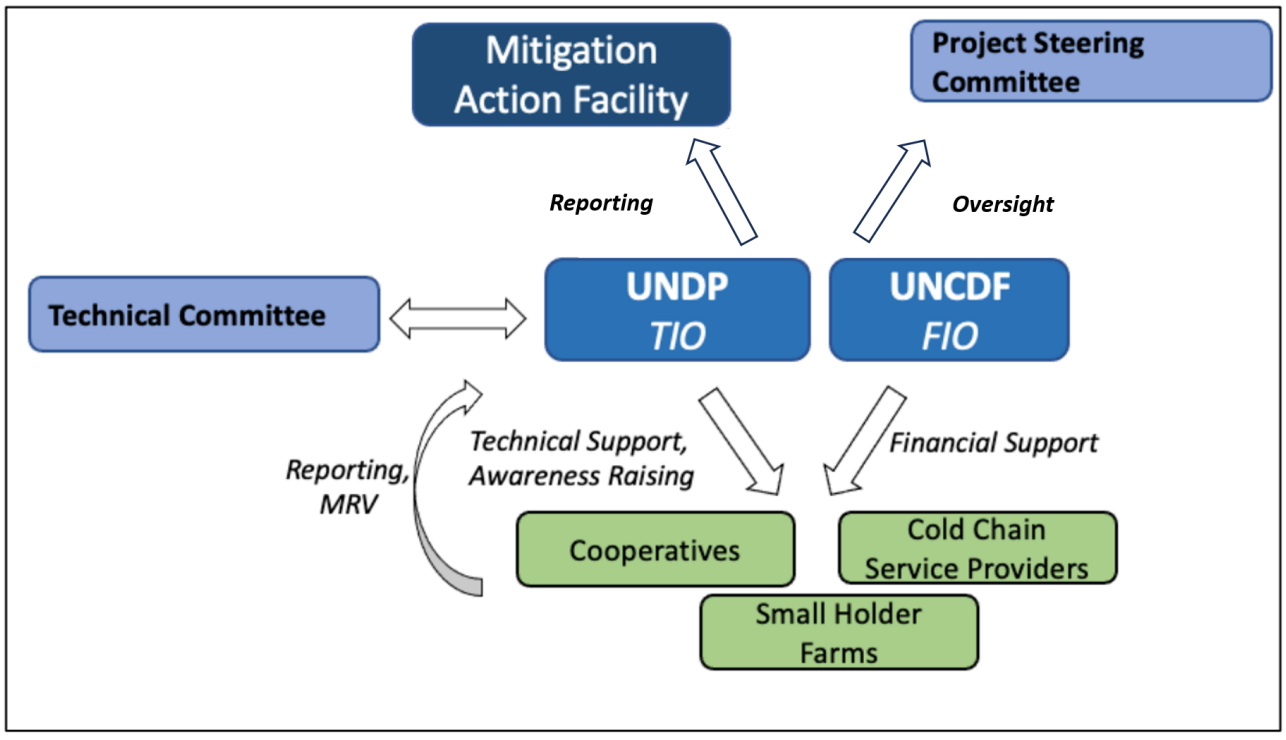


Figure 2: Cooperation structure for Technical and Financial activities of the Project.

X. LEGAL CONTEXT

*[NOTE: Please choose **one** of the following options, as applicable. Delete all other options from the document]*

Option a. Where the country has signed the Standard Basic Assistance Agreement (SBAA)

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 [name of entity] ("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.

XI. RISK MANAGEMENT

Option b. UNDP and UNCDF (DIM)

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][8] [UNDP funds received pursuant to the Project Document][9] 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

[8] To be used where UNDP is the Implementing Partner

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

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.

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.

k. Choose one of the three following options:

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

   Option 2: Each responsible party, subcontractor or sub-recipient 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 the 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.

Option 3: 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.

l. 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.
m. 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.
n. 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.

Option c. CSO/NGO/Non-UN or other IGO with no signed SBEAA with UNDP

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 and the Project Cooperation Agreement between UNDP and the Implementing Partner[10].

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, that the recipients of any amounts provided by UNDP hereunder do not appear on the United Nations Security Council Sanctions 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 Sanctions Consolidated Sanctions List can be accessed via https://www.un.org/securitycouncil/content/un-sc-consolidated-list.

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.
(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. 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.

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

[10] Use bracketed text only when IP is an NGO/IGO

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, and 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 such 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. UNDP is committed to the highest ethical standards and will not tolerate the diversion of the resources entrusted to it through Money Laundering or Terrorist Financing and will not partner with entities that tolerate the diversion of resources through Money Laundering or Terrorist Financing. To that effect, the Implementing Partner represents and warrants that it has not, and it shall not, at any time in the implementation of the Project engage in Terrorism Financing or Money Laundering. The Implementing Partner shall communicate the restriction of this paragraph to its 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 Documents and shall take all reasonable measures to ensure that such persons do not engage in Terrorism Financing or Money Laundering.

10. The Implementing Partner shall immediately disclose to UNDP any actual, apparent, potential or attempted Terrorism Financing or Money Laundering activity that it becomes aware of. The Implementing Partner shall fully cooperate with any investigation or review of Terrorism Financing or Money Laundering activity by UNDP.

11. The Implementing Partner acknowledges and agrees that Terrorism Financing or Money Laundering constitute financial irregulates and that if the Implementing Partner or any 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 engages in Terrorism Financing or Money Laundering activity that would constitute a material breach of this Project Document, which entitles UNDP to immediately terminate the Project without incurring any liability or penalty.

12. Furthermore, the Implementing Partner expressly acknowledges and agrees that, in the event that UNDP were to determine through an investigation or otherwise that Terrorism Financing or Money Laundering occurred, UNDP shall have, in addition to its right to immediately terminate the Project, the rights to:

i. apply and enforce the relevant sanctions in accordance with UNDP internal regulations, rules, procedures, practices, policies and guidelines, including referral of the matter to national authorities when appropriate; and
ii. recover all losses, financial or otherwise, suffered by UNDP in connection with such Terrorism Financing or Money Laundering activity.

13. For the purpose of this Project Document the following terms shall have the definition ascribed to the below:

i. "Money Laundering" is generally considered as concealment of the origins of money obtained illegally, typically by passing it through a complex sequence of financial or commercial transactions. ML usually

involves three stages: (i) introducing the proceeds of crime into the financial system (placement); (ii) transactions to convert or transfer the funds to other locations or financial institutions (layering); and (iii) reintroducing the funds into the legitimate economy as "clean" money and investing it in various assets or business ventures (reintegration) appearing to have been legally obtained. The FATF recommends that ML be criminalized by every country on the basis of article 3(1)(b) and (c) of the Vienna Convention and article 6(1) of the Palermo Convention.

ii. "Terrorist Financing" means providing support to individuals or entities that appear on the United Nations Security Council Consolidated Sanctions List accessible at https://www.un.org/securitycouncil/content/un-sc-consolidated-list.

14. 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 the UNDP funds. The Implementing Partner 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.

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

16. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP programmes and projects in accordance with UNDP 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.

17. The Implementing Partner will promptly inform UNDP in case of any incidence of inappropriate use of funds, or credible allegation of fraud, corruption or other financial irregularity 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 or other financial irregularity, 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.

18. *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, corruption or other financial irregularity, or otherwise paid other than in accordance with the terms and conditions of this Project Document. Such amount may be deducted by UNDP from any payment due to the 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 the 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, corruption or other financial irregularity, 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. corruption or other financial irregularity, 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, corruption or other financial irregularity, 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 the Implementing Partner, responsible parties, subcontractors and sub-recipients.

19. 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.

20. 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.

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

Option d. UN Agency other than UNDP, and IGO with signed SBEAA with UNDP

1. [Name of UN Agency/IGO] as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)

2. In the implementation of the activities under this Project Document, [Name of UN Agency/IGO] 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. The Implementing Partner will ensure that its regulations, rules, policies and procedures are consistent with the principles of UNDP relating to SEA and SH requirements. Notwithstanding the foregoing, the [Name of UN Agency/IGO], as the Implementing Partner, will notify UNDP of any such allegations and investigations it may conduct further to such allegations.

3. [Name of UN Agency/IGO] as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor and sub-recipient that is not a UN entity:

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 [Name of UN Agency/IGO]'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. [Name of UN Agency/IGO] 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. In the performance of the activities under this Project, [Name of UN Agency/IGO] as the Implementing Partner shall ensure, with respect to the activities of any of its responsible parties, sub-recipients and other entities engaged under the Project, either as contractors or subcontractors, their personnel and any individuals performing services for them, that those entities have in place adequate and proper procedures, processes and policies to prevent and/or handle SEA and SH.

4. [Name of UN Agency/IGO] agrees to undertake all reasonable efforts to ensure that none of the [project funds][11] [UNDP funds received pursuant to the Project Document][12] 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 Sanctions 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 Sanctions Consolidated Sanctions List can be accessed via https://www.un.org/securitycouncil/content/un-sc-consolidated-list

5. 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).

6. 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.

7. 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.

8. In the implementation of the activities under this Project Document, [Name of UN Agency/IGO] as the Implementing Partner will ensure that its regulations, rules, policies and procedures are consistent with the principles of then in force UNDP's Anti-Money Laundering and Countering the Financing of Terrorism Policy.

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 programme or using the UNDP funds. The Implementing Partner 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.

10. [*This text should be included when the Implementing Partner is a non-UN IGO*: 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] To be used where UNDP is the Implementing Partner

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

11. [*This text should be included when the Implementing Partner is a non-UN IGO*: In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects or programmes. 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 Implementing Partner and UNDP 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 or other financial irregularity, 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, corruption or other financial irregularity, or otherwise paid other than in accordance with the terms and conditions of this Project Document. Such amount may be deducted by UNDP from any payment due to the 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 the 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, corruption or other financial irregularity, 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, corruption or other financial irregularity, 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, corruption or other financial irregularity, 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 Standard Clauses" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management" are included, *mutatis mutandis*, in all sub-contracts or sub-agreements entered into further to this Project Document.

Special Clauses. In case of government cost-sharing through the project, the following clauses should be included:

1. The schedule of payments and UNDP bank account details.

2. The value of the payment, if made in a currency other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Should there be a change in the United Nations operational rate of exchange prior to the full utilization by the UNDP of the payment, the value of the balance of funds still held at that time will be adjusted accordingly. If, in such a case, a loss in the value of the balance of funds is recorded, UNDP shall inform the Government with a view to determining whether any further financing could be provided by the Government. Should such further financing not be available, the assistance to be provided to the project may be reduced, suspended or terminated by UNDP.

3. The above schedule of payments takes into account the requirement that the payments shall be made in advance of the implementation of planned activities. It may be amended to be consistent with the progress of project delivery.

4. UNDP shall receive and administer the payment in accordance with the regulations, rules and directives of UNDP.

5. All financial accounts and statements shall be expressed in United States dollars.

6. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to the government

on a timely basis a supplementary estimate showing the further financing that will be necessary. The Government shall use its best endeavours to obtain the additional funds required.

7. If the payments referred above are not received in accordance with the payment schedule, or if the additional financing required in accordance with paragraph 6 above is not forthcoming from the Government or other sources, the assistance to be provided to the project under this Agreement may be reduced, suspended or terminated by UNDP.

8. Any interest income attributable to the contribution shall be credited to UNDP Account and shall be utilized in accordance with established UNDP procedures.

In accordance with the decisions and directives of UNDP's Executive Board:

The contribution shall be charged:

(a) […%] cost recovery for the provision of general management support (GMS) by UNDP headquarters and country offices

(b) Direct cost for implementation support services (ISS) provided by UNDP and/or an executing entity/implementing partner.

9. Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

10. The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP."

XII. 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. **Capacity Assessment:** Results of capacity assessments of Implementing Partner (including Partner Capacity Assessment Tool (PCAT) and HACT Micro Assessment)

5. **Project Board Terms of Reference and TORs of key management positions.** The standard Project Board TOR can be found here**.**

6. **On-Granting Provisions Applicable to the Implementing Partner[13].** On-granting clauses for non-UNDP Implementing Partners can be found here.

[13] Applicable for non-UNDP Implementing Partner as Grant Making Institution facilitating on-granting.