



PROJECT DOCUMENT
INDONESIA

Project Title : **Response Toward COVID-19 Resilience (RESTORE)**
Project Award ID : 00126825
Implementing Partner : UNDP (DIM)
Start Date : 13 October 2021
End Date : 30 June 2022 - Operationally close
 31 December 2022 - Financially close
PAC Meeting Date : 22 September 2021

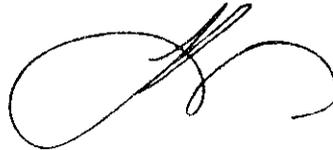
Brief Description
<p>Indonesia continues to face deep and multi-sectoral impacts of COVID-19. As of mid-January 2021, the country has confirmed over 917,000 total cases and 26,000 deaths, and daily cases have reached a new high of 14,000– of which 3,500 are in Jakarta. The country’s micro, small and medium-sized enterprises (MSMEs) have been disproportionately impacted and are struggling to survive. The economic shock is destroying jobs and livelihoods – with women, people with disabilities, youth, and those working in the informal economy most heavily affected. Although the Government has started to implement its vaccination programme, this is only expected to be completed in 2022.</p> <p>Indonesia has to manage the dual objectives of protecting its economy – in particular its vulnerable MSMEs – in order to safeguard jobs, livelihoods and macro-economic stability; and preventing the further spread of COVID-19. To address this challenge, this Project will work in partnership with the Government to improve healthcare services, to support an inclusive multisectoral response, to develop fiscal policies to facilitate the economic recovery and to support MSMEs to mitigate the transmission of COVID-19 and to respond to and recover from the crisis. The Project will mainstream gender issues in the planning, implementation, and monitoring of activities. In line with Government strategy and policies, the Project will assist MSMEs to transition to the green economy and the digital economy in order to strengthen their long-term resilience and harness their contribution to building forward better. This will be achieved by building on UNDP’s existing programmes with business incubators and business accelerators; and partnerships with the private sector, KADIN and civil society organizations to facilitate sustainability. The Project will partner with Japanese companies and organizations to strengthen MSMEs’ long-term competitiveness and resilience.</p>

Contributing Outcome (UNDAF/CPD, RPD or GPD):

- UNSDCF/CPD 2021-2025 Outcome 3. Institutions, communities and people actively apply and implement low carbon development, sustainable natural resources management, and disaster resilience approaches that are all gender sensitive.
- CPD 2021-2025 Indicative Outputs:
 - Project Output 1 (GEN 2) attribute to CPD Output 3.4. Conservation and resilience strategies with local priorities (income and food security) contribute to global environment benefits (SP Output 2.4.1)
 - Project Output 2 (GEN 2) attribute to CPD Output 3.3. Strengthened preparedness of institutions and communities to climate change and disasters risks, including deployment of sustainable solutions (SP Output 3.3.1)
 - Project Output 3 (GEN 2) attribute to CPD Output 3.4. Conservation and resilience strategies with local priorities (income and food security) contribute to global environment benefits (SP Output 2.4.1)

Total resources required:	\$	2,663,193.00
Total allocated resources	UNDP TRAC (RFF):	\$ 648,000.00
	UNDP TRAC:	\$ 80,000.00
	Donor JSB 2	\$ 1,935,193.00
	MPTF	
	Donor WHO:	
	Donor IOM:	
	Government:	\$ 0
	In-Kind:	\$ 0
Unfunded:		\$ 0

Agreed by UNDP:



Sophie Kemkhadze Officer in Charge, UNDP Indonesia

Date: 7/1/2022

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I. DEVELOPMENT CHALLENGE

Indonesia continues to face deep and multi-sectoral impacts of COVID-19. As of mid-March 2021, the country has confirmed over 1,430,000 total cases and 38,750 deaths. Indonesia's health services are under increasing pressure from the virus, which has resulted in the Government creating a specific national task force to manage the pandemic and coordinate the economic recovery. Currently, Java and Bali are implementing tougher social restrictions to prevent the persistent rise in COVID-19 cases.

The impact of COVID-19 on Indonesia's economy has been devastating, affecting over 29 million workers with 80% having their hours and wages cut. By the end of 2020, Indonesia's economic growth contracted by 2.2 percent, resulting in a national government budget deficit of more than IDR 1,000 trillion (USD 70 billion).

Responding to both health and economic crises caused by COVID-19, the Government of Indonesia has launched its National Economic Recovery Plan (PEN). The plan focuses on six sectors targeted to support recovery and boost both demand- and supply-sides of the economy; as well as to strengthen pandemic response. These are health, social protection, ministries and subnational government transfers, micro, small, and medium enterprises (MSMEs), corporate financing, and business incentives. The government allocated IDR 695.2 trillion in the 2020 plan and will allocate IDR 403.9 trillion in 2021, as it assumes that economic activities will slowly return to normal. In 2020, the Government allocated IDR 39 trillion to MSMEs.

UNDP is supporting the Government of Indonesia with both immediate response to the crisis and longer-term recovery. UNDP's support is aligned with the government's priorities and the UNCT's Multi-sectoral Response Plan to COVID-19. UNDP is conducting a series of socio-economic assessments on the impacts of the crisis, which includes evaluating the impacts of COVID-19 on households, MSMEs, and disaster affected communities. Findings from these assessments are assisting the National Disaster Management Agency (BNPB) and selected subnational governments to develop their COVID-19 recovery plans.

Impact on Health System and Crisis Response Management.

As the epidemic spreads all over the Indonesian archipelago coupled with the high disparity of subnational government capacity (provincial and district/city), there is an urgent need to provide support for both immediate life-saving interventions as well as for **strengthening national and subnational governments'** capacity to respond to the crisis in term of information collection and analysis, coordination, communication and awareness raising. The Ministry of Health has developed a nation-wide risk analysis for COVID-19 that combines risk analysis from WHO with country specific parameters^[1]. The result shows that 6 provinces are very high-risk, 5 provinces are high-risk and the remaining 23 provinces are medium- to low-risk. In addition to COVID-19 crisis, Indonesia is also prone to natural disasters. Based on IRBI^[2], 16 out of 34 provinces and 258 out of 514 Municipality/Districts are considered high-risk from natural disaster. However, many of the coping mechanisms even for areas with low-risk level, were built more in reference to hydrometeorology and geology types of disasters and based on community approach with people-to-people interaction. The COVID-19 pandemic has certainly added another layer of hazard and restrictions related to limiting the spread of the virus which generates additional challenges for government and communities. As such, the current crisis has weakened preparedness to natural disasters at community level. Particular attention needs to be given to provinces in Indonesia that are vulnerable to both natural disaster and the health and socio-economic shocks due to the COVID-19 pandemic. Using a combination of the COVID-19 risk data and IRBI, UNDP will explore and collaborate with several provinces that are categorized as COVID-19 vulnerable. The selection of the subnational partners is also considering the location of existing current UNDP project in order to facilitate rapid action and to ensure good co-ordination.

^[1] Effect of the detected cases, population number, population density, mobility by looking at the number of domestic and international flights, the number of vulnerable populations by looking at number of populations above 65 years, and the context of regional preparedness capacity by looking at referral hospitals, and number of health facilities

^[2] http://inarisk.bnpb.go.id/pdf/BUKU_IRBI_2018.pdf - To calculate the risk, IRBI used institutional coping capacity that is determined from the readiness level of institutional arrangements and actions for response, mitigation/prevention and risk reduction.

Impact on vulnerable groups.

While COVID-19 has impacted Indonesia's whole population, the impact has been significantly greater for women, Persons with Disabilities (PwDs), youth, informal sector workers, and other already vulnerable and marginalised groups. A recent report by UN Women estimating gender-related costs has found that 82% of women have seen their participation in the labour market reduce; and women's incomes have declined due to reallocation of labour from the labour market to care activities. Women are also overrepresented in the sectors most affected by the virus containment measures – such as food services, retail, and tourism – and women-led enterprises are more vulnerable to economic shocks. Women are experiencing a higher domestic care burden as a result of school closures. Additionally, preliminary findings from the National Commission on Women reveal an increase in violence against women during the implementation of COVID-19 protocols.

Recent studies indicate that around 69% of PwDs in Indonesia may have fallen deeper into poverty due to the pandemic. Many PwDs are missing out on the Government's social protection programmes, as a result of outdated registration in the social protection databases. The WHO estimates that between 10-12% of the Indonesian population (260 million) has disabilities; however, the social protection database of the 40% of poorest Indonesians (about 90 million people) only registers one million PwDs. The National Commission on Women reports increased incidence of violence against women with disabilities.

Indonesia's youth have also been disproportionately impacted by the pandemic, with loss of jobs and livelihoods on top of disruptions to education. The crisis is interacting with and compounding youth's pre-existing labour market vulnerabilities. For example, youth are more likely to work in temporary, precarious, informal work without social protection; are less likely to have access to financial or productive assets; and are overrepresented in the hardest hit sectors. Self-employed youth and youth entrepreneurs, in particular, are struggling. According to a survey conducted by UNDP through UNICEF's U-Report platform, 79% of young entrepreneurs in Indonesia have been negatively affected by the spread of COVID-19. 21% have had to close their business, and 58% of young entrepreneurs reported a decrease in revenue. Despite these challenges, 84% of respondents plan to maintain or re-open their business by connecting with other businesses to support one another in finance, distribution, promotion, and more.

Impact on Micro, Small and Medium-Sized Enterprises

The pandemic has disproportionately impacted Indonesia's MSMEs. These enterprises typically employ approximately 97 percent of the workforce, and in 2018 contributed 60.34 percent of Indonesia's GDP. The share of micro enterprises as a proportion of all MSMEs is 98.7 percent, engaging over 107 million workers. While there is no official data on the number of women owned MSMEs, there are estimated to be over 22 million out of 65 million MSMEs, with most being micro-enterprises. A recent UNDP assessment of the impact of the pandemic on MSMEs has found that many are struggling to survive, as production costs have remained high, while the demand for products and services has decreased by 86 percent. More than 80 percent of MSMEs report lower profit margins during this crisis, and around 53 percent of them experienced a decrease in asset value. Micro-enterprises, particularly those in the informal sector and those managed by women, have suffered the most.

MSMEs have numerous characteristics that make them particularly vulnerable to the economic fallout of the pandemic. They have limited cash reserves and small inventories, meaning collapsing demand and supply chain disruptions rapidly threaten their survival. They have less capacity to adapt their business models to virus containment protocols. They are also overrepresented in the hardest-hit sectors, such as retail and food services. In Indonesia, the majority of MSMEs are informal, meaning economic relief cannot be deployed through the administrative channels that exist between government and businesses in the formal economy.

The crisis exposes MSMEs' pre-existing vulnerabilities and structural weaknesses, such as low access to financial and digital assets and services. For example, UNDP's assessment found that only 44 percent of the MSMEs used an online platform to market their product, despite the popularity of such platforms in Indonesia. In addition to technological barriers, most respondents believe e-commerce is too competitive.

Project design recognises that COVID-19 responses must be designed to support MSMEs to survive; and to address their sources of vulnerability and strengthen their resilience and competitiveness for the long-run.

UNDP's survey found that 83% of MSMEs had implemented health protocols in the workplace to mitigate the spread of COVID-19. These include providing a place for handwashing at the workplace entrance (83%), requiring workers to wear masks (81%), and providing a safe distance between workers (38%). 15% of MSMEs also require their workers to take a COVID-19 rapid test, where the tests were paid by the enterprise (53%) or cost-shared between the enterprise and the worker (35%).

Impact on Urban Economies

While rural economies have started to recover across the country, urban enterprises continue to struggle to generate sufficient cashflow to ensure their survival. The impact is greatest in Java, where COVID-19 cases continue to increase significantly, especially in the greater Jakarta (JABODETABEK), Bandung and Surabaya metropolitan areas. A significant number of cases have been traced back to wet markets, dry markets, and enclosed areas where food stalls are concentrated. Accordingly, Project design targets sectors and locations with high rates of transmission. The government has launched numerous programmes to minimise the spread of COVID-19 in these environments; but the effort has in many cases not been sustained. Regulations require the setting up of hand-washing facilities and distribution of masks; but maintaining social distancing has been difficult. Programmes in partnership with NGOs and market vendor associations have been more successful, as volunteers continue to guide and advise the vendors on safe COVID-19 practices.

Impact to Green Economy

In response to the crisis, the government has reallocated about USD 50 Billion from its 2020 budget, to: focus on improving health services, provide social protection, and, reduce the economic impact of the pandemic. This significant reallocation of resources in 2020, has led to the government delaying its green economy programme, for example, reducing funding for its 35,000MW renewable energy programme. However, in the midst of the impact of COVID-19 on the Indonesian economy, the Ministry of Finance (MoF) has committed to a green recovery to drive the transformation to an environmentally focused economy. Indonesia stays committed to reducing carbon emissions, in addition to achieving a climate-resilient country. Moreover, to minimise the impact of the pandemic on the green economy in 2020, the government has integrated "green initiatives" into their social protection schemes, in the form of Cash-for-Work (CfW) programmes, in order to create more jobs and provide temporary income for those who are in need. These programs include mangrove planting, COVID-19 response activities, communal services, and community infrastructure.

Indonesia's COVID-19 Recovery Programme

Indonesia is now at a critical stage of its recovery, as it starts to roll out its vaccination programme; while simultaneously facing record numbers of daily cases and ongoing urgent need for economic relief to businesses and households. The Government has estimated that vaccinating over 260 million people will take at least 15 months. Hence, the Government is advising people to remain vigilant and maintain health protocols, such as wearing a mask, physical distancing, and washing hands regularly. This is vital, as the vaccine will not slow the spread until herd immunity level is reached. Continued support is required to strengthen health systems, improve the quality of services to vulnerable groups and addressing the socio-economic impacts of COVID-19.

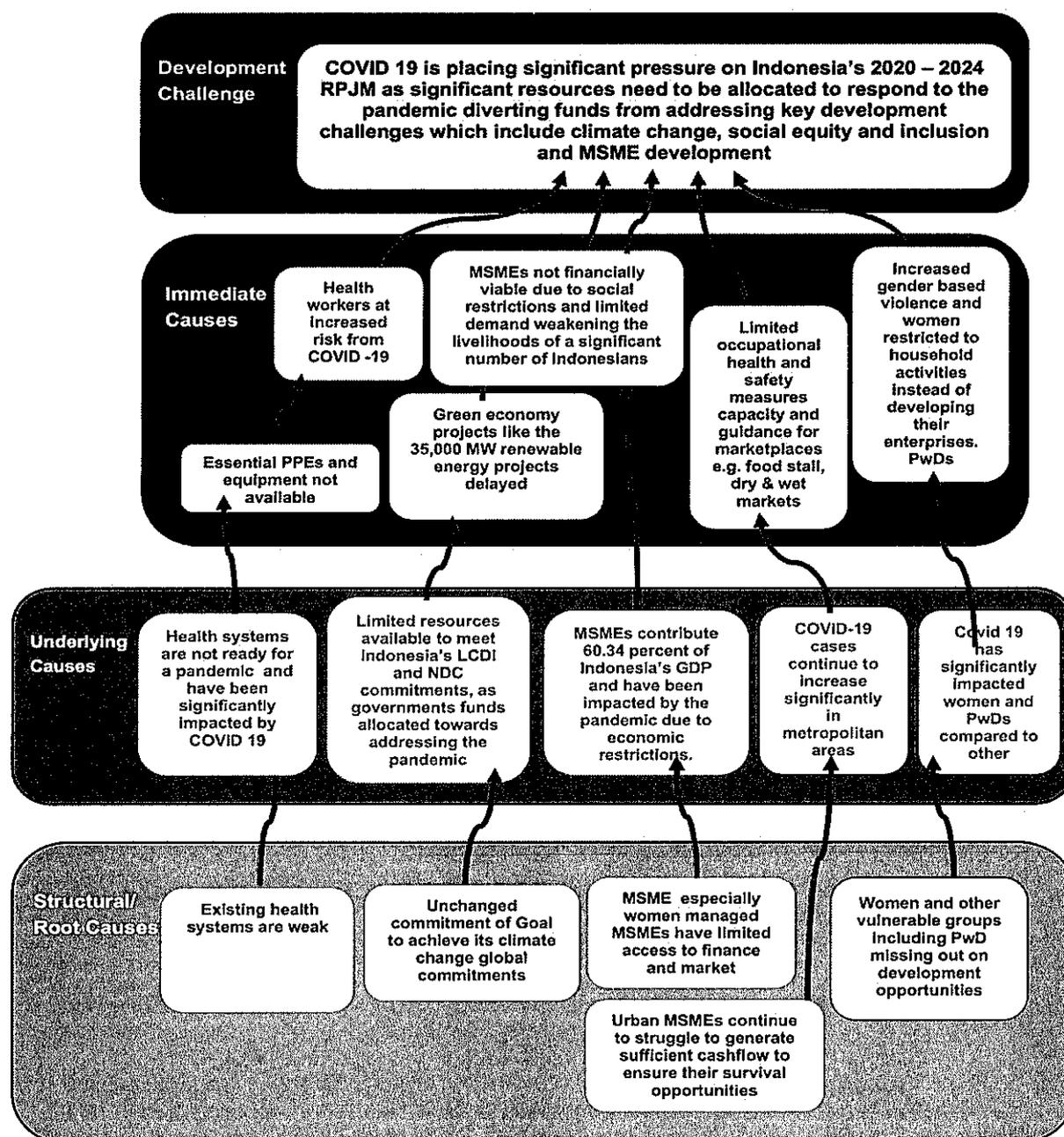
Although the vaccine will be available for free to all citizens, the government will prioritise certain groups first for the vaccination programme, with the poorest 40% of Indonesians being vaccinated after health workers and the public service. Both the islands of Java and Bali are being prioritised. Bali's tourism industry, with about 400,000 MSMEs, primarily dependent on tourism, has contracted by over 10% in the last nine months. Hence restoring Bali's tourism sector is a major government priority for 2021.

Apart from the rollout of the vaccination programme, **the Government's COVID-19 response focus in 2021 is on: improving the quality of funds transfers to villages; supporting local government with their recovery; increasing infrastructure investment; improving ICT services; and addressing food security.** To address this need, the government has budgeted about USD 114 Billion. Subnational governments (provinces) will play

an important role in coordinating budget disbursements to local governments (districts and municipalities). An assessment of the government's fiscal policy in 2020 found that local governments had difficulty in ensuring the funds reached those with the most need; and in targeting sectors that would most benefit from the financial support or that presented opportunities for supporting a more sustainable recovery (such as in the green economy). UNDP assessments found that many MSMEs did not receive assistance due to a lack of registration or tax file number, which made it difficult for the Government to identify them. In addition, many MSMEs lack information about the support to which they are entitled. In 2021, there is a need to scale up efforts to enable MSMEs to access financial and technical support and expand sector-specific strategies.

Following the experience of 2020, the Government is seeking to engage all sections of society, including civil society organisations (CSOs) and the private sector, in supporting its recovery efforts. The government has developed a framework for government agencies to advance partnership agreements with CSOs to deliver services, such as advocacy, supporting people with disabilities and other vulnerable groups, or promoting a green recovery. CSOs have already played a vital role in informing the public about COVID-19 prevention, as well as, reducing risks in high-risk areas like wet markets. This partnership approach forged by the government will enable CSOs to continue this and other valuable services, and this informs Project design, as part of our overarching sustainability strategy, post UNDP support.

PROBLEM TREE



II. STRATEGY

In response to this context, UNDP has developed a strategy in alignment with Government efforts to support the national government and selected provincial governments to strengthen health services and support MSMEs to mitigate the spread of COVID-19, minimise the impact on their businesses, support their economic recovery, and harness their contribution to Indonesia shifting to a more sustainable and inclusive economy.

Ultimate Goal: Indonesia is responding to its immediate needs, through improved health systems and its longer COVID-19 economic recovery through stimulus measures that are: a) Climate and environmentally sensitive, b) Gender sensitive, and c) Inclusive, in line with the Government's RPJMN.

Our approach is to strengthen human security that is both prevention orientated, and people centred, prioritising the most vulnerable groups. The Project focus will be on strengthening existing health systems, developing sustainable economic recovery strategies and supporting MSMEs to adopt COVID-19 safe

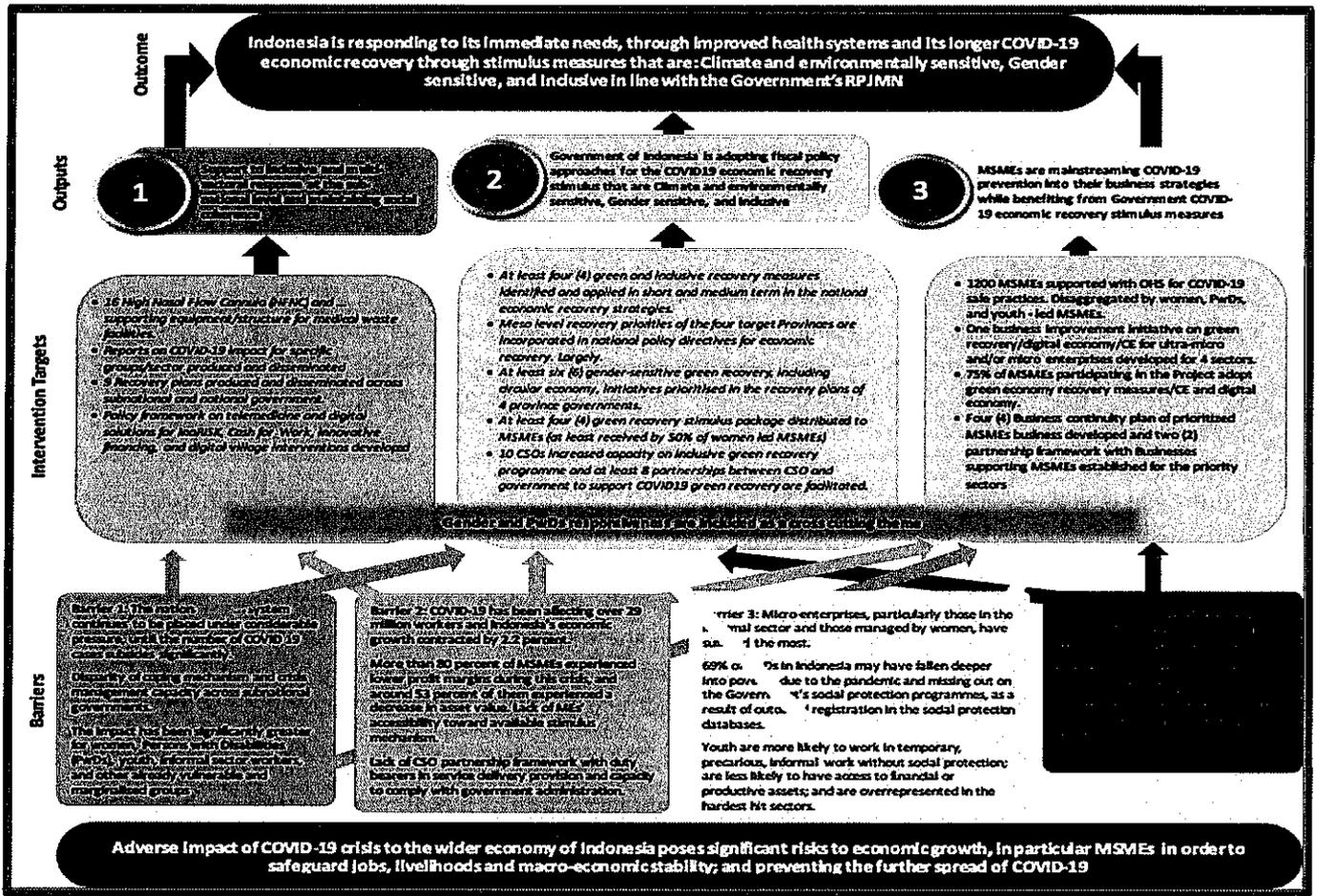
practices to mitigate transmission of the virus, to access support to enable their businesses to prepare, respond to and recover from the crisis; while transitioning to green and digital economy solutions that strengthen their long-term resilience and their contribution to building forward better.

Since early 2020, UNDP has been supporting nine provinces develop their COVID-19 recovery strategy. As the impact of the pandemic is most significant in the larger cities of Indonesia, the Project will target the greater area of Jakarta (JABODETABEK), Bandung and Surabaya semi-urban metropolitan regions, including neighbouring districts such as Sidoarjo in the case of Surabaya. While Covid-19 has impacted other provinces in Indonesia to varying degrees. Additionally, UNDP will assist four of the eight provinces (UNDP has been supporting in 2020) – West Java, Central Sulawesi, Riau and West Nusa Tenggara (NTB) - to incorporate green recovery elements into their recovery plans, as part of their build forward better strategy. The Project will work in partnership with local governments to develop an integrated approach to assist MSMEs to implement COVID-19 safe practices, while at the same time implementing strategies to engender digital transformation and a green recovery.

The Project is aligned with Government strategy. The COVID-19 crisis presents a critical juncture, wherein policy responses can be designed to push transition to a new trajectory and a more sustainable, resilient and inclusive economy and society. The Government of Indonesia has stated that it intends to focus on a green recovery from COVID-19 – optimising resource efficiency, promoting a circular economy, reducing carbon emissions and achieving a climate-resilient country in line with its commitment to Low Carbon Development Initiatives (LCDI) and Nationally Determined Contributions (NDCs). The Minister of Finance has stated, "We need to forever lock in the benefits of having cleaner air and build back better in the recovery phase and beyond."

Beyond focusing on a green economy, the Government has stated its intention to provide significant support to MSMEs in 2021 to increase productivity and drive economic recovery. Supporting MSMEs' digital transformation, access to financial resources and business support, and strengthening MSMEs' integration into value chains will be critical to this and are therefore among the key components of this Project's approach.

The Project design takes into account the vital role that subnational governments play in developing responses targeted to their specific context – including the impact the pandemic is having on the local economy, the vulnerability of specific groups, and high-potential sectors and opportunities. Micro and small enterprises need support to identify opportunities to transition to the green economy. Employer and business organisations like BPKM, KADIN and APINDO will need to actively engage MSMEs. Through their extensive reach at the community level, CSOs will be able to engender grassroots solutions and advocate for the benefits of participating in the green economy.



Theory of Change Diagram

The Project is part of UNDP's overarching support to the Government to ensure that Indonesia's economic recovery stimulus is climate, environmental and gender sensitive and inclusive. The Project covers meso and micro level interventions. It will enable UNDP to expand its programme geographically, especially to those cities that have been most significantly impacted by the pandemic and that are gradually restoring their economies. UNDP has worked in the target locations and has extensive networks with the local governments, the private sector, MSMEs, CSOs and communities. UNDP's inclusive approach will create a framework where no one is left behind, including those with disabilities.

III. RESULTS AND PARTNERSHIPS

3.1. Expected Results

Output 1: Support to inclusive and multi-sectoral response at the sub-national level and maintaining social coherence

UNDP supports Indonesia and its people with both immediate and longer-term response, which is human development centered and multi-sectoral, as implied by UNDP's broad development mandate. Under this output the project will focus on the following key activities:

Activity 1.1. Strengthening Health Systems

The national health system continues to be placed under considerable pressure, until the number of COVID 19 cases subsides significantly. This project will focus on supporting health workers and improving procurement processes.

Strategies need to be urgently put in place to incentivize health workers and ensure health professionals are retained and adequately protected at the time they are most needed. UNDP will add to the need of designing and running an effective management system of health waste.

There is a need to support health-related procurement in Indonesia, ranging from PPE to rapid test kits and medicines. UNDP is in consultations with the Government Authorities to assess the needs and provide support, as will be required. The Government of Indonesia has issued an import relaxation policy for medical health equipment and medicines, which provides an opportunity for UNDP Indonesia to leverage and contribute to strengthening the healthcare system. Through UNDP's Global Fund/Health Implementation Support Team (GF/HIST), Global Procurement Unit (GPU Health), and Regional Hubs, UNDP Indonesia is able to support Indonesian government to procure the supplies its need to respond to COVID-19.

UNDP will leverage its current Health Governance Programme, in close partnership with Ministry of Health. UNDP will draw from its experience in many countries, in supporting the health system and health procurement under the implementation of Global Fund, Gavi, Global Affordable Medicines programme, and COVID19 response programme. To implement the activities, the project will gain support from UNDP's Global Procurement Center and UNDP Health Governance Team. Moreover, UNDP will work jointly with WHO, operating in line with WHO's Strategic Preparedness Response Plan (SPRP) and drawing from WHO's guidelines and technical expertise.

Activity 1.2. Providing an Inclusive and integrated crisis management and responses

As the epidemic spreads across the Indonesian archipelago, provincial and local governments, particularly those at high risk, Indonesia will need support in strengthening their capacity to respond to the crisis in terms of: information collection and analysis; coordination; communication and awareness raising; and an uninterrupted delivery of public services to all citizens, including the poor, vulnerable and isolated. Over the last twelve months, UNDP Indonesia has provided support for an inclusive and multi-sectoral response at the sub-national level by developing a partnership platform among stakeholders. It has strengthened the capacity of seven (7) sub-national governments for their response to the crisis by undertaking recovery need assessments. To sustain the response, UNDP will continue supporting the seven subnational governments to develop crisis recovery plans and contingency programming.

Indonesia also prone to natural disasters, where most of coping mechanisms to natural disasters are based on a community approach and people-to-people contact. In the situation of COVID19 pandemic, social distancing/restrictions imposed to limit the spread of the virus, however, has weakened

community preparedness to natural disaster. After the recent natural disasters hit West Sulawesi and Kalimantan in January and February 2021 respectively, therefore project will provide additional support to government to respond to floods and earthquakes while at the same time minimizing the impact of the pandemic. Targeted support is currently being provided to assist communities in the two Provinces to recover from the natural disasters while reducing the spread of COVID-19. The Impact on gender equality has been significant. Isolation measures have increased the burden on women, as it increases women's unpaid work and has significantly increased the risks of gender-based violence. Challenging situations are not only felt by women, but also people with disability in securing livelihood resources and their contribution to maintain social cohesion.¹ However, support has been limited, resulting in a need to support Organizations for People with Disabilities (OPDs). In partnership with the Government on Adaptive Social Protection project an analysis of the impact of COVID 19 on PWD will be undertaken identifying who is missing out and how OPDs can better support PWD receive appropriate assistance. As gender-based violence (GBV) has increased during the pandemic, UNDP will continue to strengthen legislation on GBV case handling and improved advocacy for policy development. Additionally, a moveable integrated hospital-based service center for GBV victims and survivors will be piloted in a hospital in Jakarta.

UNDP has already mobilized its existing platforms for information dissemination and information campaigns, through its existing national online complaint handling system, SP4N-LAPOR! which allows Indonesian citizens to file complaints to improve public services, including the health care system. The project will update the features of SP4N-LAPOR! application by adding disaggregated data of gender and age. Additionally, the project will develop and synchronize Bansos (social aid) complaint handling business process within several ministries in the application. The project will also engage with a wide network of civil society organizations and community-based organizations to facilitate the delivery of green recovery interventions with MSMEs, as well as UNDP supported platform on Business and Human Right to facilitate and expand MSMEs engagement with the business sector/actors.

Activity 1.3. Addressing the human rights and socio-economic impact of COVID-19

The COVID19 socio-economic impacts are multi-sectoral and hit the poor and vulnerable the hardest. Those impacts are immediate, and many will last beyond the immediate crisis. Populations will need protective measures. UNDP will conduct a socio-economic assessment on the impact of the COVID-19 pandemic on households in the hardest hit areas, including potential secondary and tertiary impacts – with a particular focus on vulnerable groups, women, micro entrepreneurs, women micro entrepreneurs, and those employed in the informal sector - street vendors and daily workers. The assessment will cover livelihoods, employment, and access to social services. The assessment will be followed with recommendations on policy and programmatic measures, and identifying actions to mitigate impact of the crisis on the most vulnerable, and prevent them from sliding back into poverty. The impact assessment will be conducted jointly with UNICEF and UN Women.

UNDP will also leverage the existing support to the Government's Adaptive Social Protection (ASP) Project, a joint UNICEF, WFP and OCHA project, to strengthen institutional governance and innovative financing for social protection schemes. UNDP Indonesia will mobilize its Innovative Financing Lab facility to work with the Ministry of Social Affairs, National Disaster Management Agency, Central Statistical Agency, Ministry of Finance and other technical ministries to leverage established methods for Socio Vulnerability Assessments to prepare risk profiles for target groups (people with disabilities, indigenous

¹ Understanding the Welfare and Livelihood of Society during COVID-19 Pandemic in Indonesia, UNDP, 2020.

communities, children and aged, women headed households). UNDP will also facilitate engagement with the private sector and philanthropies, which is essential for leveraging innovative financing for ASP.

Activities under this component will be designed and implemented in close cooperation with the Ministry of National Development Planning, Coordinating Ministry for Economic Affairs, and the Ministry of Social Affairs. Assessments will be undertaken with support from civil society organizations, using modern data collection methods and virtual consultation processes, where possible.

Output 2: Government of Indonesia is adopting fiscal policy approaches for the COVID19 economic recovery stimulus that are Climate and environmentally sensitive, Gender sensitive, and inclusive.

The COVID-19 economic recovery is the government's priority for 2021. A total of USD 114 billion has been allocated to stimulate the economy through various fiscal instruments. This certainly will have a defining effect on the trajectory of the country's economic development and priorities for years to come. In addition to the COVID-19 recovery, the Government remains committed to meeting its declared target of NDCs under the Paris Agreement - reducing CO2 emissions by 29 percent by 2030 by using its own resources. UNDP, as a long-term partner of the government in public climate finance reform and climate action, is working with the Ministry of Finance to identify options for introducing green recovery incentive mechanisms in the government's fiscal stimulus policies. Under this output the project will focus on the following activities:

Activity 2.1. Strengthening the Government's fiscal stimulus strategy toward a green economic recovery.

This will be done through three stages: in the short term, by designing and incorporating "green elements" into the government's 2021 fiscal stimulus plan; the medium term will involve informing policies and fiscal instruments for the 2022 budget and beyond, while in the long term, UNDP will extend its support to the Ministry of Development Planning (BAPPENAS) through UNPAGE and other initiatives, in integrating the build forward better principle in the LCDI and RPJMN. UNDP's assessment of the government's 2021 fiscal stimulus plan will also help to expand the fiscal space for green recovery, including through leveraging financing from non-traditional sources and innovative financing modalities.

One area with significant potential for the country's green development and effective green recovery is the circular economy (CE). This is a new area, where UNDP has partnered with BAPPENAS on developing a National Strategy and Action Plan for the Circular Economy, including plans for 5 priority sectors - food and beverage, construction, packaging, textile and electronics. The CE study found 30-60 percent of waste could be reduced for each sector, resulting in 2.3 percent GDP increase by 2030, an additional 5.3 million new jobs, and savings of 14 percent of CO2. UNDP continues partnering with the government to ensure operationalisation of the CE strategy, through UN PAGE, support from the Danish Embassy, and others. Through this initiative, UNDP, through a number of programmes including RESTORE, will focus on operationalization of the CE strategy into the medium and long term green fiscal stimulus initiatives.

Since the temptation and risk of returning to the pre-COVID-19 scenario is quite significant, a big part of our work and focus will be devoted to raise awareness and advocacy among the executive and legislature on the importance of a green recovery. In addition to the strong partnership and engagement with the government, namely BAPPENAS, MoF, Ministry of Environment and Forestry (MoEF), Coordinating Ministry of Economic Affairs (CMEA), Coordinating Ministry of Maritime Affairs and Investment (CMMAI), UNDP will also extend its partnership with the Parliament, particularly Commission 11 at the House of Representatives, which is responsible for finance, national planning and the banking sector, to enhance their awareness about the green recovery principles and its immediate and long terms benefits to Indonesia.

Activity 2.2. Supporting Subnational Governments to Implement Green Economic Initiatives.

UNDP will assist four of the nine provinces it is currently supporting under output 1, namely West Java, Central Sulawesi, Riau and West Nusa Tenggara (NTB), to incorporate green recovery elements into their recovery plans, as part of their build forward better strategy. The plans will also clearly address the impact of the pandemic on vulnerable groups, in particular women and people with disabilities, building gender responsive and socially inclusive policy recommendations and interventions targeting green recovery.

Two of the provinces, Central Sulawesi and NTB, were severely impacted by two earthquakes in 2018 and are still in the recovery process. A recent UNDP study of these two locations shows that nearly all households are suffering from loss of job/income from the COVID-19 pandemic in addition to the severe impact of the 2018 disasters. Another finding of concern was that the percentage of households in the lowest income group are substantially higher among female-headed households. In these two provinces, UNDP is undertaking a large-scale post disaster reconstruction programme, funded by KfW, which includes infrastructure reconstruction and livelihood support. Green recovery initiatives can build on these ongoing activities, thus demonstrating the benefits of the circular economy in waste management and the construction sector. West Java province, UNDP's partner in the #NextGenGov initiative has been selected because it is the most populous province in Indonesia, with one of the highest COVID-19 infection rates, and it has over 4.5 million micro and small enterprises that could potentially contribute to the circular economy. Riau is one of the SDG provinces, heavily dependent on the oil and gas sector and palm oil, therefore taking the opportunity to rebuild a greener and more sustainable economy will help the province to materialise its ambitious plans for SDGs.

To ensure transparency of the recovery processes, UNDP will work with provincial governments to set up online platforms for data collection, information sharing, as well as monitoring and facilitating citizen feedback on implementation of recovery plans.

Engaging with these provinces, which have diverse profiles, challenges and opportunities, will allow UNDP to design and pilot scalable tools for stimulating green recovery solutions at sub-national levels for their further replication in the remaining 30 provinces of Indonesia.

Activity 2.3. Support to MSMEs to Participate in the Inclusive Green Recovery.

MSMEs have been severely affected by the pandemic. According to UNDP's recent survey, more than 80 percent of MSMEs had lower profit margins during this crisis, and around 53 percent of them experienced a decrease in asset value. Micro enterprises, particularly those from the informal sector and managed by women have suffered the most.

MSMEs, as engines for economic recovery have crucial role in realising the green recovery vision of Indonesia. The green stimulus packages and circular economy provide an opportunity for MSMEs to redesign their business models, adapt them to the changed market and supply chain conditions, optimise costs through more efficient production systems and better utilisation of materials, and at the same time, create positive impact on the SDGs. Initial findings from UNDP's ongoing CE analysis have found that there are varying degrees of understanding regarding the concept of CE among stakeholders, due to its recent introduction into the Government's framework for transition to a green economy. The government is providing over USD 1.0 billion USD in financial support for MSMEs, as part of its COVID-19 economic stimulus program. Additional support is available at sub-national levels. The project will advocate the inclusion of MSMEs green and inclusive recovery needs into subnational recovery plans to enable them to tap into available stimulus packages. UNDP will support interested microenterprises (ME), prioritising women, PwDs engagement and youth managed ME to utilise green recovery stimulus mechanisms and participate in the circular economy. Building on UNDP's experience with bootcamps,

business incubators and impact accelerators, the project will support MEs with innovative and financially rewarding approaches to participating in the CE.

Activity 2.4. Empowering CSOs to support inclusive green recovery processes.

CSOs have always played an active role in supporting post disaster recovery in Indonesia. Their role is important in the COVID-19 response and recovery, which has recently been further enhanced as the government has decided to allocate funding for CSOs to deliver a wide range service to support the recovery and reach those hardest to reach. These services include advocacy for inclusive and green recovery, support to vulnerable groups, promoting the circular economy, enhancing capacity of women, PwDs and Mes to participate in green recovery, and promote social cohesion. UNDP will work with the Ministry of Home Affairs (MoHA) to strengthen the partnership by supporting local governments in the four target provinces to develop instruments for engaging CSOs, which align with existing regulation and funding availability. UNDP will also support local governments to leverage monitoring and evaluation mechanisms of service deliverables, to include gender dimension, disability inclusion, social cohesion, green recovery, local knowledge, and safeguards to human rights standards. Support will also be provided to CSOs in strengthening their knowledge and understanding of green recovery concepts, circular economy and commitment to gender equality and disability inclusion. UNDP will encourage governments and CSOs to use options like gender-transformative social innovation platform, crowdfunding, and a cultural approach in reaching target groups.

These measures will contribute to recovery of micro enterprises and contribute to the green recovery agenda in the context of recovery from the existing COVID-19 crisis, as well as future disasters. This programme will supplement UNDP's ongoing programme with the Islamic Development Bank and Islamic Solidarity Development Fund for NGOs empowerment (facilitated by Istanbul Regional Hub), as well as UNDP's ongoing initiative with BAZNAS, (the national Zakat Board for local economic development).

Output 3. Indonesian MSMEs are mainstreaming COVID-19 prevention into their business strategies while benefiting from Government COVID-19 economic recovery stimulus measures.

Informed by the current COVID-19 context in Indonesia, the Project will target MSMEs involved in the food and beverage, textile, furniture and handicrafts sector. This will especially include MSMEs operating in high risk COVID-19 situations, like wet markets, dry markets and other enclosed areas; in order to invest where there is maximum impact in reducing COVID-19 transmission. In addition, the Project targets three metropolitan cities i.e Jakarta, Bandung and Surabaya, and surrounding areas where COVID-19 cases are highest. Under this output UNDP will focus on the following activities:

Activity 3.1. Assisting MSMEs to adopt COVID-19 safe practices to minimise the spread of COVID-19 among their workforce and among their customers

COVID-19 prevention strategies that can be incorporated into the business's overall Occupational Safety and Health (OSH) strategy will be identified to reduce risks not only from COVID-19 but also to minimise future business risks from potential threats and disasters. Building on and leveraging the expertise of UNDP's global Connecting Business initiative (CBI), the ILO's OSH knowledge products and the Government's OSH programmes for MSMEs, the Project will assist MSMEs to adopt a culture of safety to ensure their employees have a safe working environment during and beyond COVID-19.

Current strategies by MSMEs in the target locations to prevent the spread of COVID-19 will be assessed in the first quarter of the Project, to develop an initial COVID-19 risk assessment for businesses in the target sectors. Businesses in the food and beverages industry will have different risks to MSMEs in the garment, furniture and handicraft industry. The Project will look at options including how PPE, like masks and hand sanitizer, can be more easily supplied or produced "on site"; rearrangements to the workspace;

partitions to improve and maintain social distancing; and hand washing facilities. Strategies for flexible working hours will also be considered. The Project will purchase PPE equipment to demonstrate correct use and the benefits PPE has in reducing the impact of COVID-19 in the workplace. Thermometers will be distributed to MSMEs to assess if workers are safe to work and assisting workers to undertake regular PCR and antigen tests at accredited COVID-19 testing clinics to monitor COVID-19 in the workplace. In areas with multiple MSMEs, like markets, UNDP could upgrade the facility to be better ventilated or provide hygiene facilities.

The Project will provide support to MSMEs, to reduce the cost of investing in COVID-19 safe workplaces. The most appropriate mechanism to deliver these services will be identified during the assessment phase and will approach will conform with UNDP procurement and grant procedures. This support could be through the use of vouchers to pay for tests or purchase PPE. This support will be implemented through business associations or CSOs that have demonstrated experience in managing cash transfer and voucher systems. Suitable partners will be identified in the first quarter of the Project and selected through UNDP's procurement systems. The Project will also assist MSMEs to better communicate their COVID-19 prevention strategies to improve consumer's trust, e.g., proper use of masks, hand gloves, and sanitised packaging, through simply designed posters and other forms of communication that are appropriate for a particular industry group. Appropriate communication strategies will be identified during the initial MSME assessment that will be undertaken in the first quarter.

In light of the restricted operating conditions for MSMEs due to COVID-19 lockdowns, many MSMEs have transitioned to digital economy platforms and solutions, to prevent the spread of COVID-19; to sell products online; and, if possible, to enable employees to work from home. Strengthening MSME transition to the digital economy will be a major focus of the activities in Output 2.

Activity 3.2. Supporting MSMEs to participate in an inclusive green recovery and digital economy

UNDP will support MSMEs, in particular micro enterprises and MSMEs owned or managed by women, PwDs and youth, to access green recovery stimulus mechanisms and participate in the circular economy, through a more efficient utilisation of resources and minimising waste, to reduce production cost or identifying alternative income streams. This could include water recycling tools, environmentally degradable packaging and waste collection bins for recycling.

A recent UNDP study found that only 37% of small businesses were aware of the government's support to MSMEs. A further 33% were aware of the assistance but had not received it, and 14% did not know how to apply for Government support. Only 6% of those surveyed had received assistance. As most MSMEs are not registered with the Government's online single submission (OSS), a web based integrated licensing system, it has been difficult for Government to directly support MSMEs through cash transfers. Support to provide information and assist MSMEs to register for relevant Government programmes in a timely way will be a key component of the MSME support under this Project.

The Project will work with the relevant government agencies and banks to better inform MSMEs of the assistance available in 2021 and to engage experienced finance sector CSOs to assist MSMEs in developing proposals for financial assistance. Business incubators, targeting ultra and micro enterprises will provide support to accessing stimulus packages; legal and accounting; marketing and online marketing; and digitization. The Project will support MSMEs to access platforms for e-commerce and business aggregation and matching and to digitize their operations, drawing on UNDP's global service offer in MSME support. Digital transformation of MSMEs can support business continuity during COVID-19 as well as increase their productivity long-term, including through increased access to digital business solutions and digital financial products and services.

Existing digital platforms will be enhanced through this initiative, to enhance MSMEs' awareness and knowledge about available stimulus mechanisms², benefits of participation in the green recovery and circular economy. The platform will also help to link the MSMEs and facilitate better integration of the microenterprises in the supply chains.

The Project will identify areas where it can provide direct support to micro-enterprises by supplying equipment, with a focus on assistance to enable them to participate in the digital economy. This support will include equipment for digitalisation (like tablets), access to the internet and creating a digital footprint for the business to access online shops and register on platforms like Go-Jek and Grab.

The Project will provide capacity building and equipment³ to demonstrate how a MSME in the food and beverage, textile, furniture and handicrafts sectors can understand how they can transition to the green economy.

Activity 3.3. Supporting Business associations, CSOs and other nongovernment stakeholders to assist MSMEs to transition to an inclusive green economy

The Project will develop partnerships with the private sector to strengthen the integration of microenterprises in key value chains and thereby support access to investment and engender technology transfer. The Project will build on UNDP partnerships with the provincial chapters of Business Chambers, IGCN, Kadin, APINDO, Indonesia Business and Disability Network (IBDN) and association of microenterprises. For example, UNDP's partnership with IGCN and Atmajaya University, the Connecting Business initiative (CBI), a global joint initiative between UNDP and OCHA to implement a set of training modules for MSMEs affected by COVID-19 by providing guidance and planning tools developed by United Nations Office for Disaster Risk Reduction (UNDRR). The focus of this partnership is to assist MSMEs to develop Business Continuity Plans (BCP), which are developed to protect businesses during a business disruption. The plans are designed to be concise and easy to apply and as a working document that reflects the business. The plans also include gender and social inclusion strategies to respond to the needs of women and other vulnerable groups such as people with disabilities. Within a given situation, a successful BCP requires the flexibility to be creative and not be encumbered by strict compliance and detailed procedures. A BCP sets out a framework and a process to enable a MSME to plan the delivery of its business, as well as identify and manage risks and ensure it can source information that is needed to protect its business during a business disruption.

Building on UNDP Indonesia's recent partnership with Fujitsu and other Japanese companies in the past, the Project will work with Japanese companies to design potential offtake agreements with MSMEs to enter their supply chains. A first activity will be a workshop with Japanese companies across diverse sectors to explore how MSMEs can be engaged in their supply chain and the opportunities within the green economy. The Project will seek support from the Japanese embassy to identify potential partners. Engagement with Japan's private sector will provide an opportunity to promote experience exchange and cross learning. The Project will also leverage off other UNDP programming focused on policy support – looking at ecosystem changes and economic policy measures and mechanisms that incentivise and enable larger firms to contract from MSMEs and that support technology transfer and skills upgrading. UNDP has been working with the private sector to discuss possible financing opportunities for MSMEs or supplier development programmes with agreed offtake agreements. The Project will benefit from this initiative. To ensure activities are properly targeted and understand the opportunities in each targeted MSME sector, the Project will conduct Green Economy/Low Carbon Development Initiatives (LCDI) Mapping and Business Cases Development in the selected cities.

CSOs have always played an active role in supporting post disaster recovery in Indonesia. Their role is critical in COVID-19 response and recovery, which has recently been further enhanced as the government has decided to allocate funding for CSOs to deliver a wide range service to support the

² UNDP's study shows 57 percent MSMEs have no information about these opportunities

³ Water recycling, energy efficient, renewable energy alternative, waste collection and separation containers are examples of potential equipment.

recovery and to reach those hardest to reach. For this Project, CSOs will provide services that include advocacy for inclusive and green recovery, support to vulnerable groups, promoting the circular economy, enhancing capacity of women, PwDs, and youth led MSMEs to participate in green recovery, and promote social cohesion. UNDP will work with the Ministry of Home Affairs (MoHA) to strengthen the partnership by supporting local governments in the target cities to develop instruments for engaging CSOs which align with existing regulation and funding availability. UNDP will also support the participating local governments to leverage monitoring and evaluation mechanisms of service deliverables, to include gender dimension, disability inclusion, social cohesion, the digital economy, green recovery, local knowledge, and safeguards to human rights standards. Support will also be provided to CSOs in strengthening their knowledge and understanding of the digital economy, COVID-19 prevention programming, green recovery concepts, circular economy and commitment to gender equality and disability inclusion. UNDP will encourage governments and CSOs to use options like the gender-transformative social innovation platform, crowdfunding, and a cultural approach in reaching target groups.

Through its newly established Accelerator Lab, UNDP will implement innovative approaches to strengthen the capacity of MSMEs in urban settings through scanning, sensemaking and experimentation. In addition to business-related capacity building, the team will extend its expertise to identify MSME-led grassroots solutions in areas such as waste management. For example, RESTORE could pilot innovative waste prevention and management (medical/plastic/organic) in traditional markets or to MSMEs in targeted sectors.

These measures will contribute to recovery of ME and contribute to the green recovery agenda in the context of recovery from the existing COVID-19 crisis, as well as future disasters. RESTORE will supplement UNDP's ongoing programme with the Islamic Development Bank and Islamic Solidarity Development Fund for NGOs empowerment (facilitated by Istanbul Regional Hub), as well as UNDP's ongoing initiative with BAZNAS (the National Zakat Board) on local economic development.

3.2. Resources Required to Achieve the Expected Results

UNDP will mobilise an experienced team to implement the Project, building on our existing portfolio of programmes supporting health systems, inclusive development, fiscal policy, circular economy, subnational government support, MSMEs and partnerships in Indonesia. Due to the tight time frame to implement the Project, an administration and procurement support team and a dedicated Monitoring and Evaluation team, who will be responsible for communication and reporting, will be established.

The Project will be managed by a Project Manager with a strong understanding of MSMEs in Indonesia. Each output will be managed by a dedicated output team that will be responsible for managing the implementation of activities within each output. For outputs two and three, area managers will be recruited to manage the significant number of activities proposed for these two outputs. Short term adviser (STA) inputs will be mobilised depending on need. This could include STAs with experience in preventing COVID-19 in the workplace, GBV, working with people with disabilities, fiscal policy, post disaster recovery, ecommerce marketing, establishing an online shop, green recovery strategies for MSMEs and the CE.

As the UNDP office in Menara Thamrin is temporarily closed and staff are working from home, as part of its COVID-19 safety programme, the Project will ensure appropriate teleconferencing facilities are established to maintain regular contact with the team. Since the office was closed in 2020, UNDP Indonesia has successfully implemented its 2020 Workplan in this modality and has the processes and procedures to ensure projects can contract inputs and deliver outputs on time and within budget.

To implement the Project, UNDP will engage other UN agencies in Indonesia, opportunities to expand our current partnership with ILO on Employment and Livelihood to support MSMEs in responding to the COVID-19 impact will be explored. The Project will work with UN Women to ensure that Project design is responsive to the specific needs and vulnerabilities of women owned MSMEs.

All activities will be implemented in accordance with UNDP's procedures to minimize risk of COVID-19. CSOs will be contracted to facilitate implementation of activities, especially in locations where UNDP does not have the capacity to provide "on ground" support. Partners will be provided with PPE and equipment to minimise the chances of them contracting COVID-19. Face to face interaction will only occur in accordance with UNDP processes and procedures. The proposed voucher and cash transfer system will reduce instances of "face to face" interaction.

To facilitate implementation, UNDP Indonesia will also leverage the technical support and advisory services available through UNDP's Bangkok Regional Hub and UNDP's Headquarters. CO capacities will be augmented on a need basis during the implementation of the Project, leveraging UNDP's extensive global network of corporate, regional and country-level technical resources, capacities and service offers.

3.3. Partnerships

Key partnerships the Project will work with in implementing the Project includes BNPB, BAPPENAS, Ministry of Health, Ministry of Cooperatives and SMEs, Coordinating Ministry of Economic Affairs, and the Ministry of Home Affairs.

Recovery from COVID-19 and initiating programming within the crisis situation is similar to a protracted crisis. The approach has to be dynamic with response, preparedness and recovery being a protracted cyclical process. The BNPB has a set of comprehensive guidelines and policies for post-disaster recovery programming that has been institutionalized in the DRM governance system, since 2011 (JITUPASNA and RENAKSI). It has never been tested for an epidemic, let alone a pandemic as COVID-19, which is unprecedented. Certain adjustments of its operational aspects, technical guide and institutional arrangements are needed for the government to apply it in a COVID-19 recovery context. As part of Output 1, UNDP is providing assistance to BNPB in conducting adjustments and initiated the application for 8 subnational governments to identify recovery needs due to the COVID-19 crisis, produce recovery plans and critical measures to strengthen preparedness. Four of the eight Provinces, namely NTB, South Sulawesi, West Java and Riau will be the target provinces for output 2. Two of the eight Provinces are West Java and East Java, which include the target cities namely greater Jakarta, Bandung and Surabaya, will be the target provinces for output 3. UNDP will leverage the existing recovery needs assessment and planning initiatives, of the target cities, to incorporate green recovery, including circular economy principles.

UNDP and the BAPPENAS together with respective line ministries and private sector partners are currently working on the National Strategy of Circular Economy, in particular, assessing the economic, social and environmental benefits to Indonesia of the CE. The CE is being proposed as a vehicle for green recovery under the UN Page initiative. The study's findings will also be used as contextual benchmarking on the development of guidelines for sub-national governments to involve MSMEs in the green recovery stimulus packages, including the CE. Specifically, to MSMEs, UNDP also has established cooperation with Ministry of Cooperative and MSMEs to conduct study to evaluate impact of COVID 19 to MSMEs. The study found that the need for MSMEs to be supported to recover which CE could be one way to bring them moving forward better.

As mentioned above, the Project will build on its partnership with the provincial chapters of Business Chambers, IGCN, Kadin, APINDO, BPKM (Indonesian Investment Board), Indonesia Business and Disability Network (IBDN) and association of microenterprises. For example, BPKM has recently supported 96 SMEs to sign partnership deals with 27 national and 29 foreign companies that plan to invest in the country. These investments are worth Rp 1.5 trillion (US\$106 million).

The MoHA has recently issued a circular letter to promote a partnership framework between subnational governments and CSOs. The CSOs are now eligible to receive government funding to deliver a wide range of services for COVID-19 response and recovery support, such as advocacy, assisting vulnerable groups and provision of technical assistance for the target group of government's programmes. UNDP will work with MoHA to deliver technical assistance to support for the local governments, in the target locations, in

developing the programmatic framework for CSOs and empowering the CSOs to be eligible as delivery partners.

UNDP, in delivering this project, will also explore and solicit technical inputs from UN Agencies working on specific thematic areas (e.g., gender, youth, PwDs, and environment), bilateral and multilateral development partners, and private sector

3.4. Risks and Assumptions

Annex 3 outlines the initial risk register. The main risks include: the health crisis limits government's ability to materialise its ambition for allocation resources for economic recovery; MSMEs not wanting to implement strategies to prevent COVID-19, the private sector and business associations not being interested in supporting MSMEs and government support not adequately targeting MSMEs. Our approach and workplan has been designed to address these potential risks and therefore assume the risks will be appropriately addressed.

Underlying our risk management strategy, is a focus on the Project preventing the spread of COVID-19 for all MSMEs and organisations involved in the Project.

3.5. Stakeholder Engagement

The project will work with the MoF in in developing fiscal stimulus for greening Indonesia's macro-economic recovery strategies. The support aims to identify 'green' options that can be applied to the government's COVID-19 fiscal stimulus for macro and meso level recovery programme. This initiative aims to recommend options for green recovery incentive mechanisms and fiscal stimulus policies to be applied based on the analysis on economic growth and prioritising options with co-benefits to contribute achievement of climate-related commitments e.g., sustainable environment business through circular economy approach and climate sensitive approaches and informed by examples of its application within the country and other countries.

UNDP and BAPPENAS will conduct policy advocacy with line ministries, the central bank, and the parliament, as well as private stakeholders on the adaptation of CE, as one of the approaches for the green recovery from the COVID-19 pandemic. The project will use the study's findings as contextual benchmarking on the development of guidelines for sub-national governments to involve MSMEs in the green recovery stimulus packages, including the circular economy.

The project is providing assistance to BNPB in conducting adjustments and initiated the application for 8 subnational governments to identify recovery needs due to the COVID-19 crisis, produce recovery plans and critical measures to strengthen preparedness. The project will leverage the existing recovery needs assessment and planning initiatives for the target provinces to incorporate green recovery including circular economy principles. It is expected this support will enable national and subnational governments to create better linkages in addressing economic recovery priorities at macro and meso level as well as providing directives to replicate the approach to other subnational governments.

The MoHA has recently issued a circular letter to promote a partnership framework between subnational governments and CSOs. The CSOs are now eligible to receive government funding to deliver a wide range services for COVID-19 response and recovery support, such as advocacy, assisting vulnerable groups and provision of technical assistance for the target group of government's programmes. The project will work with MoHA to deliver technical assistance to support for the 4 subnational governments in developing the programmatic framework for CSOs and empowering the CSOs to be eligible as delivery partners.

The project in delivering this project will also explore and solicit technical inputs from UN Agencies working on specific thematic areas e.g. gender, PwDs, and environment, bilateral and multilateral development partners, and private sector.

Target Groups: The Project will primarily target MSMEs with a focus on microenterprises and MSMEs owned and managed by women, PwDs and youth. Microenterprises comprise businesses with less than 10 people. These segments of the MSME sector have been disproportionately impacted by COVID-19. In addition, Subnational governments will be supported and CSOs will be empowered to support inclusive and green recovery processes. Hospitals will receive support in waste management.

Through Outputs 1, 2 and 3 the Project will ensure business organisations and CSOs will be actively involved in the Project to sustain activities post Project implementation.

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

Overall, the Project is established to deliver international assistance for the Government of Indonesia-led COVID-19 response and there will be important lessons that could benefit other countries participating in the Japanese Supplementary Budget (JSB). The Project will explore this opportunity and identify where the UNDP Indonesia country office can play an important role in facilitating/brokering this learning process through south-south and triangular cooperation modality.

3.7. Knowledge

The Project will produce a series of publications related to MSMEs, for example: how MSMEs can integrate OSH into their operations to mitigate against future disasters, including epidemics and pandemics. Business continuity strategies will be reviewed and successful approaches by MSMEs will be identified to assist MSMEs to integrate business continuity plans into their business strategy. Experience and findings from this project will inform other UNDP Indonesia Projects and activities. The Project will also inform businesses on how they can partner with MSMEs in the value chain; and, inform government strategies and interventions to support MSMEs in economic recovery and engender transition to the green and digital economies.

3.8. Sustainability and Scaling Up

The Project is integrated within UNDP's Restore programme and other longer-term programmes to support MSMEs, strengthen health governance and circular economy in Indonesia. UN-PAGE, which supports the National Development Agency in mainstreaming CE in the next National Mid-term Development Plan (RPJM), as one approach for Indonesia to transition towards a green economy.

UNDP in partnership with Business Associations and NGOs/CSOs will support MSMEs through their Business continuity Plans to better cope with pandemic and support their sustainable recovery.

UNDP will support the government to strengthen the policy framework to support the business ecosystem by working with government and non-government organisations, such as business association, NGO/CSOs. Working together with government, UNDP will assist in the advancement of policy framework to protect businesses and support their long-term resilience (through the stimulus package, access to resources, etc). Likewise, through collaboration with government, maintenance of infrastructure and equipment supported by the project to strengthen the health system will be ensured.

IV. PROJECT MANAGEMENT

4.1. Cost Efficiency and Effectiveness

Funding for the Project will be provided by the Government of Japan, through the standard Financing Agreement. In line with the Agreement, UNDP will be the executing entity and administrative authority for the Project. The Project will be fully aligned with government priorities and strategies for recovery and disaster risk reduction. Consistent with the Direct Implementation (DIM) modality, UNDP will be accountable to the donor for the Project implementation and attainment of set objectives in an effective, efficient, and transparent manner.

Regular consultations with partners and stakeholders will be undertaken at the technical level to ensure that the project implementation is synchronized with broader Government of Indonesia COVID-19 response. Critical project information (e.g., on project budgets, expenditures; progress reports; procurement, etc.) will also be regularly uploaded through UNDP's Transparency Portal (<https://open.undp.org/>), which contains a wide range of data and information on UNDP's development projects worldwide.

The Project will be subject to financial audits, as per UNDP's audit policy.

4.2. Project Management

The project will be implemented under the framework of the UNDP Country Programme Document (CPD) 2021 – 2025 applying the Direct Implementation (DIM) modality, where UNDP will act as the Implementing Partner. UNDP's Resilience and Reconstruction Unit will provide day to day management with overall supervision of the UNDP Deputy Resident Representative. UNDP will work closely with the Ministry of National Development Planning / National Development Planning Agency (BAPPENAS), Ministry of Home Affairs, Ministry of Cooperative and SMEs, Coordinating Ministry of Economic Affairs, Provincial and City governments of Jakarta, West Java and East Java and the various agencies involved in implementing the recovery process.

The project will be implemented under RESTORE, an umbrella initiative consolidating UNDP Indonesia's COVID-19 response and recovery initiatives. Existing human resources, partnerships, implementation capacities and networks will be utilised for effective implementation and monitoring.

This initiative will be strongly linked with various projects under UNDP Indonesia's portfolio, including Innovative Financing Lab, Youth Co:Lab, Accelerator Lab, Circular Economy and UN Page. UNDP Indonesia's Country Economist and Gender Teams will be involved in implementation.

The main government Partners for implementation of this initiative will be the BAPPENAS, BNPB, MoHA, Ministry of Cooperative and SMEs, Coordinating Ministry of Economic Affairs and Provincial and City Governments of the selected provinces.

V. RESULTS FRAMEWORK⁴

<p>Intended Outcome as stated in the UNPDF/Country [or Global/Regional] Programme Results and Resource Framework:</p> <ul style="list-style-type: none"> UNSDCF/CPD 2021-2025 Outcome
<p>Outcome indicators as stated in the Country Programme [or Global/Regional] Results and Resources Framework, including baseline and targets:</p> <ul style="list-style-type: none"> Indicator 2.2. (Goal 8.10.1(b)) Proportion of MSMEs that have access to financial services; Baseline: 24.7% (2019); Target: 30.8 (2025) Indicator 3.1. Number of high disaster risk provinces; Baseline: 18 (2019); Target: 15 (2025) PLEASE SELECT CPD 2021-2025 Relevant Outcome Indicator, Baseline, Target
<p>Applicable Output(s) from the UNDP Strategic Plan:</p> <ul style="list-style-type: none"> Project Output 1 attribute to CPD Output 3.4. Conservation and resilience strategies with local priorities (income and food security) contribute to global environment benefits (SP Output 2.4.1) Project Output 2 attribute to CPD Output 3.3. Strengthened preparedness of institutions and communities to climate change and disasters risks, including deployment of sustainable solutions (SP Output 3.3.1) Project Output 3 attribute to CPD Output 3.4. Conservation and resilience strategies with local priorities (income and food security) contribute to global environment benefits (SP Output 2.4.1)
<p>Project title and Atlas Project Number: 00126825-Response Toward Resilience</p>

EXPECTED OUTPUTS	OUTPUT INDICATORS ⁵	DATA SOURCE	BASELINE		TARGET	DATA COLLECTION METHODS & RISKS
			Value	Year 2021	Year 2022	
Output 1:	1.1. Cumulative number of medical and medical waste equipment procured and distributed to the targeted	Asset handover record	39 (31 HFNC; 4 sets for autoclaves;	2021 (Purchased/Delivered)	39 (To be handed-over/BAST)	Field assessment, desk and document review

⁴ UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that indicators are S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable evidence and data, and avoid acronyms so that external audience clearly understand the results of the project.

⁵ It is recommended that projects use output indicators from the Strategic Plan IRRF, as relevant, in addition to project-specific results indicators. Indicators should be disaggregated by sex or for other targeted groups where relevant.

Support to inclusive and multi-sectoral response at sub-national level and maintaining social coherence	facilities including provision of supporting facilities.		and 4 civil works)			
1.2. Cumulative number of socio-economic impact assessment produced and measures to address impacts are delivered, including specific measures on gender, social cohesion, and PwDs. Prototype of movable integrated hospital-based service center for GBV victims	Report publication Asset handover record	2021 2021	8 (conducted) 0	2021 2021	8 (To be handed over/BAST) 1	Desk and document review
1.3. Cumulative number of recovery plan developed and disseminated in 9 target provinces to support recovery programme implementation.	Subnational government, BNPB	2021	9 (conducted and formulated)	2021	9 (To be handed over/BAST)	Desk and document review
1.4. Cumulative number of digital platform(s) enhanced and/or developed to support essential public service delivery, social protection and recovery intervention.	MoH, BNPB, MoV, MoSA	2021	3	2021	3 (To be handed over/BAST)	Desk and document review
Output 2: Government of Indonesia is adopting fiscal policy approaches for the COVID19 economic recovery stimulus that are Climate and environmentally sensitive, Gender sensitive, and inclusive	MoF	2021	0	2021	4	Desk and document review
2.1. Cumulative number of green and inclusive recovery measures identified to be applied in short and medium term in the national strategies.	MoF	2021	0	2021	4	Desk and document review
2.2. Extent to which meso level recovery priorities of the cumulative 4 targeted Provinces are incorporated in national policy directives for economic recovery	MoF	2021	0	2021	4	Desk and document review
2.3. Cumulative number of gender-sensitive green recovery, including circular economy, initiatives	Subnational government	2021	0	2021	6	Desk and document review

	prioritised in the recovery plans of 4 targeted province							
	2.4. Cumulative number of green recovery stimulus package distributed to MSMEs (at least received by 50% of women led MSMEs)	Subnational government	0	2021	4 50%		Desk and document review	
	2.5. Cumulative number of CSOs have increased capacity on inclusive green recovery programme (and number of CSO-Government partnership to support COVID19 green recovery).	Training record	0	2021	10		Desk and document review	
	3.1. Cumulative number of MSMEs supported with OHS for COVID-19 safe practices. Disaggregated by women, PwDs, and youth - led MSMEs.	Training record and distribution list	0	2021	1200		Desk and document review	
	3.2. Cumulative number of business improvement initiative on green recovery/digital economy/CE for ultra-micro and/or micro enterprises in four targeted sectors are developed	Activity report	0	2021	4		Desk and document review	
	3.3. Percentage of the supported MSMEs participating in the Project adopt green economy recovery measures/CE and digital economy.	Training record, Activity report	0	2021	75%		Desk and document review	
	3.4. Cumulative number of priority sectors with Business Continuity Plan developed (cumulative number of partnership framework with businesses supporting MSMEs established)	Activity report	0	2021	4		Desk and document review	
Output 3. Indonesian MSMEs are mainstreaming COVID-19 prevention into their business strategies while benefiting from Government COVID-19 economic recovery stimulus measures.								

VI. MONITORING AND EVALUATION

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

6.1. Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress (Project Assurance Report)	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 (Project Assurance Report frequency is biannually)	Slower than expected progress will be addressed by project management.	-	USD 5,000.00
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.	-	USD 5,000.00
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.	Integrated into the Final Report	Relevant lessons are captured by the project team and used to inform management decisions.	-	USD 10,000.00
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Bi-annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.		
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.		
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.	Annual Report Q1 each year	-	-	USD 5,000.00	
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.	Annual in Year 1 Quarter 2 and Year 2 Quarter 1	-	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.	USD 5,000.00	

6.2. Evaluation Plan

Evaluation Title	Partners (if joint)	Related Strategic Plan Output	UNDAF/CPD Outcome	Planned Completion Date	Key Evaluation Stakeholders	Cost and Source of Funding
Final evaluation		See Result Framework	See Result Framework	Q2 2022	BNPB, BAPPENAS, MoHA, CMEA, MCSMEs	USD 42,000

VII. MULTI YEAR WORK PLAN ⁶⁷

All anticipated programmatic and operational costs to support the project, including development effectiveness and implementation support arrangements, need to be identified, estimated and fully costed in the project budget under the relevant output(s). This includes activities that directly support the project, such as communication, human resources, procurement, finance, audit, policy advisory, quality assurance, reporting, management, etc. All services which are directly related to the project need to be disclosed transparently in the project document.

EXPECTED OUTPUTS and indicators (Indikator Utama)	PLANNED ACTIVITIES				ITERATIVE				RESPONSIBLE PARTY			PLANNED BUDGET		
	2021		2022		2021	2022	2023	2024	2025	Account Code	Budget Description	Amount in USD		
	CS	CA	CA	CS								2021	2022	
Output 1: Support to inclusive and multi-sectoral response at the subnational level and maintaining social coherence	X		X											
					001981/UNDP	04010/00012	71300	Individual Consultant			8,000.00			
	X		X		001981/UNDP	04010/00012	72300	Materials and Goods			55,000.00			
	X		X		001981/UNDP	04010/00012	75700	Training, workshops and conference			17,000.00			
										Subtotal Output 1	80,000.00			
Output 2: Government of Indonesia is adopting fiscal policy approaches for the COVID19 economic recovery stimulus that are														
					001981/UNDP	04001/00012	71300	Local Consultants			15,000.00		10,000.00	
	X				001981/UNDP	04001/00012	71400	Contract Service - Individual			10,000.00		10,000.00	
	X	X	X		001981/UNDP	04001/00012	72100	Contractual Service			30,000.00			
	X	X	X		001981/UNDP	04001/00012	72500	Supplies			10,000.00			

⁶ Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32

⁷ Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

EXPECTED OUTPUTS and indicators including annual targets	PLANNED ACTIVITIES		TIMELINE				RESPONSIBLE PARTY	Source of Funds	AGRIUM Code	Budget Description	PLANNED BUDGET	
	2021		2022		2021	2022						
	Q3	Q4	Q1	Q2	Amount (USD)	Amount (USD)						
Climate and environmentally sensitive, Gender sensitive, and inclusive Gender marker: GEN 2	X	X	X				04001/00012	74500	Miscellaneous Expenses	5,000.00	2,000.00	
	X	X	X				04001/00012	75700	Training, Workshops and Confer	15,000.00	13,000.00	
	X						04001/00012	71300	Local Consultants	20,000.00	10,000.00	
	X	X					04001/00012	71400	Contract Service - Individual	5,000.00	5,000.00	
	X	X	X				04001/00012	72500	Supplies	20,000.00		
	X	X	X				04001/00012	72800	Information Technology Equipment	15,000.00		
	X	X	X				04001/00012	74500	Miscellaneous Expenses	3,900.00	8,100.00	
	X	X	X				04001/00012	75700	Training, Workshops and Confer	19,000.00	15,000.00	
	X						04001/00012	71300	Local Consultants	15,000.00	10,000.00	
	X						04001/00012	71400	Contract Service - Individual	5,000.00	5,000.00	
						04001/00012	72100	Contractual Service	55,000.00	15,000.00		
Activity 2.2. Supporting Subnational Governments to Implement Green Economic Initiatives												
Activity 2.3. Support to MSMEs to Participate in the Inclusive Green Recovery												

EXPECTED OUTPUTS and indicators including annual targets	PLANNED ACTIVITIES				TIMELINE				RESPONSIBLE PARTY				PLANNED BUDGET			
	2021		2022		03	04	01	02	03	04	01	02	03	04	2021	2022
	X		X													
Activity 3.3. Supporting Business associations, CSOs and other nongovernment stakeholders to assist MSMEs to transition to an inclusive green economy	X		X						001981/UNDP	32045/00141	75100	Facilities and Administration	24,800.00	10,400.00		
	X		X						001981/UNDP	32045/00141	75700	Training, Workshops and Confer	31,860.00	17,940.00		
	X		X						001981/UNDP	32045/00141	71300	Local Consultant	10,000.00	29,999.46		
	X		X						001981/UNDP	32045/00141	71400	Contractual Service - Individual	18,140.00	7,060.00		
	X		X						001981/UNDP	32045/00141	72200	Equipment	18,900.00	8,100.00		
	X		X						001981/UNDP	32045/00141	72500	Supplies/Publications	17,024.00	7,296.00		
	X		X						001981/UNDP	32045/00141	72600	Grants	122,000.00	63,000.00		
	X		X						001981/UNDP	32045/00141	72800	Information Technology Information	14,000.00	6,000.00		
	X		X						001981/UNDP	32045/00141	73100	Leased premises	10,500.00	4,500.00		
	X		X						001981/UNDP	32045/00141	74500	Misc Expense	59,728.18	25,597.72		
	X		X						001981/UNDP	32045/00141	75100	Facilities and Administration	24,002.63	13,033.89		
	X		X						001981/UNDP	32045/00141	75700	Training, Workshops and Confer	29,740.72	11,370.40		
	Subtotal Output 3													1,236,635.53	548,557.47	

EXPECTED OUTPUTS and indicators (including annual Targets)	TIMEFRAME				RESPONSIBLE PARTY	Source of Funds	Account Code	Budget Description	PLANNED BUDGET	
	2018		2019						2020	2022
	Q3	Q4	Q3	Q4					Amount in USD	Amount in USD
Project Management Unit	X	X	X	X	UNDP	04001/00012	Contractual Service - Individual	71400	30,000.00	97,000.00
	X	X	X	X	UNDP	32045/00141	Contractual Service - Individual	71400	30,000.00	60,275.13
	X	X	X	X	UNDP	32045/00141	Ind. Consultant - National	71300		42,000.00
	X	X	X	X	UNDP	32045/00141	Misc. Expense	74500	1,500.00	5,113.76
	X	X	X	X	UNDP	32045/00141	Facilities and Administration	75100	2,520.00	8,591.11
Evaluation										
Subtotal Project management Cost									64,020.00	212,980.00
Total									1,753,255.53	909,937.46
Grand Total									2,663,193.00	

Note:

*In line with Outputs with gender marker GEN2 or GEN3, it is recommended to allocate at least 15% of the funding to activities in support of gender equality and the empowerment of women

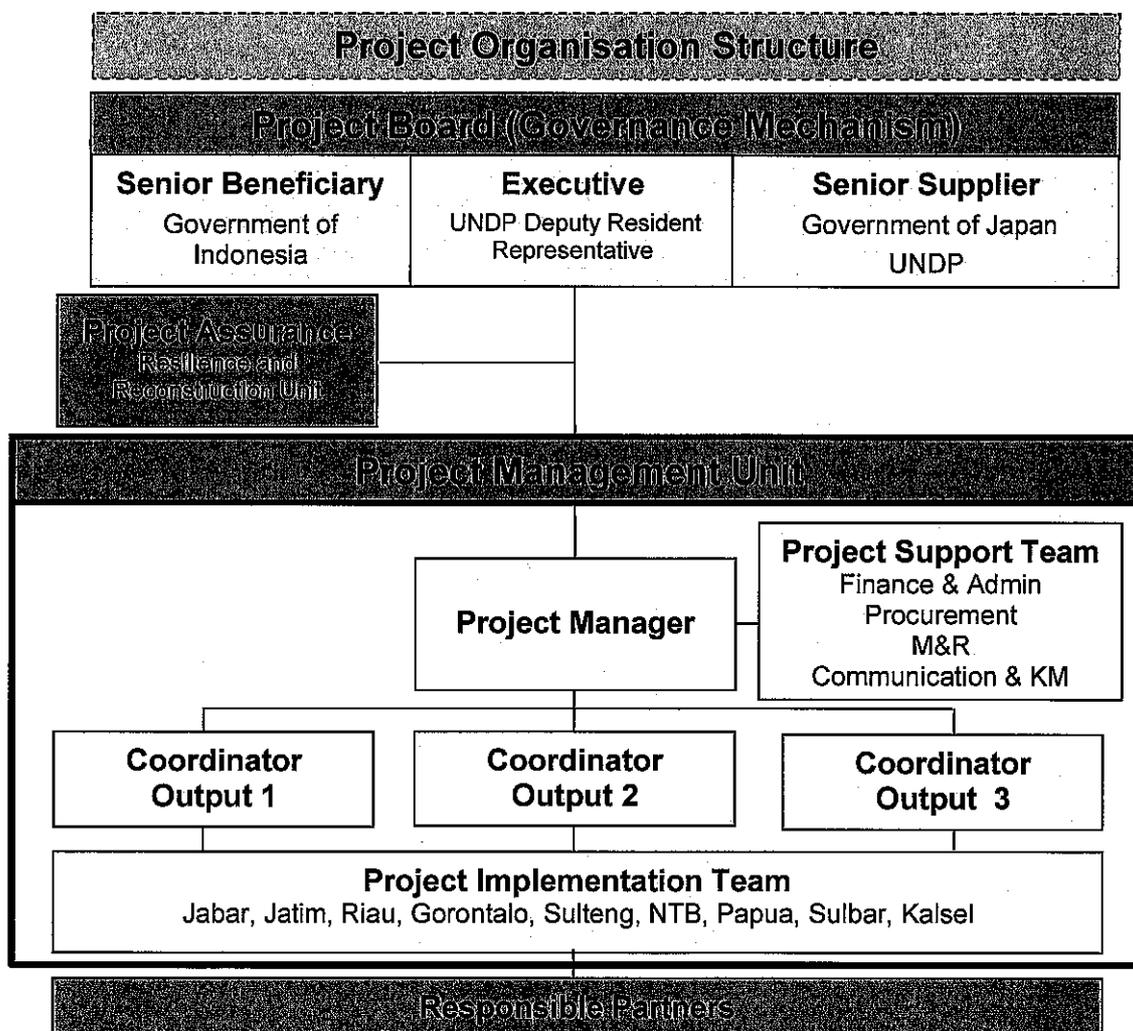
** Budget for DPC and GMS has been allocated under activities with account code 74500 (DPC) and 75100(GMS)

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

Under the Direct Implementation Modality (DIM), UNDP Indonesia Country Office (CO) will assume the overall responsibility in the implementation of the Project. DIM is a modality whereby UNDP assumes full responsibility in management of project inputs to deliver on planned project outputs⁸.

The CO will establish a Project Management Unit (PMU) as an instrument to operationalize the Project, UNDP will retain ultimate accountability for the achievement of project results. Material decisions pertaining to the Project's financial resources, procurement and human resources will be subject to review, clearance, and approvals by UNDP CO – and, as and when required, by other UNDP regional and/or corporate units - in accordance with UNDP's Programme and Operations Policies and Procedures. The PMU is led by a Project Manager (PM) hired by UNDP and based in Jakarta. The PM will be responsible for the day-to-day management of the project and implementation of activities in line with guidance provided by the CO. Due to the COVID-19 Pandemic all team members will work from home until advised they can return to the office.

The Steering Committee comprising Government of Japan and Indonesian Government Partners will meet at the start of the Project and at the end of the Project in June 2022.



⁸ UNDP can also engage with 'Responsible Parties' under the DIM modality to implement certain activities/ deliver certain goods or services. In such cases, the Responsible Party is 'directly accountable to UNDP in accordance to the terms of their agreement or contract'. The DIM modality can be contrasted with the National Implementation ('NIM') modality – under NIM, a third party, such as a Line Ministry, takes the role of implementing partner and assumes 'full' responsibilities in the effective use of UNDP resources and in the delivery of [all] project outputs'. For more information, please visit popp.undp.org.

IX. LEGAL CONTEXT

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

This project will be implemented by UNDP Indonesia (“Implementing Partner”) in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

X. RISK MANAGEMENT

1. UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)
2. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the project funds are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
3. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
4. UNDP as the Implementing Partner will: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
5. In the implementation of the activities under this Project Document, UNDP as the Implementing Partner will handle any sexual exploitation and abuse (“SEA”) and sexual harassment (“SH”) allegations in accordance with its regulations, rules, policies and procedures.
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 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. In the performance of the activities under this Project, UNDP 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 address SEA and SH.
- d. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud or corruption, 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 and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
- e. 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 and (b) 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.
- f. 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.
- g. 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 or corruption 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.

- h. 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 or corruption, 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.

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

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

- i. 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.
- j. 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.
- k. Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled “Risk Management” are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled “Risk Management Standard Clauses” are adequately reflected, *mutatis mutandis*, in all its sub-contracts or sub-agreements entered into further to this Project Document.

XI. ANNEXES

- **Annex 1. Project Quality Assurance Report**
- **Annex 2. Social and Environmental Screening Template**
- **Annex 3. Offline Project Risk Register.**
- **Annex 4. Project Board Terms of Reference and TORs of key management positions**
- **Annex 5. Supplemental Provisions to the Project Document: The Legal Context**

Annex 1. Project Quality Assurance Report

Design & Appraisal Stage Quality Assurance Report

Form Status:	In Progress
Overall Rating:	Highly Satisfactory
Decision:	Approve: The project is of sufficient quality to continue as planned. Any management actions must be addressed in a timely manner.
Portfolio/Project Number:	00126825
Portfolio/Project Title:	Response Toward COVID-19 Resilience (RESTORE)
Portfolio/Project Date:	2020-04-01 / 2022-12-31

1. Does the project specify how it will contribute to higher level change through linkage to the programme's Theory of Change?

- 3: *The project is clearly linked to the programme's theory of change. It has an explicit change pathway that explains how the project will contribute to outcome level change and why the project's strategy will likely lead to this change. This analysis is backed by credible evidence of what works effectively in this context and includes assumptions and risks.*
- 2: The project is clearly linked to the programme's theory of change. It has a change pathway that explains how the project will contribute to outcome-level change and why the project strategy will likely lead to this change.
- 1: The project document may describe in generic terms how the project will contribute to development results, without an explicit link to the programme's theory of change.

Evidence:

"The Project is aligned with Government strategy. The COVID-19 crisis presents a critical juncture, wherein policy responses can be designed to push transition to a new trajectory and a more sustainable, resilient and inclusive economy and society. The Government of Indonesia has stated that it intends to focus on a green recovery from COVID-19 – optimizing resource efficiency, promoting a circular economy, reducing carbon emissions and achieving a climate-resilient country in line with its commitment to Low Carbon Development Initiatives (LCDI) and Nationally Determined Contributions (NDCs). The Minister of Finance has stated, "We need to forever lock in the benefits of having cleaner air and build back better in the recovery phase and beyond." (Section II: Strategy)

List of Uploaded Documents

#	File Name	Modified By	Modified On
1	RESTOREProdocFINAL10DEC2021_8429101 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/RESTOREProdocFINAL10DEC2021_8429_101.docx)	christian.usfinit@undp.org	12/10/2021 7:53:00 AM

2. Is the project aligned with the UNDP Strategic Plan?

- 3: The project responds to at least one of the development settings as specified in the Strategic Plan¹ and adapts at least one Signature Solution². The project's RRF includes all the relevant SP output indicators. (all must be true)
- 2: The project responds to at least one of the development settings as specified in the Strategic Plan⁴. The project's RRF includes at least one SP output indicator, if relevant. (both must be true)
- 1: The project responds to a partner's identified need, but this need falls outside of the UNDP Strategic Plan. Also select this option if none of the relevant SP indicators are included in the RRF.

Evidence:

The project responds to SP's development setting, particularly in building resilience to shocks and crises (Development Setting C). The project's RRF includes SP output indicator, under SP Output 2.4.1 and 3.3.1 (Section V: Results Framework)

List of Uploaded Documents

#	File Name	Modified By	Modified On
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No documents available.

3. Is the project linked to the programme outputs? (i.e., UNDAF Results Group Workplan/CPD, RPD or Strategic Plan IRRF for global projects/strategic interventions not part of a programme)

- Yes
- No

Evidence:

Project Output 1 attribute to CPD Output 3.4. Conservation and resilience strategies with local priorities (income and food security) contribute to global environment benefits (SP Output 2.4.1)

- Project Output 2 attribute to CPD Output 3.3. Strengthened preparedness of institutions and communities to climate change and disasters risks, including deployment of sustainable solutions (SP Output 3.3.1)
- Project Output 3 attribute to CPD Output 3.4. Conservation and resilience strategies with local priorities (income and food security) contribute to global environment benefits (SP Output 2.4.1)

(Section V: Results Framework)

List of Uploaded Documents

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No documents available.

Relevant

Quality Rating: Highly Satisfactory

4. Do the project target groups leave furthest behind?

- 3: The target groups are clearly specified, prioritising discriminated, and marginalized groups left furthest behind, identified through a rigorous process based on evidence.
- 2: The target groups are clearly specified, prioritizing groups left furthest behind.
- 1: The target groups are not clearly specified.

Evidence:

The project includes women, PwDs and youth MSMEs owners as target group to be empowered to recover from the Covid-19. (Section V: Results Framework)

The project also use the study conducted by JPAL on the impact of COVID-19 to Gender Based Violence and women, as reference in formulating and selecting the target beneficiaries.

List of Uploaded Documents

#	File Name	Modified By	Modified On
1	JPALReportnoappendix_8429_104 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/JPALReportnoappendix_8429_104.pdf)	saputra.liadi@undp.org	11/12/2021 2:01:00 PM

5. Have knowledge, good practices, and past lessons learned of UNDP and others informed the project design?

- 3: Knowledge and lessons learned backed by credible evidence from sources such as evaluation, corporate policies/strategies, and/or monitoring have been explicitly used, with appropriate referencing, to justify the approach used by the project.
- 2: The project design mentions knowledge and lessons learned backed by evidence/sources but have not been used to justify the approach selected.
- 1: There is little, or no mention of knowledge and lessons learned informing the project design. Any references made are anecdotal and not backed by evidence.

Evidence:

Recovery from COVID-19 and initiating programming within the crisis situation is similar to a protracted crisis. The approach has to be dynamic with response, preparedness and recovery being a protracted cyclical process. The BNPB has a set of comprehensive guidelines and policies for post-disaster recovery programming that has been institutionalized in the DRM governance system, since 2011 (JITUPASNA and RENAKSI) through UNDP support (DR4 Project). It has never been tested for an epidemic, let alone a pandemic as COVID-19, which is unprecedented. Certain adjustments of its operational aspects, technical guide and institutional arrangements are needed for the government to apply it in a COVID-19 recovery context.

(Section III. Results and Partnership, 3.3 Partnership)

List of Uploaded Documents

#	File Name	Modified By	Modified On
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No documents available.

6. Does UNDP have a clear advantage to engage in the role envisioned by the project vis-à-vis national / regional / global partners and other actors?

- 3: An analysis has been conducted on the role of other partners in the area where the project intends to work, and credible evidence supports the proposed engagement of UNDP and partners through the project, including identification of potential funding partners. It is clear how results achieved by partners will complement the project's intended results and a communication strategy is in place to communicate results and raise visibility vis-à-vis key partners. Options for south-south and triangular cooperation have been considered, as appropriate. (all must be true)
- 2: *Some analysis has been conducted on the role of other partners in the area where the project intends to work, and relatively limited evidence supports the proposed engagement of and division of labour between UNDP and partners through the project, with unclear funding and communications strategies or plans.*
- 1: No clear analysis has been conducted on the role of other partners in the area that the project intends to work. There is risk that the project overlaps and/or does not coordinate with partners' interventions in this area. Options for south-south and triangular cooperation have not been considered, despite its potential relevance.

Evidence:

Key partnerships the Project will work with in implementing the Project includes BNPB, BAPPENAS, Ministry of Health, Ministry of Cooperatives and SMEs, Coordinating Ministry of Economic Affairs, and the Ministry of Home Affairs, as well as the sub-national government. Project will also work with non-government partners such as NGO/CSO, private sector and academia/university. (Section 3.3 Partnerships)

List of Uploaded Documents

#	File Name	Modified By	Modified On
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No documents available.

Principled

Quality Rating: Satisfactory

7. Does the project apply a human rights-based approach?

- 3: The project is guided by human rights and incorporates the principles of accountability, meaningful participation, and non-discrimination in the project's strategy. The project upholds the relevant international and national laws and standards. Any potential adverse impacts on enjoyment of human rights were rigorously identified and assessed as relevant, with appropriate mitigation and management measures incorporated into project design and budget. (all must be true)
- 2: *The project is guided by human rights by prioritizing accountability, meaningful participation and non discrimination. Potential adverse impacts on enjoyment of human rights were identified and assessed as relevant, and appropriate mitigation and management measures incorporated into the project design and budget. (both must be true)*
- 1: No evidence that the project is guided by human rights. Limited or no evidence that potential adverse impacts on enjoyment of human rights were considered.

Evidence:

The Project aims to strengthen human security that is both prevention oriented and people centred, focusing on the most vulnerable. Our focus will be on assisting people affected by COVID-19 ensuring that no one is left behind. Particular attention is given to the most vulnerable such as, GBV victims and People with Disability will benefit from the project, while at the same time preventing the ongoing spread of COVID-19.

(Section III: Results & Partnership)

List of Uploaded Documents

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No documents available.

8. Does the project use gender analysis in the project design?

- 3: A participatory gender analysis has been conducted and results from this gender analysis inform the development challenge, strategy and expected results sections of the project document. Outputs and indicators of the results framework include explicit references to gender equality, and specific indicators measure and monitor results to ensure women are fully benefiting from the project. (all must be true)
- 2: *A basic gender analysis has been carried out and results from this analysis are scattered (i.e., fragmented and not consistent) across the development challenge and strategy sections of the project document. The results framework may include some gender sensitive outputs and/or activities but gender inequalities are not consistently integrated across each output. (all must be true)*
- 1: The project design may or may not mention information and/or data on the differential impact of the project's development situation on gender relations, women and men, but the gender inequalities have not been clearly identified and reflected in the project document.

Evidence:

For the formulation, the project referred to a recent report by UN Women estimating gender-related costs has found that 82% of women have seen their participation in the labour market reduce; and women's incomes have declined due to reallocation of labour from the labour market to care activities. Women are also overrepresented in the sectors most affected by the virus containment measures – such as food services, retail, and tourism – and women-led enterprises are more vulnerable to economic shocks. Women are experiencing a higher domestic care burden as a result of school closures. Additionally, preliminary findings from the National Commission on Women reveal an increase in violence against women during the implementation of COVID-19 protocols (Section I. Development Challenge)

List of Uploaded Documents

#	File Name	Modified By	Modified On
No documents available.			

9. Did the project support the resilience and sustainability of societies and/or ecosystems?

- 3: Credible evidence that the project addresses sustainability and resilience dimensions of development challenges, which are integrated in the project strategy and design. The project reflects the interconnections between the social, economic and environmental dimensions of sustainable development. Relevant shocks, hazards and adverse social and environmental impacts have been identified and rigorously assessed with appropriate management and mitigation measures incorporated into project design and budget. (all must be true)
- 2: *The project design integrates sustainability and resilience dimensions of development challenges. Relevant shocks, hazards and adverse social and environmental impacts have been identified and assessed, and relevant management and mitigation measures incorporated into project design and budget. (both must be true)*
- 1: Sustainability and resilience dimensions and impacts were not adequately considered.

Evidence:

The Project is part of UNDP's overarching support to the Government to ensure that Indonesia's economic recovery stimulus is climate, environmental and gender sensitive and inclusive. The Project covers meso and micro level interventions. It will enable UNDP to expand its programme geographically, especially to those cities that have been most significantly impacted by the pandemic and that are gradually restoring their economies. UNDP has worked in the target locations and has extensive networks with the local governments, the private sector, MSMEs, CSOs and communities. UNDP's inclusive approach will create a framework where no one is left behind, including those with disabilities. (Section II. Strategy)

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No documents available.

10. Has the Social and Environmental Screening Procedure (SESP) been conducted to identify potential social and environmental impacts and risks? The SESP 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 and/or communication materials and information dissemination. [If yes, upload the completed checklist. If SESP is not required, provide the reason for the exemption in the evidence section.]

- Yes
- No
- SESP not required because project consists solely of (Select all exemption criteria that apply)
 - 1: Preparation and dissemination of reports, documents and communication materials
 - 2: Organization of an event, workshop, training
 - 3: Strengthening capacities of partners to participate in international negotiations and conferences
 - 4: Partnership coordination (including UN coordination) and management of networks
 - 5: Global/regional projects with no country level activities (e.g. knowledge management, inter-governmental processes)
 - 6: UNDP acting as Administrative Agent

Evidence:

Annex 2 of Project Document.

List of Uploaded Documents

#	File Name	Risk Category	Risk Requirements	Document Status	Modified By	Modified On
1	SESP -RES TORE Prodo cFINA L10D EC20 21_84 29_11 0 (htt ps://in trane t.und p.org/ apps/ Projec tQA/Q AFor mDoc ument s/SES P-RE STOR EProd ocFIN AL10 DEC2 021_8 429_1 10.do cx)	Low	Community Health, Safety and Working Conditions; Pollution Prevention and Resource Efficiency	Draft	christian.usfinit@undp.org	12/10/2021 7:55:00 AM

Management & Monitoring

Quality Rating: Satisfactory

11. Does the project have a strong results framework?

- 3: The project's selection of outputs and activities are at an appropriate level. Outputs are accompanied by SMART, results-oriented indicators that measure the key expected development changes, each with credible data sources and populated baselines and targets, including gender sensitive, target group focused, sex-disaggregated indicators where appropriate. (all must be true)
- 2: The project's selection of outputs and activities are at an appropriate level. Outputs are accompanied by SMART, results-oriented indicators, but baselines, targets and data sources may not yet be fully specified. Some use of target group focused, sex-disaggregated indicators, as appropriate. (all must be true)
- 1: The project's selection of outputs and activities are not at an appropriate level; outputs are not accompanied by SMART, results-oriented indicators that measure the expected change and have not been populated with baselines and targets; data sources are not specified, and/or no gender sensitive, sex-disaggregation of indicators. (if any is true)

Evidence:

Baseline and target are provided for each activity in its respective output. (Section V. Results Framework)

List of Uploaded Documents

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No documents available.

12. Is the project's governance mechanism clearly defined in the project document, including composition of the project board?

- 3: The project's governance mechanism is fully defined. Individuals have been specified for each position in the governance mechanism (especially all members of the project board.) Project Board members have agreed on their roles and responsibilities as specified in the terms of reference. The ToR of the project board has been attached to the project document. (all must be true)
- 2: *The project's governance mechanism is defined; specific institutions are noted as holding key governance roles, but individuals may not have been specified yet. The project document lists the most important responsibilities of the project board, project director/manager and quality assurance roles. (all must be true)*
- 1: The project's governance mechanism is loosely defined in the project document, only mentioning key roles that will need to be filled at a later date. No information on the responsibilities of key positions in the governance mechanism is provided.

Evidence:

Key governance roles have been identified. Currently, the project is finalizing the discussion with proposed institution (Bappenas, as the Chair Ministry of Senior Beneficiary) on the mechanism. The Project Board members and their respective roles and responsibilities are clearly defined in the Project Document.

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No documents available.

13. Have the project risks been identified with clear plans stated to manage and mitigate each risk?

- 3: Project risks related to the achievement of results are fully described in the project risk log, based on comprehensive analysis drawing on the programme's theory of change, Social and Environmental Standards and screening, situation analysis, capacity assessments and other analysis such as funding potential and reputational risk. Risks have been identified through a consultative process with key internal and external stakeholders, including consultation with the UNDP Security Office as required. Clear and complete plan in place to manage and mitigate each risk, including security risks, reflected in project budgeting and monitoring plans. (both must be true)
- 2: Project risks related to the achievement of results are identified in the initial project risk log based on a minimum level of analysis and consultation, with mitigation measures identified for each risk.
- 1: Some risks may be identified in the initial project risk log, but no evidence of consultation or analysis and no clear risk mitigation measures identified. This option is also selected if risks are not clearly identified, no initial risk log is included with the project document and/or no security risk management process has taken place for the project.

Evidence:

The project has identified risk categorization for operational, financial, political and social and environmental. The risk mitigation/management measures are included. The detail are provided in Annex. 3. Offline Project Risk Register.

List of Uploaded Documents

#	File Name	Modified By	Modified On
No documents available.			

Efficient

Quality Rating: Exemplary

14. Have specific measures for ensuring cost-efficient use of resources been explicitly mentioned as part of the project design? This can include, for example:

- i) Using the theory of change analysis to explore different options of achieving the maximum results with the resources available.
- ii) Using a portfolio management approach to improve cost effectiveness through synergies with other interventions.
- iii) Through joint operations (e.g., monitoring or procurement) with other partners.
- iv) Sharing resources or coordinating delivery with other projects.
- v) Using innovative approaches and technologies to reduce the cost of service delivery or other types of interventions.

- Yes
- No

Evidence:

The project collaborates with a wide range of stakeholders, including various level government, other UN agencies, civil society organization, academia and research centers in delivering its targeted results. (Section. 3 Result and Partnership, 3.3 Partnership and 3.5 Stakeholders Engagement)

List of Uploaded Documents

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No documents available.

15. Is the budget justified and supported with valid estimates?

- 3: *The project's budget is at the activity level with funding sources, and is specified for the duration of the project period in a multi-year budget. Realistic resource mobilisation plans are in place to fill unfunded components. Costs are supported with valid estimates using benchmarks from similar projects or activities. Cost implications from inflation and foreign exchange exposure have been estimated and incorporated in the budget. Adequate costs for monitoring, evaluation, communications and security have been incorporated.*
- 2: The project's budget is at the activity level with funding sources, when possible, and is specified for the duration of the project in a multi-year budget, but no funding plan is in place. Costs are supported with valid estimates based on prevailing rates.
- 1: The project's budget is not specified at the activity level, and/or may not be captured in a multi-year budget.

Evidence:

The detail budget plan provides allocation for each activity and designed for multiyear implementation (2021 - 2022). (Section VII. Multiyear Budget Plan)

List of Uploaded Documents

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No documents available.

16. Is the Country Office / Regional Hub / Global Project fully recovering the costs involved with project implementation?

- 3: The budget fully covers all project costs that are attributable to the project, including programme management and development effectiveness services related to strategic country programme planning, quality assurance, pipeline development, policy advocacy services, finance, procurement, human resources, administration, issuance of contracts, security, travel, assets, general services, information and communications based on full costing in accordance with prevailing UNDP policies (i.e., UPL, LPL.)
- 2: The budget covers significant project costs that are attributable to the project based on prevailing UNDP policies (i.e., UPL, LPL) as relevant.
- 1: The budget does not adequately cover project costs that are attributable to the project, and UNDP is cross-subsidizing the project.

Evidence:

The project budget provide allocation for account code 75100- Facilities and Administration, that will be used to cover cost recovery charges. (Section VII. Multiyear Budget Plan)

List of Uploaded Documents			
#	File Name	Modified By	Modified On
1	RESTOREProdocFINAL10DEC2021_8429_116 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/RESTOREProdocFINAL10DEC2021_8429_116.docx)	christian.usfinit@undp.org	12/10/2021 7:59:00 AM

Effective

Quality Rating: Highly Satisfactory

17. Have targeted groups been engaged in the design of the project?

- 3: Credible evidence that all targeted groups, prioritising discriminated and marginalized populations that will be involved in or affected by the project, have been actively engaged in the design of the project. The project has an explicit strategy to identify, engage and ensure the meaningful participation of target groups as stakeholders throughout the project, including through monitoring and decision-making (e.g., representation on the project board, inclusion in samples for evaluations, etc.)
- 2: Some evidence that key targeted groups have been consulted in the design of the project.
- 1: No evidence of engagement with targeted groups during project design.
- Not Applicable

Evidence:

UNDP and the BAPPENAS together with respective line ministries and private sector partners are currently working on the National Strategy of Circular Economy, in particular, assessing the economic, social and environmental benefits to Indonesia of the CE. The CE is being proposed as a vehicle for green recovery under the UN Page initiative. The study's findings will also be used as contextual benchmarking on the development of guidelines for sub-national governments to involve MSMEs in the green recovery stimulus packages, including the CE. Specifically, to MSMEs, UNDP also has established cooperation with Ministry of Cooperative and MSMEs to conduct study to evaluate impact of COVID 19 to MSMEs. The study found that the need for MSMEs, including women led MSME, to be supported to recover which CE could be one way to bring them moving forward better.

The Project will build on its partnership with the provincial chapters of Business Chambers, IGCN, Kadin, APINDO, BPKM (Indonesian Investment Board), Indonesia Business and Disability Network (IBDN) and association of micro-enterprises. The project will also explore and solicit technical inputs from UN Agencies working on specific thematic areas (e.g. gender, youth, PwDs, and environment), bilateral and multilateral development partners, and private sector. (Section III. Result and Partnership, 3.3 Partnership)

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#	File Name	Modified By	Modified On
1	BULETINHWDIUNDPFINALHALAMAN_8429_117 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/BULETINHWDIUNDPFINALHALAMAN_8429_117.pdf)	haryanti.sunarta@undp.org	12/9/2021 5:12:00 PM

18. Does the project plan for adaptation and course correction if regular monitoring activities, evaluation, and lesson learned demonstrate there are better approaches to achieve the intended results and/or circumstances change during implementation?

- Yes
- No

Evidence:

Indicated in the Monitoring and Evaluation of the Project Document. (Section VI. Monitoring and Evaluation)

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No documents available.

19. The gender marker for all project outputs are scored at GEN2 or GEN3, indicating that gender has been fully mainstreamed into all project outputs at a minimum.

- Yes
- No

Evidence:

All three Project Outputs are marked as GEN2. (Section on Brief Description and VII Multiyear Work Plan)

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No documents available.

Sustainability & National Ownership

Quality Rating: Satisfactory

20. Have national / regional / global partners led, or proactively engaged in, the design of the project?

- 3: National partners (or regional/global partners for regional and global projects) have full ownership of the project and led the process of the development of the project jointly with UNDP.
- 2: The project has been developed by UNDP in close consultation with national / regional / global partners.
- 1: The project has been developed by UNDP with limited or no engagement with national partners.

Evidence:

The project design were consulted remotely due to the mobility restriction from COVID-19 pandemic. Nonetheless the project LPAC meeting were organized on 22nd of September and endorsed for implementation, Furthermore, the project will collaborates with a wide range of stakeholders, including various level government, other UN agencies, civil society organization, academia and research centers in delivering its targeted results. (Section. 3 Result and Partnership, 3.3 Partnership and 3.5 Stakeholders Engagement)

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#	File Name	Modified By	Modified On
1	12227-SuratDirPenyampaianMOMdanPermintaanMasukanRESTORELampiran1_sign18429_120 (https://intranet.undp.org/apps/ProjectQA/QAFormDocuments/12227-SuratDirPenyampaianMOMdanPermintaanMasukanRESTORELampiran1_sign1_8429_120.pdf	christian.usfinit@undp.org	12/10/2021 7:57:00 AM

21. Are key institutions and systems identified, and is there a strategy for strengthening specific / comprehensive capacities based on capacity assessments conducted?

- 3: The project has a strategy for strengthening specific capacities of national institutions and/or actors based on a completed capacity assessment. This strategy includes an approach to regularly monitor national capacities using clear indicators and rigorous methods of data collection, and adjust the strategy to strengthen national capacities accordingly.
- 2: *A capacity assessment has been completed. There are plans to develop a strategy to strengthen specific capacities of national institutions and/or actors based on the results of the capacity assessment.*
- 1: Capacity assessments have not been carried out.
- Not Applicable

Evidence:

The project aims to strengthen the health system (MoH) in its response to COVID-19; support to National (and Sub-National) Disaster Management Agency in conducting PDNA and formulation of Recovery Plan, as well as strengthening the capacity of sub-national governments to advance green economy. (Section. III Results and Partnership, 3.1 Expected Results, Output 1, Activity 1.1 and 1.2)

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No documents available.

22. Is there is a clear strategy embedded in the project specifying how the project will use national systems (i.e., procurement, monitoring, evaluations, etc.,) to the extent possible?

- Yes
- No
- Not Applicable

Evidence:

Programmatic activities are designed to be aligned with the national programme system upon ensuring the government buy-in and ownership, and the project's impact sustainability. (Section III. Results and Partnership, subsection 3.3, 3.5, and 3.8)

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No documents available.

23. Is there a clear transition arrangement / phase-out plan developed with key stakeholders in order to sustain or scale up results (including resource mobilisation and communications strategy)?

- Yes
- No

Evidence:

Programmatic activities are designed to be aligned with the national programme system upon ensuring the government buy-in and ownership, and the project's impact sustainability. (Section III. Results and Partnership, subsection 3.3, 3.5, and 3.8)

The inputs delivered by the projects will be processed for asset transfer administration (BAST) to comply with the Government policies and regulation on foreign direct grant funding. (Section V. Result Framework). This is to ensure the provision of operation and maintenance budget from the government fiscal resource (resource mobilization for future operation)

List of Uploaded Documents

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No documents available.

QA Summary/LPAC Comments

LPAC summary:

1. The project document will be finalized based on the result from today's PAC meeting.
2. Minutes of meeting of this PAC meeting will be jointly signed by UNDP and Bappenas.
3. For the purposes of BAST, the project will be implemented using Direct Implementation (DIM) modality where UNDP will sign the project document. The grant registration will use the Statement of Intent (SOI) as the main reference where each technical ministry assisted by UNDP will do the process.
4. The project document serves as a UNDP's internal document.
5. The project document is expected to be completed and signed as soon as possible so that the BAST process can be initiated.

Annex 2. Social and Environmental Screening

Project Information

Project Information	
1. Project Title	Response Toward Resilience (RESTORE)
2. Project Number (i.e. Atlas project ID, PIMS+)	00126825
3. Location (Global/Region/Country)	Indonesia
4. Project stage (Design or Implementation)	Design
5. Date	28 February 2021

Part A. Integrating Programming Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Programming Principles in Order to Strengthen Social and Environmental Sustainability?

Briefly describe in the space below how the project mainstreams the human rights-based approach

Our approach is to strengthen human security that is both prevention oriented and people centred, focusing on the most vulnerable. Our focus will be on assisting people affected by COVID-19 ensuring that no one is left behind. Particular attention is given to the most vulnerable such as, GBV victims and People with Disability will benefit from the project, while at the same time preventing the ongoing spread of COVID-19.

Briefly describe in the space below how the project is likely to improve gender equality and women's empowerment

The project will increase women's equal access through green recovery by providing policy recommendation to the Government of Indonesia to establish an inclusive green recovery stimulus package. Moreover, the project also focuses on women owned MSMEs and provide support to women employed by the MSMEs.

Briefly describe in the space below how the project mainstreams sustainability and resilience

The Project will integrate the Government's green economy with a focus on the circular economy into developing the capacity of MSMEs to be more resilient during and post COVID-19.

Briefly describe in the space below how the project strengthens accountability to stakeholders

The project will engage the participation of relevant stakeholders during its implementation.

Part B. Identifying and Managing Social and Environmental Risks

QUESTION 2: What are the Potential Social and Environmental Risks?

Note: Complete SESP Attachment 1 before responding to Question 2.

QUESTION 3: What is the level of significance of the potential social and environmental risks?

Note: Respond to Questions 4 and 5 below before proceeding to Question 5

QUESTION 6: Describe the assessment and management measures for each risk rated Moderate, Substantial or High

Risk Description (broken down by event, cause, impact)	Impact and Likelihood (1-5)	Significance (Low, Moderate Substantial, High)	Comments (optional)	Description of assessment and management measures for risks rated as Moderate, Substantial or High
Risk 1: Environmental risks from the installation of medical waste management equipment	I = 3 L = 2	Moderate	The project provides autoclaves for COVID-19 referral hospitals	Asses the operational capacity of the recipient hospital and provision of additional processing equipment to reduce hazardous waste.
Risk 2 – MSMEs increase the volume of waste due to increased production capacity	I = 3 L = 2	Moderate	The project provides inputs for MSME to increase its production capacity for which may linear with the increase of waste generation.	Asses applicable green production and waste management practices for MSME to promote circular economy.

QUESTION 4: What is the overall project risk categorization?

Low Risk	<input type="checkbox"/>
Moderate Risk	<input checked="" type="checkbox"/>
Substantial Risk	<input type="checkbox"/>
High Risk	<input type="checkbox"/>
Medical and industrial waste	

QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are triggered?
(check all that apply)

Question only required for Moderate, Substantial and High Risk projects					
<u>Is assessment required? (check if "yes")</u>	<input checked="" type="checkbox"/>				
<i>if yes, indicate overall type and status</i>					
		<input checked="" type="checkbox"/>	Targeted assessment(s)		Planned for hospital and MSME sectors
		<input type="checkbox"/>	ESIA (Environmental and Social Impact Assessment)		
		<input type="checkbox"/>	SESA (Strategic Environmental and Social Assessment)		
<u>Are management plans required? (check if "yes")</u>	<input checked="" type="checkbox"/>				
<i>if yes, indicate overall type</i>					
		<input checked="" type="checkbox"/>	Targeted management plans (e.g. Gender Action Plan, Emergency Response Plan, Waste Management Plan, others)		Medical and MSME business waste management plan.
		<input type="checkbox"/>	ESMP (Environmental and Social Management Plan which may include range of targeted plans)		
		<input type="checkbox"/>	ESMF (Environmental and Social Management Framework)		
<u>Based on identified risks, which Principles/Project-level Standards triggered?</u>					Comments (not required)
<u>Overarching Principle: Leave No One Behind</u>	<input type="checkbox"/>				

	Human Rights	<input type="checkbox"/>	
	Gender Equality and Women's Empowerment	<input type="checkbox"/>	
	Accountability	<input type="checkbox"/>	
	1. Biodiversity Conservation and Sustainable Natural Resource Management	<input type="checkbox"/>	
	2. Climate Change and Disaster Risks	<input type="checkbox"/>	
	3. Community Health, Safety and Security	<input checked="" type="checkbox"/>	Minimize exposure of hazardous substances
	4. Cultural Heritage	<input type="checkbox"/>	
	5. Displacement and Resettlement	<input type="checkbox"/>	
	6. Indigenous Peoples	<input type="checkbox"/>	
	7. Labour and Working Conditions	<input type="checkbox"/>	
	8. Pollution Prevention and Resource Efficiency	<input checked="" type="checkbox"/>	Additional equipment and practices for medical and industrial waste

Final Sign Off

Final Screening at the design-stage is not complete until the following signatures are included

Signature	Date	Description
Andrys Erawan		UNDP Programme Officer
Sophie Kemkhadze		UNDP Deputy Resident Representative
Sophie Kemkhadze		UNDP chair of the PAC.

SESP Attachment 1. Social and Environmental Risk Screening Checklist

Checklist Potential Social and Environmental Risks		Answer (Yes/No)
Overarching Principle: Leave No One Behind		
Human Rights		
P.1	Have local communities or individuals raised human rights concerns regarding the project (e.g. during the stakeholder engagement process, grievance processes, public statements)?	No
P.2	Is there a risk that duty-bearers (e.g. government agencies) do not have the capacity to meet their obligations in the project?	No
P.3	Is there a risk that rights-holders (e.g. project-affected persons) do not have the capacity to claim their rights?	No
<i>Would the project potentially involve or lead to:</i>		
P.4	adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
P.5	inequitable or discriminatory impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups, including persons with disabilities? ⁹	No
P.6	restrictions in availability, quality of and/or access to resources or basic services, in particular to marginalized individuals or groups, including persons with disabilities?	No
P.7	exacerbation of conflicts among and/or the risk of violence to project-affected communities and individuals?	No
Gender Equality and Women's Empowerment		
P.8	Have women's groups/leaders raised gender equality concerns regarding the project, (e.g. during the stakeholder engagement process, grievance processes, public statements)?	No
<i>Would the project potentially involve or lead to:</i>		
P.9	adverse impacts on gender equality and/or the situation of women and girls?	No
P.10	reproducing discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No
P.11	limitations on women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being</i>	No
P.12	exacerbation of risks of gender-based violence?	No

⁹ Prohibited grounds of discrimination include race, ethnicity, sex, age, language, disability, sexual orientation, gender identity, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender and transsexual people.

<i>For example, through the influx of workers to a community, changes in community and household power dynamics, increased exposure to unsafe public places and/or transport, etc.</i>	
Sustainability and Resilience: Screening questions regarding risks associated with sustainability and resilience are encompassed by the Standard-specific questions below	
Accountability	
<i>Would the project potentially involve or lead to:</i>	
P.13 exclusion of any potentially affected stakeholders, in particular marginalized groups and excluded individuals (including persons with disabilities), from fully participating in decisions that may affect them?	No
P.14 grievances or objections from potentially affected stakeholders?	No
P.15 risks of retaliation or reprisals against stakeholders who express concerns or grievances, or who seek to participate in or to obtain information on the project?	No
Project-Level Standards	
Standard 1: Biodiversity Conservation and Sustainable <u>Natural</u> Resource Management	
<i>Would the project potentially involve or lead to:</i>	
1.1 adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? <i>For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</i>	No
1.2 activities within or adjacent to critical habitats and/or environmentally sensitive areas, including (but not limited to) legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	No
1.3 changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No
1.4 risks to endangered species (e.g. reduction, encroachment on habitat)?	No
1.5 exacerbation of illegal wildlife trade?	No
1.6 introduction of invasive alien species?	No
1.7 adverse impacts on soils?	No
1.8 harvesting of natural forests, plantation development, or reforestation?	No
1.9 significant agricultural production?	No
1.10 animal husbandry or harvesting of fish populations or other aquatic species?	No
1.11 significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i>	No

1.12	handling or utilization of genetically modified organisms/living modified organisms? ¹⁰	No
1.13	utilization of genetic resources? (e.g. collection and/or harvesting, commercial development) ¹¹	No
1.14	adverse transboundary or global environmental concerns?	No
Standard 2: Climate Change and Disaster Risks		
<i>Would the project potentially involve or lead to:</i>		
2.1	areas subject to hazards such as earthquakes, floods, landslides, severe winds, storm surges, tsunami or volcanic eruptions?	No
2.2	outputs and outcomes sensitive or vulnerable to potential impacts of climate change or disasters? <i>For example, through increased precipitation, drought, temperature, salinity, extreme events, earthquakes</i>	No
2.3	increases in <u>vulnerability to climate change</u> impacts or disaster risks now or in the future (also known as maladaptive or negative coping practices)? <i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i>	No
2.4	increases of greenhouse gas emissions, black carbon emissions or other drivers of climate change?	No
Standard 3: Community Health, Safety and Security		
<i>Would the project potentially involve or lead to:</i>		
3.1	construction and/or infrastructure development (e.g. roads, buildings, dams)? (Note: the GEF does not finance projects that would involve the construction or rehabilitation of large or complex dams)	No
3.2	air pollution, noise, vibration, traffic, injuries, physical hazards, poor surface water quality due to runoff, erosion, sanitation?	Yes
3.3	harm or losses due to failure of structural elements of the project (e.g. collapse of buildings or infrastructure)?	No
3.4	risks of water-borne or other vector-borne diseases (e.g. temporary breeding habitats), communicable and noncommunicable diseases, nutritional disorders, mental health?	No
3.5	transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No
3.6	adverse impacts on ecosystems and ecosystem services relevant to communities' health (e.g. food, surface water purification, natural buffers from flooding)?	No
3.7	influx of project workers to project areas?	No
3.8	engagement of security personnel to protect facilities and property or to support project activities?	No

¹⁰ See the [Convention on Biological Diversity](#) and its [Cartagena Protocol on Biosafety](#).

¹¹ See the [Convention on Biological Diversity](#) and its [Nagoya Protocol](#) on access and benefit sharing from use of genetic resources.

Standard 4: Cultural Heritage		
<i>Would the project potentially involve or lead to:</i>		
4.1	activities adjacent to or within a Cultural Heritage site?	No
4.2	significant excavations, demolitions, movement of earth, flooding or other environmental changes?	No
4.3	adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.4	alterations to landscapes and natural features with cultural significance?	No
4.5	utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?	No
Standard 5: Displacement and Resettlement		
<i>Would the project potentially involve or lead to:</i>		
5.1	temporary or permanent and full or partial physical displacement (including people without legally recognizable claims to land)?	No
5.2	economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	risk of forced evictions? ¹²	No
5.4	impacts on or changes to land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
Standard 6: Indigenous Peoples		
<i>Would the project potentially involve or lead to:</i>		
6.1	areas where indigenous peoples are present (including project area of influence)?	No
6.2	activities located on lands and territories claimed by indigenous peoples?	No
6.3	impacts (positive or negative) to the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? <i>If the answer to screening question 6.3 is “yes”, then the potential risk impacts are considered significant and the project would be categorized as either Substantial Risk or High Risk</i>	No
6.4	the absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No

¹² Forced eviction is defined here as the permanent or temporary removal against their will of individuals, families or communities from the homes and/or land which they occupy, without the provision of, and access to, appropriate forms of legal or other protection. Forced evictions constitute gross violations of a range of internationally recognized human rights.

6.5	the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources? <i>Consider, and where appropriate ensure, consistency with the answers under Standard 5 above</i>	No
6.7	adverse impacts on the development priorities of indigenous peoples as defined by them?	No
6.8	risks to the physical and cultural survival of indigenous peoples?	No
6.9	impacts on the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices? <i>Consider, and where appropriate ensure, consistency with the answers under Standard 4 above.</i>	No
Standard 7: Labour and Working Conditions		
<i>Would the project potentially involve or lead to: (note: applies to project and contractor workers)</i>		
7.1	working conditions that do not meet national labour laws and international commitments?	No
7.2	working conditions that may deny freedom of association and collective bargaining?	No
7.3	use of child labour?	No
7.4	use of forced labour?	No
7.5	discriminatory working conditions and/or lack of equal opportunity?	No
7.6	occupational health and safety risks due to physical, chemical, biological and psychosocial hazards (including violence and harassment) throughout the project life-cycle?	No
Standard 8: Pollution Prevention and Resource Efficiency		
<i>Would the project potentially involve or lead to:</i>		
8.1	the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or <u>transboundary impacts</u> ?	No
8.2	the generation of waste (both hazardous and non-hazardous)?	Yes
8.3	the manufacture, trade, release, and/or use of hazardous materials and/or chemicals?	No
8.4	the use of chemicals or materials subject to international bans or phase-outs? <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the <u>Montreal Protocol</u>, <u>Minamata Convention</u>, <u>Basel Convention</u>, <u>Rotterdam Convention</u>, <u>Stockholm Convention</u></i>	No
8.5	the application of pesticides that may have a negative effect on the environment or human health?	No
8.6	significant consumption of raw materials, energy, and/or water?	No

Annex 3. Offline Project Risk Register

Project Title: Response Toward Resilience (RESTORE)				Project/Award ID:00126825	Date: 31 March 2021
#	Description	Type	Impact & Likelihood = Risk Level	Risk Treatment / Management Measures	Risk Owner
1	MSMEs are reluctant to adopt COVID-19 prevention measures due to inadequate financial resources	3.11. OPERATIONAL: Occupational safety, health and well-being	Likelihood = 3 Impact = 3 Risk level = Moderate Targets will not be met on number of participating MSMEs	Advising MSMEs on cost effective prevention measures and the benefits of preventing COVID-19 in the workplace and with customers. Financial support to demonstrate the benefits of preventing COVID-19 in the workplace Assisting MSMEs to develop OSH strategies	Project Management
2	Poor integration of government support to MSMEs and awareness of the Government's MSME programme by MSMEs	3.1. OPERATIONAL: Alignment with national priorities	Describe the potential effect on the project if this risk were to occur Likelihood = 3 Impact = 3 Risk level = Moderate MSMEs will not have receive government support	Assessing the current awareness of MSMEs to understanding the Government's programme Implementing an awareness programme on government programmes	Project Management
3	Private sector not interested in supporting MSMEs and forming partnerships	3.7. OPERATIONAL: Partnership	Likelihood = 3 Impact = 3 Risk level = Moderate MSMEs will not have markets for their services or products	Building on UNDPs experience in partnerships with the private sector Contracting team member with building private sector partnerships	Project Management and Programme Unit
4	Not able to implement the Programme in the time available	2.5. FINANCIAL: Delivery	Likelihood = 2 Impact = 3 Risk level = Low	Mobilise a team with strong experience in implementing the Programmes workplan Recruitment of a procurement team to facilitate procurement	Project Management and Programme Unit

#	Description	Type	Impact & Likelihood = Risk level	Risk Treatment / Management Measures	Risk Owner
			MSMEs will not have received project support Policies will not be drafted		
5	Different priorities from national and subnational governments in addressing the dynamic changing of crisis situation	5.1. POLITICAL: Government commitment	Likelihood = 2 Impact = 4 Risk level = Moderate Confused and mixed allocation of resources	Undertake bilateral dissemination approach for the interventions and develop feasible support packages at all level	Project Management and Programme Unit
6	Travel and accessibility restriction in target areas	3.11. OPERATIONAL: Occupational safety, health and well-being	Likelihood = 2 Impact = 3 Risk level = Low Not able to effectively engage government partners	Emphasize the use of local resources to support implementation at the field level Leverage existing UNDP project/resources in target areas to support implementation	Project Management and Programme Unit
7.	National Government does not support the green recovery and circular economy (CE) interventions.	3.1. OPERATIONAL: Alignment with national priorities	Likelihood = 2 Impact = 3 Risk level = Low MSMEs will not be supported and NCD targets will not be met	Build on UNDP's existing partnership on climate finance with MOF and on CE with BAPPENAS and other key Ministries	Project Management and Programme Unit
8.	Women and other vulnerable groups not actively involved in the activity	1.2. SOCIAL AND ENVIRONMENTAL: Gender	Likelihood = 2 Impact = 3 Risk level = Low Women's opportunities to develop their business will be delayed	Ensure dissemination of activity information extensively and develop a clear strategy to ensure women, men and other vulnerable groups participate based on the Country Office's existing experience	Project Management and Programme Unit
9	Limited progress for operationalising CSO engagement for recovery, thus delaying availability and access to Government financing	3.7. OPERATIONAL: Partnership	Likelihood = 2 Impact = 3 Risk level = Low/M MSMEs will not receive support	Initially identify CSOs that UNDP has had an ongoing partnership to test the approach	Project Management and Programme Unit

#	Description	Type	Impact & Likelihood = Risk Level	Risk Treatment / Management Measures	Risk Owner
	through CSOs for supporting MEs				
10	Government does not form partnerships with CSOs	3.7. OPERATIONAL: Partnership	Likelihood = 2 Impact = 3 Risk level = Low CSOs will not be able to support MSMEs	Involve Ministry of Home Affairs and LKPP in discussions with local government and CSOs	Project Management and Programme Unit
11.	Access to MSME finance is difficult, due to poor proposal requests or other factors.	3.8. OPERATIONAL: Capacity development of national partners	Likelihood = 2 Impact = 3 Risk level = Low MSMEs will not be able to access finance.	Partner with UNDP's current financing for MSME partners to develop strategy and guidelines to enable potential MSMEs to have a high probability of receiving financial support.	Project Management and Programme Unit
12.	MSMEs cannot identify off takers for their products or services	3.7. OPERATIONAL: Partnership	Likelihood = 2 Impact = 3 Risk level = Low MEMS will not be able to realise their full potential	Identify potential off takers for products produced as circular economy items	Project Management and Programme Unit

Note: * Based on Likelihood and Impact, use the Risk Matrix to identify the Risk Level:

- Low (L)
- Moderate (M)
- Substantial (S), or
- High (H)

UNDP ERM – Risk Matrix

5	M			H	H
4	L	M			H
3	L	M	M		
2	L	L	L	M	M
1	L	L	L	L	L
	1	2	3	4	5

IMPACT

LIKELIHOOD

Annex 4. Project Board Terms of Reference and TORs of key management positions

PROJECT BOARD

Overall responsibilities: The Project Board is the group responsible for making by consensus management decisions for a project when guidance is required by the Project Manager, including recommendation for UNDP/Implementing Partner approval of project plans and revisions. In order to ensure UNDP's ultimate accountability, Project Board decisions should be made in accordance to standards¹³ that shall ensure best value to money, fairness, integrity transparency and effective international competition. In case a consensus cannot be reached, final decision shall rest with the UNDP Programme Manager. Project reviews by this group are made at designated decision points during the running of a project, or as necessary when raised by the Project Manager. This group is consulted by the Project Manager for decisions when PM tolerances (normally in terms of time and budget) have been exceeded.

Based on the approved annual work plan (AWP), the Project Board may review and approve project quarterly plans when required and authorizes any major deviation from these agreed quarterly plans. It is the authority that signs off the completion of each quarterly plan as well as authorizes the start of the next quarterly plan. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the project and external bodies. In addition, it approves the appointment and responsibilities of the Project Manager and any delegation of its Project Assurance responsibilities.

Composition and organization: This group contains three roles, including:

- 1) An Executive: UNDP Deputy Resident Representative representing the project ownership to chair the group.
- 2) Senior Supplier: Group of individuals representing the interests of the parties concerned which provide funding and/or technical expertise to the project. The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project.
- 3) Senior Beneficiary: Group of individuals representing the interests of ministries and Government of Indonesia who will ultimately benefit from the project. The Senior Beneficiary's primary function within the Board is to ensure the realization of project results from the perspective of project beneficiaries.

Potential members of the Project Board are reviewed and recommended for approval during the PAC and periodic Project Board meetings.

Specific responsibilities:

Running a project

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints.
- Address project issues as raised by the Project Manager.
- Provide guidance and agree on possible countermeasures/management actions to address specific risks.

¹³ UNDP Financial Rules and Regulations: Chapter E, Regulation 16.05: a) The administration by executing entities or, under the harmonized operational modalities, implementing partners, of resources obtained from or through UNDP shall be carried out under their respective 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. b) Where the financial governance of an executing entity or, under the harmonized operational modalities, implementing partner, does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, that of UNDP shall apply.

- Agree on Project Manager’s tolerances in the Annual Work Plan and quarterly plans when required.
- Conduct regular meetings to review the Project Quarterly Progress Report and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans.
- Review Combined Delivery Reports (CDR) prior to certification by the Implementing Partner;
- Appraise the Project Annual Review Report, make recommendations for the next AWP, and inform the Outcome Board about the results of the review.
- Review and approve end project report, make recommendations for follow-on actions.
- Provide ad-hoc direction and advice for exception situations when project manager’s tolerances are exceeded.
- Assess and decide on project changes through revisions.
- Address complaints made by individuals, peoples, and communities that are affected by the UNDP projects through the UNDP Stakeholder Response Mechanism (SRM) and/or the UNDP Social and environmental Compliance unit (SECU)¹⁴.

Closing a project

- Assure that all Project deliverables have been produced satisfactorily.
- Review and approve the Final Project Review Report, including Lessons-learned;
- Make recommendations for follow-on actions to be submitted to the Outcome Board;
- Commission project evaluation (only when required by partnership agreement)
- Notify operational completion of the project to the Outcome Board.

EXECUTIVE

The Executive is ultimately responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive’s role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher level outcomes. The Executive has to ensure that the project gives value for money, ensuring a cost-conscious approach to the project, balancing the demands of beneficiary and supplier.

Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Ensure that there is a coherent project organisation structure and logical set of plans
- Set tolerances in the AWP and other plans as required for the Project Manager
- Monitor and control the progress of the project at a strategic level
- Ensure that risks are being tracked and mitigated as effectively as possible
- Brief Outcome Board and relevant stakeholders about project progress
- Organise and chair Project Board meetings

The Executive is responsible for overall assurance of the project as described below. If the project warrants it, the Executive may delegate some responsibility for the project assurance functions.

¹⁴ <http://www.undp.org/content/undp/en/home/operations/accountability/secu-srm.html>

SENIOR BENEFICIARY

The Senior Beneficiary is responsible for validating the needs and for monitoring that the solution will meet those needs within the constraints of the project. The role represents the interests of all those who will benefit from the project, or those for whom the deliverables resulting from activities will achieve specific output targets. The Senior Beneficiary role monitors progress against targets and quality criteria. This role may require more than one person to cover all the beneficiary interests. For the sake of effectiveness, the role should not be split between too many people.

Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Ensure the expected output(s) and related activities of the project are well defined
- Make sure that progress towards the outputs required by the beneficiaries remains consistent from the beneficiary perspective
- Promote and maintain focus on the expected project output(s)
- Prioritise and contribute beneficiaries' opinions on Project Board decisions on whether to implement recommendations on proposed changes
- Resolve priority conflicts

The assurance responsibilities of the Senior Beneficiary are to check that:

- Specification of the Beneficiary's needs is accurate, complete and unambiguous
- Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary's needs and are progressing towards that target
- Impact of potential changes is evaluated from the beneficiary point of view
- Risks to the beneficiaries are frequently monitored

Where the project's size, complexity or importance warrants it, the Senior Beneficiary may delegate the responsibility and authority for some of the assurance responsibilities.

SENIOR SUPPLIER

The Senior Supplier represents the interests of the parties which provide funding and/or technical expertise to the project (designing, developing, facilitating, procuring, implementing). The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project. The Senior Supplier role must have the authority to commit or acquire supplier resources required. If necessary, more than one person may be required for this role. Typically, the implementing partner, UNDP and/or donor(s) would be represented under this role.

Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Make sure that progress towards the outputs remains consistent from the supplier perspective
- Promote and maintain focus on the expected project output(s) from the point of view of supplier management
- Ensure that the supplier resources required for the project are made available
- Contribute supplier opinions on Project Board decisions on whether to implement recommendations on proposed changes
- Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts

The supplier assurance role responsibilities are to:

- Advise on the selection of strategy, design and methods to carry out project activities

- Ensure that any standards defined for the project are met and used to good effect
- Monitor potential changes and their impact on the quality of deliverables from a supplier perspective
- Monitor any risks in the implementation aspects of the project

PROJECT MANAGER

Overall responsibilities: The Project Manager has the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Board. The Project Manager is responsible for day-to-day management and decision-making for the project. The Project Manager's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost.

The Implementing Partner appoints the Project Manager, who should be different from the Implementing Partner's representative in the Outcome Board. Prior to the approval of the project, the Project Developer role is the UNDP staff member responsible for project management functions during formulation until the Project Manager from the Implementing Partner is in place.

Specific responsibilities would include:

Overall project management:

- Manage the realization of project outputs through activities;
- Provide direction and guidance to project team(s)/ responsible party(ies);
- Liaise with the Project Board or its appointed Project Assurance roles to assure the overall direction and integrity of the project;
- Identify and obtain any support and advice required for the management, planning and control of the project;
- Responsible for project administration;
- Liaise with any suppliers;
- May also perform Team Manager and Project Support roles;

Running a project

- Plan the activities of the project and monitor progress against the initial quality criteria.
- Mobilize goods and services to initiative activities, including drafting TORs and work specifications;
- Monitor events as determined in the Monitoring & Communication Plan, and update the plan as required;
- Manage requests for the provision of financial resources by UNDP, using advance of funds, direct payments, or reimbursement using the FACE (Fund Authorization and Certificate of Expenditures);
- Monitor financial resources and accounting to ensure accuracy and reliability of financial reports;
- Manage and monitor the project risks as initially identified in the Project Brief appraised by the LPAC, submit new risks to the Project Board for consideration and decision on possible actions if required; update the status of these risks by maintaining the Project Risks Log;
- Be responsible for managing issues and requests for change by maintaining an Issues Log.
- Prepare the Project Quarterly Progress Report (progress against planned activities, update on Risks and Issues, expenditures) and submit the report to the Project Board and Project Assurance;
- Prepare the Annual review Report, and submit the report to the Project Board and the Outcome Board;
- Based on the review, prepare the AWP for the following year, as well as Quarterly Plans if required.

Closing a Project

- Prepare Final Project Review Reports to be submitted to the Project Board and the Outcome Board;

- Identify follow-on actions and submit them for consideration to the Project Board;
- Manage the transfer of project deliverables, documents, files, equipment and materials to national beneficiaries;
- Prepare final CDR/FACE for signature by UNDP and the Implementing Partner.

PROJECT ASSURANCE

Overall responsibility: Project Assurance is the responsibility of each Project Board member, however the role can be delegated. The Project Assurance role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed.

Project Assurance has to be independent of the Project Manager; therefore the Project Board cannot delegate any of its assurance responsibilities to the Project Manager. A UNDP Programme Officer typically holds the Project Assurance role.

The implementation of the assurance responsibilities needs to answer the question “What is to be assured?”. The following list includes the key suggested aspects that need to be checked by the Project Assurance throughout the project as part of ensuring that it remains relevant, follows the approved plans and continues to meet the planned targets with quality.

- Maintenance of thorough liaison throughout the project between the members of the Project Board.
- Beneficiary needs and expectations are being met or managed
- Risks are being controlled
- Adherence to the Project Justification (Business Case)
- Projects fit with the overall Country Programme
- The right people are being involved
- An acceptable solution is being developed
- The project remains viable
- The scope of the project is not “creeping upwards” unnoticed
- Internal and external communications are working
- Applicable UNDP rules and regulations are being observed
- Any legislative constraints are being observed
- Adherence to RMG monitoring and reporting requirements and standards
- Quality management procedures are properly followed
- Project Board’s decisions are followed and revisions are managed in line with the required procedures

Specific responsibilities would include:

Initiating a project

- Ensure that project outputs definitions and activity definition including description and quality criteria have been properly recorded in the Atlas Project Management module to facilitate monitoring and reporting;
- Ensure that people concerned are fully informed about the project
- Ensure that all preparatory activities, including training for project staff, logistic supports are timely carried out

Running a project

- Ensure that funds are made available to the project;
- Ensure that risks and issues are properly managed, and that the logs in Atlas are regularly updated;
- Ensure that critical project information is monitored and updated in Atlas, using the Activity Quality log in particular;

- Ensure that Project Quarterly Progress Reports are prepared and submitted on time, and according to standards in terms of format and content quality.
- Ensure that CDRs and FACE are prepared and submitted to the Project Board and Outcome Board;
- Perform oversight activities, such as periodic monitoring visits and “spot checks”.
- Ensure that the Project Data Quality Dashboard remains “green”

Closing a project

- Ensure that the project is operationally closed in Atlas.
- Ensure that all financial transactions are in Atlas based on final accounting of expenditures.
- Ensure that project accounts are closed, and status set in Atlas accordingly.

PROJECT SUPPORT

Overall responsibilities: The Project Support role provides project administration, management and technical support to the Project Manager as required by the needs of the individual project or Project Manager. The provision of any Project Support on a formal basis is optional. It is necessary to keep Project Support and Project Assurance roles separate in order to maintain the independence of Project Assurance.

Specific responsibilities: Some specific tasks of the Project Support would include:

Provision of administrative services:

- Set up and maintain project files
- Collect project related information data
- Update plans
- Administer the quality review process
- Administer Project Board meetings

Project documentation management:

- Administer project revision control
- Establish document control procedures
- Compile, copy and distribute all project reports

Financial Management, Monitoring and reporting

- Assist in the financial management tasks under the responsibility of the Project Manager
- Provide support in the use of Atlas for monitoring and reporting

Provision of technical support services

- Provide technical advice
- Review technical reports
- Monitor technical activities carried out by responsible parties

Annex 5. Supplemental Provisions to the Project Document¹⁵: The Legal Context

General responsibilities of the Government, UNDP and the executing agency

1. All phases and aspects of UNDP assistance to this project shall be governed by and carried out in accordance with the relevant and applicable resolutions and decisions of the competent United Nations organs and in accordance with UNDP's policies and procedures for such projects, and subject to the requirements of the UNDP Monitoring, Evaluation and Reporting System.
2. The Government shall remain responsible for this UNDP-assisted development project and the realization of its objectives as described in this Project Document.
3. Assistance under this Project Document being provided for the benefit of the Government and the people of Indonesia, the Government shall bear all risks of operations in respect of this project.
4. The Government shall provide to the project the national counterpart personnel, training facilities, land, buildings, equipment and other required services and facilities. It shall designate the Government Co-operating Agency named in the cover page of this document (hereinafter referred to as the "Co-operating Agency"), which shall be directly responsible for the implementation of the Government contribution to the project.
5. The UNDP undertakes to complement and supplement the Government participation and will provide through the Executing Agency the required expert services, training, equipment and other services within the funds available to the project.
6. Upon commencement of the project the Executing Agency shall assume primary responsibility for project execution and shall have the status of an independent contractor for this purpose. However, that primary responsibility shall be exercised in consultation with UNDP and in agreement with the Co-operating Agency. Arrangements to this effect shall be stipulated in the Project Document as well as for the transfer of this responsibility to the Government or to an entity designated by the Government during the execution of the project.
7. Part of the Government's participation may take the form of a cash contribution to UNDP. In such cases, the Executing Agency will provide the related services and facilities and will account annually to the UNDP and to the Government for the expenditure incurred.

(a) Participation of the Government

1. The Government shall provide to the project the services, equipment and facilities in the quantities and at the time specified in the Project Document. Budgetary provision, either in kind or in cash, for the Government's participation so specified shall be set forth in the Project Budgets.
2. The Co-operating Agency shall, as appropriate and in consultation with the Executing Agency, assign a director for the project on a full-time basis. He shall carry out such responsibilities in the project as are assigned to him by the Co-operating Agency.
3. The estimated cost of items included in the Government contribution, as detailed in the Project Budget, shall be based on the best information available at the time of drafting the project proposal. It is understood that price fluctuations during the period of execution of the project may necessitate an adjustment of said contribution in monetary terms; the latter shall at all times be determined by the value of the services, equipment and facilities required for the proper execution of the project.

¹⁵ Standard annex to project documents for use in countries which are not parties to the Standard Basic Assistance Agreement (SBAA).

4. Within the given number of man-months of personnel services described in the Project Document, minor adjustments of individual assignments of project personnel provided by the Government may be made by the Government in consultation with the Executing Agency, if this is found to be in the best interest of the project. UNDP shall be so informed in all instances where such minor adjustments involve financial implications.
5. The Government shall continue to pay the local salaries and appropriate allowances of national counterpart personnel during the period of their absence from the project while on UNDP fellowships.
6. The Government shall defray any customs duties and other charges related to the clearance of project equipment, its transportation, handling, storage and related expenses within the country. It shall be responsible for its installation and maintenance, insurance, and replacement, if necessary, after delivery to the project site.
7. The Government shall make available to the project - subject to existing security provisions - any published and unpublished reports, maps, records and other data which are considered necessary to the implementation of the project.
8. Patent rights, copyright rights and other similar rights to any discoveries or work resulting from UNDP assistance in respect of this project shall belong to the UNDP. Unless otherwise agreed by the Parties in each case, however, the Government shall have the right to use any such discoveries or work within the country free of royalty and any charge of similar nature.
9. The Government shall assist all project personnel in finding suitable housing accommodation at reasonable rents.
10. The services and facilities specified in the Project Document which are to be provided to the project by the Government by means of a contribution in cash shall be set forth in the Project Budget. Payment of this amount shall be made to the UNDP in accordance with the Schedule of Payments by the Government.
11. Payment of the above-mentioned contribution to the UNDP on or before the dates specified in the Schedule of Payments by the Government is a prerequisite to commencement or continuation of project operations.

(b) Participation of the UNDP and the executing agency

1. The UNDP shall provide to the project through the Executing Agency the services, equipment and facilities described in the Project Document. Budgetary provision for the UNDP contribution as specified shall be set forth in the Project Budget.
2. The Executing Agency shall consult with the Government and UNDP on the candidature of the Project Manager¹⁶ who, under the direction of the Executing Agency, will be responsible in the country for the Executing Agency's participation in the project. The Project Manager shall supervise the experts and other agency personnel assigned to the project, and the on-the-job training of national counterpart personnel. He shall be responsible for the management and efficient utilization of all UNDP-financed inputs, including equipment provided to the project.
3. The Executing Agency, in consultation with the Government and UNDP, shall assign international staff and other personnel to the project as specified in the Project Document, select candidates for fellowships and determine standards for the training of national counterpart personnel.
4. Fellowships shall be administered in accordance with the fellowships regulations of the Executing Agency.
5. The Executing Agency may, in agreement with the Government and UNDP, execute part or all of the project by subcontract. The selection of subcontractors shall be made, after consultation with the Government

¹⁶ May also be designated Project Co-ordinator or Chief Technical Adviser, as appropriate.

and UNDP, in accordance with the Executing Agency's procedures.

6. All material, equipment and supplies which are purchased from UNDP resources will be used exclusively for the execution of the project, and will remain the property of the UNDP in whose name it will be held by the Executing Agency. Equipment supplied by the UNDP shall be marked with the insignia of the UNDP and of the Executing Agency.
7. Arrangements may be made, if necessary, for a temporary transfer of custody of equipment to local authorities during the life of the project, without prejudice to the final transfer.
8. Prior to completion of UNDP assistance to the project, the Government, the UNDP and the Executing Agency shall consult as to the disposition of all project equipment provided by the UNDP. Title to such equipment shall normally be transferred to the Government, or to an entity nominated by the Government, when it is required for continued operation of the project or for activities following directly therefrom. The UNDP may, however, at its discretion, retain title to part or all of such equipment.
9. At an agreed time after the completion of UNDP assistance to the project, the Government and the UNDP, and if necessary the Executing Agency, shall review the activities continuing from or consequent upon the project with a view to evaluating its results.
10. UNDP may release information relating to any investment oriented project to potential investors, unless and until the Government has requested the UNDP in writing to restrict the release of information relating to such project.

Rights, Facilities, Privileges and Immunities

1. In accordance with the Agreement concluded by the United Nations (UNDP) and the Government concerning the provision of assistance by UNDP, the personnel of UNDP and other United Nations organizations associated with the project shall be accorded rights, facilities, privileges and immunities specified in said Agreement.
2. The Government shall grant UN volunteers, if such services are requested by the Government, the same rights, facilities, privileges and immunities as are granted to the personnel of UNDP.
3. The Executing Agency's contractors and their personnel (except nationals of the host country employed locally) shall:
 - (a) Be immune from legal process in respect of all acts performed by them in their official capacity in the execution of the project;
 - (b) Be immune from national service obligations;
 - (c) Be immune together with their spouses and relatives dependent on them from immigration restrictions;
 - (d) Be accorded the privileges of bringing into the country reasonable amounts of foreign currency for the purposes of the project or for personal use of such personnel, and of withdrawing any such amounts brought into the country, or in accordance with the relevant foreign exchange regulations, such amounts as may be earned therein by such personnel in the execution of the project;
 - (e) Be accorded together with their spouses and relatives dependent on them the same repatriation facilities in the event of international crisis as diplomatic envoys.
4. All personnel of the Executing Agency's contractors shall enjoy inviolability for all papers and documents relating to the project.

5. The Government shall either exempt from or bear the cost of any taxes, duties, fees or levies which it may impose on any firm or organization which may be retained by the Executing Agency and on the personnel of any such firm or organization, except for nationals of the host country employed locally, in respect of:
 - (a) The salaries or wages earned by such personnel in the execution of the project;
 - (b) Any equipment, materials and supplies brought into the country for the purposes of the project or which, after having been brought into the country, may be subsequently withdrawn therefrom;
 - (c) Any substantial quantities of equipment, materials and supplies obtained locally for the execution of the project, such as, for example, petrol and spare parts for the operation and maintenance of equipment mentioned under (b), above, with the provision that the types and approximate quantities to be exempted and relevant procedures to be followed shall be agreed upon with the Government and, as appropriate, recorded in the Project Document; and
 - (d) As in the case of concessions currently granted to UNDP and Executing Agency's personnel, any property brought, including one privately owned automobile per employee, by the firm or organization or its personnel for their personal use or consumption or which after having been brought into the country, may subsequently be withdrawn therefrom upon departure of such personnel.
6. The Government shall ensure:
 - (a) prompt clearance of experts and other persons performing services in respect of this project; and
 - (b) the prompt release from customs of:
 - (i) equipment, materials and supplies required in connection with this project; and
 - (ii) property belonging to and intended for the personal use or consumption of the personnel of the UNDP, its Executing Agencies, or other persons performing services on their behalf in respect of this project, except for locally recruited personnel.
7. The privileges and immunities referred to in the paragraphs above, to which such firm or organization and its personnel may be entitled, may be waived by the Executing Agency where, in its opinion or in the opinion of the UNDP, the immunity would impede the course of justice and can be waived without prejudice to the successful completion of the project or to the interest of the UNDP or the Executing Agency.
8. The Executing Agency shall provide the Government through the resident representative with the list of personnel to whom the privileges and immunities enumerated above shall apply.
9. Nothing in this Project Document or Annex shall be construed to limit the rights, facilities, privileges or immunities conferred in any other instrument upon any person, natural or juridical, referred to hereunder.

Suspension or termination of assistance

1. The UNDP may by written notice to the Government and to the Executing Agency concerned suspend its assistance to any project if in the judgement of the UNDP any circumstance arises which interferes with or threatens to interfere with the successful completion of the project or the accomplishment of its purposes. The UNDP may, in the same or a subsequent written notice, indicate the conditions under which it is prepared to resume its assistance to the project. Any such suspension shall continue until such time as such conditions are accepted by the Government and as the UNDP shall give written notice to the Government and the Executing Agency that it is prepared to resume its assistance.
2. If any situation referred to in paragraph 1, above, shall continue for a period of fourteen days after notice thereof and of suspension shall have been given by the UNDP to the Government and the Executing Agency, then at any time thereafter during the continuance thereof, the UNDP may by written notice to the

Government and the Executing Agency terminate the project.

3. The provisions of this paragraph shall be without prejudice to any other rights or remedies the UNDP may have in the circumstances, whether under general principles of law or otherwise.