



Empowered lives. Resilient nations.

REPUBLIC OF KENYA

PROJECT DOCUMENT

Project Title: Sustainable Blue Economy Conference

Project Number: 111487

Award Number: 113221

Implementing Partner: Ministry of Foreign Affairs, Kenya

Start Date: 31st July 2018

End Date: 31 Dec 2019

PAC Meeting date: June 2018

Brief Description

There is a global focus on the blue economy, and Kenya is one of the countries in the forefront of building global consensus around best approaches to promote sustainable blue economy development. The 2030 Agenda for Sustainable Development recognizes blue economy as central in advancing sustainable development. SDG 14 calls on all stakeholders to "conserve and sustainably use the oceans, seas and marine resources for sustainable development". The Governments of Kenya and Canada will co-host a High-Level Global Conference on Sustainable Blue Economy from 26th – 28th November 2018 at the Kenyatta International Convention Centre (KICC) in Nairobi, Kenya. Other governments and institutions have also been invited to join Kenya in co-hosting or co-sponsoring this global Conference. This Conference will provide the International Community with a platform to define the elements of the blue economy and develop a detailed roadmap for establishing blue economies that are integrated, inclusive, and innovative while supporting the transition to sustainable ocean-based economies. The conference is predicated on the Productivity (Accelerated Economic Growth, Job Creation and Poverty Alleviation) on the one hand, and Sustainability (Climate Change, Waste Management and Controlling Pollution) in the Oceans, Seas, Lakes, Rivers and Other Water Bodies.

This Project Document provides a framework for the Government of Kenya and the UNDP to mobilise resources to support planning and successful hosting of the global conference. The financial resources mobilised to support the conference will be delivered through a Basket Fund managed by UNDP. The envisaged support areas include:

1. Conference hosting and logistical support;
2. Conference Communication and Advocacy;
3. Provision of technical advisory support to the Conference;
4. Provision of conference follow up and implementation support.

Contributing Outcome (UNDAF/CPD.):

Outcome 3: #3: By 2022, productivity in services sectors, agriculture, manufacturing, extractives, "blue" economy and their value chains increased Indicative Output(s):

Output 3.1: Human and institutional capability increased in manufacturing, fishing, artisanal mining and agro-processing sectors value chains

Total resources required:	USD 4,100,000.00	
Total resources allocated:	USD	
	UNDP TRAC:	100,000.00
	Donor:	2,000,000.00
	Donor:	
	Government:	
	In-Kind:	
Unfunded:	2,100,000.00	

Agreed by (signatures):

Government	UNDP
Print Name: Henry Rotich	Print Name: Annamaria Penumaga
Date: 20/8/2018	Date: 6/9/2018

1 Note: Adjust signatures as needed

Background

The blue economy offers a strategic opportunity for a more sustainable global future. With greater global consensus on the emergent importance of protecting the world's dwindling waters and resources therein, the blue economy management stands to be a driving force for sustainable living.

The blue economy is defined in a variety of ways, but the most comprehensive definition was presented by the East Asia Seas Congress of 2012 who defined the blue economy as: "... a sustainable ocean-based economic model that is largely dependent on coastal and marine ecosystems and resources, but one that employs environmentally-sound and innovative infrastructure, technologies and practices, including institutional and financing arrangements, for meeting the goals of:

- (a) sustainable and inclusive development;
- (b) protecting the coasts and oceans, and reducing environmental risks and ecological scarcities;
- (c) addressing water, energy and food security;
- (d) protecting the health, livelihoods and welfare of the people in the coastal zone; and
- (e) fostering an ecosystem-based climate change mitigation and adaptation measures..."

The ocean defines our blue planet, providing half the air we breathe, absorbing a quarter of the CO₂ we produce, and drives the global weather patterns. Oceans, seas lakes, rivers and their shores are fundamental to human well-being and security, providing food, livelihood, shelter and a vital link to the global community through the movement of people and goods. Our waters are subject to a myriad of increased pressures from urbanization, land- and sea-based pollution, overexploitation of resources, coastal degradation to the effects of climate change (e.g. sea-level rise and acidification). These global challenges demand a global solution.

President Uhuru Kenyatta announced at the United Nations General Assembly (UNGA) on December 5 2017 Kenya's intention to host a High Level Sustainable Blue Economy Conference. Subsequently, many countries and partners including UNDP have advanced in turning this intention into a tangible delivery. The international community has galvanized around an ambitious agenda intended to not only tackle these pressures, but to fully realize the potential of our oceans and seas. This was further cemented in April 2018 on the side-lines of this year's Commonwealth Heads of Government (CHOGM) meeting in London where Canada stepped forward as a co-host for this High Level Sustainable Blue Economy Conference. "...Our meeting gives us an opportunity to speak about the great relationship between Kenya and Canada. Canada is pleased with the excellent conference on the blue economy you are hosting and is ready to partner with you..." said Prime Minister Justin Trudeau. The Conference will also be an opportunity to help empower women in ocean-based livelihoods and to lead sustainable development efforts in accordance with Canada's Feminist International Assistance Policy.

"Oceans, we now know, not only provide great value in maintaining life sustaining climatic conditions for all of us, but also provide enormous value in the form of the blue economy that can be tapped to help accelerate economic growth and fight poverty in all our nations"

President Uhuru Kenyatta speaking at the United Nations General Assembly in New York in 2017.

This partnership between Kenya, the Government of Canada and others, bolstered by a growing wave of international support is important for sustainable development of the blue economy. How we manage our oceans, seas, lakes, rivers and marine resources is central to the delivery of the 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs). A "business as usual" model that pits development against environmental objectives does not provide the way forward; innovative and transformational approaches are required. The Nairobi Blue Economy Conference is an opportunity to provide the required global impetus on safeguarding our future, by facilitating broad based discussions and consensus on how to manage the blue economy interactions with the traditional green economy drivers.

The Main Theme of the conference is: **Blue Economy and the 2030 Agenda for Sustainable Development**. The cross-cutting issues and their sub-themes are as follows:

Cross Cutting Issues:

1. New Technologies and Innovation for Oceans, Seas, Lakes and Rivers
 2. Challenges, Potential Opportunities, Priorities and Partnerships
 3. Financing for blue economy
 4. Gender equality
-

Gender mainstreaming in the Blue Economy Conference

The Blue Economy conference has a socio-economic significance for women in Kenya and around the globe. This is because women are more vulnerable to ocean degradation due to possession of fewer assets and limited alternatives for income, making them less resilient against livelihood losses. Fishing and aquaculture are marked by significant occupational segregation, with men primarily involved in fish and aquaculture harvesting, and women concentrated in low-skilled, low-paid secondary jobs (such as fish processing). Women often work despite the absence of contracts and/or health, safety, and labour rights protections. Many are constrained by the lack of access to technology and other resources (even basic refrigeration) to keep fish stocks fresh.

The Government of Kenya is committed to mainstream gender into the Blue Economy Conference. Strategic affirmative measures will be pursued to ensure optimal participation of women as participants and lead experts. In addition, the 10 Blue Economy thematic areas of the Conference will be analysed and reviewed with a view to identify entry points for women. UNDP will partner with UNWOMEN to ensure realization of this objective.

The Governments of Kenya and Canada support the equal participation of men and women in the Blue Economy and encourage participating states to strive for such equal participation in their delegations to the Conference. Dedicated fund from the Canadian government will be available to support women's participation.

Below are some of the concrete steps planned for gender mainstreaming of the Conference:

- Participation of women participants - There will be a specific request by the Kenyan Government to encourage women representation for delegations from LDC's and SID's;
- Conference Agenda - Designing the detailed programme for the conference, including the thematic priorities, and selection of speakers/ experts/ panellists, will be given gender considerations. Deliberate effort will be made to ensure that there is selection of women with demonstrable expertise and experience in tackling gender considerations within the various thematic areas at the conference as speakers/ experts/ panellists';
- The Communications Strategy for the Conference will be engendered to ensure the voices of women, especially those from LDCs and SID's are amplified in the conference;
- All thematic discussions and side events involving civil society, will have an affirmative action to ensure participation of women's organisations and women CSO leaders;
- A special Gender Side Event will also be proposed at the side-lines of the conference, where women participants will have a platform for broad-based and targeted discussions on the gender aspects of the Blue Economy thematic areas;
- Similarly, the Government of Kenya will encourage the private sector to ensure active involvement of women from the business world, especially women in SME's

Conference Sub- themes:

1. Transportation and Global Connectivity.
2. Employment, Job Creation and Poverty Eradication
3. Cities, Tourism, Entertainment and the Blue Economy
4. Energy, Mineral Resources and Sustainable Development.
5. Ending Hunger, Securing Food Supplies and Promoting Good Health and Dietary Practices.
6. Management and Sustaining of Marine Life, Conservation and Sustainable Economic Activities.
7. Climate Action, Agriculture, Waste Management, and Pollution-free Oceans
8. Maritime Security and Enforcement.
9. People Communities and Societies: The Inclusive Blue Economy

Rationale for Change

The importance of oceans and seas for sustainable development is widely recognized in the 2030 Agenda for Sustainable Development Goal (SDGs). SDG 14 calls for conservation and sustainable use of the oceans, seas and marine resources while SDG target 14.7 focuses on enhancing the economic benefits to Small Island Developing States (SIDS) and Least Developed Countries (LDCs) for the sustainable use of marine resources; including through the sustainable management of fisheries, aquaculture, and tourism. Maintaining healthy oceans supports climate change mitigation and adaptation efforts. It also helps promote gender equality, as both men and women, the young and the old do much of the work in small-scale fisheries.

Oceans serve a variety of purposes including:

- Highways for human transport and sea-borne trade
- Provision of food and minerals
- Generation of oxygen
- Absorption of Greenhouse Gases (GHGs)
- Mitigation of climate change
- Influencing weather patterns and temperatures

It is for these reasons and many more, that it has become important to protect the health of the oceans and their ecosystems. However, there are numerous threats to oceans and the marine environment, including:

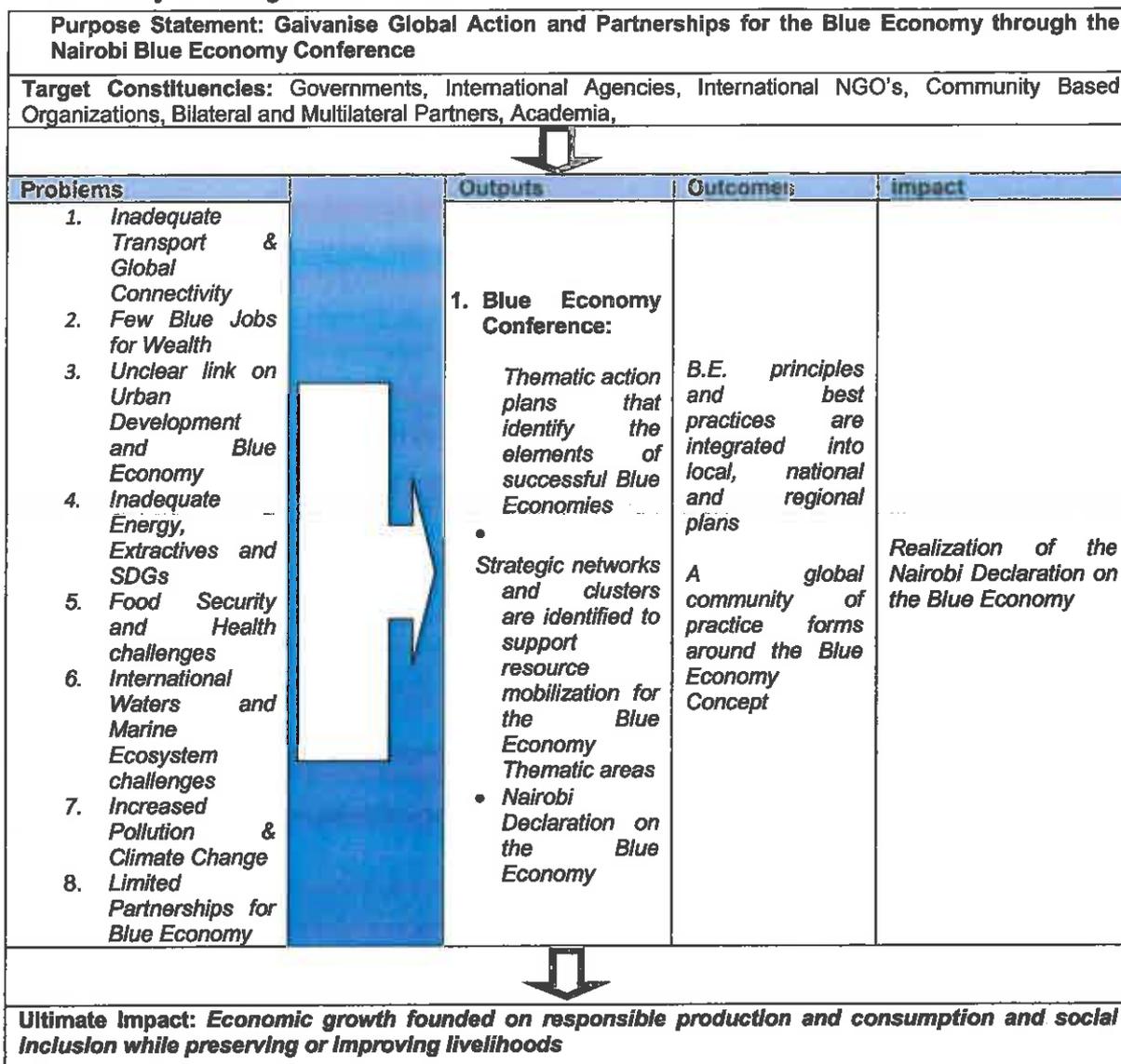
- Acidification of oceans resulting from increased emissions of carbon dioxide;
- Overexploitation and poor management of marine resources, including fisheries;
- Wastewater runoff;
- Deposit of pollutants into waterways;
- Compromise of the seabed because of mineral resource prospecting and extraction;
- Marine debris and plastic wastes;
- Invasive Species.
- Inadequate or ineffective policies and regulatory frameworks for their international protection

It is important to note that the Conference will not only focus on the oceans but also pay attention to the sustainable use of inland waterways including lakes, rivers and aquifers.

The Theory of Change

The rationale for the Blue Economy Conference is premised on the need for sustainable utilization and conservation of the water bodies (oceans, seas, lakes and rivers etc). The challenges facing the blue economy is the disjointed approach in implementing sustainable blue economy interventions in the region and around the world. This disjointed approach has led to development and implementation of uncoordinated policies and practices, that are confined to national or regional levels, yet the blue economy has transboundary scope involving many countries. The Blue Economy Conference will result in the development of three strategic elements that will address these challenges. This includes: developing action plans that identify the key elements and best practices required for transitioning to successful Blue Economies; identification and solidifying of partnerships and relationships into clusters and networks that will mobilize resources; and a high-level commitment to the Blue Economy Concept as a practice for sustainable development of the worlds aquatic resources. The conference participants will be the nucleus for the formation of communities of practice on the Sustainable Blue Economy which will also lead to the integration of Blue Economy principles into local, national and regional plans. The ultimate outcome will be for individual states to show that they have met their commitments under the proposed Nairobi Declaration.

Table 1: The Theory of Change for the SBEC



II. STRATEGY

UNDP and the Blue Economy Agenda

The United Nations Development Programme (UNDP) has a long-standing track record of partnership and cooperation with Member States, sister UN agencies; the Global Environment Facility (GEF); multilateral and bilateral partners; and others to improve water and ocean management, ocean governance and build sustainable livelihoods at local, national, regional and global levels. UNDP's marine work covers all the SDGs and utilizes the acknowledged convening and neutral interlocutor platform to mobilize partnerships with specialized UN Agencies as well as catalysing private sector finance. This is nested within UNDP's robust programming areas in marine invasive species through the Globallast programme. The Large Marine Ecosystems (LME's) in Africa are active initiatives that UNDP has supported to manage the Agulhas and Somali Current Marine Ecosystems; Benguela Current Large Marine Ecosystem; and the Guinea Current Large Marine Ecosystem. In addition, UNDP has a wide array of projects and programs around special rivers and lake ecosystems, examples of which include the Okavango River basin; the Orange-Senqu River basin; the Niger River basin; the Senegal River basin; the Nile River basin; the Lake Tanganyika; and the Lake Chad.

UNDP has also been strengthening the marine projects and programs covering the SIDS, examples of which include the Atlantic and Indian Ocean SIDS IWRM. Broadly though, UNDP collaborates with other UN agencies and programs and governments in projects promoting Marine and Coastal Protected Areas (EBD) and the Projects promoting Coastal Protection (CCA). UNDP also has an active partnership with the Stockholm International Water Institute (SIWI), leading to the establishment of the Water Governance Facility (WGF), which supports low and middle-income countries in their water reform by providing policy and technical advice and support, developing water governance knowledge and helping institutional

capacity. This program covers thematic areas such as water supply and sanitation, integrated water resources management, transboundary waters, climate change adaptation, integrity, gender and human rights. It covers several countries in Central and South Asia, Middle East and North Africa, and Latin America. All these efforts are strengthened through the Ocean Action Hub, a platform facilitated by UNDP in partnership with the Governments of Sweden and Fiji. The platform is an open, interactive website providing information and promoting action globally to implement and achieve Sustainable Development Goal (SDG) 14: Life below Water before 2020. The Hub was initiated to facilitate multi-stakeholder engagement as part of the Ocean Conference process (<http://www.oceanactionhub.org/>).

In Kenya, UNDP has various initiatives supported by the GEF's Small Grants Program (SGP). The SGP works with coastal communities to conserve their natural resources by supporting project development and implementation, to improve their livelihoods and general well-being. Community-driven projects include coral transplantation, mangrove conservation, fisheries management, establishment and operationalization of marine co-management areas, and capacity building of Beach Management Units (BMUs) among others. In strengthening the role of community led BMU's, UNDP is collaborating with the Kenya Fisheries Service and the Kwale County Government to finalize and implement a joint co-management plan for 86,000 hectares of the Shimoni-Vanga seascape, which amalgamates the marine area managed by 7 Beach Management Units (BMUs). These are just examples of some of the initiatives which the High Level Sustainable Blue Economy Conference seeks to amplify, leveraging on UNDP's robust programmatic depth.

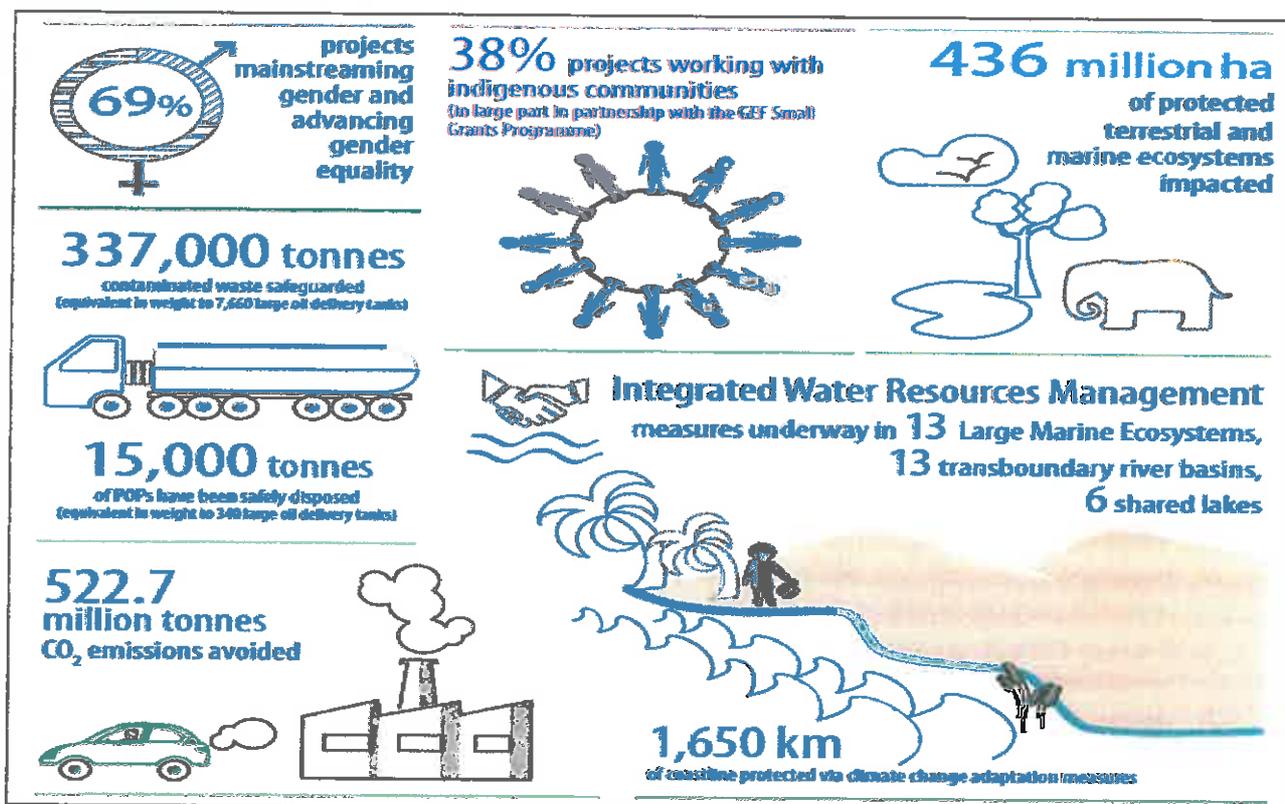


Figure 1: UNDP's activities contributing to the healthy ocean ecosystems (Source: UNDP Annual Performance Report (2015))

Strengthening Inter Agency Collaboration for the Blue Economy

The Conference will galvanise United Nation Agencies to prioritise programming, thus strengthening efforts for the realization of SDG 14. The following are some of the UN Agencies and government Ministries, Departments and Agencies (MDA's) whose programmes and mandates have a direct or indirect blue economy nexus. These are some of the participants that are targeted in this High-Level Sustainable Blue Economy Conference.

Table 2: UN Agencies and Programs and their Blue Economy Linkages

Blue Economy Conference Nexus with UN Agencies and Programs	UN Agency & Programme	Government Agencies
1. Blue Economy and the 2030 Agenda for Sustainable Development: Priorities and Challenges.	UNEP, UNDP, FAO, UNHABITAT	Ministries of Fisheries, Environment, Marine Development etc
2. New Technologies and Innovation for Oceans, Seas and Lakes	IOC, UNESCO	Ministries of Industry, Science & Technology, Universities, Research
3. Management and Sustaining of Marine Life	UNEP, CBD	Marine Development
4. Energy, Mineral Resources and Sustainable Development	UNECA, UNDP,	Ministries of Energy, Mining, etc
5. Transportation and Global Connectivity	IMO	Ministry of Transport, Infrastructure etc
6. Employment, Job Creation and Poverty Eradication	ILO, UNDP	Ministry of Education, Planning and Finance
7. Ending Hunger, Securing Food Supplies and Promoting Good Health and Dietary Practices	FAO, WFP, WHO	Ministries of Agriculture, Food Security, Health etc
8. Climate Action and Pollution-free Oceans	UNFCCC, WMO, UNDP, UNEP, IMO, IAEA	Ministries of Environment, Climate Change etc
9. How to make good use of Oceans, seas and Lake through Conservation and Sustainable economic activities for achieving 2030 Agenda	ALL	Marine Development agencies
10. Maritime Security and Enforcement	IMO	Ministries of Defence, Security, Port Management etc

Key objectives of the Conference:

The Conference will use Panel Sessions, Key Note Presentations, Side Events, Strategic High-Level Forums, Exhibitions and Demonstrations of global blue economy innovations among other innovative means. The Conference is expected to provide conference participants with opportunities to interact and network with industry leaders.

- Establishing mutually beneficial partnerships in economic, social, environmental, technological, scientific, and governance aspects of the blue economy
- Sharing ideas on an integrated, participatory, multi-sectoral and coherent international approach to sustainable utilization and conservation of the blue economy
- Harnessing cutting edge technologies, science-based ideas and international experiences in the Blue Economy
- Galvanizing international political momentum on the sound utilization and governance of blue economy
- Injecting fresh ideas into the international discourse on sustainable utilization and management of the blue economy

Thematic Areas for the Conference

The Main Theme of the conference is: **Blue Economy and the 2030 Agenda for Sustainable Development**. The sectors and sub-themes for the conference are further articulated below:

<p>Safe and Resilient Communities</p> <p>- Sessions will focus on addressing community needs, including how to: promote the recovery and resilience of coastal communities in the face of a changing climate, which disproportionately affects women; adapt to changing ecosystems; mitigate risks to security (including food); and minimize the impact of extreme weather events. Outcomes will identify the tools and innovation needed to strengthen coastal infrastructure, improve detection and early warning systems, and technologies to “build back better” (e.g. clean energy).</p>

<p>Healthy and Productive Waters</p> <ul style="list-style-type: none"> - Sessions will focus on enhancing knowledge and sharing (new and traditional knowledge), topics may include: strengthening monitoring and observation networks; and, using gender equitable practices that inform policy and management decisions to deal with ocean stressors, such as plastic litter. Outcomes will outline the means to improve the availability of data, systems of sharing information, and practical tools such as spatial planning and use of protected marine areas to ensure the conservation of vulnerable ecosystems and the provision of ecosystem services.
<p>Inclusive and Sustainable Economic Growth</p> <ul style="list-style-type: none"> - Sessions will focus on innovative technologies and incentives to: convert existing activities to low impact by reducing harmful effects such overexploitation or unintended fishing gear mortality (i.e. "ghost gear"); tackle illegal activity, such as illegal, unregulated and unreported fishing; and, the transition to a low carbon footprint including renewable industries that underpin long term prosperity and sustainable blue economies. Outcomes will focus on technologies and industries that offer new economic opportunities that are sustainable, transformative, and gender-centric. - Gender Integration In the Blue Economy and promotion of women and youth will be a key area of focus in the design and conceptualization of the thematic areas and in the recommendations of the conference outcome
<p>Engagement and Mobilization</p> <ul style="list-style-type: none"> - Sessions will focus on how to mobilize the public and private resources needed to raise awareness; build buy-in; establish effective partnerships; use creative financing mechanisms; and ensure ongoing support and credibility by implementing transparent reporting on sustainable development targets. Outcomes will describe options to foster the ongoing investments and long-term public support required to transition to blue economies.

III. PARTNERSHIPS

Partnerships

The conference will draw participation from a wide range of constituencies, including governments, private sector, civil society, academia and international development agencies, among others. It is expected that conference will create a platform for forging long-term partnerships around blue economy for a continued engagement.

The Governments of Kenya and Canada support the equal participation of men and women in the Blue Economy conference. In this regard, part of the Canada's contribution will be towards facilitating women participation in the conference. This will be elaborated in work plan. In addition, Canada funding will be used to facilitate participants from LDCs and SIDS as per UN definition of the same and will be distributed equally between the UN regional groups. Other activities to be catered for are broadly captured in the Multi Year Work Plan under section VIII. Participating delegations will be encouraged to promote gender representation.

South-South and Triangular Cooperation (SSC/TrC)

The conference presents an opportune moment for advancing global conversation on both the productive and sustainable side of the blue economy. This will lay the case for a sustainable exploitation of the oceans, seas, rivers and lakes for the economic empowerment of all communities learning from South-South and Triangular Cooperation (SS & TrC) experiences especially in areas of blue economy management, economic, social development, governance, peace and security among others.

Therefore, the conference will reinforce certain aspects to promote SSC & TrC in the continent including: capacity building in management of blue economy, its challenges and opportunities to promote development in Africa, exchange and learn from other countries' approaches to managing and promoting blue economy as an acceleration tool in achieving the SDGs in line with the Agenda 2063 and the 2030 Agenda.

Convening this global conference is motivated by the existence of innovative best practices and experiences from other countries which have advanced management mechanisms of blue economy. Therefore, there is need to harness the best practices and facilitate development cooperation among countries, specifically on the blue economy framework.

Knowledge

The Project envisages the preparation of a Conference Website, preparation of conference publications across the 10 thematic areas, Knowledge Fair, video documentaries, pictorials, media press releases and a raft of knowledge products and documentation to inform the blue economy communication and outreach strategy.

Sustainability and Scaling Up

The Government of Kenya is the main host and guarantor for the Conference. This will help bolster Kenya's planned bid to host the Ocean Governance Conference in 2020. Hence, the Nairobi Blue Economy Conference will be a critical step towards this direction. The UN Agencies that will participate in the conference will also enhance support to the blue economy sector through their programmatic interventions.

Environmental Principles

The Conference is planned and executed in accordance with the eco-responsible principles established by international standards enabling sustainability and environmentally sound and climate resilient growth. It will adopt good practices in terms of the reduction of the environmental footprint of the conference. This includes; use of electronic documents such as conference programme, good waste management during conference (recycling; no plastic water bottles), reducing carbon footprint by encouraging online participation or greenhouse gas compensation.

IV. PROJECT MANAGEMENT

This project will be implemented through UNDP/GoK National Implementation Modality (NIM) arrangements. The Ministry of Foreign Affairs (MFA) will be the Implementing Partner (IP) for the project. The Project Steering Committee (PSC) will be established to provide strategic oversight and guidance to the project teams through the implementation process. The PSC will be Chaired by MFA and Co-chaired by UNDP and will meet once every two months for 2018, and twice in 2019. The meeting frequency can however increase depending on need. A Project Technical Committee (PTC) will also be established. The PTC will meet twice a month.

The Blue Economy Conference - Basket Fund

The Government of Kenya proposes to establish a multi-donor Basket Fund through which financial resources and programmatic accountability may be managed. The Basket Fund arrangement is one through which donors and partners provide funding through a UNDP project document (often under a common memorandum of understanding). It is established to better coordinate programme implementation. Each contributing Donor can use their agreed partnership agreements with UNDP – to make contribution to the common and agreed project document. Contributions to the Basket Fund may be made to the entirety of the fund (non-earmarked) and subject to the guidance of the PSC. Contributions may also be applied as needed to each results area. Alternatively, contributions may be ring-fenced for results areas (earmarked) and agreed at the time of entering into the partnership agreement.

The Ministry of Foreign Affairs of Kenya will also establish a **National Blue Economy Fund** managed jointly by The Ministry of Foreign Affairs and The National Treasury and Planning, to compliment the UNDP managed basket fund. Co-hosts and co-sponsors may channel all their contributions or partially through this fund.

V. FINANCIAL MANAGEMENT AND REPORTING

1. Disbursement of Finances

The disbursement of finances will be based on the approved Annual Work Plan (AWP) and in accordance with the host Country Systems and the UNDP's financial rules and procedures.

2. Financial Accountability

Implementing Party (IP) and the UNDP will be responsible for ensuring that the allocated resources are utilized effectively in accordance to the Annual Work Plan approved by the Project Steering Committee (PSC). Unless otherwise mutually agreed, by all parties to this Agreement, UNDP financial rules and regulations, and monitoring, evaluation and reporting procedures shall apply in the execution of this Project. Both the Government of Kenya and the UNDP will ensure that disbursements are within the approved budgets and will maintain records for purposes of accuracy and reliability of financial information.

3. Financial Reporting

UNDP shall within 20 days after the end of every three months, prepare and present to the PSC a detailed expenditure report. UNDP will also share the detailed expenditure report with a copy of all supporting documentation with the IP and a copy to The National Treasury on a monthly basis.

4. Audit Requirements

All nationally implemented AWP's must be audited at least once in their lifetime. The objective of the audit is to provide the UNDP Administrator, the PSC, the IP and the contributing partners with the assurance that the basket fund resources are managed in accordance with:

- (a) UNDP financial regulations, rules, practices and procedures;
- (b) The approved Annual Work Plan and procurement plan; and
- (c) The requirements for implementation in the areas of management, administration and finance.

Thus an audit of this project must fulfil the following set of objectives:

- (a) Disbursements are made in accordance with the Annual Work Plan and Procurement Plan;
- (b) Disbursements are valid and supported by adequate documentation;
- (c) An appropriate system for internal control is maintained by the UNDP and can be relied upon;
- (d) Annual Work Plan financial reports are fair and accurately presented;
- (e) The Annual Work Plan and Procurement Plan, monitoring and evaluation reports are prepared as required.

The United Nations Development Programme takes the responsibility to audit the project by sub-contracting external auditors in consultation with the GOK to carry out the audit exercise. Funds for audit expenses will be budgeted within the Annual Work Plan. In the event of such an audit, the Implementing Partner and the UNDP will ensure that auditors are given all records and information that they will need to perform a meaningful performance audit. It is the responsibility of UNDP to ensure that all audit observations are attended to adequately.

VI. PROCUREMENT OF GOODS AND SERVICES

The UN's Harmonised Approach to Cash Transfer (HACT) allows for IP's that have passed a Micro-Assessment to undertake procurement of goods and services using their approved procurement procedures. The MOFA has already an approved HACT Micro Assessment with UNDP through other existing UNDP funded projects. Therefore, the IP may request UNDP to procure goods and services subject to the recommendation of the PSC.

A procurement plan will be maintained and this will be used as the basis through which UNDP and the IP informs the PSC of all planned procurement for the project.

VII. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans. [Note: monitoring and evaluation plans should be adapted to project context, as needed]

Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track progress results	Ongoing throughout the project	Throughout the project implementation period	Managing risks and adaptive management	Joint	TBD
Project Report	Bi-Quarterly and Annual Reports	Bi-Quarterly and End of the year	Progress Updates	UNDP	NA
Project Review (Project Board)	Technical Project Oversight	Quarterly meeting in 2018	PSC Minutes and follow up actions	Joint	TBD

Evaluation Plan²

Evaluation Title	Partners (if joint)	Related Strategic Plan Output	UNDAF/CPD Outcome	Planned Completion Date	Key Stakeholders	Evaluation	Cost and Source of Funding
End-Term Evaluation	Joint	Sustainable engagement platforms	Outcome 3	31 st December 2019	GOK, UNDP and other conference co-hosts and co-sponsors		TBD

² Optional, if needed

VII. MULTI-YEAR WORK PLAN ³⁴

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 OUTCOMES & MPACT	PLANNED ACTIVITIES	Planned Budget	RESPONSIBLE PARTY	PLANNED BUDGET (USD)	
				Funding Source	Budget Description Amount
Output 1: Strategic networks and clusters are identified to support resource mobilization for the Blue Economy Thematic areas across Output 2: Thematic action plans that identify the	1.1 Planning meetings, coordination of conference arrangements, logistics and conferences Secretariat Services		UNDP/GOK	Canada	150,000
	1.2 Procurement of venues, conference equipment and conference services		Gok	TBD	850,000
	1.3 Conference ICT, ICT Support Services and production of conference materials		UNDP/GOK	Canada/TBD	250,000
	1.4 Registration and Accreditation of participants		GOK	GOK	70,000
	1.5 Ticket and accommodation for speakers and discussants			Canada	150,000
	1.6 Tickets for participants from LDCs, LLDCs and SIDs		UNDP	Canada	350,000
	1.5 1.7 Accommodation and DSA for participants from LDCs, LLDCs and SIDs		UNDP	Canada	600,000
	2.1 Pre-Conference activities		UNDP/GOK	Canada/TBD/UNDP	150,000

³ 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

⁴ 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, OUTCOMES & IMPACT	PLANNED ACTIVITIES	Planned Budget	RESPONSIBLE PARTY	PLANNED BUDGET (USD)		
				Funding Source	Budget Description	Amount
Elements of successful Blue Economies	2.2 Breakaway Sessions Thematic areas presentations (Translations and interpretation services etc)		UNDP/GOK	Canada/TBD	Hiring of translation and interpretation equipment and services	300,000
	2.3 Side Events on Civils Society, Gender and Youth – Blue Economy Opportunities		UNDP/GOK	Canada/TBD		100,000
	2.4 Provision of follow-up support to integrate elements of successful Blue Economies into local, national and regional plans.					
	Sub-Total for Output 1					
Output 3: Nairobi Declaration on the Blue Economy	3.0 Communication Strategy - Communications, media, Outreach, Advocacy and Post-Conference engagement. Conference website, documentaries, brochures, banners, knowledge products, outreach and dissemination strategy for the Nairobi Blue Economy Conference		UNDP/Canada	Canada/UNDP/TBD	Consultants, Printing, design, media etc	400,000
	David: suggest moving this activity under output 1 above. 4.1 Develop strategic objectives to from each Thematic Area of the Blue Economy		UNDP/GOK	TBD	Consultants, Workshops, Travel	110,000
	3.3 Knowledge fair, Expert Publications, Study visits and experiential tours to blue economy projects and sites and exhibitions/forums		UNDP/GOK	TBD	Tents, Travel, venue, Décor, Logistics	100,000

EXPECTED OUTCOMES & MPACT	PLANNED ACTIVITIES	Planned Budget	RESPONSIBLE PARTY	PLANNED BUDGET (USD)	
				Funding Source	Budget Description Amount
	Sub-Total for Output 2				
Project management costs including Monitoring and Evaluation, Audit	Staff costs (3 UNVs based at MOFA), Consultancy, Travel and miscellaneous		UNDP/Canada		100,000
General Management Support	(8%)		UNDP	Canada/TBD	320,000
TOTAL					4,000,000

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

Project Coordination Mechanism

The Ministry of Foreign Affairs will facilitate coordination of project results at the national level as the designated government focal point for this programme. The Ministry of Environment and Forestry, the Ministry of Transport, Infrastructure, Housing and Urban Development – State Department for Maritime and Shipping Affairs, The National Treasury and other line Ministries will provide updates to the PSC on the technical progress of the project components. The PSC comprises a broad group of stakeholders, including UN Agency partners, development partners, relevant Government of Kenya ministries and departments.

The National Project Steering Committee

The overall authority in project management is vested in the Project Steering Committee (PSC) for the High Level Blue Economy Conference. The setup of the PSC can be seen in Figure below. The PSC will approve work plans and budget, review progress and provide support for project implementation. The PSC will advise the project management as necessary to ensure effective and timely implementation of the project activities to achieve the envisioned results/outputs. The PSC will also facilitate coordination among various partners and liaise with the Ministry of Foreign Affairs, that will provide overall co-ordination support. The PSC will consist of representatives from the Ministry of Foreign Affairs (MOFA), representation from the Government of Canada, representatives of other development partners contributing to the basket fund, UNDP, UNEP, The National Treasury and Ministry of Planning, Ministry of Environment and Forestry, Ministry of Fisheries, Ministry of Interior and Coordination of National Government, Ministry of Tourism, Ministry of Transport, Infrastructure, Housing and Urban Development – State Department for Maritime and Shipping Affairs, Ministry of Agriculture, Ministry of Water and Irrigation, and other key stakeholders. The Project Coordinator, serving as the local representative of the partner agencies, will serve as the Secretariat to the PSC.

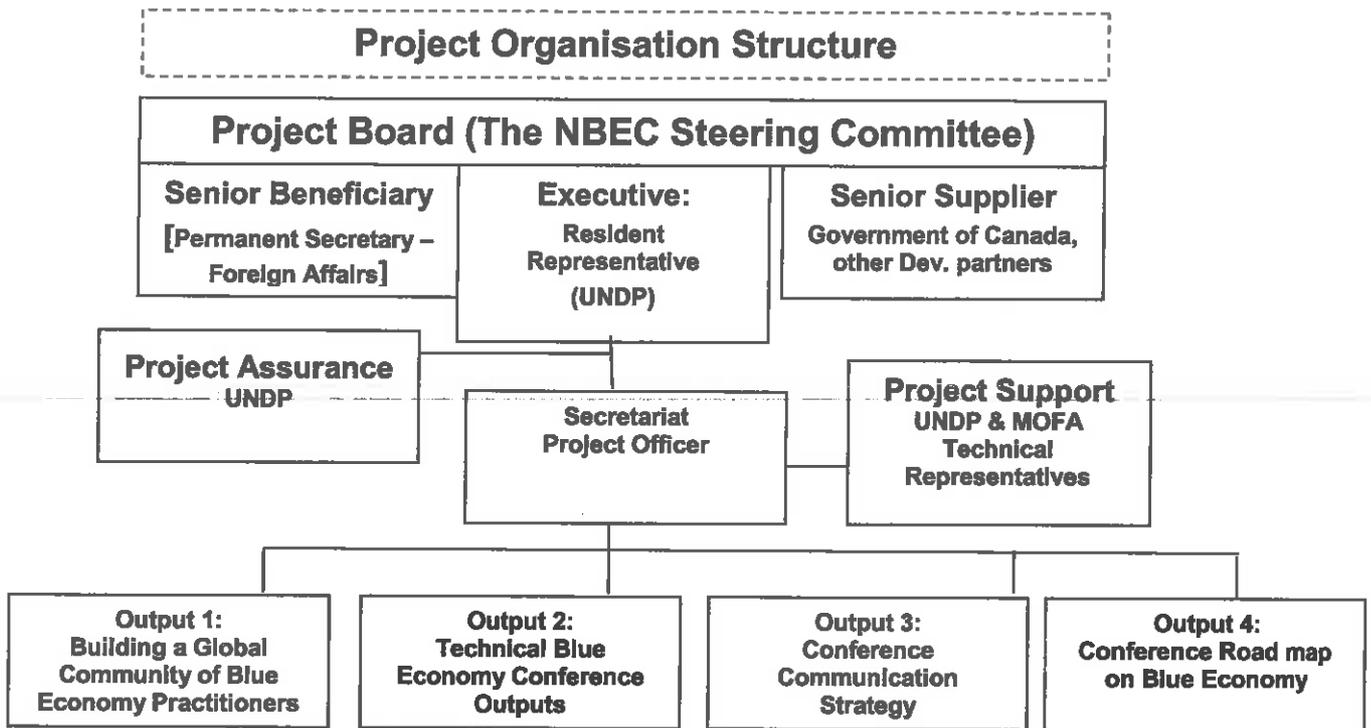
The PSC/Project Board consists of three different types of members with roles defined as follows:

- The Executive which represents the programme ownership and co-chair responsibility. The Ministry of Foreign Affairs and UNDP, as the joint project leads (PSC Co-Chairs) represent the Project Executive with fiduciary authority. The Senior Supplier role is that of development partners with responsibility for providing guidance and general oversight on programme delivery. The Government of Canada and other development partners fall under this category.
- The Senior Beneficiary role is that represented by the responsible parties and co-chair responsibility. The Senior Beneficiary is the Implementing Agent (Ministry of Foreign Affairs – Kenya Government), as well as the other Government of Kenya Ministries and stakeholders that will participate in the Conference.

The PSC will operate according to the following rules:

- The PSC will regularly to provide guidance for the effective organization of the Nairobi Blue Economy Conference.
- The PSC will be co-chaired by the Permanent Secretary of Foreign Affairs in its role as the government focal point of the project (Executive), the UN Resident Representative will serve as a co-chairperson of the PSC (Senior beneficiary). The Ministry of Transport, Infrastructure, Housing and Urban Development – State Department for Maritime and Shipping Affairs will provide technical support in its role as the Ministry in charge of blue economy in Kenya.
- A UNDP Project Officer will work closely with MOFA technical representatives and serve as the secretary to the PSC and will not be a voting member. The secretariat roles will include conveying/organizing the PSC meetings; presenting the Programme's progress to the PSC; taking notes during – and circulating notes after the PSC meetings.

- Additional representatives of the partners may be invited to join the PSC meetings in an observer capacity without voting rights



IX. LEGAL CONTEXT

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

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

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

X. RISK MANAGEMENT

Option a. Government Entity (NIM)

1. Consistent with the Article III of the SBAA *[for the Supplemental Provisions to the Project Document]*, the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:
 - a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
 - b) assume all risks and liabilities related to the Implementing Partner's security, and the full implementation of the security plan.
2. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner's obligations under this Project Document.
3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/qa_sanctions_list.shtml.
4. 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>).
5. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
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. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the

project or using UNDP funds. The Implementing Partner will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.

8. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
9. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.
10. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

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

11. *Choose one of the three following options:*

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

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

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

Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

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

12. Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.

13. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
 14. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, *mutatis mutandis*, in all sub-contracts or sub-agreements entered into further to this Project Document.
-

XI. ANNEXES

1. The Proposed Agenda of the Conference

REVISED THEMATIC AREAS (MAY 2018)

The Main Theme: Blue Economy and the 2030 Agenda for Sustainable Development.

The cross-cutting issues under each sub-theme, main events and side events:

1. New Technologies and Innovation for Oceans, Seas, Lakes and Rivers
2. Challenges, Potential Opportunities, Priorities and Partnerships
3. Financing for Blue Economy

Day 1

1. Opening session
2. Transportation and Global Connectivity.
3. Employment, Job Creation and Poverty Eradication.
4. Cities, Tourism, Entertainment and the Blue Economy

Day 2

5. Energy, Mineral Resources and Sustainable Development.
6. Ending Hunger, Securing Food Supplies and Promoting Good Health and Dietary Practices.
7. Management and Sustaining of Marine Life, Conservation and Sustainable Economic Activities.
8. Climate Action, Agriculture, Waste Management and Pollution-free Oceans

Day 3

9. Maritime Security and Enforcement.
10. Closing session

2. Risk Analysis.

3. Project Title: **The Blue Economy Conference and the 2030 Agenda for sustainable development** Award ID: _____ Date: _____

#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner	Submitted, updated by	Last Update	Status
1	Weak buy-in in the Conference by key partners	May 2018	Political	Enter probability on a scale from 1 (low) to 5 (high) P = 3 Enter impact on a scale from 1 (low) to 5 (high) I = 5	Secure government support at highest level (in Atlas, use the Management Response box. This field can be modified at any time. Create separate boxes as necessary using "+", for instance to record updates at different times)	Ministry of Foreign Affairs	UNDP		
2	Lack of sufficient resource to finance the conference	May 2018	Financial	Lack of sufficient funds will affect the conference quality P = 3 I = 4	A comprehensive resource mobilization strategy	Ministry of Foreign Affairs, UNDP	UNDP		
3	Loss of government support	May 2018	Regulatory	Government needs to be engaged fully as guarantor for the	Consistent engagement of government	Ministry of Foreign Affairs	UNDP		

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