United Nations Development Programme

UNDP Pakistan

TRACKING SHEET

1. Action Required:	2. Type of Contract:	3. UNDP Staff Name:	
☐ Recruitment ☐ Extension ☐ Within Grade Increment ☐ Separation / Completion ☐ Other Letter	☐ Fixed Term Appointment: ☐ Grade / Level ☐ Temporary Appointment ☐ Service Contract ☐ Individual Contract	☐ UNV National ☐ UNV International ☐ Invoice Based (< $2,500)	Job Title: Position Number: (New/Existing) Place of Recruitment:

4. Budget	5. Sourcing For IC Only		
☐ Project Name : ☐ Project ID & Expiry: CR ☐ Unit / Agency : CPRU _____CPRU_____ ☐ Administration / Office UNDP	☐ IC Value < USD 5,000 ☒ Requires no competition		
	☐IC Value USD 5,000 – 100,000 ☐ Head Hunting ☐IC Value USD above 100,000 ☐ Newspaper ☐ Competition * In the case of competition please choose the sourcing strategy.	☐ CO Website ☐ Rozee ☐ Roster	☐ Direct Contracting
	☐ Agreements (Max 13 W Days) ☐ FINAL DONOR REPORTS (MAX 13 W DAYS) ☐ LETTERS (MAX 7 W DAYS) ☒ HR & PROCUREMENT (MAX 15 W DAYS)		

TITLE/NAME	DATE IN	DATE OUT	SIGNATURE
PROJECT MANAGER/ CTA (BUDGET OWNER)	3/12	3/12	
ARR (QUALITY ASSURANCE)		12/3	
HEAD OF HUMAN RESOURCES N/A			
HEAD OF FINANCE N/A			
HEAD OF PROCUREMENT N/A			
STRATEGIC MANAGEMENT UNIT (SMU) N/A			
M (O) N/A			
DRR	3/12	3/12	

Remarks (please provide any comments on objections/ notes):

United Nations Development Programme

October 10, 2019

Dear Mr. Ahmed,

This is with reference to the UNDP Local Project Appraisal Committee (LPAC) meeting held on 20th September 2019 at the UNDP Pakistan Country Office.

The objective of the meeting was to review the project document for the "Stabilisation and Development Programme" (SDP) in the Newly Merged Districts of Khyber Pakhtunkhwa, and to make recommendations for its effective implementation in accordance with the Government of Pakistan's development priorities. The project document continues and builds on the "FATA Transition and Recovery Programme" and reflects inputs received from national and international partners during the previous phase and lessons learned.

The meeting was attended by Ms. Sabeen Usman Khattak, Deputy Secretary, Economic Affairs Division and Mr. Khalid Ilyas, Director General, Directorate of Projects, as well as participants from UNDP.

The minutes and recommendations of the meeting are enclosed for your kind review. Also enclosed is the project document that has been endorsed by the LPAC. We would appreciate if any feedback is shared with UNDP by Friday, 25th October 2019.

We appreciate EAD's participation and substantive inputs and guidance to strengthen the programme and look forward to strengthening our partnership for the achievement of the Sustainable Development Goals.

Yours Sincerely,

Ignacio Artaza
Resident Representative, a.i.

Enclosures

Cc: Mr. Shahzad Bangash, Additional Chief Secretary, P&D, Government of Khyber Pakhtunkhwa

Mr. Noor Ahmed
Secretary
Economic Affairs Division
Pakistan Secretariat
Islamabad

UNITED NATIONS DEVELOPMENT PROGRAMME

Empowered lives.
Resilient nations.

PROJECT DOCUMENT

[Pakistan]

Project Title: Stabilisation and Development Programme (SDP) in Newly Merged Districts of Khyber Pakhtunkhwa

Project Number: 00088875

Implementing Partner: UNDP

Start Date: 1st Jan 2019 **End Date:** 31st Dec 2022 **LPAC date:** 20th September 2019

Brief Description

The FATA Transition and Recovery Programme (FTRP) was launched in May 2015 to support the returns with a focus on relief, recovery and sustainable peace, and was designed to support the FATA Sustainable Return and Rehabilitation Strategy (SRRS). Following the merger into KP, the programme will re-align its priorities with the Tribal Decade Strategy (2020-2030) and support the Government's policies aiming at the development and growth of the Newly Merged Districts (NMDs) of KP. Accordingly, the name will be changed to "Stabilisation and Development Programme" (SDP).

The programme has demonstrated significant transition in terms of its evolution from relief to sustainable development during the last three years. Engagement of communities and resilience of vulnerable populations are key pillars for promoting social cohesion, fostering inter-communal harmony and collective thinking. Restoration of basic social services has increased access to communities to basic services and helped to meet the increased demand of the target population. These initiatives have provided local populations with better access to safe drinking water, public spaces, and means of mobility. The programme has also contributed towards enhanced access to education by providing safer learning environments in schools thereby increasing enrolment and retention in partnership with UNICEF. Improved livelihood opportunities have provided the much-needed impetus for sustainable economic growth.

SDP is one of the key initiatives supported by UNDP to augment sustainable returns and development of the newly merged districts (NMDs). It delivers technical and financial assistance for enhanced community resilience and social cohesion by supporting civil society participation in programme interventions and through improved access to basic services. The programme catalyses the economic recovery process through its livelihood's restoration initiatives and economic development interventions. Through SDP, UNDP aims to support the Government in fostering a stable environment in the NMDs, where the people are resilient, have improved access to basic services, livelihood sources and economic opportunities thereby contributing to their overall development and stability.

Contributing Outcome (UNSDF/CPD): By 2022, the resilience of vulnerable population is increased by addressing and mitigating natural and human-induced disasters, including climate change mitigation and adaption measures, and sustainable management of natural resources.

Indicative Output(s) with gender marker:

Output 1: Communities engaged to promote social cohesion and participate actively in the rehabilitation process (GEN2)

Output 2: Improved economic development opportunities for communities (GEN2)

Output 3: Improved access to basic services (GEN2)

Output 4: Economic and social empowerment of women promoted and strengthened (GEN3)

Total resources required:	$50.9 Million	
Total resources allocated	**UNDP TRAC:**	
	Donor:	$ 20.1 Million
	Government:	
	In-Kind:	
Unfunded:	$ 30.8 Million	

United Nations Development Programme

Ignacio Artaza
Resident Representative (a.i.)

Date: 2/11/2019

I. DEVELOPMENT CHALLENGE

The total population of the NMDs of Khyber Pakhtunkhwa province (KPK) is approximately 5.01 million (2,556,292 men; 2,445,357 women and 27 transgender)[1], with a headcount poverty rate of 52.3%[2] and a multi-dimensional poverty index of 73.7%[3]. The NMDs are spread over an area of 27,220 square kilometres situated on the country's north-western border, along with a 600-km boundary (Durrand line) separating Pakistan and Afghanistan.

Before analysing the current state of development challenges in the NMDs, it is pertinent to describe the factors and causes which have existed over the past many decades and defined and shaped the current environment. The aforementioned is a unique administrative region of Pakistan and is challenged by multifaceted security, political, administrative and economic issues. Since independence, the tribal areas were lawless and were administered only under the Frontier Crimes Regulation (FCR) of 1901; a colonial-era legal framework that served as the central administrative and judicial agenda. The FCR excluded both individual and fundamental rights and inhibited the development of a responsive or participatory system of governance.

In the post 9/11 period, the rising militancy in the region and subsequent counter-military operations led to the devastation of private and public infrastructure in the region. Since 2008, successive waves of mass displacement, mainly resulting from militancy, have weakened the region's community fabric. Poverty is prevalent and private properties and public infrastructure and livelihood sources in the region have been shattered due to decades of militancy and subsequent counter military operations in the area, followed by the operation Zarb-e-Azb launched in North Waziristan in June 2014 and subsequently Raad ul Fasad in June 2016 by the Pakistan Army against militants. These operations broke militants hold over most of the region but also displaced millions of residents, shattered homes and ruined livelihoods. In April 2016, the Office for the Coordination of Humanitarian Affairs (UNOCHA) reported that a total of 5.3 million people were temporarily displaced, and a total of 4.3 million had returned in the same period. Although the security situation in the region has improved in the last years, it remains fragile.

The development challenges of the NMDs are not limited to the conflict and war, the region has been suffering from developmental lag due to supplementary root causes as well. This lag in development is not a geographic and security coincidence alone, and neither does it originate from only cultural factors. It is a direct manifestation of chronic public under-spending over the last seven decades. In the last decade, per capita per annum, public expenditures in Punjab were PKR 13,261, PKR 16,489 in Sindh, PKR 19,480 in Balochistan and PKR 14,165 in KPK. The NMDs never enjoyed such mandated transfers and consequently, the level of public expenditure remained at a mean value of PKR 8,411 per capita that is manifestly low. Using mean per capita expenditures in the four provinces and the same statistic for the NMDs, the underfunding of the NMDs amounts to PKR 377 billion in 2018 over the last decade alone. Projected for the last seven decades since independence, the total size of underfinancing of the NMDs amounts to at least PKR 2,639 billion.[4]

Each district of Pakistan has a required number of Government offices line departments for service delivery. In the NMDs these departments remained conspicuous by their absence, carrying on a low-service model of governance.

The productive economy in the NMDs is almost non-existent as the majority of the population is dependent on subsistence level agriculture and livestock rearing. Although the NMDs are relatively rich in natural resources, the mineral sector remained untapped due to various reasons such as lack of policy framework, financial inadequacies, security and social safety, and lack of institutional arrangements for proper exploitation of mineral resources. The conflict in the region has caused major destruction to the already fragile economic base for livelihood and job opportunities on one hand, while on the other hand,

[1] Pakistan Bureau of Statistics 2017

[2] Accelerated Development Strategy 2016, FATA Secretariat

[3] Planning Commission of Pakistan 2016

[4] https://tribune.com.pk/story/1986265/6-nfc-funding-tribal-areas-righting-wrong/

the cost of the war on terror on the local population has been immense with considerable strains on the already limited public resources.

The lack of local governance structures, weakness of service delivery and accountability at the agency-level and the inability of the state to provide justice have served as key drivers of conflict, instability, under-development and poverty. The present state of progress and development challenges have been summarized under four sub-themes in the following paragraphs.

Economic

According to the Multidimensional Poverty Index (MPI), the region has the highest incidence of poverty, 73.7 percent, in the country. Poverty is prevalent and deep in the region, yet the means for income are inadequate and minimal. The economy is largely dependent on subsistence agriculture, livestock and transit trade. The reforms have impeded the cross-border trade that accounts for most of the NMDs economic activity. The market structure in the region is in the nascent phase and there is no existence of any industry or factory which provides livelihood opportunities to the locals.

The Multi-Cluster Assessment (MCA) of IDPs and Returnees of 2016 led by OCHA, indicates that 74% of shops and markets were partially damaged or destroyed, 68% of link roads, 64% of irrigation schemes and 41% of bridges were similarly affected.[5] The costs of doing business in the NMDs are higher due to the security situation and the geographic terrain. The difficulty faced by businessmen for both setting up a new business or expanding existing business increases further due to a lack of formal banking and non-banking institutions. According to FATA Development Indicators Household Survey (FDIHS) 2013/14, only 29% of households accessed credit. Of those, around 44% of people got loans from relatives while a further 36% received them from friends. Only 0.3% of the loans were taken from banks and most of those were also secured against collateral held outside of the districts. Even when funding is available through the informal sector, the rates are very high.

Subsistence agriculture is one of the key primary sources of income. Presently, 43.6% of cultivated land is irrigated, while the remaining 56.4% farmland relies exclusively on rainfall. Moreover, lack of appropriate on-farm water management practices results in the loss of more than 50% of irrigation water through seepage, overtopping, sedimentation and lack of precision land leveling.

The statistics on primary sources of income from pre-displacement to return are provided below[6]:

- 9%to 6% for shopkeepers
- 10% to 12% for skilled labour
- 13% to 23% unskilled labour
- 5% to 1% trade and business
- 23% to 10% agriculture

Human Capital

Human capital in the NMDs is significantly lower than in most other regions of Pakistan. Economically productive skills and knowledge are significantly low. Overall, the adult literacy rate is 28.4%, while the national average is 57%. The FDHIS 2013-2014 [7] reports the gross and net enrolment rates for primary education (ages 6-10) at 77.7% and 52.1% respectively, well below the rates of 92% and 67% for KP. There is a big gender gap in literacy as well: the literacy rate for men is 45% compared to just 7.8% for women. Women are thus disadvantaged by lack of education as well as by cultural and legal systems. The reasons for such a depressing situation in the region are quite evident through the cultural and social constraints, poverty, local leaders' disinterest in education of their communities, hostile attitude towards women's freedom, very low budgetary allocations for the sector and, in addition to everything else, the hazard of terrorism is still present.

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[5] Multi-cluster Assessment of IDPs and Returnees KP/FATA 2016

[6] Multi-cluster Assessment of IDPs and Returnees KP/FATA 2016

[7] FDIHS; Bureau of Statistics, Planning and Development Department, FATA Secretariat: October 2015.

The overall household expenditure is PKR 33,177 which is higher than the average household income of PKR 25,591. Female-headed households are even more vulnerable with a 56% reduction in productive assets after a return. Female-headed households were found to own approximately 50% less land than male-headed households. About 1500 educational institutions in the newly merged districts of KP have been damaged[8] and are in need of rehabilitation (reconstruction in some cases), repairs and provision of supplies, furniture and educational materials.

Furthermore, conflict and displacement have exacerbated the low level of skills of many TDPs and returnees. The Accelerated Development Strategy (ADS) reports that marble production, for which there are an approximate 7 billion tons proven reserve, is highly inefficient. 85% of cut marble is lost to wastage due to the use of outdated cutting machinery and equipment, while the remaining 15% is poorly processed and not fit for sale to high-end international markets.[9] Over the last few decades, various technical vocational skills training have been conducted specifically for youth, but the number of certified training is lower. There is a need to provide certified demand driven trainings specifically for youth.

Basic Services

The NMDs lack sufficient infrastructure to support the requisite capacity for development. Due to the shortage of doctors, school teachers and other technically skilled human resources, the public and private sector basic service delivery institutions are either weak or non-existent. The number of functional health and educational facilities is not sufficient to meet the needs. The population is highly scattered in different locations, which makes it difficult for them to access basic service delivery institutions that are primarily in the town centres. Like all other social sectors, the education sector is in extremely poor condition. Middle and higher education facilities are severely lacking, and the trend of girls' education is nominal.

Poor and insufficient communication infrastructure and its lack of integration with the rest of Pakistan adds to the low development of the NMDs because of no connectivity. The total road network in the NMDs is 7,230 km with a road density of 0.27 km (0.33 km at the national level).[10] The number of roads is comparatively lower than in other parts of Pakistan. The tertiary roads in most of the areas in the NMDs are not of adequate quality and shape which badly affects travel within the districts. During the last few years, spending from the NMDs' Annual Development Plan (ADP) from 2013 – 2014 and 2015 - 2016 shows that on average 22.3% of the total ADP has been spent on infrastructure compared to 27.2% at the federal level during the same period.

Moreover, lack of service delivery in basic social sectors such as the provision of clean drinking water is a major issue in the NMDs. 19% of housing units are using piped water with the source inside their houses. About 35 % of households are using potable water from wells.[11] As per the 2015 statistics released by the Planning and Development Department, FATA Secretariat, only 60.04% of households in the NMDS have a drinking water supply. The majority of the households use water from unimproved water sources (which includes canal, pond, river, spring, rain water) and only 31% of households use improved water sources for drinking. A high level of damage to water supply occurred in Orakzai (63%), Khyber (59%), North Waziristan (34%), Khurram (32%) and South Waziristan (27%).[12]

About 72% of the population live in kacha houses (with mud or thatch roof), 13% in semi-kacha houses, 9% in temporary shelters and only 6% in pakka houses.[13] In South Waziristan, 47% of returnees reported partial damage to their houses. High levels of damage were also reported in Khurram and Orakzai[14]. The MCA finds that 40% of returnees do not have toilets and practice open defecation. Women have greater access to toilets due to cultural concerns for their privacy. The above-mentioned gaps are accompanied by the lack of Government response to the needs of people. Corruption is another factor of the poor performance of service delivery departments which adds to the slow development pace and instability in the region.

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[8] https://www.dawn.com/news/1481803

[9] Accelerated Development Strategy (ADS) for FATA; 2016; Planning and Development Department, FATA Secretariat

[10] FATA in Figures 2015, Bureau of Statistics, Planning and Development Department, FATA Secretariat.

[12] In-depth Food Security and Livelihood Assessment of Returned Households in FATA, May 2017, World Food Programme

[13] In-depth Food Security and Livelihood Assessment of Returned Households in FATA, May 2017, World Food Programme

[14] Multi-Cluster Assessment of IDPs and Returnees KP/FATA, August 2016, UNOCHA

Social Cohesion

The NMDs communities went through a vicious cycle of conflict in the last two decades. The violent conflict followed by massive displacement disturbed the societal balance and social cohesion. The conflict not only reversed decades of progress but also damaged the human, social and capital infrastructure of these districts. Without a cohesive community, the success and sustainability of any development initiative become questionable. Rapid response to the needs of communities potentially threatened by conflict is critical to enable and reinforce incipient peace processes and build a foundation for sustainable development.

While substantial progress has been made by designing the development and early recovery initiatives in a manner that they are owned and operated by the community itself, there is scope for further progress. In the recent past, the resurgence of violent activities in North and South Waziristan, in addition to the disillusionment of youth manifested through platforms of Pashtun Tahfuz Movement (PTM) is indicative of the fact that long term sustainable peacebuilding will be elusive unless concrete further steps towards peacebuilding and social cohesion are not taken. Managing the expectations of communities through awareness raising and dialogue will be vital. The coming months and years will be crucial in charting out a peaceful, progressive and inclusive environment for the community so they can thrive and enjoy the peace dividends. Social cohesion through community participation in decision-making, bringing divided people together, and addressing community needs will ultimately contribute to long term sustainable peace, and create a more stable environment for sustainable development.

II. STRATEGY

Pakistan has made positive strides to address its development challenges through structural economic reforms, democratic transition, improved internal security and focused large-scale initiatives for human capital development, stabilization and poverty alleviation. Moving forward, Pakistan aims to achieve many objectives pertaining to governance (maximize democratic gains), economic (higher levels of human development), social (reduced gender inequality) and environmental matters (climate change adaption and resilience). Commensurate to the overall objectives, the Government of Pakistan has shown a resolve to adopt the Sustainable Development Goals through its development agenda in Vision 2030 which sets an overarching national policy framework or development priorities. The Vision 2030 is the roadmap for achieving inclusive and sustainable human physical, social and economic development. SDP through the UNDP Country Programme Document contributes to the goals set in the vision and relates broadly to aspirations noted in chapter 3 "The Basic Goal: A Just and Sustainable Society", chapter 5 "Realizing Vision 2030: The Macroeconomic Framework", and chapter 7 "Manufacturing and Industry".

SDP activities support the Government's policies aiming at sustainable return and inclusive development and economic growth in the NMDs. SDP is supporting the Government's efforts through its different interventions designed for economic growth by rehabilitating market structures, providing employable skills training, improving access to loans, creating linkages with markets among others. The programme works on the social pillar through its social cohesion activities, improved access to services delivery institutions and engaging communities in rehabilitation and reconstruction processes.

At the UNDP country level, the SDP is aligned with CPD objective regarding enhanced resilience and socio-economic development. The SDP contributes to the CPD Outcome 2 (UNSDF Outcome 6) "Enhanced resilience and socioeconomic development of communities" as described in the UNDP CPD through the promotion of community engagement and participation in the rehabilitation process (built back better), creation of economic opportunities, development of human capital and improved access to basic services. The interventions of SDP are implemented across the three tiers identified by the CPD i.e. enabling environment, institutions and systems and community level.

Moreover, SDP work is also aligned with the Tribal Decade Strategy (TDS) 2020-2030. The strategy has identified and proposed five areas of development, namely: building responsive and accountable institutions, enhancing human potential, expanding economic infrastructure, creating economic opportunities for sustainable development, and instituting sustainable resource management. The SDP contributes to three areas of the TDS through enhancing human capital, creating economic opportunities and creating sustainable economic opportunities. Each of the four main SDP outputs is aligned with the

underlined focus areas of TDS. For instance, under the output of 'improved livelihood opportunities' SDP would provide workforce training, business grants and loans, strengthen market infrastructures etc. which are expected to support the economic growth agenda as envisioned by the TDS. For the enhancement of human capital, the programme will work on workforce training and access to quality education among others. For sustainable economic opportunities, the programme will work on improving the market infrastructure and improving access to basic services.

Throughout the programme, UNDP will apply conflict, climate and youth sensitive and gender-responsive lens to all its interventions as a cross-cutting approach. The political, social and cultural sensitivities in the NMDs require special consideration to details and local context. The project will consider the "leave no one behind" principle and build its approaches accordingly. Gender-responsive implementation mechanism will be ensured through working together with authorities, UNDP partners and community organizations to promote gender equality in achieving programme results. Moreover, efforts will be made to include the voices of the most vulnerable segments of society so that their perspectives and challenges are fully incorporated into programme interventions.

The results framework integrates gender equality results into all indicators, baseline data and targets that are currently set at a minimum of 40% female beneficiaries. Gender needs will be addressed and monitored/audited through a systemic gender lens in all interventions. UNDP will update and develop gender equality programming needs assessments, frameworks, indicators and routine monitoring mechanisms. For equal inclusion of women at grassroots level women COs are formed and women are organized and sensitized under the umbrella of these COs. All implementing partners of SDP are trained and sensitized on gender mainstreaming, inclusion, and prevention of abuse and harassment. The cultural challenges such as the mobility of women and access to women are being addressed through sensitisation of male members of the household and also through platforms of religious institutions. A detailed gender analysis of the programmatic interventions will be conducted in 2020 to gain knowledge on where the programme stands, how gender concerns are being incorporated, and how the programme can further improve in addressing gender requirements.

From May 2015 to August 2019, UNDP has successfully mobilised around US$ 62 million under FTRP and supported social cohesion and peace building, infrastructure development, schools' rehabilitation, skills development, economic growth and strengthening of state-citizen relationships.

Linked with the existing portfolio, UNDP will mobilise an additional US$ 30 million over a period of the next three years. The programme strategy prioritises the partnership with the Government of KP to implement a harmonised approach for development and stability in the NMDs. The Government is leading the transition and development work while UNDP in its role as a technical support agency is focusing on strengthening institutions, creation of linkages, designing developing programmes and mobilization of funds for development.

The programme will strengthen its collaboration with partners, donors, and civil society organization in their respective roles. This includes a partnership with the United Nations agencies, international donors, and civil society organizations (CSOs). Partnership with the United States Agency for International Development (USAID), the European Union (EU), the Government of the United Kingdom Department for International Development (DFID), the Government of Japan (GoJ) and the United Nations Central Emergency Response Funds (CERF) has enabled UNDP to achieve significant results in the previous programme cycle. UNDP will build on the previous cycle to maintain and further develop partnerships with donors, sister UN agencies and with other projects of UNDP specifically FATA Governance Project (FGP), Youth Empowerment Project (YEP), Decentralization and Local Governance and others.

Theory of Change:

The theory of change of the programme is built on the premise that the integration of returning population of the NMDs is challenged with hardships of damaged infrastructure, social cohesion and vulnerability, lack of basic services and limited livelihood opportunities and community reintegration.

The barriers that are aggravating this core problem are a) lack of formal constitutional and governance structure b) unstable economic situation and market structure c) the limited presence of responsive and

accountable public sector institutions and d) limited availability of qualified professionals in service delivery institutions

The theory of change (ToC) of SDP considers the need to address the prevailing condition in the NMDs by aligning it with the UNDP Strategic Plan and the Pakistan CPD. The program is broadly linked with outcome 2 of the CPD (outcome 6 of the UNSDF):

- Enhanced resilience and socio-economic development of communities.

The project specifically contributes to the CPD outputs 6.1 and 6.2:

- 6.1: "National and provincial policies, systems and institutions enabled to achieve structural transformation and promote inclusive economic, social and political opportunities".
- 6.2 "Sustainable revitalised productive capacities, generating employment opportunities and improvement in sustainable livelihoods as part of broader development efforts".

The project's theory of change is premised on the belief that,

If

"The communities are cohesive and engaged positively in development work, have improved and equitable access to basic services, their livelihoods are restored and have increased access to economic opportunities",

And

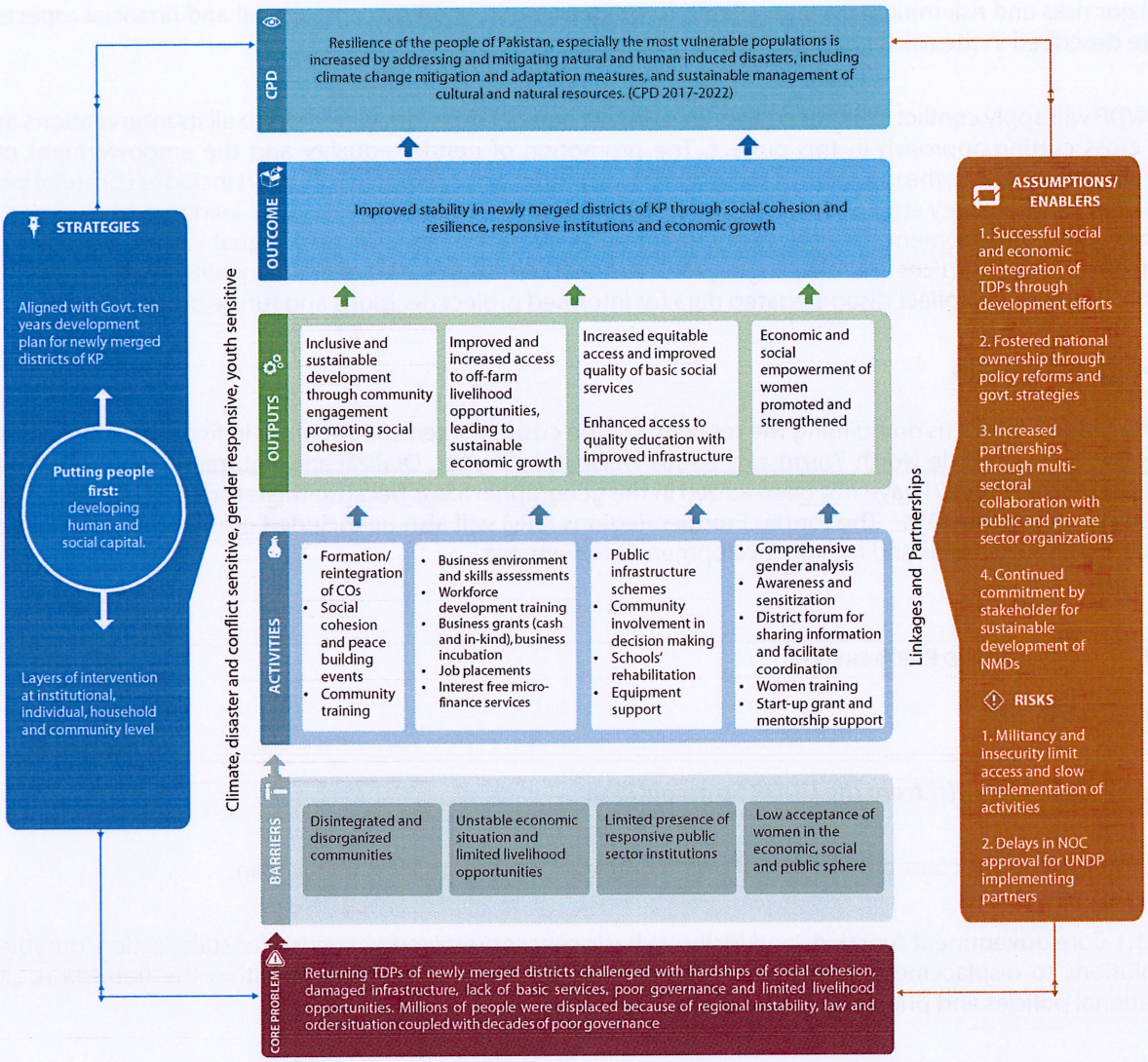
"The geo-political environment remains conducive and there are increased partnerships with public and private sector organizations"

Then

"The vulnerable population will be resilient, cohesive and economically empowered and will set the foundation for stability and long-term development in the NMDs and their return will be sustainable".

The pictorial presentation of the ToC is shown in the following figure.

Theory of Change



The theory of change is based on UNDP's global experience of supporting livelihoods and economic recovery in crisis situations and its economic development models. The proposed programme also draws on UNDP Pakistan's heavy footprints in the NMDs through years of sectorial experience and is also strongly linked to Government strategies for the area, including the decade development strategy and national vision 2025. The activities for achieving desired outcomes will be implemented through four layers of intervention which include interventions at a) community b) private sector c) individual and d) household levels.

To accelerate change efforts and to function more effectively in an integrated and coherent manner, UNDP will work on partnerships and linkages with public and private organisations along with the communities.

Some key assumptions that underpin the "theory of change" include:

1. Successful social and economic reintegration of TDPs through development efforts will take place, (outputs 1 and 2)
2. National ownership will be fostered through policy reforms and Government strategies (all outputs)
3. Partnerships will be increased through multi-sectoral collaboration with public and private sector organisations, (all outputs)

4. Political and law order situation will remain steady and not hinder the project progress. (all outputs)

Major risks and risk mitigation plan related to programmatic, strategic, operational and financial aspects are described in the risk log (pages 19-21).

UNDP will apply conflict, climate and youth sensitive and gender responsive lens to all its interventions as a cross cutting approach in this project. The promotion of gender equality and the empowerment of women is central to the mandate of UNDP and its development approach. This effort includes consultation with women at every step of the development process and supporting them to be leaders and owners of their own development. It also means advocating for women's and girls' equal rights, combating discriminatory practices and challenging the roles and stereotypes that affect inequalities and exclusion. UNDP ensures to collect disaggregated data for informed project decisions and future programming.

Geographic Focus

The project will focus on building the resilience of the crisis affected communities in five out of the seven NMDs. These include North Waziristan, South Waziristan, Khyber, Orakzai and Khurram. Two districts of Bajaur and Mohmand have not been added in the geographic focus because the return had already been completed before 2014. The former Frontier Regions (FRs) will also be included in the operational area due to pressing needs and lack of development interventions.

III. RESULTS AND PARTNERSHIPS

Expected Results

Applicable Output(s) from the UNDP Strategic Plan:

SDP interventions contribute to the following outputs from the UNDP strategic plan:

3.1.1 Core government functions and inclusive basic services restored post-crisis for stabilisation, durable solutions to displacement and return to sustainable development pathways within the framework of national policies and priorities

1.1.2 Marginalised groups, particularly the poor, women, people with disabilities and displaced are empowered to gain universal access to basic services and financial and non-financial assets to build productive capacities and benefit from sustainable livelihoods and jobs

UN Sustainable Development Framework (UNSDF)

The SDP broadly contributes to four outcomes of the UNSDF which are: outcome 1: Economic Growth, outcome 6: Resilience, outcome 7: Education and Learning; and outcome 8: Gender Equality, as a cross-cutting theme. The programme implementation strategy is aligned with the UNSDF at every level of the project cycle including the design, implementation and monitoring.

Sustainable Development Goals (SDGs)

The SDP is contributing to four SDGs through the programme outputs:

SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

SDG 5: Achieve gender equality and empower all women and girls

SDG 6: Ensure availability and sustainable management of water and sanitation for all

SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

The relevant links to the programme are outlined as follows:

For inclusive and equitable education (SDG 4) the programme is working in partnership with UNICEF for improving inclusive classrooms, improving teaching and learning environment through renovating and rehabilitating damaged school structures. The focus is particularly on girls' education, where the target is to reach at least 65% of girls' students.

SDP also focuses on the rehabilitation of existing water supply schemes and improvement and/or provision of sanitation systems (output 3), including in schools, which relate to SDGs 6 and 4.

SDP output 2 focuses on economic growth including workforce training, business grants, economic schemes, entrepreneurship promotion, incubation support and increased access to micro finance, all the supporting activities are linked to SDG 8.

The community physical infrastructure and restoration of public infrastructure schemes component (output 3) of SDP are contributing to SDG 9.

SDP output 4 focuses on women empowerment through social and economic efforts and is contributing to SDG 5 and SDG 8.

Country Programme Document Outcome:

The project has been designed to contribute to the CPD outcome 2 (UNSDF outcome 6). This outcome guides the project to increase the resilience of vulnerable population by the year 2022 through addressing and mitigating natural and human-induced disasters, including climate change mitigation and adaption measures, and sustainable management of natural resources.

Country Programme Document Outputs:

The project will help in achieving the CPD outcome by contributing specifically to CPD 6.2 which focuses on sustainable revitalized productive capacities, generating employment opportunities and improvement in sustainable livelihoods as part of broader development efforts, and through CPD 6.1: National and provincial policies, systems and institutions enabled to achieve structural transformation and promote inclusive economic, social and political opportunities.

Following is the brief description of these outputs, and how they relate to the CPD outputs.

Programme Outputs:

Output 1: Communities engaged to promote social cohesion and participate actively in the rehabilitation process

Under this output, community mobilization will be a key activity that will create the buy-in for the other project outputs. The mobilisation will increase collective thinking for the development of the area and identify innovative solutions regarding collective thinking and inter and intra communal harmony. Under this output, community groups will be formed at grass-root levels which will serve as an interface between the local government and the communities. These groups will identify local infrastructure and basic

services related issues and generate financial resources to address these issues. Rehabilitation of most-needed physical infrastructures, social cohesion events such as sports galas, debate competitions, and celebration of cultural days, and community dialogues, will be used as motivational tools to organize people. In this way, the programme will enable local communities to think and act collectively.

Through this output, the programme will develop an area of organised communities that will serve as social capital to bridge the gap between the local government authorities, the elected representatives, and the local communities. Aligned with the local culture and social limitations, the project will endeavour to organise separate groups for men and women community members. These groups will assess the issues present at grass root level related to community infrastructure and social cohesion and will work with the respective Government departments and the elected representatives to address these issues. Through improved social cohesion and community's inclusiveness, it is expected that the governance of local resources will improve, and communities will be empowered and participate in the development process actively.

All these activities combined will support the resilience component of CPD 6.2 through community cohesion events, community participation and mobilization.

Output 2: Improved economic development opportunities for communities

Through this output UNDP aims to address key challenges faced by entrepreneurs/businesses across the region including structural barriers faced by the business community in the labour markets, capacity issues to effectively participate in the economy, lack of access to finance to start own enterprises, exclusion from productive value chains of private businesses, and inequalities with respect to employment. UNDP will promote livelihood creation through local economic development in the region, as key determinants in the socio-economic empowerment of businesses. The program is aimed to empowering local communities, economically and socially and as a vehicle for delivering peace, tolerance and social cohesion. The program will provide financing and skills training support for opportunities that have commercial potential from start up through small to medium enterprises and the likelihood of creating employment opportunities.

The economic empowerment output of the Program will specifically target youth, men and women, in both the urban and rural areas of the NMDs by engaging public and private stakeholders in oversight and implementing roles while Civil Society Organizations would be engaged for research, advocacy, and lobbying. UNDP will ensure gender equality in all interventions. With a focus on specialized interventions to support women and girls' active participation in economic growth processes, it will apply a gender-sensitive approach to reach the project's objectives, that will be designed, implemented, monitored and evaluated using a result and evidence-based approach.

Following the "leave no one behind" principle, this output would be implemented through a two-tier approach. For a longer-term approach, the capacities of local communities, especially youth will be enhanced to compete for jobs in the open markets. Cash and/or in-kind grants will be provided to the eligible youth to invest in their already running businesses.

Under this output, UNDP will work on an economic growth model to create employment opportunities with special focus on youth, women and persons with disabilities. The economic opportunities will be tailored based on market assessment of individual districts. Based on the data collected from the assessments the project will design approaches to meet supply and demand related to a) local economy b) workforce development c) market linkages d) private sector development.

Broadly, programming will be realistic in both design and measurement to reflect the complexity of working with social and relational change in an evolving context. NGOs/CSOs will be involved not only as implementing partners but also in programme designing. Joint analysis and planning, frequent and effective information-sharing and aligned programming will be undertaken with partners and other development actors working in these thematic areas.

To expand the present job horizon, the programme will encourage youth to propose ideas for innovative business. The programme will provide incubation support to mature these ideas. The programme will also support micro finance institutions to expand their service access in the project areas. It is expected that

the support under this output will increase the financial resilience of people to face and mitigate unforeseen man-made or natural shocks.

The different employable skills, entrepreneurship, revitalization of market structures and access to finance interventions along with other activities will contribute to achieving sustainable livelihoods and employment (CPD 6.2).

Output 3: Improved access to basic services

Through this output, UNDP will assist Government authorities to fill the gap in the annual development plan through rehabilitation of infrastructure schemes. These schemes will include, but will not be limited to, education institutes, drinking water supply schemes, irrigation channels and roads. UNDP will engage communities and COs formed under output 1 to implement the schemes. The COs will be trained in such a manner that after the closure of the project, the sustainability and maintenance of the schemes will be conducted by communities.

This output, together with output 1, will create an interface between the Government and local communities. The trust gap between the communities and the Government will decrease when people find the Government is addressing their issues related to basic services. Similarly, the Government will find itself increasingly accountable to the people in terms of fulfilling its commitments laid down in the annual development budgets.

Within this output, UNDP will also increase access to education through improvement of the infrastructure of schools and provision of missing facilities. Working in partnership with UNICEF, UNDP will focus on creating a protective and conducive environment to ensure an increase in enrolment and retention whereas UNICEF will provide teachers with training and supplies.

UNDP will work in close partnership with UNICEF and the Government of KP's education department to improve access to education. Most of this work will comprise of infrastructure type of work like rehabilitating school's boundary walls, classrooms, electrifications, playgrounds etc. UNDP will also provide school furniture, learning material, and training to teachers and local communities for management of the schools at the local level. The results of this output will be visible in increased enrolment and decreased dropouts. From the partnership with UNICEF and the Government of KP's education department, increased learning outcomes are also expected from this output.

The education component broadly relates to CPD output 61. by strengthening systems, institutions and learning it promotes inclusive economic and social opportunities to boys and girls.

Output 4: Economic and social empowerment of women promoted and strengthened

There is increasing recognition that economically and socially empowering women is essential both to realize women's rights and to achieve broader development goals such as economic growth, poverty reduction, health, education and welfare. In the context of the NMDs women's participation in economic and social activities remains limited to household chores. As compared to other rural areas of KP, the female literacy rate and education level is very low. According to 2017 data of the erstwhile FATA Secretariat and the Bureau of Statistics, only 7.8% of adult women in the region were literate. Women's participation in mainstream economic activities is still limited and women remain marginalized due to several geographic, cultural and market factors.

Although SDP is integrating at least 40% of female participation in all its activities, however, there is still a dire need for focused interventions specifically for women. Keeping in mind the need, substantial investment is required for scaling up initiatives to meet the needs of women regarding their participation in economic and social activities, financial independence, and achieving economic and social empowerment. The programme realizes that economically and socially empowering women can benefit women specifically and the social order generally. Through its interventions the programme will enhance women's capability to realize their rights and welfare while also reducing household poverty, increasing economic growth and productivity. For this output implementation, SDP will use existing women organizations and work in coordination with UN Women and relevant women institutions.

The following activities will be implemented under this output

- A detailed gender analysis of NMDs to get evidence-based information regarding role and opportunities for women's participation in the economic and social sphere;
- Basic training in financial literacy and life skills trainings
- Construction of Women Empowerment infrastructure. These projects will be prioritized as well as implemented directly by women community organization and will have a direct impact on creating economic and social opportunities for women. Common examples include women livelihood centers, community centers, clean drinking water etc.
- Provide tailored, vocational training to women with extended post training support.
- Establish effective districts and village level women networks/collective for women empowerment.
- Provide livelihood grants to most vulnerable women (e.g. widows, destitute, disabled etc.)

The proposed activities will be piloted initially in two districts of Khyber and Kurram and will be expanded later to other districts. Interventions realized through this output will contribute to CPD 6.2 and SDG 8 (Economic Growth) and SDG 5 (Gender Equality).

Resources Required to Achieve the Expected Results

The programme envisages a budget of US$50 million over four years (2019-2022). Approximately US$24 million have already been mobilized through agreements with various development partners including the United States Agency for International Development (USAID), the United Kingdom Department for International Development (DFID), the Government of Japan (GoJ) and the United Nations Central Emergency Response Fund (CERF), and most recently funding from Government of Canada. The remaining funds are expected to be mobilized in the coming year(s).

Partnerships

Partnerships with the Government, international and national partners are essential to implement activities in the NMDs. UNDP will strengthen its existing partnerships with several key stakeholders including the Government of Pakistan, Civil Society Organizations, sister UN Agencies (WFP, UNICEF, UN Women and FAO), donors as well as the private sector. Furthermore, UNDP will seek to identify new funding opportunities and donors to support ongoing work. UNDP will engage partners at various stages of the programme cycle, from programme design, implementation to review and revision, enabling effective and efficient contribution to the implementation of the programme. The nature of the partnership with each actor is summarized below:

Government Departments and Authorities:

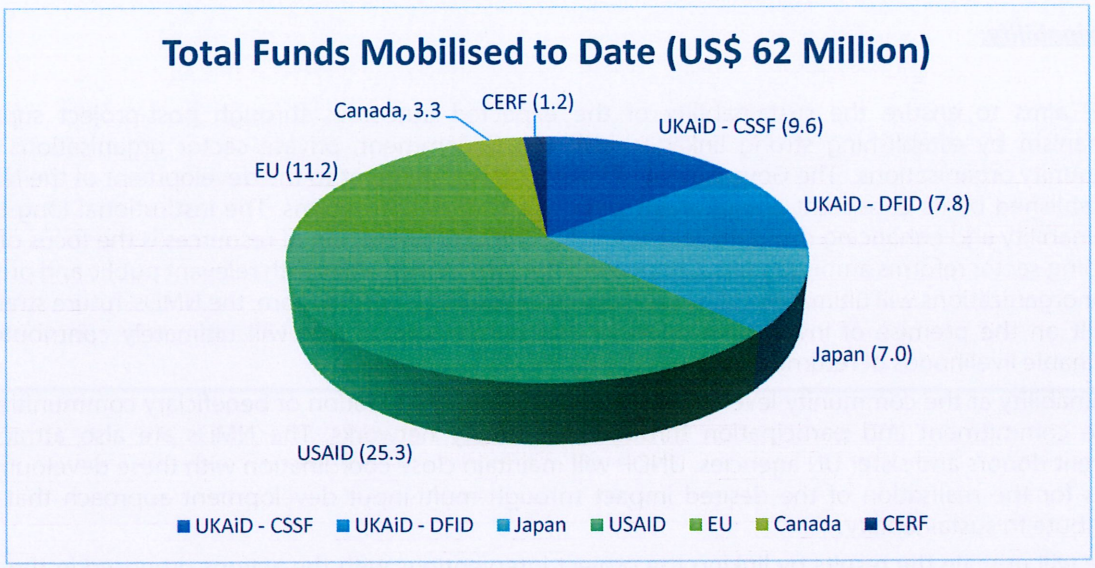
The Government of Pakistan and other authorities are key partners of SDP. To ensure smooth implementation of activities while maximising impact, UNDP will work in close coordination with the Government, the military and local partners. This collaboration traverses all tiers of the Government from the local to the provincial and federal level. UNDP will also provide policy and institution building support to the Government.

Some of the key government departments that UNDP will coordinate its activities with include:

- Civil Secretariat, Government of Khyber Pakhtunkhwa
- The University of Peshawar and other academic institutions
- Directorate of Projects, Planning and Development Department
- TDP Secretariat
- Small and Medium Enterprise Development Authority (SMEDA)

Donors

In the past, the commitment of development partners has enabled UNDP to achieve significant results. UNDP remains committed to working together with development partners and coordinating and collaborating with them to mobilise additional resources for the programme. Key development partners and their contributions to the program are illustrated in the chart below.



NGOs

UNDP engages non-governmental organisations (NGOs) as partners in advocacy and implementers in the field. UNDP's previous experience helps in choosing NGOs with relevant expertise and access to the newly merged districts. The programme has developed an NGO database, that will be revised and expanded when required. Partners are sourced through competitive selection based on unique competitive advantage including relevant experience, value for money and ability to access the area.

UN Agencies

The programme will work in close collaboration with UN agencies. UNDP has been playing a leadership role in various joint programmes implemented in the NMDs through sister agencies including UNICEF, FAO and WFP. During the upcoming four years, the project aims to strengthen its collaboration with UN agencies including UN Women, especially under the aegis of the NMDS Transition Plan, which is a joint framework for the UN and the World Bank, for supporting the Government of Pakistan to address the socio-economic challenges and vulnerabilities of the NMDs.

Private Sector

UNDP acknowledges the need for engaging the private sector to maximize value for money for its activities as well as for promoting economic activity in the NMDs. In addition to engaging private sector contractors through competitive procurement processes, the project will also facilitate private sector development and economic revitalisation of markets. It is pertinent that the Government promotes friendly policies for the private sector growth in the NMDs.

Knowledge Management

During the project life SDP will establish a comprehensive knowledge-based framework using various knowledge tools and platforms through the following:

a) Data repository system
b) Documentation of lessons learned and case studies

c) Guidance/manuals
d) ICT materials
e) Documentaries

These knowledge management materials will be used by UNDP and its partners for informed decisions based on learning, research and experience.

Sustainability:

UNDP aims to ensure the sustainability of the expected outcomes through post-project support mechanism by establishing strong linkages with the Government, private sector organisations and community organisations. The Government of Pakistan's commitment to the development of the NMDs is established by its consistent commitment since the start of the reforms. The institutional long-term sustainability and enhancing economic opportunities through leveraging of resources is the focus of the on-going sector reforms among others. Connecting the project outcomes with relevant public and private sector organizations will ultimately help in realising sustainability. Furthermore, the NMDs' future strategy is built on the premise of investment in social and human capital that will ultimately contribute to sustainable livelihoods of returnees through the trickle-down approach.

Sustainability at the community level will be ensured by the mobilisation of beneficiary communities to create commitment and participation through community networks. The NMDs are also attracting different donors and sister UN agencies. UNDP will maintain close coordination with these development actors for the realisation of the desired impact through multi-input development approach that will contribute to sustainability.

UNDP will upscale the results by linking the project interventions with the actions proposed in the ten-year plan and KP Government's five-year sustainable development strategy.

Communications and Visibility

SDP has developed detailed communication and visibility strategy for the programme considering the sensitive nature of the area and development context. The strategy focuses on effective communications, visibility and knowledge management plan for programme implementation with special consideration to the "do no harm policy". The objectives of the communications and visibility plan are to promote the work of the UN, donors and implementing partners as well as the cooperation with the Government and KP authorities; to keep the general public informed of the activities and benefits of the project; to communicate project-specific messages to target audiences in order to benefit the implementation of the project; and to increase awareness of the population about the programme economic recovery activities, quality education, good governance and promotion of good practices.

UNDP will use its official mainstream and social media platforms for branding and information dissemination. Standard communications products will include programme fact-sheets, briefs, success stories, case studies, press releases, key messages and talking points, info-graphics, audio-visual content, media monitoring reports, content on official UNDP and IP websites and social media platforms (Facebook, Twitter etc.) as well as other information, education and communication materials that capture results and impact in an intellectually convincing, visually appealing and thought-provoking manner to stimulate positive behaviour change among target audiences. Where needed and appropriate for sensitivity reasons, programme activities will not be branded or provided media coverage to ensure security and programme effectiveness are not compromised. The programme will conduct public outreach campaigns on key thematic issues. These campaigns will use innovative communication techniques and best practices, in which beneficiaries of SDP will be given a platform to share their stories, experiences, perspectives and activities through mainstream and social media platforms.

Risks and Assumptions

The programme has been designed based on the following assumptions:

- The improved security environment in the NMDs will prevail and allow for continued support to the institutions and areas outlined in this document.

- No further displacement of population from the NMDs will take place during the project.
- The international community will remain committed to supporting the Government and the population throughout the recovery and development process.
- The Government will continue to support the interventions of the programme, most importantly through regular maintenance of infrastructure projects.
- Private sector will continue to grow, and market functionality will continue to improve.
- The Government will provide operational space to the national civil society organizations.

Considering the above assumptions, there are at least two major areas of risk, related to the proposed interventions in the NMDs, which may negatively impact the achievement of expected results, as follows:

Security situation in the region: It is assumed that the security conditions in the NMDs of KP will continue to improve, or at least not deteriorate. This will also partly depend on the perceptions of the local population and, by reflection, the capacity of the public institutions to deliver services and build confidence with the population of the NMDs. In consideration of this concern, all activities will be carried out in close coordination with the Government and security agencies.

Fulfilment of the Government's commitment (post -merger): Since the merger of the NMDS in Khyber Pakhtunkhwa, the provincial Government is responsible for the development of the newly merged districts. After the allocation of the 3% NFC award, the provincial portfolio will significantly increase. The Government will need to dispense PKR 100 billion over the next 10 years. The Government needs to commit to i) diligence to expedite financial delivery ii) systems in place to ensure the delivery of services and accountability.

The identified risks and mitigation measures are summarized in Table 1:

RISK LOG

#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner	Submitted, updated by	Last Update	Status
1	Coherent response from the provincial government for the development of NMDs	1st Jan 2019	Strategic	P = 2 I = 4	Regular coordination with government counterparts to avoid duplication and speed up implementation of activities	Programme Manager	M&E	1st Jan 2019	Increasing
2	Security situation (in tribal districts) limits UNDP staff and partners access to project areas, and reduce pace	1st Jan 2019	Operational	P = 3 I = 5	Compliance with UNDSS security guidance and information sharing with security agencies. Coordination with military authorities for information sharing and security support/advice, including presentation to senior military officials.	Programme Manager	M&E	1st Jan 2019	Reducing
3	Delays in NOC approval for UNDP implementing partners.	1st Jan 2019	Operational	P = 3 I = 5	Effective liaison and regular coordination meetings with government and security agencies.	Programme Manager	M&E	1st Jan 2019	Reducing

4	Project interventions especially infrastructure schemes and livelihood grants cause conflicts in local communities.	1st Jan 2019	Programmatic	P = 2 I = 2	Any intervention violating "do no harm" principles shall be discouraged.	Programme Manager	M&E	1st Jan 2019	No change
5	Resistance to women's participation in activities.	1st Jan 2019	Programmatic	P = 3 I = 4	Continuous mobilization through implementing partners and designing of contextual activities for women Interventions will be designed to maximise women's engagement while respecting the local norms	Programme Manager	M&E	1st Jan 2019	No change
6	Restriction on cash-based programming (business grants)	1st Jan 2019	Programmatic	P = 5 I = 4	Modification of implementation strategy from cash to in-kind	Programme Manager	M&E	1st Jan 2019	Increasing
7	The unexpected adverse impact of natural disaster on programme interventions.	1st Jan 2019	Environmental	P = 3 I = 3	All project interventions will be planned on a risk-informed basis and mitigation measures will be built in.	Programme Manager	M&E	1st Jan 2019	No change
8	Data collection, research and surveying the targeted areas and beneficiaries is prohibited by the authorities.	1st Jan 2019	Operational	P = 4 I = 4	UNDP has attempted to mitigate this risk by the selection of appropriate, collectable data and it will continue to advocate for better access and permission to undertake action research for monitoring and evaluation. At the same time, it will review its M&E capacity and approach to identify potential innovations to overcome this risk more effectively.	Programme Manager	M&E	1st Jan 2019	Reducing

IV. PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

UNDP will ensure efficiency and value for money by using competitive processes to select contractors, NGOs and consultants. The project has a sizeable infrastructure component, for which UNDP has developed a location specific list of pre-qualified contractors. These contractors were selected through an open call for expression of interest and evaluation of their capacity through various means including site visits to their offices. The roster is renewed every 3-4 years. The roster allows for a quick award of civil work contracts by ensuring healthy competition and managing risk. UNDP has also developed standard SOPs for civil work contracts.

UNDP engages local and international NGOs for community engagement. Similarly, UNDP has also developed NGO roster for NMDs through an open expression of interest. Before engaging an NGO, UNDP conducts a capacity assessment through a specialized audit and advisory firm, that evaluates the operational capacity of the organization. Based on the risk assessment, UNDP finalises its strategy to engage with the NGO.

Project Management

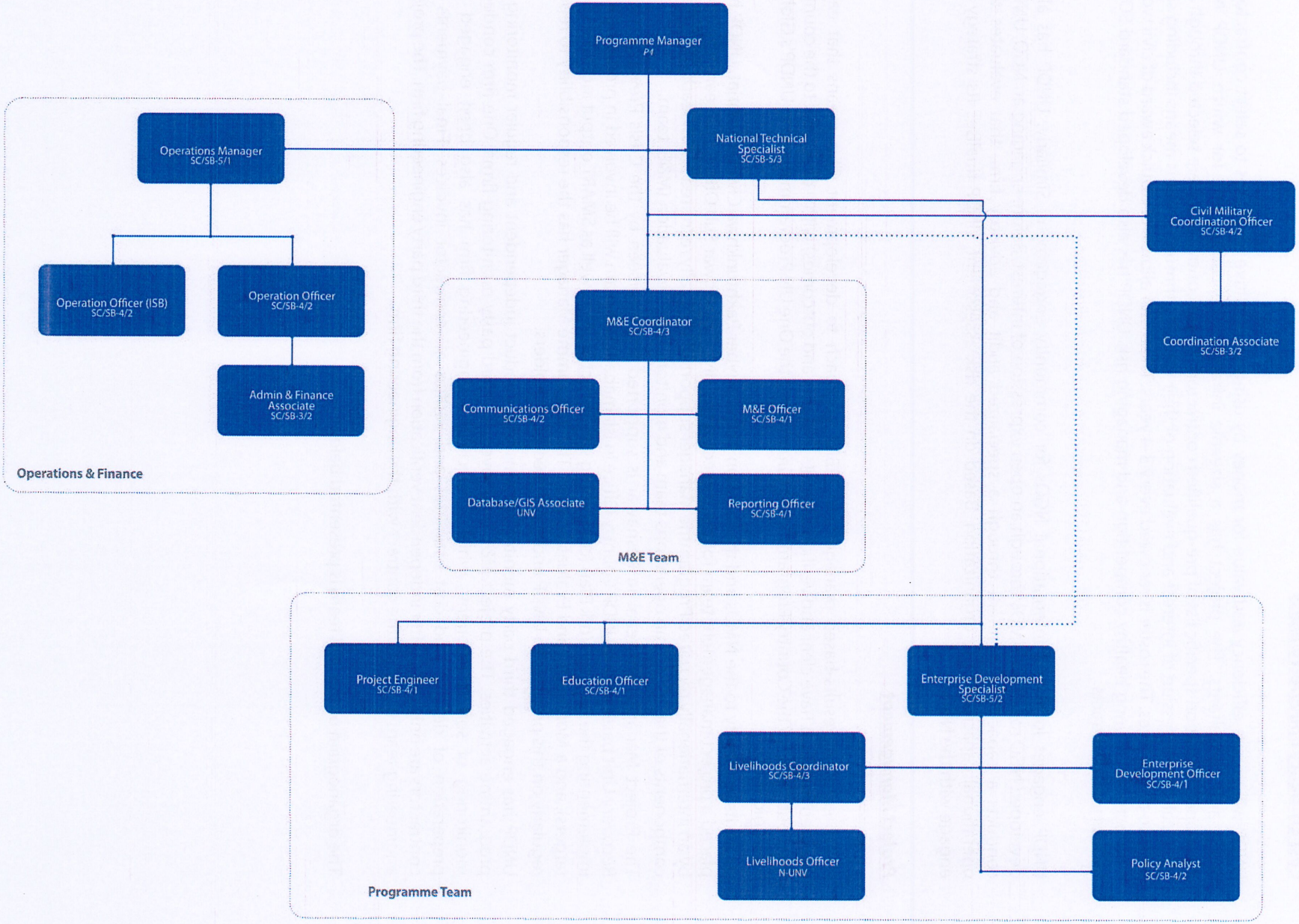
UNDP employs results-based management (RBM) approach to development. This means that each intervention must have clear and verifiable results (outputs and outcomes) with a direct link to the country level outcomes of the Country Programme Document (and the One UN Programme) and to UNDP's Global Strategic Plan.

Given its proximity to the NMDs and the location of the Khyber Pakhtunkhwa Civil Secretariat, UNDP has placed a project management team for the project at the UNDP Peshawar Sub Office. The team is headed by an internationally recruited Programme Manager supported by locally recruited sector leads for various components of the project, an operations team and monitoring and evaluation (M&E) team.

The Project Management team in Peshawar is supported and overseen by the Crisis Prevention and Recovery Unit based at the UNDP Country Office in Islamabad. The team will be involved in preparing and implementing the Annual Work Plan (comprising specific activities as well as SMART output indicators and targets), and a Monitoring and Evaluation plan. The Programme Manager has the responsibility to report regularly on this progress to UNDP and the project stakeholders.

UNDP has engaged third party monitoring firms that conduct independent and regular monitoring of programme activities. The project M&E team oversees third party monitoring firms. One firm conducts monitoring of soft components while a specialized engineering firm has also been engaged for preparation of designs and cost estimates and verifies all contractor invoices. Final payments to contractors are only made after independent verification from the third party engineering firm. The project engineering team manages the contract with the engineering firm.

The organogram of the SDP team is presented below:


Programme Manager
P4
Operations Manager
SC/SB-5/1
National Technical Specialist
SC/SB-5/3
Civil Military Coordination Officer
SC/SB-4/2
Operation Officer (ISB)
SC/SB-4/2
Operation Officer
SC/SB-4/2
Admin & Finance Associate
SC/SB-3/2
Operations & Finance
M&E Coordinator
SC/SB-4/3
Coordination Associate
SC/SB-3/2
Communications Officer
SC/SB-4/2
M&E Officer
SC/SB-4/1
Database/GIS Associate
UNV
Reporting Officer
SC/SB-4/1
M&E Team
Project Engineer
SC/SB-4/1
Education Officer
SC/SB-4/1
Enterprise Development Specialist
SC/SB-5/2
Livelihoods Coordinator
SC/SB-4/3
Enterprise Development Officer
SC/SB-4/1
Livelihoods Officer
N-UNV
Policy Analyst
SC/SB-4/2
Programme Team

V. RESULTS FRAMEWORK[15]

Intended Outcome as stated in the UNSDF Results and Resource Framework: Outcome 2. By 2022, the people in Pakistan, especially women and youth, have improved access to productive livelihoods, income opportunities and decent work
Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets: Indicator 2.1: Proportion of youth (aged 15-24 years) not in education, employment or training (SDG 8.6.1) Baseline 2.1: 30.41% (Trend is declining - with only 2% decrease since 2011-12) Target 2.1: 20% (decrease by 10% in next five years)
Applicable Output(s) from the UNDP Strategic Plan: **1.1.2 Marginalised groups, particularly the poor, women, people with disabilities and displaced are empowered to gain universal access to basic services and financial and non-financial assets to build productive capacities and benefit from sustainable livelihoods and jobs** 3.1.1 Core government functions and inclusive basic services restored post-crisis for stabilisation, durable solutions to displacement and return to sustainable development pathways within the framework of national policies and priorities 3.3.2 Gender-responsive and risk-informed mechanisms supported to build consensus, improve social dialogue and promote peaceful, just and inclusive societies
Project title and Atlas Project Number: NMDS Transition and Recovery Programme / Atlas No: 00088875

EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)					DATA COLLECTION METHODS & RISKS
			Value	Year	Year 2019	Year 2020	Year 2021	Year 2022	FINAL	
Output 1: Communities engaged to promote social cohesion and participate actively in the rehabilitation process	**1.1** Number of community organizations formed/reactivated	*Project Documents (database and field reports)*	*800*	*2018*	*176* *Men:123* *Women:53*	*120* *Men: 84* *Women: 36*	*100* *Men: 70* *Women:30*	*80* *Men:56* *Women:24*	*1,276*	**Method:** Field Reports (Pictures, documents, IPs' database) dully verified by TPM and SDP M&E team through spot checks **Risk:** Delay in NOCs may risk the access of partners and staff to the implementation area.
	1.2 Number of community / social cohesion events organized	*Project Documents (database and field reports)*	*400*	*2018*	*5* *Men:3*	*10* *Men:7*	*10* *Men:7*	*10* *Men:7*	*435*	**Method:** Field Reports (Pictures, documents, IPs' database) dully verified by TPM and SDP M&E team through spot checks

[15] 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.

					Women:2	*Women:3*	*Women:3*	*Women:3*		**Risk:** Social gatherings may not happen because of the prevailing security situation.
	1.3 Community platforms are established and operational	*Project Documents (database and field reports)*	*2*	*2018*	*2*	*2*	*2*	*2*	*10*	**Method**: Field Reports (Pictures, documents, IPs' database) dully verified by TPM and SDP M&E team through spot checks **Risk:** Social gatherings may not happen because of the prevailing security situation.
	1.4 Number of Community Physical Infrastructure Schemes implemented through community organizations	*Project Documents (database and field reports)*	*560*	*2018*	*82*	*110*	*110*	*70*	*932*	**Risk:** Social gatherings may not happen because of the prevailing security situation. **Risk**: The community; especially the women community may not actively engage in rehabilitation work.
	1.5: Number of persons provided with community-based livelihood grants	*Project Documents (database and field reports)*	*1910*	*2018*	*1400* *Men:975* *Women:417* *PWD: 8*	*800* *Men:557* *Women:238* *PWD: 5*	*700* *Men:487* *Women:209* *PWD: 4*	*500* *Men:348* *Women:149* *PWD: 3*	*5,310*	**Method**: Field Reports (Pictures, documents, IPs' database) dully verified by TPM and SDP M&E team through spot checks **Risk**: The government may not allow extending the cash-based assistance to the communities
Output 2: Improved economic development opportunities for communities	**2.1** Number of persons received vocational skills training	*Project Documents (database and field reports)*	*6150*	*2018*	*2755* *Men:1929* *Women:826*	*1250* *Men:875* *Women:375*	*1100* *Men:770* *Women:330*	*750* *Men:525* *Women:225*	*12,005*	**Method**: Field Reports (Pictures, documents, IPs' database) dully verified by TPM and SDP M&E team through **Risk**: The staff may not have regular access to the TDP return areas due to lack of NOC. Deterioration in Law and order situation may affect access to TDP return areas.
	2.2 Number of persons provided with business grants	*Project Documents (database and field reports)*	*5500*	*2018*	*2000* *Men:1392* *Women:596* *PWD:12*	*1400* *Men:975* *Women:417* *PWD: 8*	*1150* *Men:800* *Women:343* *PWD: 7*	*750* *Men:522* *Women:223* *PWD: 5*	*10,800*	**Method**: Field Reports (Pictures, documents, IPs' database) dully verified by TPM and SDP M&E team through **Risk**: The government may not allow extending the cash-based assistance to the
	2.3 Number of economic infrastructure schemes rehabilitated/constructed	*Project Documents (database*	-	*2018*	*90*	*12*	*24*	*24*	*150*	**Method**: Field Reports (Pictures, documents, IPs' database) dully verified by TPM and SDP M&E team through spot checks

		and field reports)								**Risk**: The government may not allow extending the cash-based assistance to the
	2.4 Number of new/existing enterprises supported to expand and increase employment opportunities	*Project Documents (database and field reports)*	*550*	*2018*	*250*	*80*	*80*	*50*	*1,010*	**Method**: Field Reports (Pictures, documents, IPs' database) dully verified by TPM and SDP M&E team through spot checks **Risk**: The community may not be willing to adopt innovate ideas for businesses.
	2.5 Number of persons with access to financial services through formal or informal service providers	*Project Documents (database and field reports)*	*3000*	*2018*	*3000* *Men:2087* *Women:895* *PWD:18*	*2500* *Men:1740* *Women:745* *PWD:15*	*2500* *Men:1740* *Women:745* *PWD:15*	*2000* *Men:1392* *Women:596* *PWD:12*	*13,000*	**Method**: Field Reports (Pictures, documents, IPs' database) dully verified by TPM and SDP M&E team through spot checks **Risk**: Only a few formal and informal may be interested in extending micro financing services to the communities in NMDs.
Output 3: Improved access to basic services	**3.1** Number of schools rehabilitated	*Project Documents (database and field reports)*	*750*	*2018*	*80* *Men:44* *Women:36*	*100* *Men:55* *Women:45*	*80* *Men:44* *Women:36*	*50* *Men:28* *Women:22*	*1060*	**Method**: Field Reports (Pictures, documents, IPs' database) dully verified by TPM and SDP M&E team through spot checks **Risk**: The list of schools for rehabilitation work provided by the DoE may not be accurate or complete.
	3.2 Number of PTC or similar structures supported	*Project Documents (database and field reports)*	*750*	*2018*	*80*	*100*	*80*	*50*	*1,060*	**Method**: Field Reports (Pictures, documents, IPs' database) dully verified by TPM and SDP M&E team through spot checks **Risk**: The list of schools for rehabilitation work provided by
	3.3 Number of schools provided with furniture and school bags	*Project Documents (database and field reports)*	*330*	*2018*	*80* *Men:44* *Women:36*	*100* *Men:55* *Women:45*	*80*	*50* *Men:28* *Women:22*	*640*	**Method**: Field Reports (Pictures, documents, IPs' **Risk**: Qualified venders may not be available to provide
			100	*2018*	*20*	*20*	*15*	*15*	*170*	**Method**: Field Reports (Pictures, documents, IPs'

	3.4 Number of public sector infrastructure	*Project Documents*								**Risk**: Qualified contractors may not be available to timely
Output 4: Economic and social empowerment of women promoted and strengthened	**4.1** Number of gender analysis exercise conducted, and report produced	*Report*	-	*2018*		*1*			*1*	**Method:** Detailed gender analysis **Risk:** Qualified contractors may not be available to timely complete the schemes within quality parameters.
	4.2 Number of financial literacy and life skills training conducted	*Training Report(s), picture*	-	*2018*	-	*6*	*6*	*6*	*18*	**Method:** Field report, pictures, registration sheet **Risk:** Social gatherings may not happen because of the prevailing security situation. **Risk:** The community; especially the women
	4.3 Number of women empowerment infrastructure constructed	*Scheme report, pictures*	-	*2018*	-	*60*	*60*	*60*	*180*	**Method:** Field report, pictures, registration sheet **Risk:** The community; especially the women community may not actively
	4.4 Number of women vocational training with extended post training support	*Training report. Registration*	-	*2018*		*500*	*500*	*500*	*1500*	**Method:** Field report, pictures, registration sheet **Risk:** The community; especially the women community may not actively participate
	4.5 Number of village level womens' networks formed	*Resolutions Meeting Minutes*	-	*2018*		*10*	*10*	*10*	*30*	**Method:** Field report, pictures, registration sheet **Risk:** Identification of feasible and required schemes may take time
	4.6 Number of livelihood grants to vulnerable women distributed	-	-	*2018*		*50*	*50*	*50*	*150*	**Method:** Field report, pictures, registration sheet **Risk:** The community; especially the women community may not actively participate

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VI. Monitoring And Evaluation

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

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost USD (if any)
Track results progress	Progress data against the results indicators in the Annual Workplan will be collected and analysed to assess the progress in achieving the agreed outputs and outcomes.	- Monthly for output level indicators - Quarterly (or as agreed with the donor) for outcome level indicators	- Slower than expected progress will be addressed by project management. - Outcome progress will be used to inform the donors' RRF/log frame.	- District Governments - Communities - Third-Party for Monitoring	496,500
Validate the progress reported by local implementing partners	To confirm the actual progress on the ground and to identify potential gaps in implementation that may require rectifications	- Monthly	- Technical support will enable the implementing partner to maintain the quality of work.	- Third-Party for Monitoring	498,000
Monitor and Manage Risk	- Identify, document, and manage specific risks that may threaten the achievement of intended results. 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 - Annually	- Plans will be developed to avert potential risks. - The risk log is actively maintained to keep track of identified risks and actions taken.	--	--
Learning	- 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.	- Six-monthly	- Project team captures relevant lessons used to inform management decisions.	--	--
Annual Project Quality Assurance	- The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	- Annually	- Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.	--	--
Review and Make Course Corrections	- Internal (within the project team) and external (with donors) review of data and evidence from all monitoring actions to inform decision making.	- At least annually; and ad hoc as needed	- Performance data, risks, lessons and quality will be discussed by the team and donor and used to make course corrections.	--	--
Project Report	- A progress report will be presented to the donor and the government concerned authorities. The report will consist 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 report prepared over the period.	- Quarterly - Annually, and - at the end of the project (final report)	- All stakeholders will be informed about the project progress and the management/mitigation of potential risks that may deaccelerate or make the project irrelevant.	--	--
Project Review 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	- Bi-annually	Any quality concerns or slower than expected progress should be discussed by the project board and	--	--

	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.		management actions agreed to address the issues identified.		

Evaluation Plan[16]

Evaluation Title	Related Strategic Plan Output	UNDAF/CPD Outcome	Planned Completion Date	Key Evaluation Stakeholders	Cost and Source of Funding
Mid-term Evaluation	Core government functions and inclusive basic services restored post-crisis for stabilisation, durable solutions to displacement and return to sustainable development pathways within the framework of national policies and priorities	By 2022, the resilience of the vulnerable population is increased by addressing and mitigating natural and human-induced disasters, including climate change mitigation and adaption measures, and sustainable management of natural resources.	Aug-Sept 2019	• Relevant line departments • Directorate of Projects • Donors	20,000 USD Source: all donors
Terminal Evaluation-UNDP evaluation			December 2022		

[16] Optional, if needed

Multiyear Work Plan

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year (USD)				RESPONSIBLE PARTY	PLANNED BUDGET	
		2019	2020	2021	2022		Funding Source	Amount
Output 1: Communities engaged to promote social cohesion and participate actively in the rehabilitation process	1.1.1.a Formation/reactivation and strengthening of community organizations through social mobilization.	157,000	95,000	85,000	75,000	Local NGOs	DfID (Joint Programme), Japan, Donors	412,000
	1.2.1.a Organization of social cohesion events and meetings between communities and government for restoring trust and confidence in government.	30,000	70,000	75,000	25,000	Local NGOs	Japan, Donor	200,000
	1.3.1.a Formation/reactivation and strengthening of community platforms		15,000	15,000	15,000	Local NGOs	Japan, Donor	45,000
	1.4.1.a Construction/ Rehabilitation of community physical infrastructure schemes.	812,500	5,025,000	4,525,000	3,825,000	Local NGOs	DfID (Joint Programme), Japan, Donors	14,187,500
	1.5.1.a Livelihood support/grants to vulnerable person in target communities.	505,000	350,000	250,000	200,000	Local NGOs	DfID (Joint Programme), Japan, donor	1,305,000
Output 2: Improved economic development opportunities for communities	2.1.1.a Vocational/technical trainings to increase jobs creation to persons (training and tool kits)	2,040,275	1,140,000	1,000,000	950,000	Local NGOs	DfID (Joint Programme), USAID, Japan, donors	5,130,275
	2.2.1.a Provision of business grants to persons	2,669,301	1,000,000	950,000	950,000	Private Contractors	DfID (Joint Programme), Japan, USAID, donors	5,569,301
	2.3.1. Rehabilitation/construction of economic infrastructure schemes	1,060,000	250,000	450,000	450,000	Local NGOs	DfID (Joint Programme), Japan, USAID, donors	2,210,000
	2.4.1.a Technical and financial support grow / improve enterprises	885,000	300,000	350,000	350,000	Local NGOs	USAID, donors	1,885,000
	2.5.1.a Provision of technical assistance to Islamic Micro Finance service providers for facilitating individuals	484,376	400,000	600,000	600,000	Local NGOs	USAID, donors	2,084,376
	2.6.1.a Building capacity of institutions to enable them better coordinate and monitor	256,124	100,000	250,000	250,000	Local NGOs	USAID, donors	856,124

	Institutional capacity building of the government to better measure economic indicators in FATA	90,000							
	Facilitate linkage development of the FRP trained youth with Business Development Service (BDS) providers and markets	548,559	100,000	300,000	300,000	UNDP	Donors		1,248,559
Output 3: Improved access to basic services	3.1.1.a Rehabilitation of schools and restoration of facilities including WASH facilities.	223,541	400,000	300,000	200,000	Private contractors	CERF, Canada, donors		1,123,541
	3.2.1.a Formation, revitalization, and provision of training to PTCs/TIJs		20,000	20,000	10,000	Local NGOs	Canada, donors		50,000
	3.3.1.a Provision of school bags to students of selected schools and furniture in the rehabilitated schools		20,000	20,000	10,000	Private Contractors	donors		50,000
	3.4.1.a Public infrastructure schemes prioritized, approved, initiated and completed		500,000	400,000	350,000	Government Departments	donors		1,250,000
Output 4: Economic and social empowerment of women promoted and strengthened	4.1 Gender analysis study		50,000			Private Contractors	donors		50,000
	4.2 Number of financial literacy and life skills training conducted		20,000	20,000	20,000	Private Contractors	donors		60,000
	4.3 Number of women empowerment infrastructure constructed		200,000	200,000	270,000	Private Contractors	donors		670,000
	4.4 Number of women vocational training with extended post training support		200,000	200,000	200,000	Private Contractors	donors		600,000
	4.5 Number of village level womens' networks formed		100,000	100,000	185,555	Private Contractors	donors		385,555
	4.6 Number of livelihood grants to vulnerable women distributed		325,000	326,000	350,000	Private Contractors	donors		1,001,000
Activity Cost		**9,761,676**	**10,680,000**	**10,436,000**	**9,585,555**				**40,463,231**
Technical Assistance, M&E	**2.50%**	**204,813**	**267,000**	**260,900**	**239,639**				**972,352**
Operational Cost	**15%**	**1,491,424**	**1,602,000**	**1,565,400**	**1,437,833**				**6,096,658**
GMS, DPC	**8%**	**896,147**	**854,400**	**834,880**	**766,844**				**3,352,272**
TOTAL		**12,354,060**	**13,403,400**	**13,097,180**	**12,029,872**				**50,884,512**

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VII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

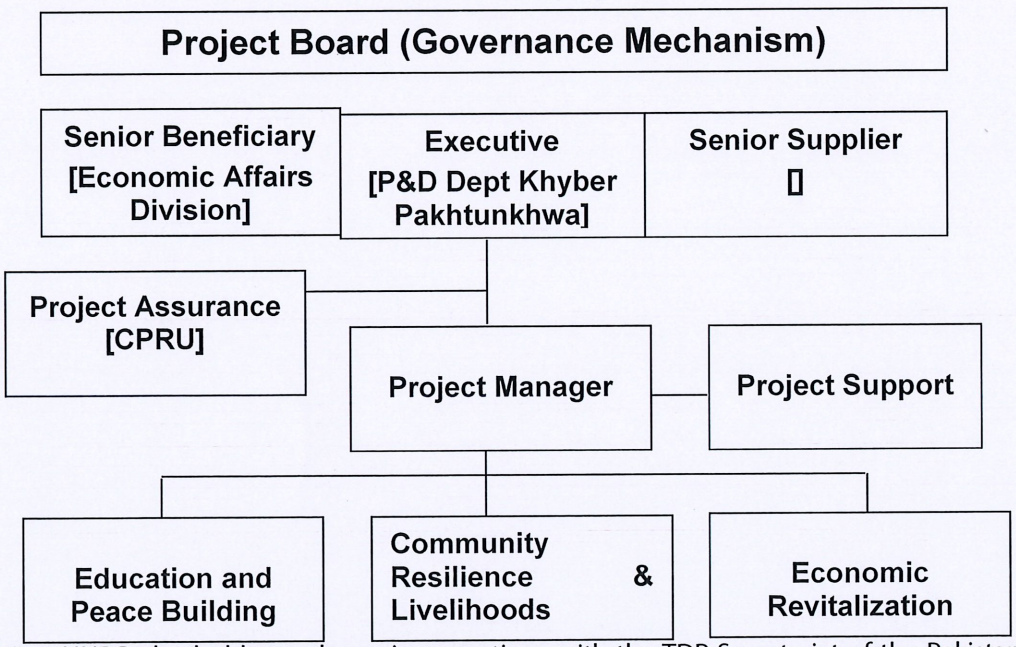
For quality programming and delivery, SDP in partnership with the Government has established the following forums:

Project Review Board (PRB): The Government has established a PRB for the project. The PRB is co-chaired by the Additional Chief Secretary KP and the Resident Representative a.i. of UNDP. The PRB meets bi-annually and the key functions of the PRB include the following:

- Approve the project work plans
- Set priority areas of interventions for TDP return areas of the NMDs
- Review physical and financial progress
- Make a decision on issues related to programme intervention
- Ensure effective coordination among all stakeholders

The PRB consists of the following members,

- Government:
  - Additional Chief Secretary, Planning & Development Department, Khyber Pakhtunkhwa (co-Chair)
  - Resident Representative a.i. UNDP (Chair)
  - Director-General, Directorate of Projects, Khyber Pakhtunkhwa
  - Chief of Staff, TDP Secretariat
  - Secretary P&DD (Member)
  - Secretary Finance (Member)
  - Secretary Law Order (Members)
  - A representative from Economic Affairs Division
  - Deputy Commissioner (Members)
- Donor partners
- Country Representatives of UN Agencies, UNOCHA, WFP, FAO, UNICEF, etc.



In addition, UNDP also holds regular review meetings with the TDP Secretariat of the Pakistan Army. A representative from DOP attends those meetings.

Directorate of Projects Review Forum: For provincial level coordination, UNDP participates in the quarterly review meetings chaired by the DOP. Physical and financial progress along with other key issues and learnings are discussed in this forum.

Project Management: The SDP team (led by the Programme Manager and overseen by the Crisis Prevention and Recovery Unit of UNDP Pakistan) is responsible for implementing the recommendations of the Project Review Board, preparing and implementing the Annual Work Plan and periodic progress reports.

Implementation Modality: In line with the lessons and results of the first phase, Direct Implementation Modality (DIM) will continue to be the implementation modality requiring adaptability and swift operations, while ensuring strong and regular coordination and partnership with the Government, national authorities and other stakeholders. All annual workplans and relevant programmatic decisions will be approved and decided by the members of the Project Review Board. DIM is subject to the programmatic and operational policies of UNDP including audit and investigation. The approximate budgetary provision for the annual or periodical audits throughout the implementation phase is part of the programme total budget.

Project Costs: According to UNDP policy, direct project costs and implementation support services will be part of the programme budget which will cover a proportionate percentage share of the UNDP Pakistan administration costs, e.g. finance, procurement and human resource, use of premises, security and management. Also, as per policy, General Management Support costs will be applied. The GMS represents costs to the organisation that are not directly attributable to specific projects or services but are necessary to fund the corporate structures, management and oversight costs of the organisation. These costs are recovered by charging a cost recovery rate, known as General Management Support (GMS) fee. As of 1st January 2014, the cost recovery rate for GMS for third-party cost sharing was raised to a minimum of 8%. Different rates are applicable to Government cost-sharing agreements (3-5%).

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VIII. LEGAL CONTEXT

Where the country has NOT signed the Standard Basic Assistance Agreement (SBAA) : 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".

IX. Risk Management

UNDP (DIM)

1. UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)

2. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the project funds 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 under this Project Document.

3. Consistent with UNDP's Programme and Operations Policies and Procedures, 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, 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. Each responsible party, subcontractor or sub-recipient agrees that, where applicable, donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities which are the subject of the Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

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.

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

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

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

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

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

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

6. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to the government on a timely basis a supplementary estimate showing the further financing that will be necessary. The Government shall use its best endeavors to obtain the additional funds required.

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

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

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

The contribution shall be charged:

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

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

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

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

X. ANNEXES

1. **Project Quality Assurance Report**
2. **Social and Environmental Screening Template** [English][French][Spanish], including additional Social and Environmental Assessments or Management Plans as relevant. *(NOTE: The SES Screening is not required for projects in which UNDP is Administrative Agent only and/or projects comprised solely of reports, coordination of events, trainings, workshops, meetings, conferences, preparation of communication materials, strengthening capacities of partners to participate in international negotiations and conferences, partnership coordination and management of networks, or global/regional projects with no country level activities).*
3. **Risk Analysis**. Use the standard Risk Log template.
4. of capacity assessments of Implementing Partner (including HACT Micro Assessment)
5. **Project Board Terms of Reference and TORs of key management positions**

Stabilisation and Development Programme (SDP) in the Newly Merged Districts

Local Project Appraisal Committee (LPAC) Meeting Minutes

Date: 20th Sept 2019 | **Time**: 09:30-11:00 | **Venue**: UNDP Conference room, Serena Business Centre, Islamabad	
Chair	Ignacio Artaza, Resident Representative a.i UNDP
Participants	Sabeen Usman Khattak, Deputy Secretary, Economic Affairs Division; Khalid Ilyas, Director General, Directorate of Projects; Tanya Rzehak, Programme Manager UNDP; Mustafa Mahmood, Program Officer, UNDP; Abdul Haseeb, National Technical Specialist UNDP.
Introduction Remarks	Ignacio opened the meeting and thanked all members for participation and engagement. He briefed the forum on overall achievement of the programme. Over the past four years the FATA Transition and Recovery Programme (FTRP) was successful in mobilising funds to support recovery and rehabilitation efforts for returning populations in erstwhile FATA. In response to the evolving environment and emerging needs, the programme is shifting its focus to economic growth and longer-term development. Following the merger into KP, the programme will re-align its priorities with the Tribal Decade Strategy (2020-2030) and support the Government's policies aiming at development and growth of the Newly Merged Districts (NMDs) of KP. Accordingly, the name will be changed to "Stabilisation and Development Programme" (SDP).
Discussion and Decisions	Tanya provided an overview of the project document and strategic priorities of the programme for the period 2019-2022. - Since inception, the programme has gone through a transition in its development approach. The programme was initiated as an early recovery model to respond to the needs of the returning population. In response to the changing environment and emerging needs, the programme focus is moving towards enhancing sustainable economic growth. - The program has implemented interventions with funding from USAID, DFID, Government of Japan, Central Emergency Response Fund (CERF) and Government of Canada. - SDP will continue to support the Government's priorities for the NMDs, and will align its interventions with the TDS. - The programme will have four outputs: Output 1: Communities engaged to promote social cohesion and participate actively in the rehabilitation process; Output 2: Improved livelihoods opportunities created for the population of the NMDs; Output 3: Improved access to basic services;

Output 4: Economic and social empowerment of women promoted and strengthened.

- UNDP has added a new output (output #4) focused on economic empowerment of women in order to increase efforts to reach out to the women of the NMDs, while fully considering the specific context of the area.

Discussion and Feedback

Economic Affairs Division:
Sabeen Usman Khattak appreciated UNDP's role in development of the region. She reiterated that more resource mobilisation is required by the Government and UNDP to address the remaining funding requirements. She cautioned to proceed carefully with engaging women in the NMDs and be mindful of the cultural context.

Director General, Directorate of Projects:
Khalid Ilyas acknowledged that the programme is aligned with Accelerated Implementation Programme (AIP) and three areas of the Tribal Decade Strategy (TDS) through enhancing human capital, expanding economic infrastructure and creating sustainable economic opportunities.

The Government has finalized the AIP where priority projects have been identified and monetized. UNDP could select scheme(s) from relevant sector(s) from the AIP. The details of a working model can be discussed in a technical group. This would be an opportunity for UNDP to engage cost-sharing from the Government of KP.

The Government is providing PKR 4 billion to the Bank of Khyber for employment generation and access to micro finance. Moreover, the Government has earmarked 10% funds for the education sector.

The DG DoP appreciated the focus on increasing women participation and advised to proceed carefully bearing in mind the context in the NMDs. The gender analysis should focus on economic development context.

He noted that UNDP should diversify implementing partners base, while recognizing the challenges in identifying partners with capacity to implement large scale programmes.

UNDP:

UNDP selects its partners through open competition, and is always looking to expand its partners database. However, there is a limited number of partners with the capacity to implement large scale programmes, and a balance needs to be maintained in selection of partners.

Ignacio emphasized that UNDP has established strong systems to monitor and audit the implementing partners. If any issues are raised, UNDP informs its Headquarter and the Government counterparts.

	Ignacio reiterated the alignment of the programme for shared objectives to show quicker results and impact on the ground. He mentioned that Pakistan is a middle-income country and is signatory to the Sustainable Development Goals (SDGs). UNDP partners with the Government in implementing the development agenda. Government cost-sharing would be a strong indication of the Government's commitment and would help in engaging further support from donors.
	Decisions/Actions: 1. The project document for the Stabilisation and Development Programme (SDP) in the NMDs for implementation period 2019 – 2022 was endorsed by the LPAC. Final version of the project document is circulated with the minutes of this meetisng (attached Annex 1) 2. UNDP will identify potential sectors from the AIP, and in discussion with the DoP, explore the possibility of Government cost-sharing for the SDP programme.
Closing Remarks	Ignacio thanked the Government for their ongoing support, and looking forward to further successful cooperation in development efforts.