

UNDP RBEC Istanbul Regional Hub for Europe and the CIS
Minutes of the Virtual Local Project Appraisal Committee Review
Project: Slovak Transformation Fund

Date: 20 October 2021 – 27 October 2021

1. Attendance

Name	Title
Gerd Trogemann	Istanbul Regional Hub Manager, LPAC Chairperson
Natia Natsvlshvili	Resident Representative, UNDP in Armenia, LPAC Member
Yakup Beris	Resident Representative, UNDP in Kazakhstan, LPAC Member
Maria Suokko	Resident Representative, UNDP in Kosovo ¹ , LPAC Member
Dima Al-Khatib	Resident Representative, UNDP in Moldova, LPAC Member
Daniela Gasparikova	Resident Representative, UNDP in Montenegro, LPAC Member
Armen Grigoryan	Resident Representative, UNDP in North Macedonia, LPAC Member
Francine Pickup	Resident Representative, UNDP in Serbia, LPAC Member
Bharati Sadasivam	Gender Team Leader, IRH
Farid Garakhanov	Operations Manager, IRH
Laurence LESSIRE	Regional Communications Advisor, RBEC
Ekaterina Paniklova	Chief, COST/RP, , RBEC - Quality Assurance
Other Participants	
Mihaela Stojkoska	Chief of Strategy and Partnerships, UNDP RBEC
Niels Knudsen	Deputy Resident Representative, UNDP in Kosovo
Anas Fayyad Qarman	Deputy Resident Representative, UNDP in Serbia
Sanja Bojanic	Deputy Resident Representative, UNDP in North Macedonia
Vitalie Vremis	Deputy Resident Representative, UNDP in Kazakhstan
Andrea Cuzyova	Deputy Resident Representative, UNDP in Moldova
Miodrag Dragisic	Assistant Resident Representative, UNDP in Montenegro
Sanja Arizanovic	Project Coordinator, Open Data
Justyna Krol	CEF Project Lead, TGFF II Project Manager a.i.

2. Project Proposal is presented by: Lejla Sadiku, Regional Innovation Specialist, IRH

3. Background information on the project:
 Estimated project budget: \$2,970,000

¹ * *References to Kosovo shall be understood to be in the context of Security Council resolution 1244 (1999)*

Expected donor(s) funding: \$2,970,000 from Slovak Ministry of Finance

Planned project starting date and duration: 1 December 2021 - 31 December 2024

Geographic coverage: Eastern Europe and Central Asia

Major counterparts of the project: UNDP Country Offices

Project implementation modality: DIM

4. Summary of the “Slovak Transformation Fund”:

The main objective of the Slovak Transformation Fund is to provide a capability for system transformation – by deploying systemic approaches, engaging in co-creation processes, strengthening local ecosystems, and leveraging innovative sources of financing. The project is set against the background of the COVID-19 pandemic, and builds on the lessons learned and successes of the previous projects [TGFF I \(2015-2017\)](#) and [TGFF II \(2018-2021\)](#).

The project is based on two key components:

1. **BOOST**, which focuses on accelerating the development of solutions and organisations that address selected challenges;
2. **System transformation acceleration**, which focuses on urban transformation & exploration of innovative financing mechanisms.

These, in turn, will be complemented by several cross-cutting workstreams, including learning, finance and data innovation and governance.

The **specific objectives** are to:

1. Accelerate development of innovative solutions in selected locations (i.e., city) or problem areas (i.e., COVID-19 recovery) in order to strengthen relevant innovation ecosystems;
2. Design, implement and dynamically manage portfolios of interventions in 5 cities from the second cohort of the City Experiment Fund and 2 cities from the third cohort (to be selected in Phase III of the project);
3. Build capabilities for facilitating processes of portfolio design and management in the context of urban transformation, at the country office and city level;
4. Identify, explore and test out innovative financial mechanisms that leverage diverse resources.

This version of the project document reflects your earlier feedback and comments. The total financing for the project is \$2,970,000.

The project has undergone the mandatory QA Assessment.

5. Summary of LPAC member comments

The key comments from the LPAC members are summarized below:

- 1) **Strengthening capability and ownership at the country level:** ensuring that resources are associated to the country offices, that there is project staff dedicated at the country level, and to make sure that the delivery is going to the COs;
- 2) **Strengthening regionality** – the experience generated within the project on urban transformation, system change, finance and ecosystem support is relevant across the COs in the region;

- 3) **Gender mainstreaming** – the project is GEN2 however gender mainstreaming should be more prominent in the roll-out of the activities and in the monitoring and evaluation.
- 4) **Clarity on the roles, responsibilities and expectations for the COs:** clarity on the continuation and potential changes from CEF in TGFF 2 to the new phase, and the implications for the COs on the new possibilities opened with STF, as for example support for roll-out of financial mechanisms.

A detailed comments log is annexed to this document.

6. Final LPAC recommendation:

No objections were raised regarding the project. The project design is of sufficient quality to move to the implementation stage. A detailed comments log is in the Annex 1 to this document.

Prepared by:

Lejla Sadiku, Regional Innovation Specialist, IRH

DocuSigned by:

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Cleared by:

Ekaterina Paniklova, Chief, COST/RP, Quality Assurance

DocuSigned by:

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LPAC recommendation is approved by:

Gerd Trogemann, Istanbul Regional Hub Manager, RBEC,
LPAC Chairperson

DocuSigned by:

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Annex 1: Comment Log to the draft project document “Slovak Transformation Fund”

Comments received regarding the project design	Response: Lejla Sadiku, Regional Innovation Specialist, IRH
<p>UNDP in Armenia, Tatevik Koloyan, Programme Analyst, Innovation</p> <ol style="list-style-type: none"> 1. The ProDoc budget is regional, no <u>budget allocation per country offices</u>, so looking forward to understanding the budget construct a bit more, including the funding portions per country. 2. It is also very important to know the <u>budget modality</u>: as discussed, we expect the funding to COs to be allocated using CO specific codes (Oper unit and Dept. ID) to ensure it is ‘counted’ as CO delivery. 3. Another important aspect for us is to clarify the <u>number of project staff per CO</u> - in our earlier discussions we have stressed the need to have one full time task lead/coordinator, and a part-time assistant. 4. The regional project involves 5 countries, so it would be important for each CO to understand (ideally, also participate in the formulation of) the <u>key targets per country</u> (quantitative and qualitative). Or pls advise if this shall be done at further/inception phase by each CO separately? Same comment as above is for the <u>risks per country</u>, which again are different can perhaps should be somehow factored in at inception phase? 	<ol style="list-style-type: none"> 1. The funding proportion will be clarified in the first quarter of 2022 upon the approval of the new workplan by the project board. In principle, all COs will be awarded a fund for portfolio activation, pooled technical assistance, and one NPSA contract holder. 2. This comment has been noted and will be reflected in the Delegation of Authority. 3. Each CO will be able to hire an NPSA as Project Officer. Within the current budget, it will be difficult to have additional team members paid from the budget. 4. Individual country level risks and targets can be set during the inception phase, in collaboration between the IRH teams and the CO teams.
<p>UNDP in Kazakhstan, Vitalie Vremis, Deputy Resident Representative</p> <ol style="list-style-type: none"> 1. Our team’s inputs were indeed included and we have no objection. 	<ol style="list-style-type: none"> 1. Thank you.
<p>Kosovo Office, Niels Knudsen</p> <ol style="list-style-type: none"> 1) The proposal in general has highlighted contribution to gender equality and has adopted a gender-sensitive approach in unpacking challenges, understanding the 	<ol style="list-style-type: none"> 1) During the inception phase the COs will work on setting individual risks and targets, that should be gender sensitive. In addition, during the iteration of the portfolio a distinct

<p>gender dynamics, inclusion of women and women perspectives in designing initiatives, and ensuring that designed initiatives address the distinct challenges that women face. However, it does not have a very elaborated gender mainstreaming per se and elaboration on gender disaggregated targets in the M&E section. For Kosovo specifically there was limited gender perspective brought to the Kosovo context and UNDP's work that contributes to gender-equality and women's empowerment, which is recommended to be addressed in the project implementation phase.</p>	<p>effort will be made to include women voices, reflect women's need and create opportunities for women. BOOST, on the other hand, has been structured around supporting women needs in the tech sector.</p>
<p>UNDP in Moldova , Dima Al-Khatib, Resident Representative</p> <ol style="list-style-type: none"> 1) To reinforce the inter-country learning from the Accelerated urban system transformation from the selected/identified countries. 2) To include and support/build capacities for robust impact evaluation in the key components of the initiative 	<ol style="list-style-type: none"> 1) All COs will be invited to join a community of practice on urban transformation. There is an already growing community between the Mayors for Economic Growth Facility and the City Experiment Fund projects. 2) Sensemaking, as a way to qualitatively make sense of the initiatives, will take place on quarterly basis. Additional capacity is envisioned for the M&E.
<p>UNDP in Montenegro, Aleksandra Kikovic, Programme Manager</p> <ol style="list-style-type: none"> 1. We confirm that we already provided comments to the draft document, and noted that all of them were adopted and incorporated. We are happy to say that endorsement from our side is once again confirmed. 	<ol style="list-style-type: none"> 1. Thank you!
<p>UNDP in North Macedonia, Sanja Bojanic Deputy Resident Representative</p> <ol style="list-style-type: none"> 1. In the ProDoc it is mentioned that the Strategic innovation Unit will be replicating the portfolio model in the area of Future of Work and Sustainable Tourism , does this mean that in TGFF 2 we need to focus more on one of these two areas and replicate the metamodel (Agora) within our already developed portfolio? - in our case this will be to focus more on biohacking as a future job? 2. In the ProDoc it is mentioned that " New financing mechanisms are going to be explored in order to better employ underutilized local resources and engage in financing previously inaccessible partners". 	<ol style="list-style-type: none"> 1. The COs are expected to continue building and iterating on the existing portfolios. If there is a need to change the direction of the portfolio that can be done, however there is no expectation to utilize new models but rather to go deeper in the existing one. In your case, this will mean working o 2. We are considering a couple of options: support testing of outcome based mechanisms at the country level, building on the experience from Armenia and the SIB curriculum, supporting COs on the development of pooled portfolio funds, and exploration of other mechanisms (especially use of crypto). In principle, this may come

<p>Can you give few hints how this modality will look like?</p> <p>3. For the first output, and our involvement in the Boost program. Will there be an expectation that those activities follow the intervention points we have identified within the previous iteration of the CEF project [interventions around bio-waste]? or shall we plan to frame the open call theme on some new theme?</p>	<p>primarily in the form of technical assistance to test out the mechanisms.</p> <p>3. On one hand, BOOST will run regional calls, where we plan to collaborate and coordinate with all COs, and continue to develop tools and mechanisms for acceleration. We are seeking synergies with BOOST and CEF. One of them could be utilizing the platform to launch the calls. The structure of your portfolio, however, is reliant primarily on the iteration of your portfolio.</p>
<p>UNDP in Serbia, Sanja Arizanovic, Project Coordinator</p> <p>1. The ProDoc looks very good, we don't have any inputs/comments. Looking forward to its kick off and future collaboration!</p>	<p>1. Thank you.</p>