

PROGRAMME & PROJECT CYCLE MANAGEMENT MANUAL



UN-HABITAT

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FOREWORD

It is with great pleasure that I can finally introduce this Manual for Programme and Project Cycle Management to you. I believe it is the first time in the history of UN-HABITAT that such a manual sees the light of day.

UN-HABITAT like many other UN agencies, is both a recipient of funds for the implementation of various projects and programmes under its Work Programme, as well as a trustee of donor funds that are subsequently given to the various UN-HABITAT partners for implementation. In all cases I believe our work will be made easier and more efficient if project preparation and management are streamlined and follow standardised formats. It will be more predictable for donors, recipients, programme officers and management alike. Therefore, I welcomed the idea of producing a manual exclusively for UN-HABITAT, to streamline management of our projects and programmes. This manual is the tool to ensure that the different stages of the project cycle are the same for all projects and programmes, and that the project documents, agreements, budgets and other documents all follow the same pattern. The formats provided in this manual are compulsory except in situations where our donors insist that other formats be used. However, I appeal to donors for flexibility where possible, in order to enable UN-HABITAT to use its own rules and regulations, best suited to its project cycle. The formats in this manual will apply to projects that draw funds from the Habitat Foundation (earmarked and non-earmarked), and funds for technical co-operation. Presently this amounts to approximately a total of 37 million USD per year. By using this manual, you will be reminded of key areas for attention, such as involvement of stakeholders, particularly women, identification of goals and activities, to allocate funds for monitoring and evaluation at the project planning stage, an important element often forgotten, and other important steps in the process. The manual also provides criteria to be followed in identifying appropriate partners for effective implementation of UN-HABITAT projects. The formats and the checklists in this manual will assist you in following the project cycle in a holistic way.

I would like to take this opportunity to thank the staff members who have tirelessly worked on this manual on top of their many other responsibilities, and have brought a long process to a conclusion. They are Sandra Baffoe-Bonnie, Mohamed El-Sioufi, Rosemary Kiragu, Ole Lyse, Naison Mutizwa-Mangiza, and not the least, the Co-ordinator for Monitoring and Evaluation, Pippi G. Soegaard who was the one to take the initiative to produce such a Manual, and has led the group through challenging times. The exercise also benefited from input by the UN-HABITAT Legal Advisor, Antonio de Zubillaga. I am grateful to a number of other staff members, who have shared their views and given inputs to the final text. Thanks also go to Susanne Wadstein who introduced the Logical Framework Approach, to Liz Case, for editing the manual, to Esther Naibei for secretarial assistance and to ISS for layout and assistance with printing.

This is OUR Manual. Let us use it.

Dr. Anna Kajumulo Tibaijuka,
Under Secretary General and Executive Director - UN-HABITAT
Nairobi, June 2003.

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INTRODUCTION

Why a Programme and Project Management Cycle Manual?

The Programme and Project Cycle Management Manual has grown from the need for a united UN-HABITAT approach to the formulation and implementation of new programmes and projects. This Manual is designed to streamline UN-HABITAT activities and should be used as a tool for moving through the steps of the project cycle¹. The Annexes provide standard formats for a variety of agreements, the Project Document, Budgets, Requests for Funding, and others. The different stages of the project cycle described as well as the standard documents provided in the Annexes should be followed in all projects and programmes².

The UN-HABITAT Project Cycle: An Overview

This Manual is based on and designed to accommodate all types of projects undertaken by UN-HABITAT, including normative, training, research and operational projects. Each of the six phases in the cycle has been subdivided into two sub-phases so that UN-HABITAT's Project Cycle now includes the following (Figure 1 on page 7 illustrates the relationships between them)³:

- | | | |
|----|----------------------------|---------------------------|
| 1. | Programming | |
| | 1.1 Policy & Up-Scaling | 1.2 Project Request |
| 2. | Identification | |
| | 2.1 Project Identification | 2.2 Project Design |
| 3. | Formulation | |
| | 3.1 Project Appraisal | 3.2 Project Document |
| 4. | Project Approval: | |
| | 4.1 Project Approval | 4.2 Funding Agreed |
| 5. | Implementation | |
| | 5.1 Start Implementation | 5.2 Monitoring and Review |
| 6. | Evaluation | |
| | 6.1 Project Completion | 6.2 Lessons Learned |

The UN-HABITAT "Monitoring and Evaluation Guide" is supplementary to this Manual, and should be used during the Implementation and Evaluation phases (5 and 6) of the cycle.

¹ For the sake of simplicity, the term "Project" will be used to signify both projects and programmes.

² In cases where the procedures described in this Manual are not adhered to, because it is not feasible or practical for various reasons, an explanation should be given in the Project Document.

³ The Project Cycle Management (PCM) of the European Commission has been used as a guide in formulating the UN-HABITAT Project Cycle.

1. PROGRAMMING

1.1 POLICY & UP-SCALING

UN-HABITAT's policy and work programme, as well as positive feedback from successful projects, are important inputs that lead to the exploration of possibilities for policy review and up-scaling to national/regional levels & replication.

1.2 PROJECT REQUEST

Project request includes policy support projects (those projects designed within the context of the official mandates that guide the work of UN-HABITAT) and demand-led projects (based on requests from national/local governments for policy advice and technical support).

2. IDENTIFICATION

2.1 PROJECT IDENTIFICATION

Project identification could happen through a desk review, although would preferably be done through a field mission to understand the issues to be addressed. Previous efforts are to be explored, stakeholders identified as partners in the project identification, design and implementation. Through this process, issues, problems and objectives are to be clearly identified providing a framework for project design.

2.2 PROJECT DESIGN

Project design should be done in a collaborative fashion including key stakeholders, prospective donor/s, UN-HABITAT staff (those directly involved in the project design as well as consulting those from specialised sections/units with relevant know-how, competence and specialisation), and others. The design will build on the identification phase by exploring the modalities of intervention, institutional arrangements and the legal framework among others. This will set out the overall design framework of the project that will guide the following formulation phase.

3. FORMULATION

3.1 PROJECT APPRAISAL

Now the project formulation phase will commence, using the Logical Framework Approach (LFA). This phase will appraise and elaborate on the goal, purpose, outputs, activities, construct indicators and means of verification, involving all the stakeholders.

3.2 PROJECT DOCUMENT FINAL DRAFT

The Project Document should follow a format acceptable to all partners with detailed budget and supporting documentation.

4. PROJECT APPROVAL

4.1 PROJECT DOCUMENT APPROVAL

The final draft project document should be circulated for feedback to all partners including the UN-HABITAT Programme Review Committee (PRC). PRC comments and approval are required for each project. The approval exercise is an opportunity to test new concepts and operationalize the normative work of UN-HABITAT.

4.2 FUNDING AGREED

Once the Project Document, including the budget, is approved by all parties, and funding sources have been secured, Agreements must be signed. Funds should then be availed to the implementing unit within UN-HABITAT and consequently to the executing partner in the field (Local Authority, NGO) as per the implementation work plan.

5. IMPLEMENTATION

5.1 START IMPLEMENTATION

With the funds in hand, project implementation commences. The implementing partners, project staff and all actors are mobilised. Subcontracts and agreements are signed and all activities commence according to the work plan specified in the project document.

5.2 MONITORING AND REVIEW

UN-HABITAT headquarters and regional office staff back-stop the project during implementation. Monitoring, follow-up and review of the project activities take place throughout. This is done against the indicators elaborated in the project document and progress reports and annual/mid-term reviews are prepared to document and measure progress. Monitoring and review should be utilized as a management tool to ensure that the project is on track to meet its objectives and to ensure success.

6. EVALUATION

6.1 PROJECT COMPLETION

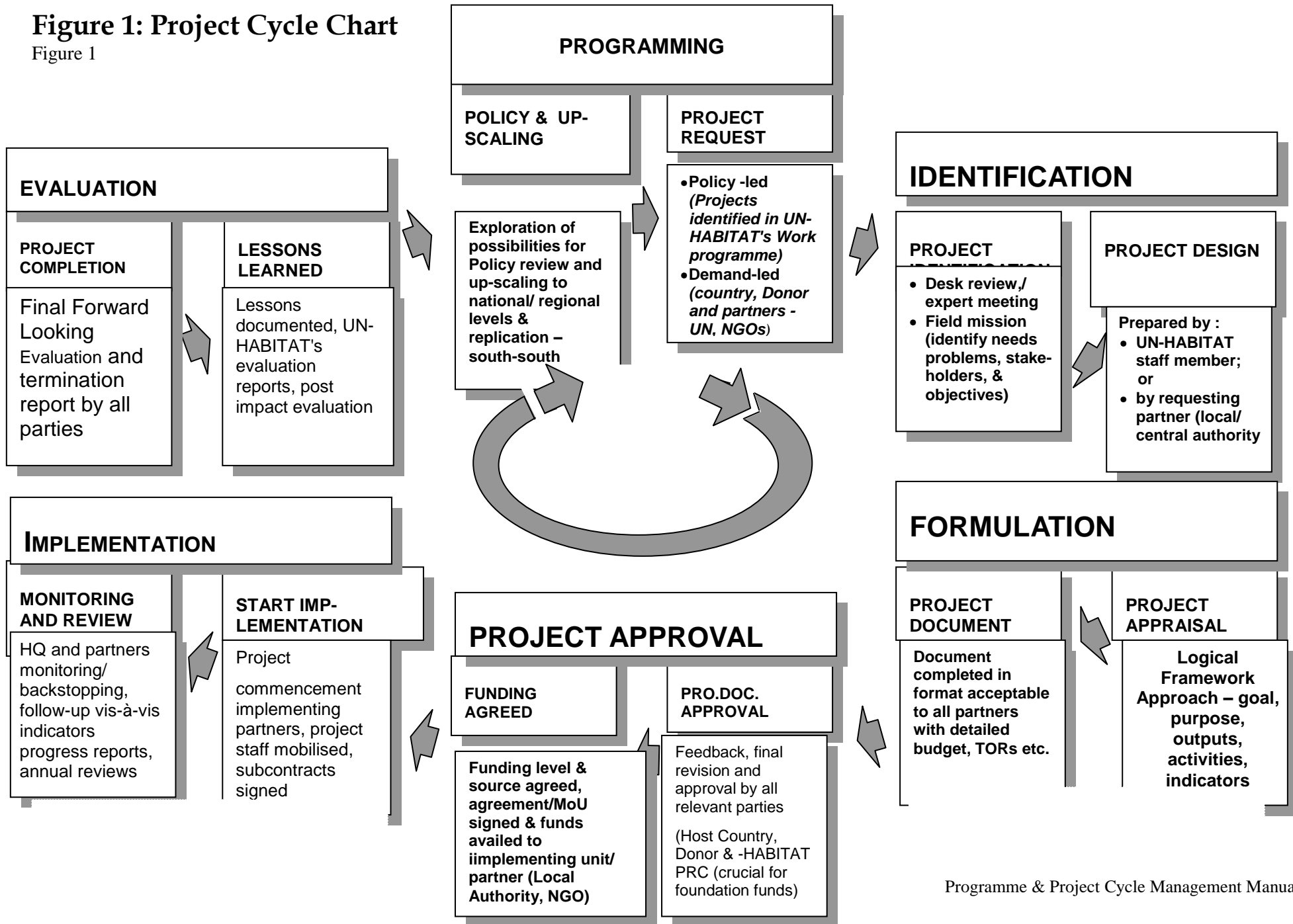
A final forward-looking evaluation (by independent evaluators) and project termination report (by the project manager) are prepared once the project activities are completed. All parties take part in the preparation of the final report. The Final Report should be structured similar to the Project Document, for easy reference.

6.2 LESSONS LEARNED

Lessons learned should be documented as part of the evaluation or whenever possible in post-impact evaluation studies. The benefit of this exercise is to feed into UN-HABITAT's policy formulation as well as to give guidance to the project partners for their future activities. This phase feeds into the programming phase (phase 1 above) and the cycle starts again.

Figure 1: Project Cycle Chart

Figure 1



The Logical Framework Approach: Managing the UN-HABITAT Project Cycle

The UN-HABITAT Project Cycle will be managed throughout using the Logical Framework Approach (LFA). It is often referred to as the Log-Frame, and is an approach applied to systematically design and manage development interventions in a logical and coherent way. It enables participation of key stakeholder groups in the crucial stages of project identification, design and management.

In essence, LFA is applied to help identify and clarify problems, and to best determine overall goals, purposes, results, activities and inputs, and their logical linkages through measuring efficiency, effects on target groups and long term impact. It thus enables better co-ordination, monitoring and evaluation of the various project interventions. LFA is a key instrument in project cycle management and especially in the Project Identification and Design, Appraisal, Implementation, Monitoring and Evaluation stages.

The Logical Framework Approach has three key features: Stakeholder or 'Target Groups' Participation, Analysis and Logical Formulation. Participation by key stakeholders in all stages of the project cycle is important to enable and build shared ownership and consensus of a project's goal. The approach must clarify the political and socio-economic environment and the assumptions on which the project is based, as well as the project purpose (objectives). The iterative sequencing and linking of the various phases of the project cycle are presented in a logical structure that allows transparency and ease of review (see Figure 2).

Summary

The introduction and brief descriptions above show the main steps of the UN-HABITAT Project Cycle and the Logical Framework Approach used to manage it. The following sections of this Manual explore each of those steps in detail and provides guidelines and checklists for the management both of the stages and the project cycle as a whole, using the LFA. Formats and templates to support the required outputs are all available in the Annexes.

THE UN-HABITAT PROJECT & PROGRAMME CYCLE

1. Programming

1.1 Policy & Up-Scaling

UN-HABITAT policy and work programme is developed based on the Habitat Agenda, the Governing Council's requests and interests and the priorities of member states, identified through policy and expert group meetings. Global and regional requests as well as UN-HABITAT branches and units formulate policies into a biennial work programme that is adopted by the Governing Council, thus approving direction for interventions in the form of policy studies, research, training materials and operational projects.

Successful operational projects and pilot projects, once completed and evaluated, may be ready for replication and up-scaling. Evaluation recommendations should focus on the lessons learnt and the viability of replication and/or up-scaling as well as giving directions towards this end. These recommendations feed into the next cycle of programming and set a basis for a project request. With experience gained and capacities built locally, usually these up-scaling and replication programmes are designed with reduced or minimum technical support except for institutional and legislative development. Local partners therefore usually implement the majority of project activities. Furthermore, in transferring the experiences from context to context, it is preferable to encourage south-south co-operation whereby the newly acquired capacities could be transferred through exchange visits, internships, seminars and other modalities of transfer of experiences. UN-HABITAT through its best practices programme and Regional and Technical Cooperation Division and Regional Offices is well placed to sponsor such exchange mechanisms through identifying, matching and effecting such exchanges.

UN-HABITAT's policy and work programme as well as positive feedback from successful projects are important inputs that lead to the exploration of possibilities for Policy review and up-scaling to national/regional levels & replication.

1.2 Project Request

- Policy-led (Projects identified in UN-HABITAT's Work programme)
- Demand-led (demands for support received by UN-HABITAT for technical co-operation from local/national governments etc.)

Policy-led projects may be defined as projects designed within the context of the official mandates that guide the work of UN-HABITAT. These projects can be seen as promoting the official policies of UN-HABITAT. Each of the main sources (or mandate documents) of policy-support projects are briefly outlined below.

(a) Short-term Mandate

The short-term mandate of UN-HABITAT is the Biennial Work Programme, officially known as the "Programme Budget". This document is prepared by the agency and approved, in sequential stages, by the Human Settlements Governing Council and the General Assembly of the United Nations. It is a

binding document and it constitutes the basis on which the UN headquarters assesses UN-HABITAT's performance at the end of every two years. The Work Programme is presently organised into two sub-programmes, "Adequate Shelter for All" and "Sustainable Human Settlements Development, which will change into the following four sub-programmes by the beginning of the biennium 2004-2005:

1. Shelter and Sustainable Human Settlements Development
2. Monitoring the Habitat Agenda
3. Regional and Technical Co-operation
4. Financing Human Settlements

The four sub-programmes will correspond to the divisions in UN-HABITAT, and thus structure our work better. For each sub-programme, the programme Budget indicates its main objective, the implementation strategy to be pursued, the sub-programme's expected accomplishments, the performance indicators for measuring the extent to which the specified accomplishments are realised, and the specific outputs to be delivered. The project proposal should cite the specific sub-programme under which the project falls, the objective of the sub-programme, as well as the title and number of the specific output (or outputs) intended to be delivered by the project.

(b) Medium-term Mandate

The medium-term mandate of UN-HABITAT is the Medium-term Plan. This document covers a four-year period and provides the overall framework within which the Biennial Programme Budget is formulated. Like the Biennial Programme Budget, this document is prepared by UN-HABITAT and is approved by the Governing Council and the General Assembly. While most policy-led projects will be designed to deliver outputs specifically mentioned in the Programme Budget, there will certainly be some projects that cannot be justified on the basis of the Biennial Programme Budget, perhaps because they are a response to a very new problem, or because a given donor has provided earmarked financial resources for the project. In such situations, care should be taken to ensure that such projects at least fall within the mandate of the Medium-term Plan. In this case, the specific sub-programme and sub-programme objective (as given in the Medium-term Plan) relevant to the project should be cited.

(c) Long-term Mandate

The long-term mandate of UN-HABITAT is the Habitat Agenda, adopted by Governments at the United Nations Conference on Human Settlements (Habitat II) in Istanbul, Turkey, in June 1996. This document is very wide in scope and provides a very broad mandate for all projects implemented by UN-HABITAT. Project proposals should cite the specific chapter, part and paragraphs of the Agenda relevant to the proposed project. Other agendas of international UN conferences/summits (such as Agenda 21 and the Millennium Development Goals) relevant to the proposed project, should also be cited in the same way.

(d) Other Relevant Mandates

Other relevant mandates are mainly in the form of resolutions and decisions of UN policy-making bodies, especially the Human Settlements Governing Council, ECOSOC and the General Assembly. Human settlements resolutions adopted by these bodies are usually very specific in terms of the actions that UN-HABITAT is required to pursue as follow-up. Governing Council (GC) resolutions are particularly important in the implementation of our programme activities, because the Executive Director is required to report on progress made in the implementation of all such resolutions during every

session of the GC (i.e. once every two years). GC, ECOSOC and General Assembly resolutions also form the basis on which many new elements are incorporated into UN-HABITAT's medium-term plans and biennial programme budgets. In preparing proposals for projects designed as follow-up to such resolutions, the policy body that made the resolution, the title and date of the resolution, as well as the specific paragraphs relevant to the project should be cited.

Demand-led projects are based on requests received by UN-HABITAT for policy advice and technical support in the form of operational projects. Such requests come from national/local governments, NGOs or CBOs either directly or through the UNDP country offices, donors or other partners including UN sister agencies or the World Bank. Several conditions should be met for a project request to be considered in order to be included in our workplan and portfolio of projects. First of all the project should be in line with the Habitat Agenda and the general policy of UN-HABITAT as well as the current focus of activities undertaken by one or more of its campaigns, programmes, branches or units. There should be a commitment by the partners in development (target receiving support and a donor financing the activities). Some seed funding should be available to be able to proceed with the following steps of project identification and formulation. In most cases, a high probability of funding of the project activities to be implemented should also be more or less guaranteed. UN-HABITAT could also, through one of its ongoing programmes, advance funds to set-up a new programme or project if donors show an interest in following-up the funding.

At this stage, some kind of commitment from a potential donor is essential, and an agreement between the recipient of support (national or local government) and a potential donor could be made out. This could take the form of a letter of intent, memorandum of understanding, or better still, a small agreement for the development of a project (identification, design, appraisal and project document) in the form of an agreement or a "Support for Programme and Project Development" (SPPD) from UNDP.

2. Identification Phase

2.1 Project Identification

Policy-led Projects

UN-HABITAT's biennial programme budget (commonly referred to as the Work Programme) specifies, for each sub-programme, the following elements:

- Sub-programme objective;
- Expected accomplishments of the sub-programme;
- Indicators of achievement, usually one for each expected accomplishment, and;
- Outputs related to each expected accomplishment.

The above elements constitute the starting point for the identification of policy-led projects. Project identification entails identification of the needs, problems and objectives that the project intends to address, as well as the stakeholders involved in the implementation of the project. For most policy-led projects, this can be achieved either through a desk review or through an expert group meeting. A desk review involves a review of existing background literature in the area addressed by the project, including documents on past and present projects, such as project documents and evaluation reports. An expert group meeting is an alternative way of obtaining the same information. By bringing together experts in the project area, one can directly access the knowledge necessary for project identification. Experts invited to such meetings should include both theory experts and field/implementation experts.

Needs and problems to be addressed by policy-led projects can be inferred from both the sub-programme objective and the expected accomplishment, as well as from the sub-programme's introductory narrative which outlines, in general terms, the problems that the sub-programme intends to address. Deeper understanding of both needs and problems can be achieved through a desk review of available literature and documents, or through an expert group meeting.

The project objective, or objectives, should be based on the expected accomplishment. The expected accomplishment, as specified in the Programme Budget, can be used directly as the project objective. Alternatively, more refined or focused project objectives may be formulated on the basis of the expected accomplishment. Again, a thorough desk review, or an expert group meeting, can help in the formulation of more focused project objectives.

Identification of project stakeholders comes out of a clear understanding (through a desk review or an expert group meeting) of the problem area to be addressed by the project, including the nature of the problem, its magnitude, its causes and manifestations. Review of past and present work in the problem area is particularly useful in identifying the different stakeholders involved, including the people affected by the problem (i.e. potential beneficiaries), those causing the problem, those who have critical decision-making roles to play in the resolution of the problem and possible co-implementers of the project.

Demand-led Projects

In the case of demand-led projects, once a request has been accepted, the next step is project identification. This should preferably be undertaken through a field mission. If the project is small and no funds are available for an identification mission, then the identification could be done based on a desk review. This phase focuses on elaborating and understanding of the context, issues and problems to be addressed. Previous activities and efforts done in this and other relevant fields are to be explored in order to avoid duplication, to build on previous efforts, learn from successes and failures and orient the project in the correct direction.

Identification of stakeholders and a variety of interested parties is essential at this point as some of them could throw light on the issues and probably be part of the project identification as well as the design and possibly the implementation. Such actors include politicians, the mass media, beneficiaries, local authorities, civil society and the private sector. Actors who cause the problem, are affected by it and might provide potential keys to the solution should all be identified and contacted. Through this process, issues, problems and objectives are to be clearly identified. This will provide a clear framework for project design. Within the Logical Framework Approach (LFA), the local identification and appraisal analysis is to be undertaken in this phase (see Phase 3 for details).

2.2 Project Design

Project design should be done in a collaborative way through a participatory approach including the requesting party/ies, the key stakeholders, the prospective donor/s and UN-HABITAT staff directly involved in the project design. During this phase, other units within UN-HABITAT that have relevant knowledge, competence and specialisation should be consulted. This will ensure that the project will be in line with the latest policies, strategies, methodologies and approaches that have been tested and are streamlined with UN-HABITAT's philosophy and normative work.

More and more, UN-HABITAT field operations are moving away from stand-alone projects in favour of more comprehensive programmatic interventions. Such programmes aim at addressing the concerns agreed upon by the Member States, particularly those encapsulated in the two Global Campaigns for Secure Tenure and Urban Governance. This ensures that the programme developed will link closely with the normative work being developed by UN-HABITAT. Establishing this relationship early will benefit the programme with inputs from the normative work of UN-HABITAT, including tools developed by the relevant units. Furthermore, operational activities will provide feedback from the field to verify, validate and test some of the new concepts. This relationship will also provide the normative aspects with guidelines on how to operationalize these concepts at the national and local levels.

The design will build on the identification phase by exploring the modalities of intervention, institutional arrangements and a legal framework, among others. This will set out the overall design framework of the project that will guide the following formulation phase.

3. Formulation phase

3.1 Project Appraisal

The Logical Framework Approach or LFA, often also referred to as the Log-Frame, is an approach applied to systematically design and manage development interventions in a logical and coherent way.

The Logical Framework Approach has three key features:

- One. Local identification, establishing baseline data and information through pre-appraisal and preliminary project design. Stakeholder or 'target groups' participate in all stages including identification and preliminary design;
- Two. A number of Appraisal Analyses, and;
- Three. Participatory Formulation through producing the Project Planning Matrix (see table below); essentially, a logical step-by-step formulation.

Participation by key stakeholders in the project cycle is important to enable and build local ownership and consensus of a project's goal. Analysis enhances understanding of the problems and helps different stakeholders to agree on priorities and commit themselves to contribution and involvement, thus making identification of objectives and interventions more realistic. The approach must clarify the political and socio-economic environment and the assumptions on which the project is based, as well as the project purposes (objectives). The iterative sequencing and linking of the various phases of the project cycle are presented in a logical structure that allows transparency and ease of review (please see Figure 2 below).

An LFA Appraisal Workshop serves as the facility and means to input results of step one and to elaborate on and further clarify information and background in the process of undertaking in steps two and three.

In the interest of time and resources, it is preferable that the identification phase as much as possible determines whether a project idea is feasible or not. However, the more comprehensive and analytical the formulation phase is, it may still come to the conclusion that a project is NOT feasible.

Step One: Identification and Pre-appraisal

The Project Identification and Design sub-phases have already been described in the previous chapter, specifically for the two main types of projects.

Policy-led projects may benefit less from an LFA-process as identification of stakeholders and issues to be addressed often come out of agency desk reviews and expert group meetings.

For demand-led projects from partners in the field, it is important to have a clear and deliberate trust in LOCAL involvement. It is highly preferable that a local team puts together a 'first go' on a project outline, which identifies the immediate key actors, gives background information, the problem to be addressed, its main causes and effects and the desirable end-of-project situation as seen locally and including needs for baseline surveys and assessments to be further undertaken. The local project outline is a good basis for undertaking a pre-appraisal mission, possibly done jointly with other support partners already on the ground or those who have stated their interest in collaboration.

If the funds allow, it would be useful if all identification-findings could be further discussed in a one-day pre-appraisal workshop with key stakeholders, including local and international partners. Its outcome would help towards a more complete preliminary design and clarify information/commitment still needed, resources needed/available and surveys and assessments still to be undertaken, including risk elements - in short, its feasibility. Provided the project proposal is still found feasible, this would lead to the more comprehensive formulation phase as follows:

Step Two: Stakeholder Analysis

This entails identifying the key stakeholders (who are affected by/contribute to the situation), determining their respective concerns in the issues that the project seeks to address as well as their relationships and potential roles. Further analysis would focus on clarification of immediate and ultimate target groups and classification in socio-economic and gender categories, as well as geographical locations. It is important to distinguish between poor and more well-off categories of stakeholders, and within each socio-economic group, identify the different views of women and men respectively, and ensure the participation of groups of women, youth and other vulnerable categories of stakeholders. Remember that not all women have the same views and concerns simply because they are women.

Step Three: Problem Analysis

Analyzing the problems and issues that the project seeks to address requires clarification of their causes and impacts as well as the factors that constrain their solutions, together with identifying the stakeholder groups mostly affected. This analysis can be enriched by a review of the socio-political (including age and gender) and economic contexts of the various problems/issues.

Objective/Output Analysis

There are three key levels for any intervention:

Overall objectives or development goals should explain why the anticipated interventions are required in the broader development context. The goals are broad, general and long-term. They can be

achieved through interplay of various factors, interventions and actors, out of which the interventions of the project at hand are only a part. The goal should reflect the wider impact and long term benefits by ultimate target groups, as a result of changes in attitude, behaviour and performance of other immediate target groups.

Project objectives or purposes should explain why the project interventions are necessary for the immediate target groups. They explain the anticipated results or outcome of the project interventions - the effects - of those target groups' changes in attitude, behaviour and performance as a result of using the project outputs made available to them. Objectives are medium-term.

Project outputs are the delivery of goods and services produced and made available to target groups, when efficiently making use of the project inputs through its activities. Outputs have a short-term project related timeline.

Risk Analysis

This entails assessing both *internal* and *external* risks. The internal risks are the risks caused by or inherent within the project. These include conflicts between stakeholder groups, delays in critical fixed timelines and deadlines, as well as resource availability. Internal risks can also be caused by insufficient information and lack of commitment by decision-makers.

External risks are factors outside the influence of the project, and include i.e. political changes, donor priority changes, armed conflict, natural disasters, etc.

Implementation Analysis (or analysis of the Work Plan/Plan of Operations- see Figure 4)

The work plan is the summary plan of operations/activities (resulting as details from the project matrix (see below) at the end of the planning exercise). The work plan has to be carried out in order to produce the outputs (also defined in the matrix) over a certain time line. All resources needed in terms of personnel, equipment and finances are specified during the planning phase and linked to the activities. The required resources (and identification of the committed sources) must be carefully analyzed with relevance to the planned activities.

Sustainability Analysis

The sustainability of any intervention is analyzed primarily in terms of the local capacity to sustain the interventions after the end of the project. This can be determined by reviewing political commitment, institutional capacity and anticipated changes, and resources (both human and financial). The intervention should also be environmentally sustainable.

Project Planning Matrix

The matrix is basically a one-sheet summary of the project, and as such a summary of the outcome of the LFA workshop (see below). Through the columns of the matrix the project should be outlined step by step, to make all activities and inputs clear and easy to understand. The matrix summarizes the decisions made and the assumptions underlying them.

The Project Planning Matrix Outline

In its simplest form there are 16 cells in a 4 column by 4 row matrix as shown in Table 1 below:

Table 1: Project Planning Matrix (PPM)

| NARRATIVE SUMMARY OF OBJECTIVES AND OUTPUTS | OBJECTIVELY VERIFIABLE INDICATORS (OVI) (see also Fig. 2) | MEANS OF VERIFICATION (MOV) | ASSUMPTIONS & MAJOR RISKS |
|--|--|--|---------------------------|
| GOAL DEVELOPMENT OBJECTIVES – (<i>Long term impact and benefits</i>) | For example attained level of higher literacy, economic growth, reduced poverty, better yield etc. | Documentation of impacts, what information, in what form, by whom | |
| PURPOSE - PROJECT IMMEDIATE OBJECTIVES - (Effects at project level of making use of outputs) | List and number both OVIs and MOVs in reference to objective and output numbering | Documentation of effects, what information, in what form, by whom | |
| OUTPUTS (Efficiency of activities to produce and make outputs available) | In many cases it is useful to have several OVIs | In many cases it is useful to have several MOVs per output | |
| ACTIVITIES | SPECIFICATION OF KEY INPUTS/COSTS (Such as w/months required, seminars, workshops, training; and operational inputs, etc.) | Documentation of activities, what information, in what form, by whom | |

Narrative Summary: This term is used to describe the text that "narrates" the objectives and outputs. It is also sometimes referred to as the "Project Hierarchy".

Objectively Verifiable Indicators (OVIs): These are the measures, direct or indirect, that will verify to what extent the objectives have been fulfilled. The term "objectively" implies that these should be specified in a way that is independent of possible bias of the observer (essential in monitoring, evaluation, impact assessment). Figure 2 shows the five basic dimensions of good indicators, in an 'indicators construction' matrix.

Means of Verification (MOVs): These statements specify the source of the information and documentation available for verifying the measurements specified in the indicator column.

Assumptions and Risks factors: These are important events, conditions, or decisions which are within or outside the control of the project, but which must remain favorable in order for the project objective to be satisfactorily achieved. The implication here is that the design team has an obligation to assess what might derail their efforts and to plan responsibly to reduce that risk of "derailment".

Development Objective: This is the higher level and overall long term objective to which the project is expected to contribute. The addition of the word "contribute" implies that this project *alone* is not expected to comprehensively assure that the development objective is fully achieved. This will depend also on other successful interventions and perhaps fulfillment of certain assumptions.

Immediate Objectives: These are the effects that are expected to be achieved as the result of the project delivering the planned outputs, which should be internalized by the target groups. There is a tendency for this to be expressed in terms of the "changes in attitude, behaviour, performance, procedures, delivery" of target groups, or institutions/organizations. (Keep in mind gender and socio-economic diversification of targets groups).

Outputs: These are the "deliverables", the tangible results that the project management team should be able to guarantee delivering when undertaking the planned activities, facilitated by the inputs made available to them. The respective objective statements should specify the group or organisation that is targeted to make use of specific outputs. Outputs must be delivered within a certain timeframe.

Activities: These are the project activities that have to be undertaken to most efficiently produce the outputs. These are best defined in sequence, to be undertaken at specific times, often in parallel. Critical activity paths should also be defined. These are key activities that could bring any further progress to a halt if not undertaken in time or not at all.

Inputs: These are the resources that the project needs in order to efficiently undertake the activities. These will be human resources, finances, specific expertise, materials, equipment, and time.

Vertical Logic - Fig. 2: The vertical logic is the reasoning which "connects" the three main-levels in the matrix; **efficiency and delivery** of the outputs, having **effects** through the purposes, and reaching the goal through **relevance and impact**.

Some of the above expressions and the underlying concepts are elaborated in the three figures on the following pages.

The LFA Appraisal Workshop:

The LFA workshop brings together the project's key stakeholders including possible donors, and seeks to establish a common understanding among them on the purpose of the project. Key stakeholders include, very importantly, representatives of the ultimate and immediate target groups, implementing partners, institutional and political decision-makers and funding agencies. The workshop first reviews/clarifies the data and baseline information collected during the preceding survey/pre-appraisal phases, its needs assessment and preliminary design and uses the stakeholders' elaboration and analysis' to formulate the objectives, outputs, activities and inputs for the planned intervention, resulting in compilation of the logical project matrix. The key outputs of the workshop include a common understanding of the problem tree, on the purpose of the project, analytical planning report, and the project-planning matrix including monitoring impact indicators and their verification means. Ideally such a workshop may span several days, and will be most useful if well moderated by an LFA-conversant resource person, and using interactive visualization techniques.

3.2 Project Document Final Draft

Following the LFA, the Project Document will be completed in a format acceptable to all partners. It will include a detailed budget, terms of reference and all necessary supporting documentation, such as an attached Action Plan. As a rule, staff members should use the standard UN-HABITAT format for Project Documents, which is outlined in Annex 1.

However, in cases where the donor insists on a specific format, (as is the case with the EC and some others like UNDP), the project document should fulfil their requirements. Furthermore, donors often alter the project formats to suit changing needs, usually simplifying requirements and/or incorporating additional requirements.

It should be noted, however, that any project implemented by UN-HABITAT should always be subject to UN rules and regulations. For example, in the case of the first project signed with the European Commission for Somalia, it was necessary to agree on the stipulation of a caveat assuring the acceptance of the application of the UN rules and regulations governing the implementation of technical co-operation projects. More and more, relationships are being formalized with donors and other funding institutions through MOUs and letters of agreement so as to pave way for smooth relationships in future collaboration.

Figure 2: LFA Principles and Definitions, Logic and Assessment

| Project Key-Structure | The Logic to be measured by observing the Indicators | Form of Assessment |
|--|--|-------------------------|
| GOAL, i.e. overall development objective, expresses the wider impact and long term benefits to the ultimate target groups as a result of achieving the project purpose | Impact and Relevance | Evaluation of Impacts |
| PURPOSE, i.e. the immediate project objectives, expresses changes in for example attitude, behaviour or performance among the target group members, through using the outputs. | Effects by the results on the target groups | |
| OUTPUTS, i.e. the goods or services which the project must produce and make available to the target groups to facilitate purpose achievement | Efficiency | Monitoring of Workplans |
| Activities | | |
| Inputs | | |
| Assumptions, Major Risks and Prerequisites | | Survey & pre-appraisal |

Figure 3: The Five Dimensions of Indicators on Output, Purpose and Goal Level

| Level of Objectives | <i>Dimensions of the Indicators in Terms of Minimum Targets</i> | | | | |
|---|---|---|---|---|---|
| | Target Group <i>(Who)</i> | Quality <i>(How Good)</i> | Quantity <i>(How Much)</i> | Physical Extent <i>(Where/What is the Dimension or content of Output)</i> | Time <i>(by When)</i> |
| GOAL, i.e. What benefits are expected from using the project outputs | WHO will benefit from the fact that the project outputs are used? | WHAT will be the improved benefit from using the project outputs? | HOW MANY people will benefit, or HOW LARGE will the total benefit be? | WHAT is the minimum extent or area in which the benefits will accrue? | WHEN is the long term benefits expected to materialise? |
| The purpose as specified by the indicators must be sufficient to contribute significantly to goal achievement | | | | | |
| PURPOSE, i.e. How are the target groups expected to use/utilise the project outputs? | WHO is expected to use the outputs? | HOW precisely will the target groups use the project outputs? | HOW MANY persons, groups or organisations will use the project outputs/ | WHAT is the minimum extent or area in which the outputs will be used? | WHEN will the target groups use the outputs? |
| All outputs as specified by the indicators must be sufficient to facilitate purpose achievement | | | | | |
| OUTPUTS, i.e. Goods and services made available by the project to its target groups | WHO will receive, have access to, or make the outputs available? | WHAT precisely will be the improved goods and/or services provided to the target group? | HOW MANY of these goods and/or services will be provided to the target group? | WHAT is the minimum extent or area in which the goods and services will be available? | WHEN will the goods and services be available? |

NOTES

1. As much as possible, each indicator statement should contain an element of all five dimensions, example: 500 households (of minimum 3 family members) in Kibera Settlement area have access to daily consumption of 100 litres of reliable potable water by month 'y' year 'x'
2. Measurements can be quantitative, qualitative (standards, functions, effectiveness), or behavioural (change of use, attitude, performance). It is useful also to think of 'proxy' indicators like change in health, in use of consumer goods, in living environment, etc.
3. Indicators must be "constructed" so that they are objectively verifiable (contain substantial, independent, factual, plausible, obtainable elements).
4. Indicators are useful only to the extent that means of verification is available and can be established. Verifiable indicators must replace expensive, time-consuming or unreliable indicators (there may be need to review them over the implementation period).

Figure 4: Plan Of Operation

Date
Project Title:

| OUTPUTS | ACTIVITIES | TIME | | | TYPE OF INPUTS REQUIRED | | | | COMMENTS |
|--|---|--------------|---------------------|----------------|---|-------------|---------|--------|--|
| | | | | | | | | | |
| Listing of all outputs in numbered order | Listing all activities numbered in reference to the outputs | Broad timing | half year or yearly | as a bar chart | Local personnel, Facilities, Institutions | Consultants | Funding | Others | Cross-references to e.g. training, institutions and other parallel commitments |

The Plan of Operation is an overview for planning purposes, and by adding up, it may become apparent e.g. that requirements exceed the current commitments, and that funding for some outputs is still not available. That would mean that the planning process is not yet complete. A complete P.O. is, however, the best basis on which Implementation Work Plans can be derived on regular e.g. half annual basis

4. Project approval phase

This phase includes getting feedback on and approval of the Project Document from all relevant partners (host country, local government/institution/NGO partner, donor and UN-HABITAT as applicable). When relevant comments from external partners have been incorporated in the Project Document, and the document has been finalised, it has to be approved by UN-HABITAT before funds can be released. The approval of partners is crucial in demand-led projects, but should also take place in policy-driven projects when considered necessary.

4.1 Approval of Project Document

All projects above **USD 100,000** must go through a process of being presented to and accepted by UN-HABITAT Project Review Committee, PRC. The PRC is an in-house peer review committee, who gives comments and feed-back to the branch/unit responsible for the project or programme. The PRC consists of Senior Managers and some Staff Members in UN-HABITAT responsible for key issues such evaluation, press and media etc. It has an appointed Chair and a Secretary.

The procedure for project approval goes as follows:

- ✘ The Project Document (Prodoc) is sent by the originating unit to the Chair through the Secretary of the PRC, with the request that they call a meeting. The Prodoc should be with the Secretary at least a week before the meeting, to allow enough time for the members to go through it. Meetings will ideally be conducted to assess more than one Prodoc.
- ✘ The Secretary sends the Prodoc to all members of the PRC, either electronically or by hard copy. The Prodoc should also be sent electronically to the Regional Offices, who have the opportunity to submit their comments electronically before the meeting.
- ✘ At the meeting, the Staff Member responsible for the Prodoc will present the project. All participants are given the chance to comment upon each Prodoc in the meeting. The Secretary will inform the meeting of comments (if any) submitted in advance from Staff Members unable to attend, including Regional Offices. If a member of the PRC is unable to attend the meeting, he/she should nominate another Staff Member of the branch/unit as stand-in.
- ✘ Normally the PRC decides that the Prodoc can be approved on the condition that the comments laid down in the minutes of the meeting be incorporated in the new version of the Prodoc. In other cases, the PRC decides at the suggestion of the Chair that the Prodoc needs major amendments, and advises the presenter accordingly.
- ✘ It is the duty of the Secretary to write the minutes from the meeting. Draft minutes should be circulated among those present at the meeting for comments with a short deadline. When the Chair decides that the minutes are final, they are circulated among those present at the meeting as well as those members of the PRC who were unable to participate.
- ✘ It is now the task of the presenter/responsible branch or unit to amend the Prodoc according to the conditions laid down in the minutes of the meeting, and send it to the Secretary for review.
- ✘ The secretary of the PRC will review the new Prodoc, and if found satisfactory when checked with the decisions of the meeting, will recommend it to the Chair for signature.

- ⌘ Only when approved by the Chair of the PRC will the Prodoc be sent to the person in charge for financing, so that the funds may be released.

4.2 Funding agreed

Funding for UN-HABITAT projects and programmes come from different sources. It can be from the Regular Budget (R/B) or Extra-budgetary (X/B) sources, including the UN-HABITAT and Human Settlements Foundation (HHSF), earmarked and non-earmarked funds. Ideally, funding for a project or programme should be sought at this stage in the cycle, i.e. when the Prodoc has been developed and approved by all partners. In reality, that is rarely the case, unless the project seeks non-earmarked funds from the HHSF. In most cases, the relevant branch/unit has already secured some kind of commitment from a donor, and at this stage it is time to negotiate terms and conditions for the grant that will be made available to UN-HABITAT. In some cases, UN-HABITAT provides funds to its partners, and enters into an agreement with another organization (local authority, NGO, research institution or other) that will implement the project. (For details on types of Agreements, see next chapter). The different sources of funds should be indicated in the Prodoc.

4.2.1 AGREEMENTS FOR PROJECT IMPLEMENTATION

UN-HABITAT engages in programmes and projects that are aimed at fulfilling its mandate and objectives. To implement these, UN-HABITAT receives contributions from donors and also provides funds to entities. UN-HABITAT seeks to implement its programmes and projects by a) cooperating with its partners, and b) executing them itself, as authorized by the UN General Assembly resolution 32/162.

Agreements are necessary to establish a legal framework and ensure smooth implementation of the programmes, projects and activities, protect the Organization and its Staff Members and facilitate monitoring, evaluation and lessons learned.

For the purposes of this section, we consider below three types of agreements:

- a) Agreements for Accepting Voluntary Contributions (known as Trust Fund Agreements)
- b) Agreements of Cooperation that involve the provision of funds by UN-HABITAT, and
- c) Agreements of Cooperation that does not involve the provision of funds

A) Agreements for Accepting Voluntary Contributions (known as Trust Fund Agreements)⁴

UN-HABITAT is only partly funded through the UN regular budget, as per the distribution of available funds provided by annual assessed contributions from Member States. As a rule, funds for projects and programmes are received through extra-budgetary voluntary contributions from member states and others.

UN-HABITAT receives voluntary contributions through Trust Funds. There are 2 types of Trust Funds: a) those of a general nature to support or supplement the substantive work of UN-HABITAT; and b) those for specific programmes, projects and activities of technical co-operation nature.

Trust Funds should be established by an Agreement with the donor setting out the terms and conditions under which UN-HABITAT will manage the voluntary contributions, as indicated below.

⁴ Trust funds must be administered in strict compliance with the United Nations Financial Regulations and Rules and related administrative instructions ST/SGB/188; ST/AI/248; ST/AI/285; ST/AI/286.

UN-HABITAT, through its Foundation, may accept voluntary contributions from Government sources, UN bodies and other international and regional institutions as well as private sources.⁵

The model Agreement⁶ attached is meant to be entered into with Governments or other traditional donors. This Agreement has two annexes, which must always be attached to the trust Fund Agreement, as follows:

- a. Project Document, (with an attached budget)
- b. Schedule of Payments

Contributions can be accepted by actually receiving the funds or by accepting pledges. A pledge is a written commitment by a prospective donor to make a contribution to a Trust Fund. Acceptance of pledges and acknowledgement thereof shall be recorded in writing and accepted by the Chiefs of Branches. A Trust fund Agreement sets up the purpose of the contribution, modalities of payments, receipt and expenditure of funds, reporting and evaluation and other terms and conditions.

A Trust Fund Agreement should contain a statement of the objective of the project/activity. A project or activity that is not fully under the agreed objective of the Trust Fund cannot be funded by it. It should also contain the duration of the activity, the amount of the contribution, accounting and reporting requirements and the effective date of the agreement.

B) Agreements of Cooperation, involving the provision of funds by UN-HABITAT

This type of Agreement is used when UN-HABITAT cooperates with its partners for the implementation of programmes, projects and activities within its mandate, involving the provision of funds. The model agreement for this purpose is attached in Annex 5.

In the case where the cooperation foreseen does not involve funds, the same model may be used, with the exception that Article VI "Financial Arrangements" will not be necessary, thus the model co-operation agreement without involving funds has seven articles, as compared to eight for the one involving the provision of funds by UN-HABITAT. A model of an Agreement that does NOT involve the provision of funds, is also attached, in Annex 4.⁷

This type of Agreement will comprise the following documents

- i. Main Document of the Agreement
- ii. General Terms and Conditions
- iii. Project Document and Workplan
- iv. Project Budget
- v. Forms (Request for Payment/Financial Report)

⁵ UNEP/GC/65 Article IV about the UN Habitat and Human Settlements Foundation (1976).

⁶ See Annex 8 for a template of Technical Cooperation Trust Fund Agreement (based on the appendix to ST/AI/285). This model agreement is intended to set out the purposes of a technical co-operation trust fund and the modalities for the payment, receipt and expenditure of technical co-operation trust fund monies. Matters relating to other aspects of the relationship between Donor Governments and the Organization (such as the relations with host Governments with respect to the holding of a conference, the establishment of a centre or other institution, the contribution of Governments towards the expenses of United Nations offices, or matters relating to privileges and immunities to be accorded by Governments) should be the subject of a separate agreement on which the Office of Legal Affairs should be consulted and established procedures followed.

⁷ Please note that in the past, UN-HABITAT used "Grant Agreements" when co-operating with partners involving the provision of funds by UN-HABITAT. This has been discarded and replaced with the Cooperation Agreement.

The agreement can be entered into with a partner of UN-HABITAT, including not-for profit organizations, those of a non-governmental nature, institutions and the private sector. The organisation has to be a legal entity.

C) Agreements of co-operation, not involving the provision of funds from UN-HABITAT

This type of Agreement is basically the same as the Co-operation Agreement above. The only difference is that it does not involve the provision of funds from UN-HABITAT, which means that it has only seven articles, as compared to eight for the one involving the provision of funds. A standard agreement without the provision of funds, is found in Annex 4.

The General Terms and Conditions may not be applicable in its entirety to all Agreements of these two types. However, no change should be made to these Conditions. Any acceptable change should be made in the main body of the Agreement by making reference to the provision of the relevant General terms and Conditions that would not be applicable.

Requirements for Partners that request UN-HABITAT Partnership⁸

In order to enter into a Co-operation Agreement with a Partner involving the provision of funds by UN-HABITAT, the Partner must supply UN-HABITAT with the documents listed below:

- a. A copy of the constitution and/or by-laws of the organisation, and a copy of the registration/incorporation of the entity as applicable.
- b. The purpose of the organisation;
- c. Information identifying the programmes and activities of the organisation in human settlements, including areas relevant to the Habitat Agenda and the Millennium Development Goals, and indicating in which country or countries they are carried out;
- d. Confirmation of the activities of the organisation at the local, national, regional and/or international levels;
- e. Copies of annual (or other) reports of the organisation for the past two years, with financial statements and a list of financial sources and contributions, including government contributions for the past two years;
- f. A list of current members of the governing body of the organisation, and their countries of nationality;
- g. A description of the membership of the organisation, indicating the total number of members, the names of organizations that are members (if applicable) and their geographical distribution;

The specific roles, duties and responsibilities of the Parties should be clearly stated in the project document and in the Agreement.

The Agreement makes references to specific provisions and to the Project Document, therefore, it is important that the generator of a co-operation agreement looks out for any inconsistencies between the Project Document and the Agreement. For instance, Art III (1) provides that "The Project shall commence and be completed in accordance with the schedule as set out in the Project Workplan". This provision becomes meaningless if there isn't a Workplan incorporated in the Project Document.

⁸ The requirements are based on requirements for accreditation to the UN Special Session, 2001, for an overall review and appraisal of the implementation of the Habitat Agenda (June 2001).

If for example there is a dispute relating to any delays in implementation, UN-HABITAT is not protected if there is no work plan to refer to.

To prevent delays in the execution of projects, it is advisable that staff members responsible for drawing up agreements involve the Legal and Financial units at an early stage of the project formulation if necessary, and familiarize themselves with the terms and conditions and factor them in the discussions with partners.

Letters of Intent

When a partnership with an institution/entity for which no specific programme, project or activity is envisaged, no agreement is necessary. A Letter of Intent will be sufficient in these cases. Letters of Intent should not commit or bind UN-HABITAT, do not contain legal or financial provisions and should be drafted on a case-by-case basis under the responsibility of the Chiefs of Branches concerned. Appropriate legal and other advice should be sought when drafting these letters as necessary and, in any event, copies of signed letters by the Chiefs of Branches concerned should always be sent to the Programme Support Division for filing.

Other model agreements, which are not provided herein, will be added as they are developed and confirmed, such as the Memorandum of Understanding with Government entities, international intergovernmental organizations and UN Agencies Funds and Programmes, and others, as appropriate.

5. Implementation

When the relevant agreements have been signed, and funds availed to the project, it is time to start the implementation.

5.1 Start implementation

The implementation of activities and the financial management are undertaken in accordance with UN Financial Rules and Regulations. The following is a brief description of the steps involved in the administration of the implementation process. The detailed step-by-step procedures for the following processes are contained in the Technical Cooperation Manual. Some of the projects and Offices Away from Headquarters (OAH) have been granted delegated authority for a number of specific administrative actions.

a) Personnel

Professional Project staff/Consultants:

- Preparation and/or review of terms of reference by the substantive office
- Identification (advertising/roster search) and short listing of Consultants/Experts by the substantive office
- Contract negotiations, signature, administration, travel arrangements, administration of payments and benefits using the appropriate rules i.e. SSA, 100, 200 or 300 series. This component is handled by the Human Resources Management Services, UNON.

Project Support staff recruitment procedures are similar to those for professional staff, except that the contract is usually issued and administered by the specific Country UNDP office by way of a Service Contract following authorization by UN-HABITAT.

b) Purchase of equipment and Supplies

- Preparation of specification by the field staff or substantive office in headquarters. The requisition is drawn up and once approved, the Contracts and Procurement Section (CPS), UNON undertakes the rest of the steps as outlined below:
 - ◆ Identification and short listing of qualified suppliers
 - ◆ Invitation to bid, Evaluation of bids, Selection of supplier
 - ◆ Purchasing and shipment
 - ◆ Receipt, inspection and claims

c) Contracts for Services

Preparation of terms of reference by the field staff or substantive office in headquarters. Contracts and Procurements Section (CPS) undertakes the next steps for invitation of bids as follows:

- ✘ Pre-qualification and short listing
- ✘ request for bids (technical and financial proposals)
- ✘ Evaluation of bids/proposals both financial and technical are done by the requesting office
- ✘ Selection, recommendation

- ⌘ Contract preparation, negotiation and signature is handled by the CPS
- ⌘ Contract administration and monitoring

d) Agreements

- Preparation of activity brief and budget by the substantive office
- Identification of the suitable non-profit institution by the substantive office
- Drawing up of the agreement, internal clearance by the requesting office
- Grant administration and monitoring

e) Training

- Identification of appropriate programmes and institutions
- Placement at appropriate institutions
- Travel arrangements
- Financial arrangements, logistics and monitoring of performance

f) Workshops/Seminar/Conference

- Identification of host, local partner, and participants
- MOU with the local partner
- Travel arrangements for participants
- Logistics

g) Financial Administration

- Approved budget in the standard format in US Dollars. For UNDP-funded projects, the budget set out in the latest UNDP format.
- Accounting in required system and format.
- Disbursement of funds in accordance with UN Financial Regulations and Rules
- Budget revisions as necessary

h) Reporting

- Substantive/Narrative reports as per agreed schedule in funding agreement
- Financial statement of expenditures (quarterly, half-yearly, annually) in accordance with funding agreement. For donors with specific reporting requirements not consistent with the UN budget line format, a parallel system shall be maintained
- Annual report on non-expendable equipment purchased with donor funds
- Final expenditures following completion of activities
- Evaluation / Terminal reports

5.2 Monitoring and review

Monitoring is a continuous function that aims primarily to provide managers and main stakeholders with regular feedback and early indications of progress or lack thereof in the achievement of intended results. Monitoring tracks the actual performance or situation against what was planned or expected according to pre-determined standards. Monitoring generally involves collecting and analyzing data on implementation processes, strategies and results, and recommending corrective measures.

Monitoring is arguably the most important responsibility of any programme manager. Good monitoring includes a balanced mix of reporting and analysis, verification of progress towards results and ensuring the participation of key stakeholders. It is important to monitor progress for various stakeholders, based on gender, socio-economic situation etc.

The credibility of monitoring findings and assessments depends to a large extent on the manner in which the activity is conducted. The mechanisms to be used for monitoring the project should be indicated in the Project Document, including the key monitoring indicators.

Ideally, monitoring indicators should reflect the UN-HABITAT developed Global Urban Observatory and Global Campaign indicators to test their relevance and demonstrate their utility to partners. Monitoring mechanisms could include periodic reviews by the parties involved in the project (such as donors, implementing agencies and target community or benefiting government). Monitoring indicators could cover the following:

- Mobilisation of resource inputs;
- Financial management, and;
- Overall progress towards delivery of outputs.

Regular reporting on the progress of the project should be done according to the clauses laid down in the Agreement. (See chapter 4.2.1 and annexes 4-6)⁹.

Table 2 below summarizes some general principles that should be kept in mind when designing a monitoring system.

⁹ For more details on monitoring of the project/programme, see UN-HABITAT's Monitoring and Evaluation Guide 2003.

Table 2: General Principles for Designing a Monitoring System

| Principle | Description |
|--|---|
| Focus on results and follow-up | Good monitoring looks for “what is going well” and “what is not progressing” for progress towards results; records this in reports along with recommendations; and follows-up with decisions and actions. |
| Good design | Good monitoring depends to a large measure on good design. If a project is poorly designed or based on faulty assumptions, excellent monitoring is unlikely to ensure its success. The design of a realistic chain of outcome, outputs and activities is critical. |
| Regular monitoring visits | Regular monitoring visits by managers focusing on results and follow-up to verify and validate progress towards objectives is important. Bilateral or tripartite meetings dedicated to assessing progress should take place regularly. Results of these meetings should be documented and kept on file. |
| Regular analysis of reports | Regular analysis of reports from programme managers and other partners should be undertaken to present issues and discuss potential solutions. |
| Participatory monitoring mechanisms | The use of participatory monitoring mechanisms should be encouraged. This is important to ensure commitment, ownership, follow-up and feedback on performance. |
| Clear criteria and indicators | Good monitoring does not just rely on subjective judgements but uses ways to assess objectively progress and performance based on clear criteria and indicators. Efforts must be made to improve performance measurement systems, developing indicators and baselines without which it remains difficult to assess progress towards the outcomes. |
| Lessons learned | It is important to actively generate lessons learned to ensure learning through all monitoring tools, to adapt strategies accordingly and not repeat mistakes. The use of electronic media for sharing lessons can be important. |

6. Evaluation Phase

Evaluation is a process that attempts to determine, as systematically and objectively as possible, the achievement of results in light of the relevance, efficiency, effectiveness, impact and sustainability of activities. Evaluation is concerned with achievements and outcomes rather than with output delivery, and is a critical process that should be an integral part of project formulation and management.

Ideally, all project and programme budgets should include a provision for evaluation of 3 - 5 per cent of the total budget. This will ensure that lessons learned are built into new project formulations. (See the Project Cycle, figure 1).

The main reason that we need to learn from the past is obvious: we do not want to repeat the same mistakes or to miss the chance of replication or up-scaling of an approach that has been successful. Another reason is that the institutions that have paid for our activities would like to see results and to know what their funds have been used for.

When and how to evaluate

Evaluations can be undertaken when the project or programme is in its final stage, or after completion. The latter is normally called "Ex post" evaluations. Assessments during the implementation of a project, such as mid-term, are often called reviews, and contribute to the monitoring of the project or programme.

There are several ways of evaluating development interventions. It can be done internally, either by the stakeholders themselves (partners, target groups) or by UN-HABITAT staff or a combination of both. Internal evaluations or "self assessments" as they are often called, contribute greatly to internal learning processes, and can be recommended. However, internal evaluations are often not recognised as independent and "objective" assessments. For maximum credibility vis à vis donors, other agencies and the general public, UN-HABITAT must conduct a certain number of *external, independent* evaluations every year. These are evaluations undertaken by external consultants/researchers, that are considered not to have a stake or vested interests in evaluation results, but who are experts in the relevant field, and who get the assignment after an external tender and bidding process.

Types of evaluations

While there are different types of evaluations, the most common is programme/project evaluations. This type of evaluation is what is mainly described in the UN-HABITAT Monitoring and Evaluation Guide, 2003. Other types are thematic evaluations (eg. gender mainstreaming), joint (bilateral, tripartite etc.), sector (eg. water and sanitation), country (including all activities/programmes in a particular country) and policy/strategy evaluations (eg. poverty reduction). 30% of the 2 per cent levy in project budgets will be used towards broad-based evaluations of these types that are not necessarily linked to the project in question.

For further details about Monitoring and Evaluation, what it is for and how to do it, kindly refer to UN-HABITAT's "Monitoring and Evaluation Guide", 2003. Another useful tool that can be consulted is the UN-HABITAT Manual for Evaluating Training's Impact on Human Settlements (the TIE manual).

6.1 Project completion

A final report, with contributions from all parties, should be written after completion of all projects and programmes. The format of this report should as much as possible correspond to the original project document, for easy reference.

In addition, all projects and programmes should include some type of evaluation or assessment in order to establish the degree of success or failure after completion. Together with monitoring, this covers the *control aspect* of the intervention. With regular and appropriate monitoring during the implementation of the project/programme, complete failures are usually avoided, as there is still time for a change of course. However, for optimal learning, underlining the forward-looking aspects of the evaluation is recommended.

6.2 Lessons learned

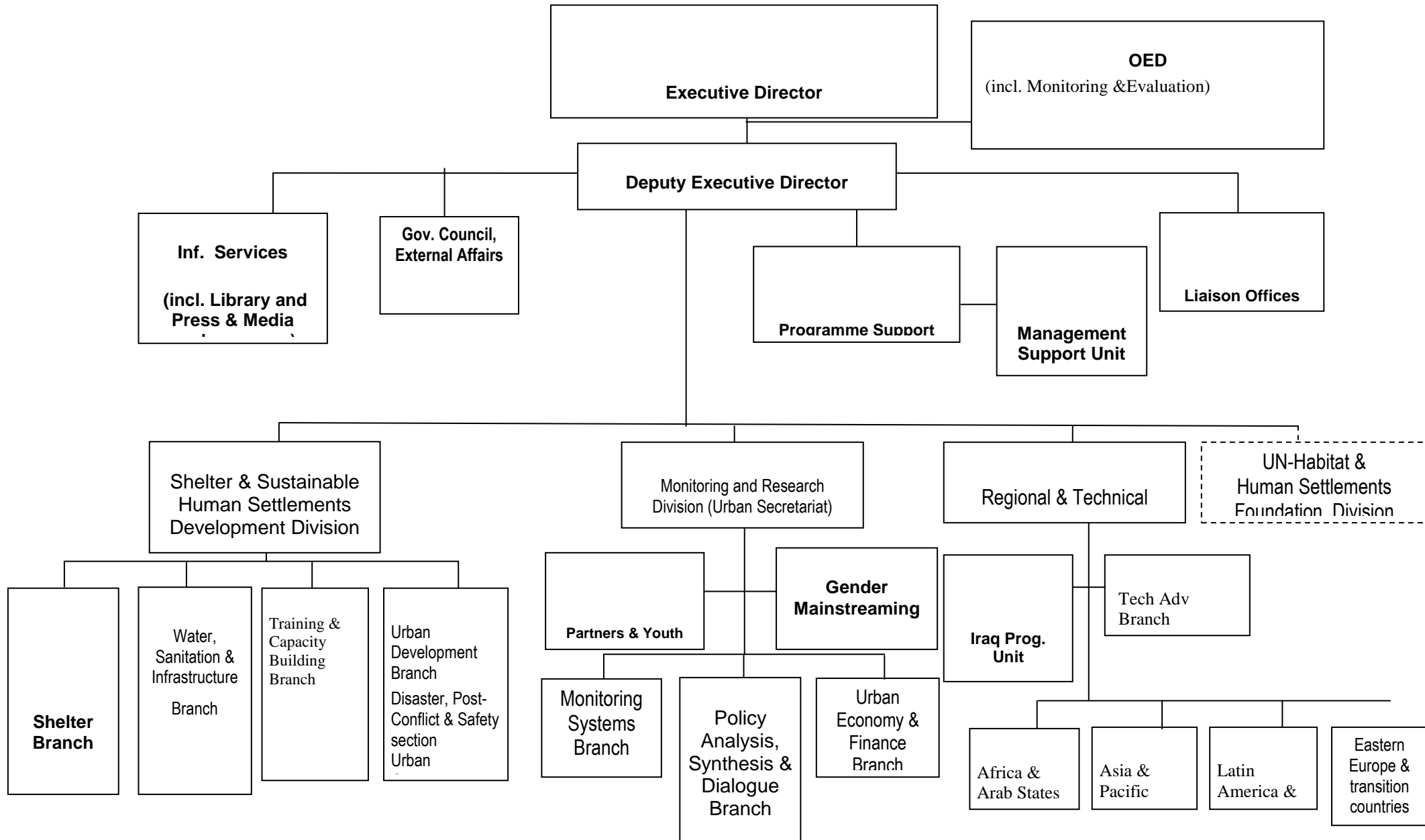
The evaluators (whether internal or external) should focus, in their report, on recommendations for future action. Their recommendations must, however, be based on an assessment, as systematic and objective as possible, of a (usually) completed intervention, its design, implementation and results. The aim should be to improve development interventions through better knowledge of their content and consequences, and to document the results to UN-HABITAT, its member states and partners, the research community and the general public. Key aspects are transparency and accountability on the one hand, and lessons learned for future improvement, on the other.

UN-HABITAT should distribute evaluation reports widely, and seek to organise workshops and seminars to discuss evaluation results. The reports will also be available on the UN-HABITAT web-site.

Evaluation results as lessons learned should then be fed into future policy and possible up-scaling of projects and programmes to national or regional levels. In this way, the results of one programme are integrated into new Programming, and the whole Project Cycle starts again.

UN-HABITAT ORGANISATIONAL CHART

(as of June 2003).



ANNEXES

Annex One: Project Document Outline and Cover Page

Annex Two: Standard Budget

Annex Three: Project Design Checklist, including Sector specific sex disaggregated data and gender analytical information

Annex Four: Agreement of Cooperation Format

Annex Five: Agreement of Cooperation Including Financial Arrangements Format

Annex Six: General Terms and Conditions – Annex A of the Agreement of Cooperation

Annex Seven: Guidelines / Walk-through for using the Agreement of Cooperation Format

Annex Eight: Technical Co-operation Trust Fund Agreement Format

Annex Nine: Financial Report and Request for Payment

UN-HABITAT standard PROJECT DOCUMENT :

0. Cover Page

The cover page should include programme/project title, and abstract of the project objectives total budget by source (donor/s, cost-sharing etc), signing partners (representatives of local/central host government, donor and UN-HABITAT), see the previous page).

1. Background

In this first part of the project document, describe the mandate, as well as the problem and justification of the proposed project. Also describe the relationship of the proposed project to previous and current projects and programmes in the same area. Provide an overview of partners.

- ❑ **Mandate:** Indicate the part of the official document from which the project derives its mandate, such as the biennial Programme Budget, the Medium-term Plan, the Habitat Agenda, UN Millennium Declaration and the Declaration on Cities and other Human Settlements in the New Millennium. The mandate may also derive from a resolution, or resolutions, of the Governing Council of UN-HABITAT, the Economic and Social Council (ECOSOC) and the General Assembly (GA).
- ❑ **Problem and Justification:** Outline the nature of the problem/s, issues, or deficiencies that the project intends to address. Also outline evidence indicating demand for the project's intended results (official requests etc. could be referred to and included in the annexes).
- ❑ **Previous Work in the Area:** Briefly review previous and current work by UN-HABITAT, and by other organisations, that addresses the project's problem area and show how the project intends to build on this work. The purpose of this is to ensure that there is no re-invention of the wheel or duplication of current work.
- ❑ **Partners:** Provide an overview of partners that have been contacted through the identification process. Beneficiaries and implementing partners should be identified here, including their commitment to the programme/project and the type of support/involvement. This information should be based on the LFA stakeholder analysis.

2. Goal(s)

Outline the long-term development goal of the project, including how the project will contribute towards this goal. Development goals are general in nature, often addressing the need to improve living conditions in a given country or group of countries. The most obvious goals in the work of UN-HABITAT are the ones outlined in the Habitat Agenda, i.e., "Adequate shelter for all" and "Sustainable human settlements development in an urbanising world".

3. Objective(s)

Outline the objective or objectives of the project. A project objective is medium-term in terms of time-scale, and should always refer to a defined target group. It is tangible and measurable and usually involves a change in living conditions, for example, lower incidence of communicable

diseases such as typhoid and cholera due to improved access to clean water supply and adequate sanitation. (Only a brief overview should be given here with reference to the LFA matrix that spells them in full detail).

4. Outputs

Indicate the 'deliverables' of the project, i.e. what they are. Also indicate the quantity and location of these deliverables. For example, an urban slum-upgrading project could specify the number of houses to be improved, the number of access roads to be constructed, the number of communal water taps to be installed and the number of toilets to be built. (Only a brief overview should be given here with reference to the LFA matrix that spells them in full detail).

5. Activities

Outline the actions to be taken by the project in order to deliver the specified outputs. The parties responsible for undertaking these actions should also be indicated. (Only a brief overview should be given here with reference to the LFA matrix that spells them in full detail).

6. Inputs

Itemise the resources required to carry out all of the project's specified activities. In human settlements projects, these may include human resources; land; durable equipment (such as construction equipment, vehicles and computers); consumables (such as office supplies); and time (duration of project). Contributions from the various partners should also be indicated here including in-kind contributions.

7. Feasibility

Describe the feasibility of the project as assessed through the Risk Analysis stage of the LFA process, focusing on:

- Internal risks and related assumptions; and
- External risks and related assumptions.

The costs and benefits of the project may also be summarised and, where possible, the relevant cost-benefit indices indicated.

8. Implementation Plan

Outline the implementation timetable, indicating the starting and completion dates of the different activities and milestones necessary to deliver the project's outputs. This is best done diagrammatically using a flowchart.

9. Legal Framework

Make reference to the country agreements with the UN (usually UNDP) to ensure that UN rules and regulations, privileges and immunities apply to project activities including duty free procurement of project equipment and furnishings and international project and headquarters staff and personnel.

10. Monitoring

Indicate the mechanisms to be used for monitoring the project, including the key monitoring indicators. Ideally, monitoring indicators should reflect the UN-HABITAT developed GUO and Global Campaign indicators to test their relevance and demonstrate their utility to partners. Monitoring mechanisms could include periodic reviews by the parties involved in the project (such as donors, implementing agencies and target community or benefiting government). Monitoring indicators could cover the following:

- ❑ Mobilisation of resource inputs;
- ❑ Financial management; and
- ❑ Overall progress towards delivery of outputs.

11. Evaluation

Outline the mechanisms to be used in evaluating the project, including relevant indicators as specified in the LFA matrix. It is important to ensure that provisions made for evaluation will be able to address the following main aspects of the project:

- ❑ Project design (internal consistency and coherence of project; contextual relevance of project);
- ❑ Project implementation (using relevant efficiency indicators); and
- ❑ Project impacts (using relevant objective attainment or impact indicators).

12. Budget

This should show the cost of the project in detail using the budget template shown in Annex 2. All costs should be shown in US dollars. The different sources of funds should be indicated. These usually consist of: Regular Budget (R/B) and Extra-budgetary (X/B) sources, including the Habitat and Human Settlements Foundation (HHSF). In cases where a donor has a specific budget format (the EC requests budgets in EURO (€) with their specific structure and budget line numbers), the PMO has to develop two budgets to satisfy both internal and donor requirements. A provision for evaluation of the project of 3-5 per cent of the total budget should be included, as well as a levy of 2 per cent for general UN-HABITAT information and evaluation purposes. Out of this 2 per cent, 70 per cent should be allocated for general information dissemination, and 30 per cent for general evaluation purposes, i.e. broad, thematic evaluation activities, not necessarily related to the project in question. This levy should be shown in budget line 5202 "Information and Evaluation Activities."

13 Logical Framework Matrix

Use the template shown in chapter 3.1.7 (PPM) to prepare the project's logical framework, which is, in fact, a summary of the project proposal. As shown, the framework consists of the following components:

- Goal (s);
- Objectives;
- Outputs;
- Activities; and
- Inputs.

The second column of the matrix shows the assumptions of the project, while the third column shows the relevant monitoring and evaluation indicators.

Annex Two: Standard Budget

Project:
Source of
Fund:
Donor

| Object Class | Object Code | Class/Code Name | Total | | | |
|--------------|--|--|--------------|------------|--------------|------------|
| | | | Working Mths | Amount USD | Working Mths | Amount USD |
| 421 | | Project Personnel | | | | |
| | 1101 | International Experts/1 | | | | |
| | 1102 | International Experts/2 | | | | |
| | 1103 | International Experts/3 | | | | |
| | 1151 | Consultants /1 | | | | |
| | | Subtotal International Experts | | | | |
| | 1301 | Administrative Support Personnel /1 | | | | |
| | 1302 | Administrative Support Personnel /2 | | | | |
| | 1303 | Administrative Support Personnel /3 | | | | |
| | | Subtotal Administrative Support Personnel | | | | |
| | 1401 | Volunteers | | | | |
| | | Subtotal Volunteers | | | | |
| | 1501 | Travel on Official Business (international travel) | | | | |
| | | Subtotal Travel on official business | | | | |
| 1601 | Mission Costs | | | | | |
| | Subtotal Mission Costs | | | | | |
| 1701 | National project staff and consultants/1 | | | | | |
| 1702 | National project staff and consultants/2 | | | | | |
| 1703 | National project staff and consultants/3 | | | | | |
| | Subtotal national project staff and consultants | | | | | |

| | | | | | | |
|-----|------|--|--|--|--|--|
| 422 | | Subcontracts | | | | |
| | 2101 | Sub-Contracts /1 | | | | |
| | 2102 | Sub-Contracts /2 | | | | |
| | 2103 | Sub-Contracts /3 | | | | |
| | | Subtotal Sub-contracts | | | | |
| | 2201 | Grants to institutions /1 | | | | |
| | 2202 | Grants to institutions /2 | | | | |
| | 2203 | Grants to institutions /3 | | | | |
| | | Subtotal Grants to Institutions | | | | |
| | | | | | | |
| 423 | | Training | | | | |
| | 3101 | Individual Fellowships/1 | | | | |
| | 3102 | Individual Fellowships/2 | | | | |
| | | Subtotal Individual Fellowships | | | | |
| | 3201 | Group training /1 | | | | |
| | 3202 | Group training /2 | | | | |
| | | Subtotal Group Training | | | | |
| | 3301 | In-service training /1 | | | | |
| | 3302 | In-service training /2 | | | | |
| | | Subtotal In-service training | | | | |
| | | | | | | |

| | | | | | |
|------|--------------|--|--|--|--|
| 424 | | Equipment | | | |
| | 4101 | Expendable equipment/1 | | | |
| | 4102 | Expendable equipment/2 | | | |
| | | Subtotal Expendable equipment | | | |
| | 4201 | Non expendable equipment/1 | | | |
| | 4202 | Non expendable equipment/2 | | | |
| | | Subtotal Non expendable equipment | | | |
| | 4301 | Premises/1 | | | |
| | 4302 | Premises/2 | | | |
| | | Subtotal Premises | | | |
| | | | | | |
| 425 | | Miscellaneous | | | |
| | 5101 | Operation and Maintenance of equipment/1 | | | |
| | 5102 | Operation and Maintenance of equipment/2 | | | |
| | | Subtotal Operation and Maintenance of equipment | | | |
| | 5201 | Reporting costs /1 | | | |
| | 5202 | Information and Evaluation Activities /2 | | | |
| | | Subtotal Reporting Costs | | | |
| | 5301 | Sundry /1 | | | |
| | 5302 | Sundry /2 | | | |
| | | Subtotal Sundry | | | |
| 5401 | Direct costs | | | | |

| | | | | | | |
|-----|------|--|--|--|--|--|
| 427 | | Subtotal Direct costs | | | | |
| | 5800 | Prior year adjustment | | | | |
| | | Miscellaneous | | | | |
| | | Micro-Capital Grants | | | | |
| | 7101 | Grants for credit activities/1 | | | | |
| | 7102 | Grants for credit activities/2 | | | | |
| | | Subtotal for Grants for credit activities | | | | |
| | 7201 | Grants for other capital investments/1 | | | | |
| | 7202 | Grants for other capital investments/2 | | | | |
| | | Subtotal for Grants for other capital investments | | | | |
| 999 | | Micro-capital Grants | | | | |
| | | Programme Support Costs | | | | |
| | | PROJECT TOTAL | | | | |
| | | | | | | |

Annex 3:
PROJECT DESIGN CHECKLIST

1. Is the project clearly related to the Habitat Agenda and the Habitat II (Istanbul) National Plan of Action?
2. How does the project design relate to the Habitat II strategic objectives of networking, partnership (private-public, local-central etc.), enablement (public policy), capacity-building, knowledge building, decentralisation and participation?
3. Which institutional objectives does the project document address? Have the capacity-building needs been assessed?
4. How is the project related to the objectives of a subprogramme or programme cluster as reflected in the work programme of UN-HABITAT?
5. Are the strategic variables (point of entry, beneficiaries, partners, technologies, time frame) clearly defined?
6. Is the project related to the global campaigns for urban governance and/or security of tenure, and if so, how? Explain.
7. Is the project related to the Millennium Development Goals, and if so, how? Explain.
8. Have the direct beneficiaries been clearly identified? Were they involved in the project design? Are the objectives relevant to their concerns, priorities and needs? Have the needs, concerns and role of special groups (youth, elderly, vulnerable groups etc.) been adequately covered?
9. Were both women and men involved in the planning of the project and in what ways? Does the project (in both the planning and implementation stages) take into account the needs and roles of women as well as men, and in what ways?
10. Have environmental concerns been assessed? Will the project be environmentally sustainable?
11. Have all strengths and weaknesses of the institutional environment in which the project will be operating been considered? Are there any other important factors which may significantly affect project success?
12. Has the feasibility of the project or programme been considered at the divisional level from the following perspectives:
 - What is the availability of resources/inputs/management fees/overheads;
 - Can the objectives be realistically achieved (time frame);
 - Have alternative project strategies and implementation arrangements been considered;
 - Are the adopted strategies and implementation arrangements the best options to achieve the objectives;
 - Are activities and outputs expressed in verifiable and quantifiable terms and do they realistically lead to the achievement of the objectives;
 - Is there a work plan which clearly indicates the time frame within which the outputs and activities will be completed?

- Have appropriate performance indicators been incorporated to measure the extent to which objectives will be achieved;
 - Have evaluation activities and related funding been included in the project document;
 - How appropriate are benchmarks and monitoring and reporting and evaluation mechanisms?
 - What are the relationships with other on-going or pipeline programmes and projects and have these relationships been considered and adequately analyzed?
 - What measures have been considered to ensure the sustainability of the project?
13. Do the TOR for the consultants include the need for a gender perspective? How will the project assure that an equitable number of women and men are included among the project team (staff and consultants)?
 14. Can project activities make use of Best Practices knowledge, expertise and experience, especially of best and good practices from the region and sub-region where the project is located?
 15. How will the project evaluate its experience and convert this into a best practice, case studies and/or other lessons learned tools that can be circulated and disseminated nationally, regionally and globally?
 16. Is there an urban indicators component that can be implemented in cooperation with, or assisted by, the Urban Indicators Programme (UIP) and which will further the local/national use of urban indicators?
 17. Has sufficient attention been given to replicability possibilities and to awareness-raising and public outreach activities? Has sufficient funding for outreach activities been included in the project document?
 18. What are the implications of the project with regard to the involvement and participation of partners, such as local authorities, NGOs/CBOs and the private sector? Have all potential partners at the international, national and local level been clearly identified and their (possible) contribution taken fully into consideration?
 19. Have potential areas of co-operation with donors and other programmes active in the same sector or sub-sector been fully considered?
 20. What will be the follow-up to the project in the next biennium and have specific provisions been made in the project/programme design to ensure post-project sustainability?
 21. Does the project have clear development potential and is it likely to attract public and private investment, especially in its future expansion?
 22. How have performance indicators been incorporated in the project as per the Habitat Performance Indicators Framework, which includes:
 - Policy indicators relating to the overall development objective of the project or programme and the overall mission of UN-HABITAT, which is to promote policy reforms consistent with UN agendas and the plans of action;
 - Capacity-building indicators focusing on the impact of services which are intended to build capacities and the degree of success in meeting the strategic objectives of the Habitat Agenda (enablement, decentralisation, partnership and networking);

- Knowledge-building indicators which measure project or programme contribution and service to knowledge in a particular field for the benefit of immediate partners as well as on shelter and human settlements in general;
 - Input indicators which measure UN-HABITAT's organisational efficiency in providing required inputs and services under each project and programme and serve as internal delivery indicators.
23. Have lessons learned from projects with similar objectives been incorporated, particularly lessons learned from the evaluations of projects and programmes in the same country and/or region? Has there been a search for such lessons?

GENDER GUIDELINES

1. Programmes and projects must have specific indicators from the very beginning of the process, and these indicators should be used to monitor and evaluate progress in terms of incorporating a gender-perspective within the programme, project and activities which are being undertaken, i.e.:
 - Were both women and men involved in the planning of the project itself? In what ways?
 - Were and are, both women and men part of the team implementing the project?
 - How many women vis-a-vis how many men? What positions do they hold? Does this situation differ from the one that existed at the beginning of the project? In what way?
 - Does this project (in the planning and implementing stages, as well as all other stages) take into account the needs and roles of women as well as men? In what way?
 - How many women hold leadership positions within the project, community, local authorities, etc. Which positions do they hold? Does this situation differ from the one that existed at the beginning of the project? In what way?

(For an entire list of indicators please refer to the Women in Human Settlements Development Programme Information Kit sheet entitled: "How to measure impact of gender in human settlements development programmes and projects").

2. Do the TOR for the consultants include the need for having a gender perspective in their analysis?
3. Does the project have a built-in a clause which ensures that an equitable number of women and men are included among project staff, beneficiaries, consultants and participants?
4. How does the project ensure gender specific and socially inclusive analysis?
5. Who benefits directly by this project in terms of age, socio-economic situation and gender?

Sector specific sex disaggregated data and gender analytical information

Sex disaggregated data

Sex disaggregated information provides quantitative data on gender differences and inequalities.

Sex disaggregated data might reveal, for example, quantitative differences between women and men in morbidity and mortality; differences between girls and boys in school attendance, retention and achievement; differences between men and women in access to and repayment of credit; differences between men and women in voter registration, participation in elections and election to office. This kind of information is essential for planning and monitoring purposes.

Any data system concerning people, from national to village, policy to project levels, should routinely disaggregate by sex.

Gender analytical information

Gender analysis provides qualitative information on gender differences and inequalities.

Gender analysis is about understanding culture. It is the process of trying to understand in any context - which might be a whole country for the purposes of policy development or smaller targeted areas for project level interventions - the patterns and norms of what men and women, boys and girls do and experience in relation to the issue being examined and addressed. It is about understanding the ways in which men's and women's roles, resources, experiences, opportunities and constraints are *different*, the ways in which they are *unequal*, and the ways in which they *interact*.

Where patterns of gender difference and inequality are revealed in sex disaggregated data, gender analysis is the process of examining why the disparities are there, whether they are a matter for concern, and how they might be addressed.

Gender analysis should be part and parcel of the usual processes of project appraisal. Policy development should be informed by existing gender analytical research and well as specially commissioned, targeted studies.

The precise sex disaggregated data and gender analytical information needed depends wholly on the sector and the context.

Gender sensitive stakeholder analysis and participation

All processes of policy development and project design should involve participatory consultation with women as well as men in primary stakeholder groups, and the involvement of women as well as men in decision making, to ensure that women's as well as men's needs, priorities and constraints are recognised and addressed.

In the context of policy design, this means:

- Ensuring that women's groups are actively involved in consultation processes
- Recognising that different women (and men) have different needs and priorities – urban, middle class women do not necessarily accurately represent the views and priorities of poor, rural women
- Finding ways of ensuring that the range of women's views and needs is adequately represented
- Ensuring that women as well as men are involved in decision-making as well as consultation

In the context of project design, this means:

- Ensuring that women as well as men are actively involved in processes of project design
- Depending on local circumstances, this may require separate meetings with women at times and in localities that are appropriate to them
- Recognising that not all women (or men) have the same interests – it is important to recognise divisions amongst people not only on the basis of gender, but also on the basis of class, ethnicity, age and family composition, and other factors

- Ensuring that the usual processes of Stakeholder Analysis in project design (drawing up a table of stakeholders; assessing the importance of each stakeholder to project success and their relative power and influence; and identifying risks and assumptions that will affect project design) include:
 1. women and men as separate stakeholder groups
 2. specify stakeholder groups which include both women and men
 3. recognise, where appropriate, different stakeholder groups amongst women (and men)

How and where to include gender - projects

it should always be clear from the Logical Framework *who the project is targeting*:

- this should be clear from the use of sex disaggregated indicators
- it should be clear which activities and outputs are targeted to women, which to men and which to both
- replacing general terms such as "the poor" or "poor farmers" with, where appropriate, "poor men and women" and "poor male and female farmers" makes women as well as men clearly visible and avoids misunderstanding

Purpose statement: the promotion of gender equality (benefit for women as well as men) should be an aspect of the purpose of all development projects concerned with impacting on people's lives

Purpose level indicators: should allow measurement of benefit to women and men. Depending on the project, this might include:

- the impact/effectiveness of particular activities designed to equip men and/or women with new skills, knowledge, resources, opportunities or services in the context of their existing gender roles. (i.e. activities to address women's and men's "practical gender needs")
- the impact/effectiveness of activities designed to increase gender equality e.g. targeted actions to increase women's role in decision making; opening up new opportunities for women/men in non-traditional skill areas; targeted actions to decrease gender imbalances in education; AIDS awareness raising work addressing issues of gender inequality in sexual relationships (i.e. activities to address women's and men's "strategic gender needs and interests"[\[2\]](#))
- the impact/effectiveness of activities designed to develop gender awareness and skills amongst project management and implementation staff

Indicators need to capture quantitative and qualitative aspects of change

- quantitative information should be provided by routinely sex disaggregating all indicators
- women's and men's perceptions and experiences are also important. Qualitative indicators should be developed in conjunction with primary stakeholders and information collected through participatory methods such as focus group discussions and case studies

Indicators of participation:

- Need to address qualitative as well as quantitative aspects of participation
- Qualitative indicators of participation generally relate to three main areas: primary stakeholder perceptions and experiences of organisational growth; group behaviour; and group self reliance. Examples include pinpointing levels of women's and men's participation on a scale of 1-5; women's and men's perceptions of the degree of group solidarity/mutual support; women's and men's perceptions of the ability of group members to prevent and resolve conflicts; the participation of women and poorer people in decision making positions

Indicators of empowerment:

- Empowerment is difficult to measure – there is no agreed upon method
- Most definitions stress two main areas of empowerment:
 1. A personal change in consciousness involving a movement towards control, self confidence and the right to make decisions and determine choices.
 2. Organisation aimed at social and political change
- To measure empowerment in the context of projects, it is important that it is clearly defined.
- The greater the degree of existing gender inequality, the more subtle project related changes are likely to be. *It is important in this context for indicators to recognise the significance of modest gains and breakthroughs*
- Quantitative measures of empowerment depend on the type of empowerment e.g.
 1. legal empowerment - numbers of cases related to women's right heard in the courts, rate at which number of women police officers is increasing/decreasing
 2. political empowerment - % seats held by women; % union members who are women
 3. economic empowerment – changes in employment/unemployment rates of women/ men; salary/wage differentials
 4. social empowerment – % of women in local institutions of decision making; mobility of women
- Qualitative measures of empowerment concern women's and men's perceptions and interpretations of change. This information is centrally important. It is the only way of registering the significance of what may be very subtle processes of change.

Outputs:

- It may be useful to have one output specifically concerned with promoting attention to gender equality (through staff training, policy development etc.) and/or one output specifically concerned with targeted activities for women. *However, targeted outputs of this kind should complement activities to mainstream gender throughout the project.* It is important not to ghettoise women's activities within one project output with a very small claim on resources.
- benefit for women as well as men should be considered as an aspect of *each output*.
- Attention to gender issues in outputs can be included either in output indicators (ensuring gender is addressed in OPRs), and/or in activities, ensuring that appropriate human and financial resources will be allocated at the start of the project

Activities: the promotion of benefit for women as well as men requires *targeted activities*, backed up with *human and financial resources*. Depending on the project, activities might include:

- establishing channels of communication to ensure that women as well as men can effectively participate in project related decision making.
- establishing gender sensitive/sex disaggregated information systems
- building the capacity of secondary stakeholders to work in a gender sensitive way
- gender awareness raising activities for primary stakeholder/beneficiary groups
- actions to eliminate inappropriate gender stereotyping
- activities – such as training and service delivery - targeted to women or to men, to boys or to girls, in recognition of their specific needs and constraints

(Source: DFID).

Annex Four:
AGREEMENT OF COOPERATION
between
THE UNITED NATIONS HUMAN SETTLEMENTS PROGRAMME
and
[Name of the Cooperating Entity]

THIS AGREEMENT OF COOPERATION (the “Agreement”) is entered into by the **United Nations Human Settlements Programme (UN-HABITAT)**, originally established as the United Nations Center for Human Settlements (HABITAT) by resolution of the General Assembly of the United Nations 32/162 of 19 December 1977, and thereafter transformed into a subsidiary organ of the General Assembly of the United Nations by its resolution 56/206 of 21 December 2001, with Headquarters in Nairobi, Kenya (“UN-HABITAT”); and *[Name of the Cooperating Entity]*, established in ... and registered in ..., as a ..., with Headquarters in (*acronym of the Cooperating Entity*);

WHEREAS, UN-HABITAT is the coordinating agency within the United Nations System for human settlements activities and focal point for the monitoring, evaluation and implementation of the Habitat Agenda, as well as the task manager of the human settlements chapter of Agenda 21 and responsible for promoting and consolidating collaboration with all partners, including local authorities and private and non-Governmental organizations in the implementation of the Habitat Agenda and the Millennium Development Goals of significantly improving the lives of at least 100 million slum dwellers by the year 2020; and

WHEREAS, *[acronym of the Cooperating Entity]* is committed to *[for the Cooperating Entity to insert]*.

NOW, THEREFORE, on the basis of mutual trust and in the spirit of friendly cooperation, UN-HABITAT and *[acronym of the Cooperating Entity]* (the “Parties”) have entered into this Agreement.

Article I
Documents

1. This Agreement consists of this document and the following Annexes that form an integral part of it:
 - a) Annex A (“General Conditions”). *[acronym of the Cooperating Entity]* is named “Cooperating Entity” in this Annex. It is understood that provisions *[insert the clause that upon agreement and confirmation by UN-HABITAT will not be applicable]* of Annex A shall not apply;
 - b) Annex B (“Project Document and Work Plan”);
 - c) Annex C (“Project Budget”)
 - d) Annex D (“Narrative Report”).

2. The Parties agree that in the event and to the extent of any conflict between the terms and conditions of this document and the Annexes, or between any of the Annexes, this document shall prevail, followed by the Annexes in the order enumerated above.

Article II
Objective and Scope

1. The purpose of this Agreement is to establish the general terms and conditions under which the Parties shall collaborate to achieve the objectives to be set out for both UN-HABITAT and [*acronym of the Cooperating Entity*] through joint work. The technical expertise from both organizations, which will be used in this collaboration, would allow a more effective and efficient utilization of resources made available to both UN-HABITAT and [*acronym of the Cooperating Entity*].
2. Subject to their respective regulations, rules, policies, practice, procedures and availability of funds, the Parties shall collaborate in for the [*Programme/Project*].
3. The [*Programme/Project*], which is described in a more detailed manner in Annex B hereto, shall include, but not be limited to:

[brief description of the Programme/Project. A few sentences will suffice].

Article III
General Responsibilities of the Parties

1. The Parties agree to carry out their respective responsibilities in accordance with the provisions of this Agreement. The Parties agree to join efforts and to maintain close working relationships in order to achieve the objectives of the [*Programme/Project*].
2. The Parties shall keep each other informed of all activities pertaining to the [*Programme/Project*], and its implementation, and shall hold consultations every [*number*] months, or at any time as any Party considers it appropriate, on the status of the [*Programme/Project*], including any circumstance that may affect the achievement of its objectives.
3. The Parties shall refrain from any action that may adversely affect their interests and shall fulfill their commitments with fullest regard for the terms and conditions of this Agreement and the principles of the United Nations and UN-HABITAT.
4. Each Party shall determine and communicate to the other Party the person (or unit) having the authority and responsibility for the [*Programme/Project*] on its behalf.

Article IV
UN-HABITAT Responsibilities

1. Under this Agreement, UN-HABITAT shall be responsible for:

[describe responsibilities/inputs of UN-HABITAT]

Article V
[acronym of the Cooperating Entity] Responsibilities

1. Under this Agreement, [acronym of the Cooperating Entity] shall be responsible for:

[describe responsibilities/inputs of the Cooperating Entity]

Article VI
Reporting Requirements, Maintenance of Records and Audit

1. The [acronym of the Cooperating Entity] shall, in consultation with and inputs by UN-HABITAT, prepare and submit to UN-HABITAT, progress reports as agreed upon between the Parties in Annex B. The [acronym of the Cooperating Entity] shall prepare an annual report to be submitted to UN-HABITAT at the date the Parties may determine.

2. Within(months) of the completion of the [Programme/Project] or at the termination of this Agreement, the [acronym of the Cooperating Entity], in consultation with and inputs by UN-HABITAT, shall prepare and submit to UN-HABITAT a final report on the outcome of the [Programme/Project].

3. Upon completion of the [Programme/Project], or this Agreement, the Parties shall maintain the records relating to the [Programme/Project] for a period of at least three (3) years, unless otherwise agreed upon between the Parties.

4. UN-HABITAT has the right, at its own expense, to have the records of [acronym of the Cooperating Entity] pertaining to the implementation of the [Programme/Project] reviewed by the Audit Service of the United Nations Office at Nairobi and/or the United Nations Board of Auditors.

Article VII
Miscellaneous

1. This Agreement shall enter into force upon signature by the Parties and shall remain valid for a period of [number of months], or until the date on which the [Programme/Project] activities, as set forth in Annex A hereto, are orderly completed or when the Parties decide to terminate them, whichever date comes first.

2. Should it become evident that an extension of the duration is required, the Parties shall agree on a new termination date and record it in an Amendment to this Agreement in accordance with the procedure set forth in clause 20 of Annex A.

3. Any notice required to be given by either Party under this Agreement shall be given in writing and shall be deemed given when actually received by the other Party, to the following addresses:

To **UN-HABITAT**

Name:

Title:

Tel/fax:

E-mail address:

To **[acronym of the Cooperating Entity]**

Name:

Title:

Tel/fax:

E-mail address:

or to such changed addresses as either Party may subsequently specify by written notice to the other.

IN WITNESS WHEREOF the undersigned duly authorized representatives of UN-HABITAT and [*acronym of the Cooperating Entity*], have signed this Agreement in two original copies at the place and on the day below written.

For UN-HABITAT

For [*acronym of the Cooperating Entity*]

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Place: _____

Place: _____

Date: _____

Date: _____

Annex Five
AGREEMENT OF COOPERATION
between
THE UNITED NATIONS HUMAN SETTLEMENTS PROGRAMME
and
[Name of the Cooperating Entity]
Including FINANCIAL ARRANGEMENTS

THIS AGREEMENT OF COOPERATION (the “Agreement”) is entered into by the **United Nations Human Settlements Programme (UN-HABITAT)**, originally established as the United Nations Center for Human Settlements (HABITAT) by resolution of the General Assembly of the United Nations 32/162 of 19 December 1977, and thereafter transformed into a subsidiary organ of the General Assembly of the United Nations by its resolution 56/206 of 21 December 2001, with Headquarters in Nairobi, Kenya (“UN-HABITAT”); and *[Name of the Cooperating Entity]*, established in and registered in ..., as a ..., with Headquarters in (*acronym of the Cooperating Entity*);

WHEREAS, UN-HABITAT is the coordinating agency within the United Nations System for human settlements activities and focal point for the monitoring, evaluation and implementation of the Habitat Agenda, as well as the task manager of the human settlements chapter of Agenda 21 and responsible for promoting and consolidating collaboration with all partners, including local authorities and private and non-Governmental organizations in the implementation of the Habitat Agenda and the Millennium Development Goals of significantly improving the lives of at least 100 million slum dwellers by the year 2020; and

WHEREAS, *[acronym of the Cooperating Entity]* is committed to *[for the Cooperating Entity to insert]*.

NOW, THEREFORE, on the basis of mutual trust and in the spirit of friendly cooperation, UN-HABITAT and *[acronym of the Cooperating Entity]* (the “Parties”) have entered into this Agreement.

Article I
Documents

1. This Agreement consists of this document and the following Annexes that form an integral part of it:
 - e) Annex A (“General Conditions”). *[acronym of the Cooperating Entity]* is named “Cooperating Entity” in this Annex. It is understood that provisions *[insert the clause that upon agreement and confirmation by UN-HABITAT will not be applicable]* of Annex A shall not apply;
 - f) Annex B (“Project Document and Work Plan”);
 - g) Annex C (“Project Budget”)
 - h) Annex D (“Request for payment/Financial Report and Narrative Report”).
2. The Parties agree that in the event and to the extent of any conflict between the terms and conditions of this document and the Annexes, or between any of the Annexes, this document shall prevail, followed by the Annexes in the order enumerated above.

Article II
Objective and Scope

3. The purpose of this Agreement is to establish the general terms and conditions under which the Parties shall collaborate to achieve the objectives to be set out for both UN-HABITAT and [*acronym of the Cooperating Entity*] through joint work. The technical expertise from both organizations, which will be used in this collaboration, would allow a more effective and efficient utilization of resources made available to both UN-HABITAT and [*acronym of the Cooperating Entity*].

4. Subject to their respective regulations, rules, policies, practice, procedures and availability of funds, the Parties shall collaborate in for the [*Programme/Project*].

5. The [*Programme/Project*], which is described in a more detailed manner in Annex B hereto, shall include, but not be limited to:

[brief description of the Programme/Project].

Article III
General Responsibilities of the Parties

6. The Parties agree to carry out their respective responsibilities in accordance with the provisions of this Agreement. The Parties agree to join efforts and to maintain close working relationships in order to achieve the objectives of the [*Programme/Project*].

7. The Parties shall keep each other informed of all activities pertaining to the [*Programme/Project*], and its implementation, and shall hold consultations every [*number*] months, or at any time as any Party considers it appropriate, on the status of the [*Programme/Project*], including any circumstance that may affect the achievement of its objectives.

8. The Parties shall refrain from any action that may adversely affect their interests and shall fulfill their commitments with fullest regard for the terms and conditions of this Agreement and the principles of the United Nations and UN-HABITAT.

9. Each Party shall determine and communicate to the other Party the person (or unit) having the authority and responsibility for the [*Programme/Project*] on its behalf.

Article IV
UN-HABITAT Responsibilities

1. Under this Agreement, UN-HABITAT shall be responsible for:

[describe responsibilities/inputs of UN-HABITAT]

Article V
[acronym of the Cooperating Entity] Responsibilities

1. Under this Agreement, [acronym of the Cooperating Entity] shall be responsible for:

[describe responsibilities/inputs of the Cooperating Entity]

Article VI
Financial Arrangements

1. As part of the UN-HABITAT cooperation under this Agreement, and in accordance with Annexes B (“Project Document and Work Plan”) and C (“Project Budget”), UN-HABITAT shall provide [acronym of the Cooperating Entity] with funds up to a maximum amount of US\$....., in accordance with the following schedule:

(a) The first advance installment of US\$....., equivalent to% of the maximum amount set out in this Article, shall be made available by UN-HABITAT to [acronym of the Cooperating entity] upon signature of this Agreement by the Parties.

(b) A second installment of US\$....., equivalent to% of the maximum amount set out in this Article, shall be made available by UN-HABITAT to [acronym of the Cooperating entity], provided that UN-HABITAT is satisfied that [acronym of the Cooperating Entity] is in compliance with this Agreement, upon submission by [acronym of the Cooperating entity] to UN-HABITAT of a payment request in accordance with the format in Annex D, based on a statement certified by the [acronym of the Cooperating entity]’s competent Financial Officer showing:

- (i) the first installment received from UN-HABITAT and any interest earned on such payment, which interests should be used for the [Programme/Project];
- (ii) the expenditures and accrued commitments during that period; and
- (iii) a detailed estimate of expenditures for the ensuing period.

(c) A third installment[same requirements as second installment]

(d)

2. UN-HABITAT shall make the above processing of payments within [number of days] days following the receipt of the appropriate “Payment Request”. The statements referred to above shall be itemized as per the budget in Annex C. Supporting documents shall be available to UN-HABITAT upon request.

3. Payments will be made by UN-HABITAT in [United States Dollars] [local currency] into the following bank account:

Bank Name:
Bank Address:
Account Title:
Account Number:
Wire Instructions:
Signatories (2):

4. UN-HABITAT shall not make any payment for costs in excess of the maximum amount indicated in paragraph 1 above or which are otherwise not in accordance with this Agreement.
5. [*acronym of the Cooperating Entity*] is authorized to make variations not exceeding% on any one budget line item as set out in Annex C hereto, provided that the maximum amount set out in paragraph 1 above is not exceeded. Any variation exceeding that percentage must be previously approved in writing by UN-HABITAT.
6. Within thirty (30) days, [*acronym of the Cooperating Entity*] shall refund to UN-HABITAT, upon its written request, any funds provided in excess of the maximum amount set out in this Agreement, or any amendment thereof duly signed by the Parties. Likewise, [*acronym of the Cooperating Entity*] shall refund to UN-HABITAT any non-duly authorized disbursements. UN-HABITAT may deduct such refunds from future payments due to [*acronym of the Cooperating Entity*] under this Agreement, or otherwise, or recover them by any other means, as UN-HABITAT may consider appropriate and necessary.
7. [*acronym of the Cooperating Entity*] shall report to UN-HABITAT on any interest earned from funds above. Such interests shall be used by [*acronym of the Cooperating Entity*] in agreement with UN-HABITAT for the purposes of the [*Programme/Project*].
8. Upon termination of this Agreement, [*acronym of the Cooperating Entity*] shall refund to UN-HABITAT, within thirty (30) days of the date of termination, any fund, which may have not been disbursed or legally committed to that date by [*acronym of the Cooperating Entity*].

Article VII
Reporting Requirements, Maintenance of Records and Audit

1. The [*acronym of the Cooperating Entity*] shall, in consultation with and inputs by UN-HABITAT, prepare and submit to UN-HABITAT, progress reports as agreed upon between the Parties in Annex B. The [*acronym of the Cooperating Entity*] shall prepare an annual report to be submitted to UN-HABITAT at the date the Parties may determine.
2. Within of the completion of the [*Programme/Project*] or at the termination of this Agreement, the [*acronym of the Cooperating Entity*], in consultation with and inputs by UN-HABITAT, shall prepare and submit to UN-HABITAT a final report on the outcome of the [*Programme/Project*].
3. Upon completion of the [*Programme/Project*], or this Agreement, the Parties shall maintain the records relating to the [*Programme/Project*] for a period of at least three (3) years, unless otherwise agreed upon between the Parties.
4. UN-HABITAT has the right, at its own expense, to have the records of [*acronym of the Cooperating Entity*] pertaining to the implementation of the [*Programme/Project*] reviewed by the Audit Service of the United Nations Office at Nairobi and/or the United Nations Board of Auditors.

Article VIII
Miscellaneous

2. This Agreement shall enter into force upon signature by the Parties and shall remain valid for a period of [*number of months*], or until the date on which the [*Programme/Project*] activities, as set forth in Annex A hereto, are orderly completed or when the Parties decide to terminate them, whichever date comes first.

3. Should it become evident that an extension of the duration is required, the Parties shall agree on a new termination date and record it in an Amendment to this Agreement in accordance with the procedure set forth in clause 20 of Annex A.

4. Any notice required to be given by either Party under this Agreement shall be given in writing and shall be deemed given when actually received by the other Party, to the following addresses:

To **UN-HABITAT**

Name:

Title:

Tel/fax:

E-mail address:

To [***acronym of the Cooperating Entity***]

Name:

Title:

Tel/fax:

E-mail address:

or to such changed addresses as either Party may subsequently specify by written notice to the other.

IN WITNESS WHEREOF the undersigned duly authorized representatives of UN-HABITAT and [*acronym of the Cooperating Entity*], have signed this Agreement in two original copies at the place and on the day below written.

For UN-HABITAT

For [*acronym of the Cooperating Entity*]

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Place: _____

Place: _____

Date: _____

Date: _____

Annex SIX :
**General Terms and Conditions: Annex A of the Agreement of
Cooperation**

Annex A

1. GENERAL TERMS AND CONDITIONS

1.0 LEGAL STATUS: The Cooperating Entity shall be considered as having the legal status of an independent entity vis-a-vis UN-HABITAT. The Cooperating Entity's personnel shall not be considered in any respect as being the employees or agents of UN-HABITAT.

2.0 SOURCE OF INSTRUCTIONS: The Cooperating Entity shall neither seek nor accept instructions from any authority external to UN-HABITAT in connection with the performance of its services under this Agreement. The Cooperating Entity shall refrain from any action, which may adversely affect the United Nations or UN-HABITAT and shall fulfil its commitments with the fullest regard to the interests of UN-HABITAT.

3.0 COOPERATING ENTITY'S RESPONSIBILITY FOR EMPLOYEES: The Cooperating Entity shall be responsible for the professional and technical competence of its employees and will select, for work under this Agreement, reliable individuals who will perform effectively in the implementation of this Agreement, respect the local customs, and conform to a high standard of moral and ethical conduct.

4.0 ASSIGNMENT: The Cooperating Entity shall not assign, transfer, pledge or make other disposition of this Agreement or any part thereof, or any of the Cooperating Entity's rights, claims or obligations under this Agreement except with the prior written consent of UN-HABITAT.

5.0 SUB-CONTRACTING: In the event the Cooperating Entity requires the services of sub-contractors, the Cooperating Entity shall obtain the prior written approval and clearance of UN-HABITAT for all sub-contractors. The approval of UN-HABITAT of a sub-contractor shall not relieve the Cooperating Entity of any of its obligations under this Agreement. The terms of any sub-contract shall be subject to and conform with the provisions of this Agreement.

6.0 OFFICIALS NOT TO BENEFIT: The Cooperating Entity warrants that no official of the United Nations and UN-HABITAT has received or will be offered by the Cooperating Entity any direct or indirect benefit arising from this Agreement or the award thereof. The Cooperating Entity agrees that breach of this provision is a breach of an essential term of this Agreement.

7.0 INDEMNIFICATION: The Cooperating Entity shall indemnify, hold and save harmless, and defend, at its own expense, UN-HABITAT, its officials, agents, servants and employees from and against all suits, claims, demands, and liability of any nature or kind, including their costs and expenses, arising out of acts or omissions of the Cooperating Entity, or the Cooperating Entity's employees, officers, agents or sub-contractors, in the performance of this Agreement. This provision shall extend, *inter alia*, to claims and liability in the nature of workmen's compensation, products liability and liability arising out of the use of patented inventions or devices, copyrighted material or other intellectual property by the Cooperating Entity, its employees, officers, agents, servants or sub-contractors. The obligations under this Article do not lapse upon termination of this Agreement.

8.0 INSURANCE AND LIABILITIES TO THIRD PARTIES

8.1 The Cooperating Entity shall provide and thereafter maintain insurance against all risks in respect of its property and any equipment used for the execution of this Agreement.

8.2 The Cooperating Entity shall provide and thereafter maintain all appropriate workmen's compensation insurance, or its equivalent, with respect to its employees to cover claims for personal injury or death in connection with this Agreement.

8.3 The Cooperating Entity shall also provide and thereafter maintain liability insurance in an adequate amount to cover third party claims for death or bodily injury, or loss of or damage to property, arising from or in connection with the provision of services under this Agreement or the operation of any vehicles, boats, airplanes or other equipment owned or leased by the Cooperating Entity or its agents, servants, employees or sub-contractors performing work or services in connection with this Agreement.

8.4 Except for the workmen's compensation insurance, the insurance policies under this Article shall:

- (i) Name UN-HABITAT as additional insured;
- (ii) Include a waiver of subrogation of the Cooperating Entity's rights to the insurance carrier against UN-HABITAT;
- (iii) Provide that UN-HABITAT shall receive thirty (30) days written notice from the insurers prior to any cancellation or change of coverage.

8.5 The Cooperating Entity shall, upon request, provide UN-HABITAT with satisfactory evidence of the insurance required under this Article.

9.0 ENCUMBRANCES/LIENS: The Cooperating Entity shall not cause or permit any lien, attachment or other encumbrance by any person to be placed on file or to remain on file in any public office or on file with UN-HABITAT against any monies due or to become due for any work done or materials furnished under this Agreement, or by reason of any other claim or demand against the Cooperating Entity.

10.0 TITLE TO EQUIPMENT: Title to any equipment and supplies that may be furnished by UN-HABITAT shall rest with UN-HABITAT and any such equipment shall be returned to UN-HABITAT at the conclusion of this Agreement or when no longer needed by the Cooperating Entity. Such equipment, when returned to UN-HABITAT, shall be in the same condition as when delivered to the Cooperating Entity, subject to normal wear and tear. The Cooperating Entity shall be liable to compensate UN-HABITAT for equipment determined to be damaged or degraded beyond normal wear and tear.

11.0 COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS: UN-HABITAT shall be entitled to all intellectual property and other proprietary rights including but not limited to patents, copyrights, and trademarks, with regard to products, or documents and other materials which bear a direct relation to or are produced or prepared or collected in consequence of or in the course of the execution of this Agreement. At UN-HABITAT's request, the Cooperating Entity shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring them to UN-HABITAT in compliance with the requirements of the applicable law.

12.0 USE OF NAME, EMBLEM OR OFFICIAL SEAL OF UN-HABITAT: The Cooperating Entity shall not advertise or otherwise make public the fact that it is a Cooperating Entity with UN-HABITAT, nor shall the Cooperating Entity, in any manner whatsoever use the name, emblem or official seal of UN-HABITAT or the United Nations, or any abbreviation of thereof in connection with its business or otherwise.

13.0 CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION

13.1 All maps, drawings, photographs, mosaics, plans, reports, recommendations, estimates, documents and all other data compiled by or received by the Cooperating Entity under this Agreement shall be the property of UN-HABITAT, shall be treated as confidential and shall be delivered only to UN-HABITAT authorized officials on completion of work under this Agreement.

13.2 The Cooperating Entity may not communicate at any time to any other person, Government or authority external to UN-HABITAT, any information known to it by reason of its association with UN-HABITAT, which has not been made public except with the authorization of UN-HABITAT; nor shall the Cooperating Entity at any time use such information to private advantage. These obligations do not lapse upon termination of this Agreement.

14.0 FORCE MAJEURE; OTHER CHANGES IN CONDITIONS

14.1 In the event of and as soon as possible after the occurrence of any cause constituting force majeure, the Cooperating Entity shall give notice and full particulars in writing to UN-HABITAT, of such occurrence or change if the Cooperating Entity is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Agreement. The Cooperating Entity shall also notify UN-HABITAT of any other changes in conditions or the occurrence of any event, which interferes or threatens to interfere with its performance of this Agreement. On receipt of the notice required under this Article, UN-HABITAT shall take such action as, in its sole discretion, it considers to be appropriate or necessary in the circumstances, including the granting to the Cooperating Entity of a reasonable extension of time in which to perform its obligations under this Agreement.

14.2 If the Cooperating Entity is rendered permanently unable, wholly, or in part, by reason of force majeure to perform its obligations and meet its responsibilities under this Agreement, UN-HABITAT shall have the right to suspend or terminate this Agreement on the same terms and conditions as are provided for in Article 15, "Termination", except that the period of notice shall be seven (7) days instead of thirty (30) days.

14.3 Force majeure as used in this Article means acts of God, war (whether declared or not), invasion, revolution, insurrection, or other acts of a similar nature or force.

15.0 TERMINATION

15.1 Either party may terminate this Agreement for cause, in whole or in part, upon thirty (30) days notice, in writing, to the other party. The initiation of arbitral proceedings in accordance with Article 16 "Arbitration" below shall not be deemed a termination of this Agreement.

15.2 UN-HABITAT may terminate forthwith this Agreement at any time should the mandate or the funding of the Project be curtailed or terminated, in which case the Cooperating Entity shall be reimbursed by UN-HABITAT for all reasonable costs incurred by the Cooperating Entity prior to receipt of the notice of termination.

15.3 In the event of any termination by UN-HABITAT under this Article, no payment shall be due from UN-HABITAT to the Cooperating Entity, except for work and services satisfactorily performed in conformity with the express terms of this Agreement.

15.4 Should the Cooperating Entity be adjudged bankrupt, or be liquidated or become insolvent, or should the Cooperating Entity make an assignment for the benefit of its creditors, or should a Receiver be appointed on account of the insolvency of the Cooperating Entity, UN-HABITAT may, without

prejudice to any other right or remedy it may have under the terms of these conditions, terminate this Agreement forthwith. The Cooperating Entity shall immediately inform UN-HABITAT of the occurrence of any of the above events.

16.0 SETTLEMENT OF DISPUTES

16.1 Amicable Settlement

The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of this Agreement or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules then obtaining, or according to such other procedure as may be agreed between the Parties.

16.2 Arbitration

Any dispute, controversy or claim between the Parties arising out of this Agreement or the breach, termination or invalidity thereof, unless settled amicably under the preceding paragraph of this Article within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The arbitral tribunal shall have no authority to award punitive damages. In addition, unless otherwise expressly provided in this Agreement, the arbitral tribunal shall have no authority to award interest. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.

17.0 PRIVILEGES AND IMMUNITIES: Nothing in or relating to this Agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including UN-HABITAT.

18.0 TAX EXEMPTION

18.1 Section 7 of the Convention on the Privileges and Immunities of the United Nations provides, *inter alia*, that the United Nations, including UN-HABITAT, is exempt from all direct taxes, except charges for public utility services, and is exempt from customs duties and charges of a similar nature in respect of articles imported or exported for its official use. In the event any governmental authority refuses to recognize the UN-HABITAT exemption from such taxes, duties or charges, the Cooperating Entity shall immediately consult with UN-HABITAT to determine a mutually acceptable procedure.

18.2 Accordingly, the Cooperating Entity authorizes UN-HABITAT to deduct from the Cooperating Entity financial statement any amount representing such taxes, duties or charges, unless the Cooperating Entity has consulted with UN-HABITAT before the payment thereof and UN-HABITAT has, in each instance, specifically authorized the Cooperating Entity to pay such taxes, duties or charges under protest. In that event, the Cooperating Entity shall provide UN-HABITAT with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

19.0 OBSERVANCE OF THE LAW: The Cooperating Entity shall comply with all laws, ordinances, rules, and regulations bearing upon the performance of its obligations under the terms of this Agreement.

20.0 AUTHORITY TO MODIFY: No modification or change in this Agreement shall be valid and enforceable against UN-HABITAT unless provided by an amendment to this Agreement signed by the Cooperating Entity and a duly authorized Official of UN-HABITAT.

Annex SEVEN

WALK-THROUGH COOPERATION AGREEMENTS

Introduction

- ◆ A Cooperation Agreement (“CA”) is the legal instrument by UN-HABITAT to record a partnership between the Organization and Habitat Agenda partners in civil society, whether they are NGOs, private sector, foundations, etc., with a view to implementing a Programme/Project/Activities in common.

- ◆ The Branch proposing the partnership should maintain a file on the partner with certain minimum information and a record of previous cooperation, which should be copied to the Programme Support Division (“PSD”). The minimum information about the partner should include:
 - (a) A copy of the constitution and/or by-laws of the partner and a copy of registration/incorporation of the entity as applicable;
 - (b) The purpose of the partner;
 - (c) Information identifying the programmes and activities of the partner in human settlement, including areas relevant to the Habitat Agenda and the Millennium Development Goals, and indicating in which country or countries they are carried out;
 - (d) Confirmation of the activities of the partner at the local, national, regional and/or international levels;
 - (e) Copies of annual (or other) reports of the partner for the past two years, with financial statements and a list of financial sources and contributions, including government contributions for the past two years;
 - (f) A list of current members of the governing body of the partner, and their countries of nationality;
 - (g) A description of the membership of the partner, indicating the total number of members, the names of organizations that are members (if applicable) and their geographical distribution;

- ◆ If the partner is part of the private sector, a confirmation that it has been adhered to the Global Compact initiative of the UN Secretary-General should also be provided.

Model Agreement

- ◆ The **First Preambular Paragraph** should indicate the name of the partner and the place in which it has been registered. The place for its Headquarters is optional, although advisable, as it would provide further information on the partner.

- ◆ The **Third Preambular Paragraph** should be completed by the partner briefly describing its mandate and the commitment to the Programme/Project/Activity to be undertaken under the CA.

- ◆ **Article I** indicates the annexes to the main document of the CA as follows:
 - (a) **Annex A (“General Conditions”)**. The General Conditions are mandatory and should always be attached. They provide for requirement in accordance with the UN regulations, rules, policies and practice, as also applicable to UN-HABITAT. The Annex should not be changed. However, since not all of the General Conditions are applicable to all situations, any appropriate change should be operated in this provision. It is understood that the last sentence of this provision should be deleted if no change to these conditions is to happen. Any change to the General Conditions requires prior legal approval;

- (b) **Annex B (“Project Document and Work Plan”)**. This Annex is also mandatory and should be completed in accordance with the normal practice of UN-HABITAT for this purpose;
 - (c) **Annex C (“Project Budget”)**. If this Annex is made part of the previous one, it could be deleted. It is important that contributions to the budget be specified here, especially when UN-HABITAT is providing funds;
 - (d) **Annex D (“Request for payment/Financial Report and a Narrative Report”)**. This Annex is not mandatory, but would facilitate the reporting activity of the partner. If no funds are to be provided by UN-HABITAT, the form “Request for Payment/Financial Report” should not be included.
- ◆ It is important to note that Annexes are an integral part of the CA, together with the main document.
 - ◆ **Article II, Paragraph 2** should contain the objective of the cooperation. **Paragraph 3** should briefly describe the Programme/Project/Activity, which is described in Annex B in more detail. See annex 1 for outline of the Project Document.
 - ◆ **Articles IV and V** should be, respectively, completed by naming the responsibilities of the parties in the cooperation. Unless considered necessary, there should be no explanation of each responsibility, as that should be included in Annex B.
 - ◆ Dates incorporated in **Article VI, Paragraphs 1 and 2** depend on the length of the Programme/Project/Activity and the consideration of the manager upon discussion with the partner.
 - ◆ In the case that cooperation foresees the provision of funds by UN-HABITAT, a **New Article VI** should be inserted:
 - (a) **Paragraph 1** should include the maximum amount that UN-HABITAT would provide. This amount is not to be exceeded unless an amendment is signed.
 - (b) **Paragraph 2** indicates the number of installments in which the total amount would be provided. It is not advisable to provide the whole amount in one disbursement. The number of installments depends of the amount and the length on the Programme/Project/Activity. Requirements for the second installment are also necessary in the following installments.
 - ◆ CAs are to be signed by the Director PSD, upon request by the relevant Head of Branch indicating that funds are available and that proper substantive, financial and legal reviews have been carried out. *Ad hoc* legal review is only necessary when departures from the model are envisaged or as considered appropriate by the manager of the Programme/Project/Activity.

Annex Eight

MODEL TECHNICAL CO-OPERATION TRUST FUND AGREEMENT¹⁰

Agreement between the United Nations Human Settlements Programme (UN-HABITAT) and the Government of _____ (hereinafter referred to as "the parties"):

WHEREAS UN-HABITAT, represented by _____ (hereinafter referred to as "the (implementing office)"), and [*partner*] have agreed to co-operate in the implementation of a Project in [*country*] (In cases where a partner/recipient country/ies have not yet been identified, replace with the following text: "has decided to undertake a Project" entitled " _____ " (hereinafter referred to as "the Project"), which Project is summarized in attachment A hereto [and is more fully described in a Project Document(s) dated _____];¹¹

WHEREAS (the Government of) _____ (hereinafter referred to as "the donor (Government)") has informed UN-HABITAT of its willingness to contribute funds to meet the costs of the Project [on the basis of the Project Document dated _____, a copy of which has been provided to representatives of the donor Government)]; [footnote b refers]

WHEREAS it has been agreed between UN-HABITAT and the donor Government that the [*implementing office*] shall be responsible under the terms of this Agreement for the management of the funds contributed by the donor Government to meet the costs of the Project:

NOW, THEREFORE, UN-HABITAT and the donor Government hereby agree as follows:

Article I

1. The donor Government shall, in the manner referred to in paragraph 2 below, place at the disposal of the [*implementing office*] the sum of US\$ [*the sum in letters*] (xxxx) and the [*implementing office*] shall use such funds to meet the costs of the Project as shown in attachment A.
2. The donor Government shall, in accordance with the schedule of payments set out in attachment B to this Agreement, deposit the aforesaid funds, in convertible currencies of unrestricted use, to an account designated by the [*implementing office*] at the [*name and address of bank of deposit* _____].
3. The [*implementing office*] shall establish a trust fund under the Financial Regulations and Rules of the United Nations and the Special Annex for United Nations Habitat and Human Settlements Foundation for the receipt and administration of the aforesaid funds.

¹⁰ This model agreement is intended to set out the purposes of a technical co-operation trust fund and the modalities for the payment, receipt and expenditure of technical co-operation trust fund moneys. Matters relating to other aspects of the relationship between donor Governments and the Organization (such as the relations with host Governments with respect to the holding of a conference, the establishment of a centre or other institution, the contribution of Governments towards the expenses of United Nations offices, or matters relating to privileges and immunities to be accorded by Governments) should be the subject of a separate agreement on which the Office of Legal Affairs should be consulted and established procedures followed.

¹¹ If a copy of the Project document(s) to which the recipient Government and the implementing office are parties is to be provided to the donor Government, then the words within square brackets should be deleted.

4. The trust fund and the activities therefrom shall be administered by the _____[*implementing office*] in accordance with the regulations, rules, directives and procedures applicable to UN-HABITAT. Accordingly, personnel shall be engaged and administered, equipment, supplies and services purchased, and contracts entered into in accordance with the provisions of such regulations, rules, directives and procedures.

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

Article II

1. The trust fund shall be charged with expenditures incurred by the [*implementing office*] in the performance of activities under this Agreement.

2. The trust fund will also be charged with thirteen (13) percent of all expenditures from the trust fund, which percentage shall be a charge for programme support services provided by the UN-HABITAT in the implementation of the Project financed under the trust fund.

Article III

1. The [*implementing office*] shall commence and continue to conduct operations under this Agreement on the receipt of contributions in accordance with the schedule of payments set out in attachment B.

2. The [*implementing office*] will not make any commitments above the amounts specified for expenditure in attachment A.

3. If unforeseen expenditures arise, the [*implementing office*] will submit a supplementary budget to the donor (Government) showing the further financing that will be necessary. If no such further financing is available, the assistance provided to the Project under this Agreement may be reduced or, if necessary, terminated by the _____[*implementing office*]. In no event will the [*implementing office*] assume any liability in excess of the funds provided in the trust fund.

Article IV

Ownership of equipment, supplies and other property financed from this trust fund shall vest in UN-HABITAT. On the termination or expiration of this Agreement, the matter of ownership shall be determined in accordance with the provisions of the applicable project agreement between UN-HABITAT and [*partner*] or, should the applicable project agreement not contain any such provisions, then the matter shall be a subject for consultations between the donor Government and UN-HABITAT.

Article V

Evaluation of the activities financed from this trust fund, including joint evaluation by the [*implementing office*], donor (Government) and recipient Government/s (as applicable) shall be undertaken in accordance with the provisions contained in attachment A.

Article VI

This trust fund shall be subject exclusively to the internal and external auditing procedures laid down in the Financial Regulations, Rules, directives and procedures of the United Nations.

Article VII

1. The *[implementing office]* shall provide the donor (Government) with the following statements and reports prepared in accordance with the United Nations accounting and reporting procedures:

- (a) [An annual][Bi-annual] progress reports;
- (b) An annual financial statement showing income, expenditures, assets and liabilities as of 31 December each year with respect to the funds provided by the donor (Government);
- (c) A final report and a final financing statement within six months after the date of expiration or termination of this Agreement.

2. UN-HABITAT shall provide appropriate recognition and acknowledgement to *[the donor (Government)]* for its voluntary contributions to the Project provided under this Agreement. The form of such recognition and acknowledgement shall be decided by the Parties in writing.

Article VIII

The *[implementing office]* shall notify the donor (Government) when, in the opinion of the *[implementing office]*, the purpose for which the trust fund was established have been realized. The date of such notification shall be deemed to be the date of expiration of this Agreement, set out in article XIV below, subject to the continuance in force of article X for the purposes therein stated.

Article IX

1. This Agreement may be modified only by written agreement between the parties.
2. This Agreement may be terminated by either party within thirty (30) days of a written notice to the other party, subject to the continuance in force of article X for the purpose therein stated.

Article X

Obligations assumed by Parties under this Agreement shall survive the termination or expiration of this Agreement under article VIII or IX to the extent necessary to permit the orderly conclusion of activities, the withdrawal of personnel, funds and property, the settlement of accounts between the parties hereto and the settlement of contractual liabilities that are required in respect of any subcontractors, consultants or suppliers. Thereafter, any surplus remaining in the trust fund shall be disposed of as agreed between UN-HABITAT and the donor Government.

Article XI

1. The parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of this Agreement or the breach, termination or invalidity thereof.
2. Any dispute, controversy or claim between the parties arising out of this Agreement or the breach, termination or invalidity thereof, which is not settled amicably in accordance with paragraph 1 of this Article, shall be referred at the request of either party for final decision to a tribunal of three arbitrators, one to be named by the Secretary-General of the United Nations, one to be named by the

donor Government and the third, who shall be the chairperson, to be chosen by the first two. If either party fails to appoint an arbitrator within sixty (60) days of the other party having notified the name of its arbitrator or if the first two arbitrators fails to agree on the third arbitrator within sixty (60) days of the appointment of the second arbitrator, the President of the International Court of Justice may appointment the chairperson at the request of either party. Except as otherwise agreed by the parties, the tribunal shall adopt its own rules of procedures, provide for the reimbursement of its members and the distribution of expenses between the parties, and take all decisions by a two-third majority. The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.

Article XII

Nothing in this Agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including UN-HABITAT.

Article XIII

1. Any action required or permitted to be taken under this Agreement may be taken on behalf of the donor (Government) by _____, or his or her designated representative, and on behalf of UN-HABITAT by _____, or his or her designated representative.

2. Any notice or request required or permitted to be given or made in this Agreement shall be in writing. Such notice or request shall be deemed to be duly given or made when it shall have been delivered by hand, mail, cable or telex to the party to which it is required to be given or made, at such party's address specified below or at such other address as the party shall have specified in writing to the party giving such notice or making such request.

| | |
|---|---|
| For UN-HABITAT: Name: _____ Title: _____ Address: _____ Telephone: _____ Facsimile: _____ E-Mail address: _____ | For the donor (Government): Name: _____ Title: _____ Address: _____ Telephone: _____ Facsimile: _____ E-Mail address: _____ |
|---|---|

Article XIV

This Agreement shall enter into force upon signature thereof by the parties, and expire on [date].

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have on behalf of the parties hereto signed the present Agreement in the English and _____ language(s) in two copies.

| | |
|---|---|
| For UN-HABITAT: Name: _____ Title: _____ Date: _____ | For the donor (Government): Name: _____ Title: _____ Date: _____ |
|---|---|

FINANCIAL REPORT AND REQUEST FOR PAYMENT

Project Title:.....
 Activity Reference:.....
 Name of Cooperating Organisation:.....
 Total Project Budget in US\$:.....

I. Statement of Receipts, Expenditure and Fund Balance as at

| Object Class | Object Code | Class/Code Name | Total Budget | Total prior period expenditure | Reporting period | | | | | Planned Expenditure for |
|--------------|--|--|--------------|--------------------------------|------------------|---------------|-------------------------|------------------------|---------|-------------------------------|
| | | | | | Budget | Disbursements | Unliquidated Obligation | Cumulative Expenditure | Balance | |
| | | | | | (a) | (b) | (c) | d=(b+c) | e=(a-d) | |
| 421 | Project Personnel | | | | | | | | | |
| | 1101 | International Experts/1 | | | | | | | | |
| | 1102 | International Experts/2 | | | | | | | | |
| | 1103 | International Experts/3 | | | | | | | | |
| | 1151 | Consultants /1 | | | | | | | | |
| | | Subtotal International Experts | | | | | | | | |
| | 1301 | Administrative Support Personnel /1 | | | | | | | | |
| | 1302 | Administrative Support Personnel /2 | | | | | | | | |
| | 1303 | Administrative Support Personnel /3 | | | | | | | | |
| | | Subtotal Administrative Support Personnel | | | | | | | | |
| 1401 | Volunteers | | | | | | | | | |
| | Subtotal Volunteers | | | | | | | | | |
| 1501 | Travel on Official Business (internal travel) | | | | | | | | | |
| | Subtotal Travel on official business | | | | | | | | | |
| 1601 | Mission Costs | | | | | | | | | |
| | Subtotal Mission Costs | | | | | | | | | |
| 1701 | National project staff and consultants/1 | | | | | | | | | |
| 1702 | National project staff and consultants/2 | | | | | | | | | |
| 1703 | National project staff and consultants/3 | | | | | | | | | |
| | Subtotal national project staff and consultants | | | | | | | | | |
| | Project Personnel TOTAL | | | | | | | | | |
| 422 | Subcontracts | | | | | | | | | |
| 2101 | Sub-Contracts /1 | | | | | | | | | |
| 2102 | Sub-Contracts /2 | | | | | | | | | |
| 2103 | Sub-Contracts /3 | | | | | | | | | |
| | Subtotal Sub-contracts | | | | | | | | | |
| 2201 | Grants to institutions /1 | | | | | | | | | |
| 2202 | Grants to institutions /2 | | | | | | | | | |
| 2203 | Grants to institutions /3 | | | | | | | | | |
| | Subtotal Grants to Institutions | | | | | | | | | |
| | Subcontracts TOTAL | | | | | | | | | |
| 423 | Training | | | | | | | | | |
| 3101 | Individual Fellowships/1 | | | | | | | | | |
| 3102 | Individual Fellowships/2 | | | | | | | | | |
| | Subtotal Individual Fellowships | | | | | | | | | |
| 3201 | Group training /1 | | | | | | | | | |
| 3202 | Group training /2 | | | | | | | | | |
| | Subtotal Group Training | | | | | | | | | |
| 3301 | In-service training /1 | | | | | | | | | |
| 3302 | In-service training /2 | | | | | | | | | |
| | Subtotal In-service training | | | | | | | | | |
| | Training TOTAL | | | | | | | | | |
| 424 | Equipment | | | | | | | | | |
| 4101 | Expendable equipment/1 | | | | | | | | | |
| 4102 | Expendable equipment/2 | | | | | | | | | |
| | Subtotal Expendable equipment | | | | | | | | | |
| 4201 | Non expendable equipment/1 | | | | | | | | | |
| 4202 | Non expendable equipment/2 | | | | | | | | | |
| | Subtotal Non expendable equipment | | | | | | | | | |
| 4301 | Premises/1 | | | | | | | | | |
| 4302 | Premises/2 | | | | | | | | | |
| | Subtotal Premises | | | | | | | | | |
| | Equipment TOTAL | | | | | | | | | |
| 425 | Miscellaneous | | | | | | | | | |
| 5101 | Operation and Maintenance of equipment/1 | | | | | | | | | |
| 5102 | Operation and Maintenance of equipment/2 | | | | | | | | | |
| | Subtotal Operation and Maintenance of equipment | | | | | | | | | |
| 5201 | Reporting costs /1 | | | | | | | | | |
| 5202 | Reporting costs /2 | | | | | | | | | |
| | Subtotal Reporting Costs | | | | | | | | | |
| 5301 | Sundry /1 | | | | | | | | | |
| 5302 | Sundry /2 | | | | | | | | | |
| | Subtotal Sundry | | | | | | | | | |
| 5401 | Direct costs | | | | | | | | | |
| | Subtotal Direct costs | | | | | | | | | |
| 5800 | Prior year adjustment | | | | | | | | | |
| 427 | Miscellaneous | | | | | | | | | |
| | Micro-Capital Grants | | | | | | | | | |
| 7101 | Grants for credit activities/1 | | | | | | | | | |
| 7102 | Grants for credit activities/2 | | | | | | | | | |
| | Subtotal for Grants for credit activities | | | | | | | | | |
| 7201 | Grants for other capital investments/1 | | | | | | | | | |
| 7202 | Grants for other capital investments/2 | | | | | | | | | |
| | Subtotal for Grants for other capital investments | | | | | | | | | |
| | Micro-capital Grants | | | | | | | | | |
| 999 | Programme Support Costs | | | | | | | | | |
| | PROJECT TOTAL | | | | | | | | | |

II. Request For Payment:

| | | | |
|-----------|--|----------------------|-------------|
| A. | Cash receipts statement | Date Received | US\$ |
| i) | 1st Instalment | | - |
| ii) | 2nd Instalment | | - |
| iii) | 3rd Instalment | | - |
| iv) | 4th Instalment | | - |
| | Total Receipts | | |
| B. | Total Cumulative Expenditure as at | | - |
| C. | Total Cash Balance as at | (A-B) | - |
| D. | Total Cash Requirements for the period..... | | - |

CERTIFIED BY:.....

Finance Director

Director/Programme Coordinator

