



**Interoffice Memorandum**

To: Ms. Elizabeth Fong  
Officer-in-Charge  
Bolivia

Date: 13 May 2008

From:   
Assistant Administrator and Director, Partnerships Bureau  
UNDP New York

Extension: 6005

Subject: Subject: MDGF-1731-Productive Patrimonial Assets Building and  
Citizenship Programme for Women in Extreme Poverty in Bolivia

File: MDGF 1732

**I. Approval Status**

On behalf of the MDG-F Steering Committee I am pleased to inform you that your Joint Programme "Productive Patrimonial Assets Building and Citizenship Programme for Women in Extreme Poverty in Bolivia" is hereby approved with an allocation of USD\$ 9 million for three years. This figure includes 7% for indirect costs incurred by UN Participating Organizations. Please note the 1% AA fee will be reimbursed directly to the MDTF Office and need not be included in your allocation.

**II. JP design comments**

We have identified in section III below, some changes we require to the design of your Joint Programme. Once these adjustments have been reflected in the document, you may proceed with signature of the Joint Programme document. In addition to the Government, the UN Resident Coordinator and Participating UN Organizations should each sign the Joint Programme document. We would encourage you to ensure some visibility for this event and for the launch of implementation.

The MDG-F Secretariat, in collaboration with various experts, has reviewed the draft Joint Programme presented and considers it a faithful extension of the approved concept note. We recognize that an effort has been made to address the recommendations of the Technical sub-committee, the Steering Committee and the Secretariat specially by reducing the original budget from \$11,573,287 to \$9 million.

The Secretariat welcomes that the Programme focuses on a number of downstream activities at the municipal level targeting rural indigenous women, which are the population in a situation of greater vulnerability both in terms of poverty and gender based discrimination. There is a clear potential to contribute to the achievement of the MDGs, mainly those related to poverty reduction and gender equality. Despite the fact that the **link between poverty and gender** is very well explained in the narrative part, we are in the view that this linkage **is not sufficiently reflected in the results framework**. We also appreciate the geographical concentration of the proposed interventions targeting the poorest populations while assessing the risks that may impede the achievement of the results. We would recommend however to **revise the proposed structure of the coordination unit deciding on the necessity of field presence through local offices** before launching the programme instead of later (page 32).

We value the fact that the Programme promotes strong national ownership, for instance by placing the coordinating unit in the national counterpart specialized on gender issues and that it foresees a strategic partnership with key counterparts such as the Association of Women Councilors (Acobol).



The Secretariat considers that the draft joint Programme is clearly laid-out, follows current UNDG guidelines and meets the design standards of the Fund. The shortcoming of the current framework in our view arise from the **unequal attention given to the different outcomes**, privileging outcome 1 -focused on patrimonial assets support- putting less emphasis on outcomes 2 and 3 -that aim at the strengthening of rights and awareness raising – and this, to a certain extent, undermines the overall approach of the Programme. In this sense, the **reinforcement of the leadership** of the main implementing partner, the **Vice Ministry of Gender Affairs**, should be prioritized to ensure the overall success of the Programme. This could be done by ensuring the **appropriate timeframe** -prior to those gender mainstreaming activities that are to be carried out with the leadership of the Vice Ministry- and **budget allocation** for the implementation of this output. We recommend therefore that the **budget is redistributed** so that there are sufficient funds to ensure the achievement of the outcome 3 (especially output 3.4) that we see as vital for the overall success of the Programme.

We consider as very positive that the Programme proposes to attain sustainability by channeling the funds dedicated to support seed capital and start up grants through local foundations and NGOs which will also provide technical assistance to the beneficiaries of the Programme. We recommend that in the selection process of these **foundations and NGOs** is required **certain capacity to work with a gender perspective**. We also feel that, although a previous identification campaign led by UNDP is mentioned in the document, **references to other experiences** in the field of microfinance in the region could improve the aspect of sustainability. This specially applies to outputs 2.2, 2.3 and 2.4 where, unless **advocacy for public policies** is carried out, there is a risk of results not being sustainable. **A culturally sensitive strategy** should also be **strengthened** especially in relation to these outputs were interventions proposed and indigenous traditional laws might be in conflict.

The Monitoring plan could be improved by including baseline information and **qualitative indicators**. In addition, note that the MDG-Fund Secretariat plans to work with all approved programmes during the current year to address their M&E frameworks and to develop a small number of common indicators relating to the thematic windows, UN reform, Paris Declaration process and the Millennium Declaration.

### III. JP re-design requirements and/or recommendations

The Secretariat recommends that:

- linkages between poverty and gender are sufficiently reflected in the results framework in line with the vision presented in the narrative part;
- the proposed structure of the coordination unit is revised to decide before launching the Programme on the necessity of field presence through local offices;
- output 3.4 is prioritized in terms of budget allocation, redistributing the budget, and is included in the work plan prior to those activities to be implemented by the Vice Ministry of Gender issues;
- foundations and NGOs to act as executing local partners have certain capacity working with a gender perspective;
- reference is made to experiences in the field of microfinance in the region;
- the aspect of advocating for public policies is included in relation to outputs 2.2, 2.3 and 2.4;
- strengthen a culturally sensitive strategy especially in regards to output 2.3;



- including baseline information and qualitative indicators.

#### **IV. Management arrangements and delegation of authority**

On receipt of a copy of the signed document, the Fund Secretariat will transfer the full three-year allocation to the custody of the Multi Donor Trust Fund (MDTF) Office pending further instructions from you.

Please note the MDTF Office will pass-through funds to Participating Organizations on instruction from you as Resident Coordinator and Co-Chair of the National MDG-F Steering Committee.

As reflected in the Fund's Framework Document (Section 9 'Formulation Process & Release of Funds) and the global MoU with Participating Organizations (Article I, 2-c) the MDTF Office will release resources on an annual, advance basis. For the first advance, these funds will be transferred on the basis of receipt of the first year Annual Workplan and the signed Joint Programme document. Subsequent annual advances will be released on instructions from you and on the basis of a) receipt of the next annual work-plan approved by the National Steering Committee; b) evidence that a formal review of the programme's progress has been undertaken not more than three months earlier, either in the form of an annual progress report (if the timing coincides) or through the minutes of a National Steering Committee where this has been discussed; and c) only when combined commitments against the existing advance have exceeded 70%. Please review the initial year budget requests carefully with participating organizations in order to ensure realistic delivery targets in this regard. The annual agency apportionment projected in the final budget attached to the signed Joint Programme document should also be reviewed and can be revised up to the time of your first funds-advance request. This is important for the reasons outlined below.

In order to allow the implementation team some flexibility to adapt the strategy to unexpected challenges and opportunities (most particularly delivery issues), and to empower Resident Coordinators in their oversight responsibilities, this memorandum also provides you with the authority over the three year duration of the programme in consultation with Participating Organizations and with the agreement of your National Steering Committee to (a) transfer up to \$1,000,000 or 20% of the total value of the project budget – whichever is lowest – *between Participating Organizations* identified in the original Joint Programme budget and (b) re-phase up to \$1,000,000 or 20% of the total value of the project budget – whichever is lowest - *between years*. The base-line against which these ceilings will be measured is the annual budget projection (by year and by participating organization) confirmed at the time of your first funds-advance request. The MDTF Office must be informed of any revisions of this kind, decided locally and is responsible for tracking these delegation ceilings for each programme. Any changes that fall outside these parameters will have to be referred back to the (Global) MDG-F Steering Committee for approval.

As you will appreciate, one of the MDG-F's express goals is to strengthen the role of Resident Coordinators as leaders of Country Teams. The success of the MDG-F activities will depend on your ongoing leadership and engagement. We count on you to exercise this leadership and to ensure this Joint Programme remains an ongoing, integrated effort by the UN system in support of national priorities. Please also use the National Steering Committee mechanism to help ensure national ownership by the Government in particular and involve it in important financial and programmatic oversight decisions.



The signed Joint Programme document and the completed Fund Release Form should be sent to the MDG-F Secretariat and MDTF Office within 30 days of the receipt of this memorandum. If this deadline is not possible, please inform the secretariat accordingly.

The Executive Coordinator of the MDTF Office, Bisrat Aklilu, will be in contact with any specific documentation requirements to ensure the programme meets compliance requirements for the Fund's pass-through arrangements.

With best wishes.

cc.

Mr. Bisrat Aklilu, Executive Coordinator, Multi-Donor Trust Fund Office

Ms. Rebecca Gynspan, Assistant Administrator and Director Bureau for Latin America and the Caribbean – UNDP- New York

H.E. Mr. D. Juan Antonio Yáñez-Barnuevo, Permanent Representative of Spain to the United Nations

H.E. Mr. Hugo Siles Alvarado, Permanent Representative of Bolivia to the United Nations

Ms. Milagros Hernando, Director-General for Planning & Evaluation, MFA Madrid

Ms. Sally Fegan-Wyles, Director, Development Group Office

MDG-F Secretariat