



Interoffice Memorandum

To: Ms. Christine McNab
UN Resident Coordinator
Bosnia & Herzegovina

Date: 21 May 2008

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

Extension: 6005

Subject: Subject: MDGF-1800" Improving Cultural Understanding in Bosnia and Herzegovina"

File: MDGF 1800

I. Approval Status

On behalf of the MDG-F Steering Committee I am pleased to inform you that your Joint Programme Improving Cultural Understanding in Bosnia and Herzegovina is hereby approved with an allocation of USD\$8,000,000 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

No substantive changes are required **to the design** of your Joint Programme and 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.

We note the Joint Programme aims at strengthening cross-cultural understanding by (i) improving the cultural policy and legal framework; (ii) nourishing dialogue across cultures; (iii) supporting the cultural industries and (iv) increasing tolerance towards diversity. It is framed within the aspirations and national priorities of accessing the EU. The programme is the outcome of extensive consultations with relevant government counterparts at the local regional and central levels; cultures institutions and civil society. It draws on lessons learnt, considerable UN experience in the area and sound partnerships with other development partners including the EU and USAID.

The comments of our technical reviewer on the Joint Programme document are attached for reference. The review is very positive and includes some useful recommendations you may wish to consider in the finalization of the document or during the course of the programme's implementation. Please note that the changes recommended by the reviewer are not required by the Fund, unless specified under section III below. The Secretariat supports this assessment and would like to post the Programme Document in the website as an example of good design of Joint Programme once the recommended minor revisions are incorporated in the document.

We believe that the Joint Programme meets a number of the Fund's strategic goals and has a clear potential to advance the achievement of the MDG and implementation of several international Conventions. It is coherent with national policies and priorities. The draft Joint Programme design is sound. The mechanisms for joint management arrangements should be better explained. While the



proposed Monitoring framework is clear, additional effort should be undertaken to develop indicators to capture progress at the level of the MDGs, impact, UN reform and Paris Declaration. In addition, the Secretariat plans to work with all approved programmes during 2008 to address their M&E frameworks and to develop a small number of common indicators relating to the MDGs, thematic windows, UN reform and the Paris Declaration.

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

The following minor changes are required to the Joint Programme document before finalization:

- Clarify the proposed **joint management arrangements** for the Joint Programme. We welcome additional information for instance on how government counterparts will be involved in the management of the joint programme at the regional and local levels; location project management office; composition of management team including relevant government counterparts, etc.
- Identify **MDG and impact indicators** in the Monitoring and Evaluation framework. You could also consider adding a few indicators on how the joint programme will contribute in progressing the principles embedded in the Paris declaration and UN reform processes .

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.

Bisrat Aklilu, Executive Coordinator, Multi-Donor Trust Fund Office
Ms. Kori Udovicki, Assistant Administrator and Director Bureau for Europe and the Commonwealth of Independent States, UNDP New York
H.E. Mr. D. Juan Antonio Yáñez-Barnuevo, Permanent Representative of Spain to the United Nations
H.E. Mr. Miloš Prica, Permanent Representative of Bosnia and Herzegovina 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