



[COUNTRY- MYANMAR]

**PROJECT HALF YEARLY PROGRESS UPDATE**

**PERIOD COVERED: JANUARY – JUNE 2014**

<b>Project No &amp; Title:</b>	00085918 PBF/IRF/64 Procurement for the Start-up of the Myanmar Peace Centre (MPC)		
<b>Recipient Organization(s)<sup>1</sup>:</b>	United Nations Office for Project Services		
<b>Implementing Partners (Government, UN agencies, NGOs etc):</b>	Myanmar Peace Center (MPC)		
<b>Location:</b>	Yangon, Myanmar		
<b>Total Approved Budget :<sup>2</sup></b>	USD 477,426		
<b>Preliminary data on funds committed :<sup>3</sup></b>	USD 477,426	<b>% of funds committed / total approved budget:</b>	100%
<b>Expenditure<sup>4</sup>:</b>	USD 277,824	<b>% of expenditure / total budget: (Delivery rate)</b>	58%
<b>Project Approval Date:</b>	27 February 2013	<b>Possible delay in operational closure date (Number of months)</b>	
<b>Project Start Date:</b>	1 February 2013		
<b>Expected Operational Project Closure Date:</b>	31 Dec 2014		
<b>Project Outcomes:</b>	Myanmar Peace Center commences rapidly with its intended functions, thanks in part to critical gaps filled by the PBF, and it becomes recognized as a critical positive actor in the peace process.		
<b>PBF Focus Area<sup>5</sup></b>	Support the implementation of peace agreements and political dialogue		

<sup>1</sup> Please note that where there are multiple agencies, only one consolidated project report should be submitted.

<sup>2</sup> Approved budget is the amount transferred to Recipient Organisations.

<sup>3</sup> Funds committed are defined as the commitments made through legal contracts for services and works according to the financial regulations and procedures of the Recipient Organisations. Provide preliminary data only.

<sup>4</sup> Actual payments (contracts, services, works) made on commitments.

<sup>5</sup> PBF focus areas are:

*1: Support the implementation of peace agreements and political dialogue (Priority Area 1):*

(1.1) SSR, (1.2) RoL; (1.3) DDR; (1.4) Political Dialogue;

*2: Promote coexistence and peaceful resolution of conflicts (Priority Area 2):*

(2.1) National reconciliation; (2.1) Democratic Governance; (2.3) Management of natural resources;

*3: Revitalise the economy and generate immediate peace dividends (Priority Area 3);*

(3.1) Short-term employment generation; (3.2) Sustainable livelihoods

*4) (Re)-establish essential administrative services (Priority Area 4)*

(4.1) Public administration; (4.2) Public service delivery (including infrastructure).

## Qualitative assessment of progress

<p><i>For each intended outcome, provide evidence of progress during the reporting period.</i></p> <p><i>In addition, for each outcome include the outputs achieved.</i> (500 words max.)</p>	<p>The final confirmation of specifications for remaining vehicles was received from MPC on 4 February 2014. This was after a substantial period of negotiations that stemmed from a lack of the required specifications in the local market and the search for alternative specifications. For this reporting period, this is the only significant event to report on. It is now a case of waiting for those vehicles to arrive.</p>
<p><i>Do you see evidence that the project is having a positive impact on peacebuilding?</i> (250 words max.)</p>	<p>UNOPS is procuring goods for MPC. UNOPS does not monitor how each item of equipment is used to conduct peacebuilding in individual field missions as part of this project. Therefore it is impossible to measure the contribution to the outcome empirically.</p> <p>However, we can say that the procurement of equipment and wider peacebuilding are closely connected. MPC needs vehicles to move to different areas of the country to negotiate, implement and monitor ceasefires, as well as to travel between Yangon (MPC Office) and Nay Pyi Taw (centre of government and the President's Office to which MPC reports). MPC needs radios to communicate with other peace-related actors, such as Tatmadaw (army) and non-state actors. Lastly, MPC needs generators to power the main office in the erratic electricity environment in Yangon, so that the office can function.</p> <p>Therefore one can conclude that these items are contributing to the peacebuilding mandate of the MPC.</p>
<p><i>Were there catalytic effects from the project in the period reported, including additional funding commitments or unleashing/ unblocking of any peace relevant processes?</i> (250 words max.)</p>	<p>No change in the period reported.</p>
<p><i>If progress has been slow or inadequate, provide main</i></p>	<p>Three vehicles are yet to be delivered and have been the subject of much negotiation with MPC over their specifications. The specifications have not been available locally and the follow up to this</p>

<p><i>reasons and what is being done to address them.</i> (250 words max.)</p>	<p>situation (i.e. identification of a 'plan B') has required much time. The final specifications were given on 4 February 2014 and the procurement is underway. Please see Annex for detailed schedule.</p>
<p><i>What are the main activities/expected results for the rest of the year?</i> (250 words max.)</p>	<p>The sole remaining activity for the rest of the year is the delivery of the 3 remaining vehicles to MPC and their receipt and inspection by MPC.</p>
<p><i>Is there any need to adjust project strategies/ duration/budget etc.?</i> (500 words max.)</p>	<p>There is no need to adjust strategy or budget. We have requested and been granted no cost extension to 31 December 2014 to cover the remaining procurement.</p>
<p><i>Are there any lessons learned from the project in the period reported?</i> (500 words max.)</p>	<p>The lessons learned in this period are the same as those highlighted in previous reporting from UNOPS to PBF. There are no additional lessons learned from this reporting period. As previously reported in the Annual Report:</p> <ol style="list-style-type: none"> <li>1. Procurement Procurement in accordance with UNOPS rules and regulations is detailed and systematic. In addition, conducting procurement in Myanmar, where the market is not so mature (e.g. in terms of local suppliers), has presented various challenges. On account of the above, this project has been a learning experience for all parties. Our Myanmar partners may not be used to the thoroughness of the procurement processes that we conduct. At the same time, UNOPS has learned about local market conditions. In this sense, there has been some lessons learned for all parties in procurement and planning. Specific examples would be the need to define all requirements in detail before a procurement process commences, or the need to check availability of items with local suppliers.</li> <li>2. Supporting nascent peace organisations MPC was, and is, a nascent organisation evolving with time. This is an observation less about their peacebuilding mandate but more about the core work and duties of any organisation, e.g. internal and external communications, planning, coordination.</li> <li>3. Realities of local timelines Although seemingly small and straightforward, this project has required a significant amount of time and resources due to the current context of Myanmar and the procurement factors raised in Lesson 1</li> </ol>

	above. This should be taken into account when planning other seemingly small projects in future; they will require much more time than planned.
<i>What is the project budget expenditure to date (percentage of allocated project budget expensed by the date of the report) – preliminary figures only? (250 words max.)</i>	USD 277,824 (58% of total project budget) has been spent so far.
<i>Any other information that the project needs to convey to PBSO (and JSC) at this stage? (250 words max.)</i>	We are waiting for the final 3 vehicles to be delivered.  Please see the "Annex: Procurement Schedule" at the end of this report for details.

**INDICATOR BASED PERFORMANCE ASSESSMENT:** *Using the Project Results Framework as per the approved project document- provide an update on the achievement of key indicators at both the outcome and output level in the table below. Where it has not been possible to collect data on indicators, state this and provide any explanation in the qualitative text above.*

	<b>Performance Indicators</b>	<b>Indicator Baseline</b>	<b>End of project Indicator Target</b>	<b>Current indicator progress</b>	<b>Reasons for Variance/ Delay (if any)</b>	<b>Adjustment of target (if any)</b>
<b>Outcome 1</b>	Indicator 1.1  MPC begins to implement its workplan.	MPC new and not yet operational.	MPC in a position to undertake missions and travel and communicate with documentation of actions/findings/ made (as part of its workplan)	On track - MPC is operational and conducting missions and travel		
	Indicator 1.2  Key Government, opposing non-State actors and third-party observers testify to value of MPC to the peace process.	Many third-party observers optimistic about role of MPC.	Opposing non-State actors articulate positive role for MPC. Third party observers continue to support.	On track		
	Indicator 1.3  Additional funds are mobilized to support MPC	No funds.	EU funds MPC as planned	On track. EU and other donors are funding MPC.		

Output 1.1	Indicator 1.1.1					
	Indicator 1.1.2					
Output 1.2	Indicator 1.2.1					
	Indicator 1.2.2					
Output 1.3	Indicator 1.3.1					
	Indicator 1.3.2					
<b>Outcome 2</b>	Indicator 2.1					
	Indicator 2.2					
Output 2.1	Indicator 2.1.1					
	Indicator 2.1.2					
Output 2.2	Indicator 2.2.1					
	Indicator 2.2.2					

Annex: Procurement Schedule

#	Requested item	Process Status	Requisition Received Date (Final confirmation of Specification)	RFQ/ITB issued Date	Deadline for Submission	Completed technical evaluation	Final evaluation report	PO/Contract Issued Date	Awarded items	Delivery date	RIR signed by MPC
1	Walki-Talki (First requisition) 200 units of Handheld Radio 10 units of Base Station 10 units of Mobile kit for vehicles	Cancelled	10-Jun-13	19-Jun-13	1-Jul-13	2-Jul-13	12-Jul-13	N/A	Nil	N/A	N/A
2	Walki-Talki (Revised requisition) 300 units of Handheld Radio	Completed	25-Jul-13	16-Aug-13	26-Aug-13	29-Aug-13	20-Sep-13	9-Oct-13	300 units of Handheld radios	15-Oct-13	15-Oct-13
3	Generator (First requisition) 1 unit of 60 KVA and 1 unit of 100 KVA	Completed	10-Jun-13 & 10-Jul-2013	19-Jun-13 & 11-Jul-2013	1-Jul-13 & 15-Jul-2013	4-Jul-13 & 24-Jul-13	24-Jul-13	16-Aug-13	2 units of 100 KVA generator	19-Sep-13	25-Sep-13

	Generator (Revised requisition) 2 units of 100 KVA										
4	Vehicles (First requisition) 2 units of Toyota Land Cruiser 1 unit of Toyota Prado 1 unit of Toyota Hilux double cab 3 units of Toyota HiAce - 12 seaters	PO issued	7-Aug-13	8-Aug-13	28-Aug-13	19-Sep-13	19-Sep-13	26-Sep-13	2 units of Toyota Land Cruiser 1 unit of Toyota Hilux double cab	6-Feb-2014	21-Feb-2014
						19-Sep-13	19-Sep-13	8-Nov-13	1 unit of Toyota PradoTX-L-7 seaters	6-Feb-2014	21-Feb-2014
						19-Sep-13	19-Sep-13	PO not issued	Cancelled – HiAce 12-seaters not available	Cancelled	Cancelled
5	Vehicles (Revised requisition for HiAce) 2 units of Toyota HiAce -	Cancelled	1-Oct-13	8-Oct-13	28-Oct-13	30-Oct-13	7-Nov-2013	The process was cancelled due to the following reasons; There is no supplier who bid 9 seater HiAce in the bidding process There is no qualified supplier in the post			

	9 seaters 1 unit of Toyota HiAce- 15 seaters							qualification stage for 1 unit of 15 seater
6	Vehicles (Revised requisition for HiAce) 3 unit of Toyota HiAce- 15 seaters	Process is on going	4-Feb-2014	<p>The discussion between MPC and UNOPS for the selection of tendering process (whether conducting open bidding process or procure from the LTA supplier directly) took almost two months after UNOPS received the revised requisition on 4 Feb 2014. Through exchange of letters, MPC is presented with the option for procurement and estimated delivery date of vehicles. On 30 Mar 2014, MPC confirmed its decision to proceed the procurement with available options and to jointly request PBF a final no-cost extension.</p> <p>UNOPS placed order to directly procure 3 units of HiAce from the LTA supplier, UN Web buy. The FCA date is 10 July 2014.</p>				