



**Interoffice Memorandum**

To: Mr. Maxwell Gaylard  
UN Resident Coordinator  
Occupied Palestinian Territories  
Date: 8 May 2008

From:   
Assistant Administrator and Director, Partnerships Bureau  
UNDP New York  
Extension: 6005

Subject: Subject: MDGF-1841-Culture and Development in the occupied  
Palestinian Territory  
File: MDGF 1841

**I. Approval Status**

On behalf of the MDG-F Steering Committee I am pleased to inform you that your Joint Programme Culture and Development in the occupied Palestinian Territory is hereby approved with an allocation of USD\$3,000,000 million for two 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.

We consider this Joint Programme provides a good opportunity to address, for the first time in occupied Palestinian territories (oPt), the adoption of a challenging comprehensive approach to Culture and social & economic Development. The Joint Programme has the potential to have a significant impact in the operationalisation of the national strategic plans relevant to the thematic window to ensure that remote communities, women and refugees have better access to services and to participate more effectively in cultural life. Concurrently, it will generate economic and social opportunities and development through the promotion of eco-tourism and creative industries focusing in two critical regions: the Northern West bank and the Gaza strip.

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 acceptable effort has been made to address the recommendations of the Technical Sub-Committee. The independent technical review has highlighted a number of critical issues. The Secretariat concurs with a number of observations as mentioned below.

The Joint Programme meets a number of the Fund's strategic goals and has a clear potential to advance the achievement of the MDG, especially MDG 1, 3 and 8. It is aligned to relevant international Conventions, although Palestinian Territories is not a party to those; and it is coherent with national policies and



instruments such as the National Plan for Palestinian Culture (NPPC) and other sectoral plans. The Joint Programme brings to the table an interdisciplinary and holistic approach to cultural heritage and cultural diversity. The Programme involves a cross section of resident UN agencies, and reaches out to various counterparts (including civil society and private sector). It would also be relevant to specifically reach out to local authorities.

The Joint programme design is sound and the capacity building strategy targets government institutions at all levels. We particularly welcome the fact that gender is mainstreamed throughout the proposed intervention strategies, and also counts with fulltime gender expert supporting the Ministry of Women's Affairs. The management of the Joint Programme is currently proposed to be hosted by UNESCO. In order to further promote the development of national capacities and ownership the government may wish to reconsider hosting the programme management office. Having a single UN agency hosting the office may give the wrong impression. The budget is within the indicative budget approved by the Steering Committee. It seems to us that the percentage allocated to the budget categories of personnel and contracts (75%) is fairly high, and request that further justification be provided. While we noted that Palestinian experts and companies are also used, the added value to capacity development is not clear.

We acknowledge that potential risks including the security situation have been identified in the document, but we feel that the Joint Programme could elaborate further on how security related issues will be addressed during the implementation of the Joint Programme. This is very important considering this is a programme that intends to attract national and international tourism and we would like to see a clear strategy to mitigate the security risk.

We appreciate the fact that the Monitoring plan is well developed and we note that the Joint Programme will also be equipped with monitoring expertise. We would welcome more information in the situational analysis on gender including disaggregated data and baselines. We also think that it would be desirable to include gender indicators. Nevertheless, note that the 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:

- Further justification regarding the **75% of the budget allocated to personnel and contracts**
- The **risk posed by the security situation** and its potential impact in the implementation of the work plan is further elaborated and propose a clear mitigation strategy.
- Further reflection on the **location of the programme management office** takes place within the UNCT and the Government. The Secretariat would recommend it is hosted by the Government.
- The **gender disaggregated data, baselines and indicators** should be included in the Joint Programme.

### 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. Amat Al Aleem Alsoswa, Assistant Administrator and Director Bureau for Arab States, UNDP New York  
H.E. Mr. D. Juan Antonio Yáñez-Barnuevo, Permanent Representative of Spain to the United Nations  
H.E. Mr. Riyad H. Mansour, Permanent Representative of Palestine 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