



Interoffice Memorandum

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

Date: 19 January 2009

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

Extension: 6005

Subject: "BiH Youth Employability and Retention Programme (YERP)"

File: MDGF-1931

I. Approval Status

On behalf of the MDG-F Steering Committee I am pleased to inform you that your Joint Programme BiH Youth Employability and Retention Programme (YERP) is approved with an allocation of USD\$6,000,000 million over 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 activities. For our records we would highly appreciate receiving a copy of the signed minutes of the National Steering Committee meetings.

We note that the Joint Programme aims to contribute to the labor demand side, recognizing the critical role of the education system in any integrated effort to address the problem of youth unemployment. It combines (1) educational enhancements at both primary and secondary levels designed to improve the employability of youth, and (2) enhanced capacities of the Public Employment Services to deal with both employment and migration by assisting youth in developing employable skills and information networks, including supportive networks to enhance youth migration, reduce irregular migration and promote cross-national partnerships to promote decent work. Other notable features include recognition of the important role of volunteerism and internship training in enhancing overall youth employability, and a good understanding of the multiple angles needed to support youth in the context of migration.

The MDG-F Secretariat has reviewed the draft Joint Programme for the second time 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 and of the Secretariat.

Relevance and external coherence

The Joint Programme is firmly integrated within the UNDAF, meets a number of the Fund's strategic goals and, in the framework of the Paris Declaration, is aligned with principles of national ownership and national priorities and the Medium Term Development Strategy 2004-2007. It is expected to contribute to MDGs (1, 2, 3 and 8). The Joint Programme is built upon an excellent evidence based analysis of the



situation that includes relevant socio-economic data and the maximum information on the targeted areas of intervention.

The Joint Programme appears to be highly strategic. The biggest risk to the effective implementation and success of the JP as planned is the global economic recession which will have a major impact on youth in BiH.

Internal Coherence

The program design is well developed, with a coherent approach that reflects a clear, logical results analysis framework. The National Steering Committee fully endorses the proposal.

Sustainability

The programme has a clearly defined capacity development strategy to further develop the capacities of the employees at the Public Employment Service Centers and the Youth Employment Resource Centers. In addition, government has indicated the commitment to allocate human resources to these centers to sustain the work overtime.

Monitoring and evaluation

The Monitoring and Evaluation framework is sound. Perhaps, given the nature and complexity of this programme, we recommend additional efforts to develop a more participatory monitoring and evaluation processes and the possibility to measure impact by clearly identifying impact indicators. In addition, The Secretariat plans to work with all approved programmes in the coming months 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 MDGF Secretariat recommends that additional effort is made:

- to develop a more participatory monitoring and evaluation process, and
- to measure the project impact in terms of number of new jobs created as a direct or indirect result of the project interventions.

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. 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
Mr. Juan López-Doriga, Director-General of Development Planning & Evaluation, MFAC Madrid
Ms. Debbie Landey, Director, United Nations Development Operations Coordinator Office (DOCO) MDG-F Secretariat