



**Interoffice Memorandum**

To: Ms. Lara Blanco  
UN Resident Coordinator  
Costa Rica  
Date: 05 December 2008

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

Subject: Costa Rica- "Youth, Employment and Migration: A One-Stop Shop  
for Youth Employment"  
File: MDGF-1938

**I. Approval Status**

On behalf of the MDG-F Steering Committee I am pleased to inform you that your Joint Programme "Youth, Employment and Migration: A One-Stop Shop for Youth Employment" is hereby approved with an allocation of USD\$4,716,000 for three years. This figure includes 7% (including coordination costs) 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. The UN Resident Coordinator and all Participating UN Organizations should each sign the Joint Programme document in addition to the Government (including primary national counterparts). We would encourage you to ensure some visibility for this event and for the launch of implementation.

The Joint Programme submitted has been substantially improved and we appreciate that, after having incorporated most of the recommendations made by the Convenor for the first and second rounds, the programme is now based on a good diagnosis of the situation, with a strong gender perspective although the involvement of the private sector and of civil society could be further strengthened. We appreciate that these issues have been reflected in the current Joint Programme document and adequately explained in the cover letter sent by the Resident Coordinator a.i.

We also feel that the narrative part of the document needs to be reinforced, based on the information already included in the result frameworks of activities and sub-activities and the Monitoring plan. This applies especially to the description of the suggested strategy that should explain in its narrative part what does the one-stop shop consist of and which are the legal, institutional and political frameworks to be reformed and strengthened.

**External coherence**

We think that the Programme could explain in more detail how it will contribute to the achievement of the MDGs, more specifically to MDG 8 target 16. We see as very positive the fact that the programme is integrated within the UNDAF and the relevant national legal frameworks as well as the successful incorporation of a gender sensitive perspective. We also value the effort to coordinate with ongoing interventions such as the Programme for Vocational Training and Labor Insertion (FOIL) supported by the Spanish Cooperation.



We see that the programme has a strong national ownership which we think will be reinforced by the placement of the management Unit at the national counterparts (Consejo de la Persona Joven). A clear and complementary division of labor between the government and the agencies has been established evidencing the added value of the joint intervention. However, we feel that the added value of the participation of UNDP apart from “integrating under its dependence the programme management unit”, should be further justified.

Also, we recommend including references to coordination and articulation with other MDGF funded programmes should be included.

#### **Internal coherence**

The logic between outcomes, outputs and activities is appropriate and the geographical focus of the interventions in two municipalities (one urban and one rural) is well justified. The methodologies suggested are mainly focused on capacity building of the relevant counterparts. The proposed intervention is very innovative and has the potential to be replicated in other parts of the country.

The budget is within the indicative budget approved by the Steering Committee and is sufficiently well-justified. We appreciate that the formulation team has reduced the budget, according to the recommendations of the Convenor, from \$4,878,312 to \$4,716,000.

#### **Sustainability, Monitoring and Evaluation**

Although we see that the programme will complement existing initiatives and financial allocations, we suggest exploring whether municipalities would be willing to commit additional human or financial resources to co-finance the proposed interventions in order to ensure greater sustainability.

The M&E plan is good although budget has not been specifically allocated. Impact and MDG related indicators should be included. Nevertheless, the Secretariat plans to work with all approved programmes to address their M&E frameworks and to develop a small number of common indicators relating to the thematic windows, UN reform, Paris Declaration and the Millennium Declaration.

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

The following changes are required to the Joint programme prior to its finalization and signature. The Secretariat recommends the following:

- The **narrative part** of the document needs to be further elaborated, based on the information already included in the two result frameworks and the Monitoring plan. This applies especially to the description of the suggested strategy;
- The **private sector and civil society** should be further involved;
- The **added value** of the participation of UNDP should be further justified;
- References to coordination and articulation with **other MDGF funded programmes** should be included;
- We suggest exploring whether municipalities would be willing to commit additional human or financial resources to co-finance the proposed interventions in order to ensure greater sustainability;



- Sufficient **budget** should be allocated for the **M&E Plan** (we suggest 3-4% of the total budget). Impact and MDG related **indicators** should be included

#### 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. Rebeca Grynspan, 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. Jorge Urbina, Permanent Representative of Costa Rica to the United Nations  
Mr. Juan López-Dóriga, Director-General of Development Planning & Evaluation, MFAC Madrid  
Ms. Debbie Landey, Director, United Nations Development Operations Coordinator Office (DOCO)  
MDG-F Secretariat