



Interoffice Memorandum

To: Mr. Enrique Ganuza
UN Resident Coordinator
Chile

Date: 11 May 2009

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

Extension: 6005

Subject: "National capacity-building for intercultural conflict prevention
and management in Chile"

File: MDGF-1951

I. Approval Status

On behalf of the MDG-F Steering Committee I am pleased to inform you that your Joint Programme "National capacity-building for intercultural conflict prevention and management in Chile" is hereby approved with an allocation of USD\$2,500,000 for two 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, those few aspects that we recommend taking into account in the design of your Joint Programme. Once this adjustment has 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 incorporates most of the recommendations made by the Convenor and by the Secretariat, and we feel that the current draft joint programme substantially improves the original concept note. We value that the issues mentioned by the Convenor and by the Secretariat have been reflected in the current Joint Programme document and adequately explained in the cover letter.

Your Joint programme has also been reviewed by an independent technical reviewer.

External coherence

We consider that the Joint Programme fully meets the Fund's Strategic goals and is in line with the Terms of Reference of the Conflict Prevention and Peace Building Thematic Window. It is based on an excellent explanation of the historical conflict and the human rights violations suffered by the indigenous organizations particularly due to loss of access to the land and resources.

We see that the relation between the Programme and the MDGs is clearly explained and that there is an interesting analysis of the disadvantaged position of the indigenous population in terms of achievement the MDGs and substantive baseline information is provided to illustrate this fact. We value that the Programme is anchored in the UNDAF as well as in the national Action Plan on indigenous issues. We also see as very positive the fact that the programme is also framed within the Agreement between UNDP and the Government of Chile and that it complements a UNDP-BCPR initiative. In terms of the Paris



Declaration, we feel that the programme has good governmental ownership although the national ownership, particularly the engagement of the indigenous groups, should be constantly built and reinforced along the process since it constitutes both a precondition for and one of the main results of the joint programme.

We appreciate that the Programme incorporates a good human rights based approach and a remarkable gender perspective. We welcome that it will be based on various partnerships with governmental institutions such as the Presidential Commissioner for Indigenous Issues, ministries, CONADI and regional and local authorities. As previously mentioned, we appreciate that the programme aims at strengthening the indigenous groups' capacities to negotiate and to access basic services.

We see as very strategic that the programme builds on previous discussions of the interagency group on human rights and indigenous issues. The suggested coordination structure is sound and its placement under the supervision of the Resident Coordinator is well justified due to the need to ensure impartiality.

Internal coherence

The Joint Programme is clearly laid out and meets the design standards of the Fund. The problems identified and strategies proposed, outcomes, outputs and activities are built and linked to each other in a logical manner. We also like the fact that it has a pragmatic and operational focus that aims at addressing the immediate causes of discrimination instead of proposing a more ambitious and unrealistic intervention.

We welcome that the overall gender strategy is well explained in the narrative part and that it includes sex disaggregated data and a gender responsive budget tracking matrix.

We see that the overall budget is reasonable and is within the indicative budget approved by the Steering Committee. We recommend that the 7% of indirect cost applied to the coordination unit is reallocated as direct cost of the programme.

Sustainability, Monitoring and Evaluation

We see as very positive that the budget of the programme will be complemented by a contribution of the government and that, in the global budget, it has been included a detail of the activities that will be funded with that contribution.

The Monitoring and Evaluation framework is good and we value that it proposes a methodology based on the progressive participation of the targeted population. We appreciate that you have included indicators that can measure the achievement of the expected results in terms of impact of interventions affecting the living conditions of the beneficiaries. Nevertheless take into account that 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 Secretariat requires that:



- the engagement of the indigenous groups is constantly built and reinforced along the process
- the 7% of indirect cost applied to the coordination unit is reallocated as direct cost of the 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. Rebeca Grynspan, Assistant Administrator and Regional 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. Heraldo Muñoz, Permanent Representative of Chile 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