

**PRF – PROJECT EXTENSION/ BUDGET RE-ALLOCATION WITH NO COST IMPLICATIONS  
TEMPLATE 3.5**



United Nations Peacebuilding Support Office



**PEACEBUILDING FUND  
Project Extension/ Budget Re-allocation with No Cost Implications<sup>1</sup>**

<b>Project Title:</b> Skills and Employment for Peace	<b>Recipient UN Organization(s):</b> <b>UNIDO and ILO</b>
<b>Project Contact:</b> Mr. Laraisse Esserhini (Juba), Mr. Namal SAMARAKOON (Vienna) Address: UNIDO office in Juba, UNOPS compound, Juba, South Sudan Telephone: +211 9562 66680 (Mr. Esserhini), +43 (1) 26026-3374 (Mr. Namal) E-mail: e.laraisse@unido.org and N.SAMARAKOON@unido.org	<b>Implementing Partner(s)</b> Ministry of Labour, Public Service and Human Resource Development; Ministry of Agriculture, Forestry, Cooperatives and Rural Development; Ministry of Culture, Youth and Sports Jonglei State and Country Government Non-governmental Organizations
<b>Project Number:</b> <i>Use project number provided by UNDP MPTF Office</i> PBF/SSD/D-3	<b>Project Location:</b> Lukangole, Gumuruk, Pibor, Verthet, Boma, Pochalla South and Pochalla North Greater Pibor Administrative Area (GPAA) and Twic East and Bor Counties, Jonglei State, South Sudan.
<b>Project Description: Project Outputs and Key Activities:</b> The project is a joint Project of ILO and UNIDO to provide market-relevant vocational and business training for young men and women in Southern Jonglei and develop young men and women's technical and business skills through established skills Centre's as well as mobile units. In doing so, the project will contribute towards national efforts in laying the economic foundations to reduce marginalization and competition over scarce resources.	<b>Total PBF project budget:</b> 1,553,886 <b>Any non-PBF project contribution:</b> 0 <b>Total project budget:</b> 1,553,886  <b>Project Start Date:</b> October 1, 2013 <b>Initial Project End Date:</b> April 31, 2015 <b>Proposed Revised End Date :</b> <b>UNIDO/ILO:</b> December 31, 2015

<sup>1</sup> Please use this form if there is a no-cost extension with no substantive effect of project results OR if there is a within-the-budget re-allocation of funds, affecting more than 15% of any budget category. This form does not need to be accompanied by a Transmittal Form (template 3.3). However, within 3 months of the proposed change, there should be JSC minutes indicating non-objection to the change by the JSC. The form and the minutes by JSC need to be submitted to MPTF and PBSO for information.

**Gender Marker Score<sup>2</sup>:**   3  

*Score 3 for projects that have gender equality as a principal objective.*

*Score 2 for projects that have gender equality as a significant objective.*

*Score 1 for projects that will contribute in some way to gender equality, but not significantly.*

*Score 0 for projects that are not expected to contribute noticeably to gender equality.*

**Project Outcomes:** Improved economic and employment opportunities for young people

**PBF Focus Area<sup>3</sup>** which best summarizes the focus of the project (*select one*):

This joint initiative of ILO and UNIDO will focus on Priority 12 (vocational and literacy training for youth) of the UN Peace Building Support Plan for South Sudan. The proposed target counties for the implementation of this project are: Lukangole, Gumuruk, Pibor, Verthet, Boma, Pochalla South and Pochalla North Greater Pibor Administrative Area (GPAA) and Bor Count, Jonglei State, South Sudan.

*(for PRF-funded projects)*

<b>Recipient UN Organization(s)</b> <i>(include one signature box per RUNO)</i>	<b>National Government counterpart</b>
Name of Representative : Laraisse Esserrhi Signature Name of Agency UNIDO June 26 <sup>th</sup> Name of representative: Peter van Rooij Signature Name of agency: ILO	Name of Government Counterpart Signature Title Date & Seal



<sup>2</sup> PBSO monitors the inclusion of gender equality and women's empowerment all PBF projects, in line with SC Resolutions 1325, 1888, 1889, 1960 and 2122, and as mandated by the Secretary-General in his Seven-Point Action Plan on Gender Responsive Peacebuilding.

<sup>3</sup> PBF focus areas:

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) Conflict prevention/management;

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

(3.1) Employment; (3.2) Equitable access to social services

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

(4.1) Strengthening of essential national state capacity; (4.2) extension of state authority/local administration; (4.3) Governance of peacebuilding resources (including JSC/PBF Secretariats)

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## **I. Reason for changes to the project and justification**

### **a) Nature of change and justification:**

UNIDO and ILO jointly implementing the project “Employment for peace” are requesting a no cost extension from April 2015 to 31<sup>st</sup> December 2015. This request is introduced to cover the important period of suspension of the project activities caused by the outbreak of violence of December 2013.

On December 15, 2013, civil war broke out in South Sudan. Despite multiple cease fire attempts and ongoing peace negotiations, violence continues to consume much of South Sudan. Jonglei state and Greater Pibor Administrative Area's (GPAA's) combustible mix of armed political opposition, violent ethnic militias and dysfunctional political system were part of the tinder that led to the eruption of the civil war in South Sudan in late December 2013. Due to failure of fifteen months peace talks, mediated by the Intergovernmental Authority on Development (IGAD), the war re-intensifies.

The South Sudan Democratic Movement-Cobra Fraction's (SSDM-CF's) peace deal with the government created the Greater Pibor Administrative Area (GPAA) and has brought new challenges to SSDM-CF and Murle unity. There are divisions within the group and its supporters about the deal itself and its implementation. Insecurity throughout the country has disrupted agricultural activities and exacerbated food insecurity, bringing South Sudan to the brink of famine and a humanitarian crisis, several inter and intra-communal conflicts, armed groups and militia continue to undermine peace and stability in many rural areas. Jonglei state and newly created Greater Pibor Administrative Area (GPAA) has the least developed infrastructure in South Sudan with virtually no functional roads making much of the state inaccessible during the rainy season. Decades of marginalization as well as inter and intra-communal conflict between armed pastoralists left this remote states the most neglected in the country, with its periphery areas suffering some of the worst development indicators in the world. Resource based conflicts in the form of a quest for access to traditional grazing and water rights are also on the rise in many areas of the State. The main drivers of these conflicts may be broadly classified as “politically-motivated”, “culturally-perpetuated” and “resource-based”. One type of conflict may lead to another and all forms of conflict may result in issues of food insecurity, including the build-up of tensions leading to the destruction of assets, loss of access to grazing areas and water points and the restriction in the movement of herders, farmers and traders alike, and in extreme cases may cause loss of human life. Resource-based conflicts may be addressed through a combination of development interventions and conflict transformation interventions, specifically around skills training and local livelihood development. In the case of Jonglei State and Greater Pibor Administrative Area (GPAA, inter-communal violence has been led by youth deprived of opportunities, with serious detrimental consequences for peace and stability.

The areas targeted by the project are of critical importance for the wider peaceful prospects of the country; these are highly mixed ethnically and present still very important areas of rebellion and civil strife; they have also suffered disproportionately from the recent conflict; new arising challenges have emerged that can be addressed by the present project, in particular the increasing number of the Demobilized children from the different military groups. The demand for this intervention has been tested and validated by the work already accomplished, which has evidenced very strong demand both from local authorities and local communities. For the project to achieve its desired impact, the technical training already implemented (by UNIDO) to a large extent needs to be complemented (by ILO) by the entrepreneurship component: given the labor market context in the area, providing beneficiaries only with technical skills without the ability for them translate these skills into business endeavors will considerable reduce the overall impact on employment and sustainable livelihoods.

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The project was in its inception phase when violent conflict erupted and spread through various parts of the country in December 2013. The suspension of recovery and development programs that resulted from the conflict as part of the UN criticality setting has caused the evacuation of UNIDO & ILO staff from South Sudan.

It was until April 2014 when UNIDO was allowed to return back to South Sudan. Since that time UNIDO participated to many joint security assessment missions led by the UN RCO to Jonglei State and conducted more detailed and focused assessments on the specific project target areas. The situation was finally judged safe enough to resume the project activities only in October 2014, with almost ten months delay.

Since that date, sustained and satisfactory results have been made on the UNIDO component, as the target groups for the technical skill component have been fully reached. UNIDO through the Mobile training approach has delivered for around 1,200 trainees many trades that are intimately linked to the livelihood and markets of the target zone. All the training programs were market oriented as well and were delivered in an induced business oriented form. Great satisfaction was expressed by the recipients of the training as well as their senior people from line ministries State and Local Authorities.

For UNIDO component remains only a small residual training program administratively and financially engaged. This program was put on hold to since May when ILO has expressed the will to resume the activities.

ILO had duly initiated work prior to December 2013, and had in particular deployed an international expert to conduct the necessary baseline market assessments. In the face of spreading violence in Jonglei State, the ILO expert took cover within the UNMISS base of Akobo. On 17 December 2013 he was killed in the attack suffered by the base. Following such a tragic event, the ILO Director General ordered the departure of all ILO personnel from the country and the suspension of all ILO work in South Sudan. An internal investigation into the case was undertaken, in collaboration with DSS and UNMISS. At the conclusion of the investigation, an ILO security field assessment took place in April 2015 and ILO senior management decided the resuming of ILO's engagement in South Sudan.

While ILO had therefore initiated work on this project in a timely manner, this tragic incident and ensuing investigation and suspension in South Sudan caused a 16 months delay on ILO operations under this project. As soon as the suspension was lifted, a technical mission from its regional office in Cairo visited South Sudan at the end of April. The mission has allowed to discuss best venues for resuming and to determine the requirements of the request for extension to be submitted to PBF.

1. Given that UNIDO has almost accomplished all objectives of the technical skills component, engaged most of the budget allocated and remain with only small residual program to deliver
2. Considering that ILO is just resuming the implementation of their project component,

UNIDO and ILO are requesting a non-cost extension from May first to December 2015. ILO may be requesting a further extension if this period, when granted is not enough to fully implement all activities linked the their component.

**2. Budget impact:**

The extension will not generate any increase of the initial cost of the project or change in the pondered allocations for the project different outcomes.

**a) Budget revision:**

**Table 1: Project Activity Budget**

Outcome 1:			
Output number	Output name	Output budget	Any remarks (e.g. on types of inputs provided or budget justification)
Outcome1: 1. Young men and women are more engaged in diversified economic opportunities based on skills gained 2. Overall security situation in Jonglei state stabilizes due to reduced reliance on cattle as source of income			
Output 1.1	Youth and women are provided with marketable technical skill	666,700 USD	
Output 1.2	Appropriate support systems for the development of micro-industries that are tailored to the needs of groups and own account workers established	172,300 USD	
Outcome 2: Economic opportunities and employment is generated for young men and women			
Output 2.1	Market surveys, income generation and market-relevant business training and support to outreach services:	220,000 USD	
Output 2.2	Cooperative education and training, financial literacy and support to outreach services:	330,000 USD	

**Table 2: Project budget by UN categories by RUNO**

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<b>PBF PROJECT BUDGET – RUNO1 (add other tables if more than 1 RUNO)</b>					
<b>CATEGORIES</b>	<b>Original Budget</b>		<b>Proposed increase/ decrease</b>		<b>Proposed new budget</b>
	<b>UNIDO</b>	<b>ILO</b>	<b>UNIDO</b>	<b>ILO</b>	
1. Staff and other personnel	186,000	130,000	0	0	0
2. Supplies, Commodities, Materials	292,000	90,000	0	0	0
3. Equipment, Vehicles, and Furniture (including Depreciation)	200,000	65,000	0	0	0
4. Contractual services	65,000	230,000	0	0	0
5. Travel	40,000	35,000	0	0	0
6. Transfers and Grants to Counterparts					
7. General Operating and other Direct Costs	56,000	63,230	0	0	0
<b>Sub-Total Project Costs</b>	<b>839,000</b>	<b>613,230</b>	<b>0</b>	<b>0</b>	<b>0</b>
8. Indirect Support Costs*	58,730	42,926	0	0	0
<b>TOTAL<sup>4</sup></b>	<b>897,730</b>	<b>656,156</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>897,730</b>	<b>656,156</b>	<b>0</b>	<b>0</b>	<b>0</b>

\* The rate shall not exceed 7% of the total of categories 1-7, as specified in the PBF MOU and should follow the rules and guidelines of each recipient organization. Note that Agency-incurred direct project implementation costs should be charged to the relevant budget line, according to the Agency's regulations, rules and procedures.

<sup>4</sup> The total in the original budget and in the proposed new budget must be the same if using this template.