



Interoffice Memorandum

To: Alfredo Missair
UN Resident Coordinator
Nicaragua

Date: 10 July 2008

From: Bruce Jenks
Assistant Administrator and Director
Partnerships Bureau -UNDP

Extension: 6005

Subject: Cultural Revitalization and Creative Productive Development in
the Caribbean Coast of Nicaragua

File: MDGF 1827

I. Approval Status

On behalf of the MDG-F Steering Committee I am pleased to inform you that your Joint Programme "Cultural Revitalization and Creative Productive Development in the Caribbean Coast of Nicaragua" is hereby approved with an allocation of USD\$8,464,000 for 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

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 note the Joint Programme, having fully addressed the recommendations made by the Secretariat, adequately meets the priorities established in the Terms of Reference of this thematic window. We appreciate the geographic focus of the intervention, the involvement of national and local counterparts and the strong national ownership of this initiative by the government. We also welcome the joint effort made to ensure the added value of every UN participating agency as well as the fact that the Programme will be coordinated with other Joint Programmes approved by the Fund under other thematic windows.

The proposed Monitoring framework is good although it needs to be further developed. Note that the Secretariat plans to work with all approved Programmes during 2008 to address their M&E frameworks and to develop a small number of common indicators relating to the MDGs, thematic windows, UN reform and Paris Declaration.

III. JP re-design requirements and recommendations

The Secretariat has the following recommendations:

- An assessment of the economic, social and cultural viability, particularly in regards to outcome 4 and 5, should be developed;
- Further details should be provided on the Pro-Culture Fund (output 1.3) or on the credit funds aiming at facilitating the development of cultural and creative industries;



- The added value of the participation of ILO in the design of the cultural community centres should be better justified;
- We are aware that the costs of working in this area are high. However, during the implementation of the programme, the adequate ratio between the costs, activities and products should be closely monitored and evaluated;
- It is necessary to further develop the baseline information;
- Quality and impact indicators should be included. It is also recommended to incorporate indicators that measure the impact of the interventions on the indigenous and afro-descendant population as well gender sensitive indicators.
- The budget allocated for Monitoring and Evaluation should be increased by reducing, for instance, the administrative costs (UNEG recommends 2% to 3% of the total budget).

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.Ms. Maria Rubiales de Chamorro, Permanent Representative of Nicaragua to the United Nations
Mr. Gabriel Ferrero y De Loma-Osorio, Deputy Director of Development Policy Planning & Evaluation, MFA Madrid
Ms. Sally Fegan-Wyles, Director, Development Group Office
MDG-F Secretariat