

Signature of Joint Programme document and Fund Transfer Request as per UNSDG budget categories.

I hereby confirm that the funds requested are in accordance with the approved Work Plan & Joint Programme Document. * I also certify that the copy transmitted to the MPTF Office is a true copy of the original which is secured by the RC Office. I have received documentation from Participating Organizations demonstrating Committed amounts where applicable. I also confirm that the PUNOs' indirect cost does not exceed 7%.

RESIDENT COORDINATOR Name, Damien Mama
SIGNATURE Date and Signature

UNDP Representative Name, Title: Nicole
SIGNATURE Date and Signature

WFP Representative Name, Title: Housainou Tall
SIGNATURE Date and Signature

UNICEF Representative Name, Title: John Ag
SIGNATURE Date and Signature

4. 7. 2022



Joint Programme Document and Fund Transfer Request

Development Emergency Modality – Response to the Global Crisis on Food, Energy, Finance

Eligibility Check

| | | | |
|--|--|--|---|
| Does the proposal address one or more of the following sectors affected by the global crisis? Select all relevant sectors. | <input checked="" type="checkbox"/> Food | <input checked="" type="checkbox"/> Energy | <input checked="" type="checkbox"/> Finance |
| What are the areas of intervention that will be implemented by this proposal? Select all relevant intervention areas. | <input checked="" type="checkbox"/> Data collection/analytics <input checked="" type="checkbox"/> Help devise comprehensive preventative package of response measures <input type="checkbox"/> Testing / catalysing new integrated policies, financing solutions, programmes <input checked="" type="checkbox"/> Analysis and forecasting | | |
| Is the proposal developed under the RC leadership to mobilize the UNCT to effectively and efficiently respond to the crisis? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| Does the proposal contribute to results in the UNSDCFs? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| Is the proposal building on and topping up an existing joint programme supported by the Joint SDG Fund? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(If yes, please follow the specific guidance as per communications from the Secretariat)</i> | | |

Cover-page

MPTFO Project Reference Number *(Leave blank, for automatic population in Atlas)*

Country BURUNDI

Region AFRICA

Joint programme title:

Assessing the Impact of the Ukraine-Russia Crisis on Burundi's Economy and population and developing country's capacity to analyze shock 'impact and build scenario for decision and resilience.

| | |
|------------------------------------|--|
| Outcomes(s): <verbatim from CFS> | <p>UNDAF (to end in 2022) : Outcome 5 : By 2023, men and women, especially the most vulnerable, make equitable use of the means of production to increase yields and income generated by innovative and environmentally friendly agro-silvicultural production contributing to their food and nutritional security</p> <p>UNSDCF (under development): Outcome 3: Sustainable environmental management and enhanced resilience to climate change impacts and other shock</p> |
| Duration: | Maximum 6 months, no later than 31 December 2022 |
| Anticipated start and end dates: | 06/2022 to 11/2022 |
| Short description | <p>The project will assess the socio-economic impact of Russia Ukraine crisis at macro, meso et microeconomic level and provide the government with policy options to mitigate the negative impacts on populations, especially on the most vulnerable. It will strengthen the capacity of national experts from the Forecasting Unit of Ministry of Finance and ISTEERBU to analysing shock impact, build resilience scenario and provide policy options for decision making. The project will take advantage of full cooperation between UN, World bank and national entities to limit implementation risks and strengthen capacity of Burundi to assess the effects of future shocks on the Economy as well as on SDG trajectory by building an integrated I-SDM model. The sustainable effect of the project will come from the capacity built to undertake future analysis without any further support.</p> <p>The project implementation has started with a rapid assessment using involved PUNO's internal resource. It is expected that SDG Fund support contribute to deeper consultation and stronger project impact.</p> |
| Resident Coordinator | Damien MAMA, mama@un.org |
| UN Joint Program RCO focal point | Ochozias GBAGUIDI, ochozias@un.org, Development Coordination Officer, Economist, +25776454788 |
| PUNO Co-Lead agency JP Focal point | World Food Program, Claude Kakule, Deputy Director, kakule@wfp.org |
| Other PUNOS JP focal point | UNDP, Taib Dialo, UNDP Senior Economist, taib.dialo@undp.org |
| | UNICEF, Albert Ekani, aekani@unicef.org |

| | |
|---|--|
| Total budget: | \$3115000 |
| Source of funds: | |
| • UN Joint SDG Fund | \$250000 up to \$250,000 (\$400,000 for MCCs) |
| • WFP | \$35000 |
| • UNDP | \$30000 |
| • UNICEF, WORLD BANK and Millennium Institute | Technical Support |
| • ISTEERU (Burundi Statistical Office) | Technical support and key beneficiary of capacity building component |
| • Forecasting unit of Ministry of Finance | |

SDG Targets directly addressed by the Joint Programme Min 2 max 5 SDG targets
SDG 1, SDG 2, SDG 3, SDG 5, SDG 7, SDG10

Gender Marker

Select only one from the options below

GEN3: Have gender equality/women empowerment as the primary or principal objective.

GEN2: Make a significant contribution to gender equality/women empowerment.

GEN1: Make a limited contribution to gender equality/women empowerment

GEN0: Make no contribution to gender equality/women empowerment

JOINT PROGRAM DESCRIPTION

Situation Analysis

Burundi is the second-most densely populated country in sub-Saharan Africa, with an estimated population of 12.3 million people; of whom 50.4 percent are women and 44 percent are under 15. The country ranks 185th of 189 countries in the 2020 Human Development Index. The 2020 Global Hunger Index classifies the hunger situation in Burundi as alarming, with more than 50 percent of the population chronically food insecure. The 2020 World Bank Human Capital Index for Burundi is estimated at 0.39, indicating that a Burundian child had a 39 percent chance of being as productive as a child who enjoyed complete education and full health in 2020.

Within the context of globalization and international trade, the crisis in Ukraine will most likely increase poverty and inequalities at a global scale, making the achievement of SDGs even more urgent. Thus, assessing the impacts of the crisis in Ukraine on societies, economies and vulnerable groups is fundamental to inform and tailor the responses of governments and partners to support timely economic and humanitarian response/recovery planning and ensure that no one is left behind in this effort.

Global food prices were already increasing since 2021 mainly due to the fallout of COVID-19. The Ukraine crisis is expected to adversely impact Burundi's growth and increase inflationary pressures, including for basic food commodities. About 1 million people in Burundi were projected to be highly food insecure in Crisis (IPC Phase 3) for the period projection period January-March 2022¹. Against the backdrop of an already progressively worsening situation, the impacts of the ongoing conflict in Ukraine will likely contribute to a further increase in food prices in Burundi. Burundi is already facing accelerated inflation pressure to 9.9% against 8.3% in 2021, mainly driven by increase in food price index (19,4%) which include 31.4% change in cereals price index. This will also increase the cost of living thus, limiting access to basic commodities for poor households, people under humanitarian assistance and those at risk of vulnerabilities. This situation, compounds the impact of COVID-19 pandemic on the population and without urgent socio-economic and humanitarian responses, could escalate suffering and, eventually jeopardize food security for years to come.

¹ Burundi : IPC Acute Food Insecurity Analysis, June 2021 – March 2022 | Published in December 2021 – Burundi ReliefWeb

At the macroeconomic, the consequences of the crisis are expected to exacerbate an already fragile situation. There is overvaluation of the exchange rate since 2015, with a parallel market premium that averaged 70% in 2021. The resulting shortage of foreign exchange reserves leads regularly to shortages of fuel, sugar and other imports. The IMF SDR issuance strengthened international reserves at the end of 2021 which were estimated up to 3.3 months of imports (from 0.8 months before). Higher oil and food prices following the war in Ukraine put additional pressure on the exchange rate and on international reserves and the country has been experiencing fuel shortages in the last two months. The government had also to increase the regulated fuel prices and partially waive the tax on it, which is an important tax funding, with an anticipated increase of the public deficit and of the - concerning high- public debt.

In addition, as it was the case for the covid-19 pandemic, the national institutions are not equipped to conduct impact assessment and prospective studies. There is a need to seize the opportunity of this new shock to equip the forecasting unit of Ministry of Finance and ISTEERU with a Strategic Decision Making Tool namely and integrated System Dynamics Model (I-SDM).

Programme Strategy

(1) The overall objective of the study is to assess the socio-economic impacts of the Ukrainian crisis on Burundi's economy and provide policy options to mitigate the effects of the crisis in the population especially on the most vulnerable. The project will contribute to improve the capacity of the Forecasting Unit of Ministry of Finance with a view to enabling the country to formulate and implement, an effective targeted evidence based response to this shock and give them autonomy to design impact scenario of future shock.

By using a triple component approach to assess the macro-economic impact, the meso economic impact and the social impacts at household level and base on our findings we will formulate rapid response plan to be implemented by the Government with partners support.

(2) Expected results are as follow: A detailed report of the study which includes:

- The transmission channels of the shock of the Ukrainian crisis on the Burundian economy are identified;

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- The effects of this crisis on: (i) the living conditions of households (urban/rural) including social impacts, fiscal balances and growth prospects are assessed.
 - Appropriate responses to the crisis are identified from scenario analysis
 - Recommendations for well-targeted economic and social policies are provided to the Burundian government to mitigate the economic and social effects of the crisis;
 - the capacity of National Statistical Office and the Forecasting Unit of the Ministry in charge of finance to assess shock impact and design scenario and choose optimal scenario to mitigate effects is reinforced.
- The planned outcome are aligned with national priorities and SDG 1 SDG 2, SDG 3, SDG 5, SDG 7, SDG 10 and will reinforce the achievement of the strategic result 4 on preventing and managing risk and crisis and strategic result 5 on promoting food security

(3) The join program will complement actions undertaken by UNDP and WFP to rapidly assess the impact of Russia-Ukraine crisis on the Economy. The assessment will use a combination of quantitative and qualitative data collection techniques to reach out targeted respondents, such as households, community representatives, importers of key staples, agro dealers, market women/petty traders, fuel stations and petroleum companies, fiscal authorities, Burundian Central Bank, etc .

The qualitative approach will consist of In-depth consultations with a range of key stakeholders of foods markets in Burundi: food importers, local food producers, consumers associations, Burundi Customs Office, etc. These key informants will be selected for their first-hand knowledge about the topic of interest and their role in the food and energy market in Burundi. A semi-directive interviews, with an interview guide and an analysis grid, will be used to conduct this part of the assessment. Particular attention will be paid to wheat sector and actor so as to assess the reason why local wheat production can be or not an option as it is indicated that local production represents only 16% of wheat consumption in Burundi. Policy support to promote local production could then be explored.

The quantitative segment will be based on an integrated approach to impact assessment. This will leverage on a variety of data sources and tools. The assessment will leverage on the ongoing mobile vulnerability analysis and mapping (mVAM) early warning and market monitoring in Burundi by WFP

using the local partner to conduct key informant interviews and household's questionnaire on key food security and poverty/socio-economic indicators in selected communities in Bujumbura, Gitega, Muyinga, Rumonge and Ngozi urban and sub-urban areas. The focus in urban area for the household segment is supported by two elements: inflation in Burundi is historically an urban phenomenon as the most important transmission channel of the crisis is "price channel" and the strong correlation between rural Consumer Price Index and urban area Price Index can help to expand interpretations and save time and resources without compromising the quality of the assessment.

The data will be collected using the Open Data Kit (ODK) platform through mobile phones/tablets, by trained enumerators of the ongoing m VAM and sync to the WFP MODA server. The data will be processed and analyzed by the WFP VAM team using the statistical packages for social sciences (SPSS), Arc GIS and Microsoft excel software and finally comes up with a report and recommendations. The UNDP Economist will lead the policy analysis and comes up with strategic fiscal and trade policy recommendations to Government. Then, UNICEF will provide technical support on social analyzes based on the data collected during the survey.

In addition, WFP has commissioned a study from IFPRI on the impact of the COVID 19 pandemic on food security in Burundi. Data collection was completed in April 2022 and data analysis is underway. The results of this survey, which covers both rural and urban areas, could also be used, including the immediate impact on livelihoods². This may help to isolate the covid-19 impact from Ukraine crisis effects on food security. The assessment will also take advantage of WFP other assessments (WFP, 2020) and (WFP, UNICEF, 2021) on foods security and nutrition to analyze trends in food and nutrition security for further recommendations.

Moreover, the assessment will take stock of the preliminary work done and ongoing by other UN entities, the World Bank and Government's entities (BRB, Finance Minister, STEEBU etc). The first available conclusions seem to indicate that as the crisis is expected to last; pressure on food prices will continue and even expand from cereals to all commodities, pressure will translate in loss of revenue.

Governance and implementation arrangements To ensure relevance and the effectiveness of its policy recommendations, it is essential that this project be based on strong collaborative commitments from national authorities. The project will take

² Please refer to COVID 19 impact questionnaire

advantage of preliminary discussions with ISTEERBU (NSO) and its close collaboration with UN system. Data will be collected by ISTEERBU under the supervision of the UN technical Team. To this end, a specific MoU will be signed with ISTEERBU. The project will also strengthen the capacity of the Forecasting unit of the Ministry of Planning.

The project will be implemented under the supervision of the Office of the Resident Coordinator. The overall management responsibility will be shared between UNDP, WFP and UNICEF. A technical Team will be set at this end under the Coordination of WFP.

Legal context

This section refers to cooperation or assistance agreements form the legal basis for the relationships between the Government and each of the UN organizations participating in this joint programme. For example: the Basic Cooperation Agreement for UNICEF; Standard Basic Assistance Agreement for UNDP, which also applies to UNFPA; the Basic Agreement for WFP; as well as the Country Programme Action Plan(s) where they exist; and other applicable agreements for other participating UN organizations. For the Funds and Programmes, these are standing cooperation arrangements. For the specialized Agencies, these should be the text that is normally used in their programme/project documents or any other applicable legal instruments. The text specific to each participating UN organization should be cleared by the respective UN organization.

Indicate the title and date of the agreement between each Participating UN Organization (PUNO) and the government in the following format:

Agency name: UNICEF

Agreement title: Accord de base entre le Gouvernement du Burundi et le Fonds des Nations Unies pour l'Enfance

Agreement date: 18 December 1992

Workplan Template

| Outcome 1 | | <i>By End of July 2022, the impact of Russia Ukraine crisis on Burundi's Economy and population is assessed</i> | | | | | | | | | | | | | | | | |
|---|--|---|---|-----|-----|-----|----------------|-----|----------------------------|-----------------|---------------------------------|----------------------|--------------------------|------------------|--|--|--|--|
| Output | Target/s | List of activities | Time frame <i>Customize as relevant</i> | | | | PLANNED BUDGET | | | PUNO/s involved | Implementing partner/s involved | | | | | | | |
| | | | Jul | Aug | Sep | Oct | Nov | Dec | Overall budget description | | | Joint SDG Fund (USD) | PUNO Contributions (USD) | Total Cost (USD) | | | | |
| The macroeconomic aspect of the crisis on Burundi is assessed | The transmission channels of the shock of the Ukrainian crisis on the Burundian economy are identified | recruitment of a national consultant Senior economist data collection, indicator generating and analysis | | | | | | | | | | | | | | | | |
| | | | Policy dialogue and recommendations on the macroeconomic findings | | | | | | | | | | | | | | | |
| By end of November 2022 the effects/impacts of the crisis on food security and energy security are assessed | | Stakeholders' consultations | | | | | | | | | | | | | | | | |
| | | Household survey and qualitative data collection (Key informants: Major Importers/factories/transport Cie/ consumer associations and institutions etc.) | | | | | | | | | | | | | | | | |
| | | Initial interventions and investments focusing on poor households designing | | | | | | | | | | | | | | | | |

| Outcome 2 | | By end of November 2022 the capacity of ISTEERU in developing Strategic assessment and decision making tools to assess shock and estimate impact is reinforced | | | | | | | | | |
|--|----------|--|------------|--|--|--|----------------------|--------------------------|------------------|-----------------|--|
| Output | Target/s | List of activities | Time frame | | | Overall budget description | PLANNED BUDGET | | | PUNO/s involved | Implementing partner/s involved |
| | | | | | | | Joint SDG Fund (USD) | PUNO Contributions (USD) | Total Cost (USD) | | |
| Development of strategic decision making tools, (iSDM), based on T21 model | | Model development et calibration scenario building capacity building workshop | | | | Contractual services: 1- Model development for @120 000 (including implementation) 2. @\$10000 scenario building \$30,000 3-@15000 Capacity building for ISTEERU and UN staff to implement the integrated model | 145000 | 0 | 145000 | UNDP UNICEF | MILLENNIUM INSTITUTE ISTEERU MINISTRY OF FINANCE |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

Monitoring, accountability, financial management, and public disclosure
Standard text – do not change

Reporting on the Joint SDG Fund will be results-oriented, and evidence based. The Convening/Lead Agent will develop a simple final narrative report and submit it to the Joint SDG Fund Secretariat, through the Resident Coordinator no later than two (2) months after the operational closure of the programme activities.

The Resident Coordinator will be required to monitor the implementation of the joint programme, with the involvement of Joint SDG Fund Secretariat to which it must submit data and information when requested. Additional insights (such as policy papers, value for money analysis, case studies, infographics, blogs) might need to be provided, per request of the Joint SDG Fund Secretariat.

PUNOs will be required to include information on complementary funding received from other sources (both UN cost sharing, and external sources of funding) for the activities supported by the Fund, including in kind contributions and/or South-South Cooperation initiatives, in the reporting.

PUNOs at Headquarters level shall provide the Administrative Agent with the following statements and reports prepared in accordance with its accounting and reporting procedures, consolidate the financial reports, as follows:

- Annual financial reports as of 31st December each year with respect to the funds disbursed to it from the Joint SDG Fund Account, to be provided no later than four months after the end of the applicable reporting period; and
- A final financial report, after the completion of the activities financed by the Joint SDG Fund and including the final year of the activities, to be provided no later than 30 April of the year following the operational closing of the project activities.

The Project will be using a pass-through fund management modality where UNDP Multi-Partner Trust Fund Office will act as the Administrative Agent. The programmatic UN entity of the Facility shall assume full programmatic and financial accountability for the funds disbursed to it by the Administrative Agent of the Joint SDG Fund (Multi-Partner Trust Fund Office). Such funds will be administered by each UN Agency, Fund, and Project in accordance with its own regulations, rules, directives and procedures. The entity shall establish a separate ledger account for the receipt and administration of the funds disbursed to it by the Administrative Agent. Indirect costs of the Participating Organizations recovered through project support costs will be 7%. All other costs incurred by each PUNO in carrying out the activities for which it is responsible under the Fund will be recovered as direct costs. Procedures on financial transfers, extensions, financial and operational closure, and related administrative issues are stipulated in the Operational Guidance of the Joint SDG Fund. PUNOs and partners must comply with Joint SDG Fund brand guidelines, which includes information on donor visibility requirements.

Risk Management

| Risks | Risk Level: (Likelihood x Impact, as per instructions) | Likelihood: Certain - 5 Likely - 4 Possible - 3 Unlikely - 2 Rare - 1 | Impact: Essential - 5 Major - 4 Moderate - 3 Minor - 2 Insignificant - 1 | Mitigating measures | Responsible Org./Person |
|-------------------------|---|--|---|---------------------|-------------------------|
| Contextual risks | | | | | |

| | | | | | |
|--|--------|---|---|--|--|
| The increasing level of foods price and scarcity of energy Increase risk of political unrest | medium | 3 | 3 | Discussion with the Government in the context of the Policy Advisory Group to take transitional measure while the study is being conducted for informed recommendations | RCO/ Damien Mama, Resident Coordinator |
| Programmatic risks | | | | | |
| Statistic visa that is usually hard to obtain to collect primary data is not given on time | high | 3 | 4 | Project Team have started discussion with ISTEERU that will lead to a formal agreement to conduct data collection operation for the project as partner for the project. General agreement with ISTEERU is under discussion for all UN and partner data collection operation in the future | WFP/ Claude Kakule RCO/ Ochozias GBAGUIDI |
| Institutional risks | | | | | |
| Weak institutional and human capacity could adversely affect programme implementation. | low | 2 | 2 | A key project component is devoted to capacity building to have a full unit able to work on the model | UNDP/Traib Diallo |
| Fiduciary risks | | | | | |
| | | | | | |

Budget per UNSDG Categories

| UNSDG BUDGET CATEGORIES | UNDP | | WFP | | UNICEF | | TOTAL | |
|--|----------------------|-------------------------|----------------------|-------------------------|----------------------|-------------------------|----------------------|-------------------------|
| | Joint SDG Fund (USD) | PUNO Contribution (USD) | Joint SDG Fund (USD) | PUNO Contribution (USD) | Joint SDG Fund (USD) | PUNO Contribution (USD) | Joint SDG Fund (USD) | PUNO Contribution (USD) |
| 1. Staff and other personnel | 0 | | 0 | | | | | |
| 2. Supplies, Commodities, Materials | 0 | | 0 | | 0 | | 0 | |
| 3. Equipment, Vehicles, and Furniture (including Depreciation) | 0 | | 0 | | 0 | | 0 | |
| 4. Contractual services | 134489 | 30000 | 5000 | 35000 | 0 | | 0 | |
| 5. Travel | 4600 | | 10000 | | 0 | | 0 | |
| 6. Transfers and Grants to Counterparts | 0 | | 80000 | | 0 | | 0 | |
| 7. General Operating and other Direct Costs | 0 | | 0 | | 0 | | 0 | |
| Total Direct Costs | 139089 | | 95000 | | 0 | | 0 | |
| 8. Indirect Support Costs (Max. 7%) | 9736,216 | | 6175 | | 0 | | 0 | |
| TOTAL Costs | 148825 | 30000 | 101175 | 35000 | 0 | 0 | 250000 | 65000 |