Project Brief
Human development – Towards bridging inequalities

The project "Human Development: Towards Bridging Inequalities" responds to a strong endorsement from senior officials of the Planning Commission, State governments and experts for continued relevance of the Planning Commission-UNDP collaboration on human development. This was echoed in October 2010 at a workshop "Human Development: Analysis to Action" where there was a consensus on the need for focusing the next project on preparation of another round of State level human development reports emphasizing on inclusive growth and supporting action oriented quality studies on issues of persistent inequality and disparities as well a thrust on capacity development involving a range of stakeholders. Additionally, three evaluations in 2010 emphasise the need for further strengthening the work on human development.

1. Situational Analysis

The growth story of India

India's high economic growth performance in recent years has been making news the world over. For a billion plus economy to experience GDP growth at more than 8% continuously since 2005-06, except in the last two years when growth slowed down to 6-7%, is an impressive record. The Human Development Report 2010 highlights that India is among top ten movers (1970-2010) in the income component of the human development index.

However, India also attracts headlines for other less flattering reasons such as the persistent hunger, malnutrition and mixed performance on human development indicators. Despite being one of the top ten movers in the improvement on HDI rank from 1980-2010, the relative position of India on crucial human development indicators is lower than that of some neighbouring countries and others in East Asia. Additionally, in absolute terms it reflects large scale human deprivation. The persistence of widespread hunger, illiteracy and poverty in a fast growing economy is a conundrum that needs to be unraveled in order to trigger appropriate policy action. The denial of opportunities to hundreds of millions of people to live a decent life and realize their full potential is a human development challenge that must be met urgently both for its own sake and for the sake of enabling the global achievement of the MDGs Gender inequality remains the biggest roadblock to achieving the MDGs which must be addressed. .

There are spatial and social disparities that continue to beleaguer policymakers. The MDG report of the Government of India states that addressing the growing poverty burden in the heartland is vital. At the current rate of decline, the country is expected to have a burden of about 279 million of people (22.1%) living below the poverty line in the year 2015. The major States namely, Bihar, Jharkhand, Chhattisgarh, Madhya Pradesh, Maharashtra, Orissa, Uttar Pradesh and Uttarakhand, which are incidentally the more populated States, are among the slow-moving States in reducing the poverty. They currently account for 64% of the BPL population which is expected to rise to 71% of the BPL population by 2015.

The Human Development Report 2010 presents inequality adjusted HDI that takes into account not only a country's average human development, as measured by health, education and income indicators, but also how it is distributed. Measured on this parameter, India looses approx 30% of its value (highest loss being in the education component – 41%). A computation based on the global methodology for the inequality adjusted HDI for Indian States indicates that while the aggregate human development in India suffers a loss of 30% due to inequalities, the losses at state level are greater in some respects. The loss due to inequality is the least in Kerala (a high human development state) and the highest in central and eastern states (Orissa, Bihar, Chhattisgarh, Madhya Pradesh and Jharkhand in that order) where human development attainments are low.

The India MDG Report concedes that empowerment of women is still far too slow. Participation of women in employment and decision making remains far less than that of men and the disparity is not likely to be eliminated by 2015. Female participation in the labour market is 25.68 per cent compared to 52 per cent (Census 2001) for men[1]. As a result, the XI Five Year Plan (2008 – 2012) document (Planning Commission, 2008) concedes that, 'Gender inequality remains a pervasive problem and some of the structural changes taking place have an adverse effect on women.'

India's poor performance on women's empowerment and gender equality is reflected in many indicators. The most telling indicator is that of the sex ratio which has in some parts of India dropped to less than 850 females per 1000 males. Declining child sex ratio from 927 in 2001 to 914 in 2011 is reflective of deeply entrenched socio-cultural prejudices against women. This is also reflected in the low rank on Gender Inequality Index (GII) introduced by the latest Global HDR 2010 - India ranks 122 out of 138 countries with a value of 0.748. In fact, among the South Asian countries, India is second from bottom. Only 9 per cent of parliamentary seats are held by women and only 27 per cent of adult women have secondary or higher education compared to 50 per cent of their male counterparts. For every 100,000 live births, 256 women die of pregnancy-related causes and the adolescent fertility rate is 68 births/1,000 live births.

Exclusion of Scheduled Castes (SCs) and Scheduled Tribes (STs) is reflected in the gap in achievements between the SCs, STs and the rest of the population. In 2004-2005 about 36.80% of SC persons were below the poverty line in rural areas as compared to only 28.30% for others (non SC/ST). In urban areas the gap was slightly larger; 39.20% of SC households were BPL compared to 25.70% of other households. Similarly, the proportion of people belonging to STs below the poverty line was 47.3% in rural and 33.3% in urban areas, which was again much higher than the poverty ratio for the population. The linkage between rural poverty and high distress among people belonging to SCs and STs is very strong. According to the Indian Confederation of Indigenous and Tribal People (2009), 80% of the Nomadic Tribes and De-notified Tribes live below the poverty line.

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[1] As per the NSSO, 66th Round data, the Labour Force Participation Rate for females is 23.3% whereas that of males is 55.7% (usual status).

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The XI Five Year Plan document (Planning Commission, 2008, para 1.3) highlights that , ' a major weakness in the economy is that the growth is not perceived as being sufficiently inclusive for many groups, especially Scheduled Castes, Scheduled Tribes and minorities. Gender inequality also remains a pervasive problem and some of the structural changes taking place have an adverse effect on women.' Caste based discrimination in India occurs in economic, civil, cultural and political spheres. Some of the dimensions of such discrimination for specific groups are outlined briefly below.

The fact that growth need not necessarily lead to poverty reduction is exemplified by the fact that while India is among the top ten movers in income from 1970-2010, in terms of multidimensional poverty[2], only 30 countries fare worse than India on the MPI among 103 countries for which MPI has been calculated. Eight Indian states, with poverty as acute as the 26 poorest African countries, are home to 421 million multidimensionally poor people, more than 26 poorest African countries combined (410 million).

That economic growth does not automatically translate into human development outcomes is a message that has been conveyed time and again by successive Human Development Reports since 1990. In recognition of the weak linkages between economic growth and human development, the XI Five Year Plan accorded top priority to 'inclusive growth'. A presentation from the Planning Commission on the Approach Paper to the XII Plan reiterates that the progress on inclusiveness has been less than expected and that the country is likely to miss the MDG targets, except perhaps on poverty. The XII Plan approach paper indicates that the thrust on 'more inclusive growth' will continue.

Lack of data on an annual basis and the reliability of some of the basic statistics needed to formulate real time policies continue to baffle policy makers. The quality of HDRs and of the resulting policy recommendations is compromised by the lack of adequate data collected against a consistent set of statistical indicators on an annual basis. As the Governor, the Reserve Bank of India recently stated, "if the provisional data that these (policies) are based on are inaccurate, the resultant policies can turn out to be sub-optimal choices,"

Against this backdrop, it is imperative that policy dialogue in India continue to focus on human development informed by annual data.

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[2] The 2010 HDR introduces a new measure – the Multidimensional Poverty Index (MPI) which identifies deprivations across health, education and living standards.
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2.   Rationale

Human Development: From Analysis to Action

In October 2010, a strong affirmation and validation to the continued relevance of UNDP-Planning Commission decadal collaboration on human development came from participants of a Planning Commission and UNDP organized workshop "Human Development: From Analysis to Action" (Delhi, 28-29 October 2010) attended by senior officials from the Planning Commission, eleven State governments, partner Ministries such as Ministry of Statistics and Programme Implementation, national training institutions such as LBSNAA, national resource institutions and experts. The objective of the workshop was to review the past experience and to identify strategic priorities for future partnership.

In the keynote speech, Member Planning Commission stated that integrating Human Development imperatives into the planning process that has been a key objective pursued by the Planning Commission–UNDP India partnership has had both deep and wide impact country-wide. The Human Development initiative was clearly able to bring about accountability among the officials at the lowest levels and consequently empower the masses to protect their rights.

Chairing the session Human Development, Gender, and Planning–A Journey from Analysis to Action, Senior Advisor Planning Commission validated the need for continued focus on human development and advocated that there should be stronger linkages between policy actions emerging from human development analysis and programmatic interventions.

Delivering the valedictory address, Member-Secretary, Planning Commission stated that the government has made effort to pursue inclusive growth that does not just chase a GDP magic number but keep people at the centre of the planning process. However, business as usual approach will not work and there is a need to operationalise the human development agenda to focus on issues of equity.

Participants highlighted the contribution of the human development initiative of focusing on issues of regional disparities and social sector development. State governments cited examples of how the initiative assisted in planning specific interventions for human development. There was a strong validation for continuing the collaboration with added emphasis on issues of inclusion and second generation development problems such as sustainability.

The mid-term review of the UN Development Assistance Framework (UNDAF) acknowledges that engagement on HDRs is one of the most acclaimed contributions of the UN in India and that this collaboration should continue.

The same view has been echoed by the mid-term review of the UNDP Country Programme Action Plan and validated by a recent evaluation of the UNDP – Planning Commission programmes on human development.

The evaluation strongly recommends a continued engagement of the UNDP with the 'human development' approach in India as it continues to offer valuable guidance to planning processes and policy debates. It reiterates the need for the approach to be seen as a 'chapeau' for all of UNDP's work. There was demand from States for UNDP's support in: new and emerging areas, increasing access to new techniques of index construction and a wider knowledge pool, and keeping up the momentum built around human development through activities and forums for continued advocacy and dissemination of human development outputs. The evaluation further states that UNDP needs to continue to champion the approach, through networking, creating forums for debate and discussion, and bringing in new approaches and concepts into these debates and seeking to build a collaborative relationship between academics, departments and planning authorities to share and debate data for human development planning.

The project "Human Development: Towards Bridging Inequalities" responds to the need to continued Planning Commission-UNDP collaboration on human development.

3. Lessons from past collaboration

Human development approach has been cornerstone the of Indian planning since the 8th Five Year Plan. India has set global benchmarks in terms of preparation of HDRs at the State and district levels.

Since 1999, UNDP and Planning Commission have been supporting State governments in preparation of State level Human Development Reports and mainstreaming human development agenda in State and district planning. Initiated in 1999 with the project *Capacity Development for State Human Development Reports (HDRs),* this collaboration was followed by the second project on *Strengthening State Plans for Human Development (SSPHD)* in 2004. The partnership has been highly successful in advocating and supporting the adoption of the human development approach to planning at the national, state and district levels. In the first phase, the focus was on developing capacities for preparation of State HDRs. Twenty one Indian States have prepared their HDRs till date. The second project focused on mainstreaming human development in State planning with activities spread across 15 States focusing on preparation of district level HDRs, engendering planning, strengthening statistical systems, capacity development for human development and providing options for financing human development.

An evaluation of UNDP's ten years of human development programme support in India has highlighted the following –

- The human development approach has a high level of relevance to the Indian context, where development since Independence has been concerned with advancing the bases for economic growth. The relevance of focusing on State and district level lies

in the fact that the primary responsibility for education, health and poverty eradication lies with state governments, rather than with the central government.

- Over the ten years of the programme, a strengthening of political commitment towards human development can be seen. The Annual Plans and Economic Surveys of State governments have begun focussing on human development. Greater attention to health and education in planning processes, and efforts to increase social sector allocations are seen in all states that have engaged with the process of SHDR and DHDR preparation.

- The process of preparation of SHDRs and DHDRs has contributed to building capacity on human development and statistical analysis as well as in identifying areas for programme and policy focus, including women-focused programmes.

- Capacities have been built within and outside the government, and training modules on human development and gender developed as part of the programme have mostly been incorporated into regular training schedules. Capacity development for human development has been a key thrust area with curriculum for human development training modules being designed and integrated into the curriculum of 15 Administrative Training Institutes at the State level. Training of Trainers has been conducted and suitable Manuals developed to enable capacity development. Three Universities have introduced human development curriculum into their courses at the post-graduate level.

- The thrust on planning for human development has had to deal with the first-order problem of the 'poverty of information' on the human condition. Many available estimates on human development progress are national or at best state-specific, but are difficult to come by at the level of district, block or village levels. The human development programmes have greatly assisted collation of data at the State and district levels.

- A unique feature of the UNDP's human development programme in India is that the reports are prepared by independent experts to ensure independence of analysis and are 'owned' by the government. 'Government ownership, editorial autonomy' has not always been easy to implement, and appears to have worked in states with stronger established research institutions that have a history of working closely with the government.

- The participatory process of preparation of HDRs has been widely acclaimed. The Chhattisgarh State HDR won the global award for participatory process of preparation of HDRs.

- Monitoring tools such as PAHELI (People's Access to Health, Education and Livelihoods) are important for quick assessment of human development status. They use a participatory approach, and simplified processes for collecting primary data. At the core of designing such a tool is the development of local capacities to analyze

local situations, to assess and understand human development gaps and needs, and to link them to available opportunities and resources.

- The process of preparation of HDRs has led to the emergence of multi-stakeholder partnerships and people's participation enabling policy dialogue within the democratic tradition on crucial human development issues. Strong partnerships have been forged with the participating State governments, Ministry of Statistics and Programme Implementation, the Reserve Bank of India, National Institute of Public Finance and Policy, University Grants Commission, and numerous other independent research institutions, academics and civil society organizations.

- While the project has been successful in raising awareness on human development, advocacy on human development needs to be further strengthened.

The Planning Commission - UNDP partnership has thus established benchmarks of scale, government ownership and performance that is unparalleled globally and is cited as a global and regional 'Best Practice'.

4. Scope and Strategy

The project will focus on providing innovative policy options for tackling issues of persistent exclusion, particularly at the State level. Issues of inequality, with particular attention to gender and social inequalities will be focused upon. This would be done through preparation of next round of State HDRs, State specific studies on growth which is inclusive and sustainable and by focusing on advocacy and capacity development. The project will address the systemic gaps in statistical systems resulting in lack of timely, reliable and comparable data which continues to be a handicap for policy formulation and planning. Initiatives at the national level will provide an enabling framework for translating human development agenda into action at the State level.

Accordingly, the *scope* of the project will include the following –

A.   **State** level initiatives –

- The project will support preparation of next round of **State level Human Development Reports** as well **Regional Human Development Reports** focusing on issues on persistent inequality and providing strategic solutions for reaching the unreached. **Research based policy advocacy** emphasizing the determinants of human development and inclusion would also be supported under the project.

- Advocacy aimed at influencing policy to respond to issues of inequality and persistent deprivation will be undertaken. Platforms bringing together civil society and government to engage on issues of inclusion will be fostered.

- **Capacity development** through State training institutions and through dedicated programmes for various stakeholders will be supported.

- Having a sound statistical system that generates disaggregated data (by group, gender, geographical location) at regular intervals is essential for monitoring human development outcomes. While the Indian statistical system is robust for generating data at the national and sub-national levels, it needs to be augmented for responding to the needs of local level planning. **Strengthening statistical systems** to generate data on HD/MDG indicators on an annual basis will be undertaken as a key component of the project.

- Continued guidance to preparation of **district HDRs** as an input to district planning exercise will be extended in identified districts. The preparation of district HDRs will not be a standalone exercise but will be closely linked with the planning process.

- Community monitoring tools will be pilot tested, fine tuned, and institutionalized in planning processes of the government. Towards this a stronger engagement will be forged with CSOs on human development in terms of advocating and monitoring human development outcomes, including support to participatory plans and **people's monitoring (PAHELI)** and people's Mid-Term Review of the XI Plan (such as the one that has just been concluded on the 11th Plan).

The activities at the State level will be complemented by national level initiatives which will provide an enabling framework as well as opportunities for sharing of experience among States. The importance of a national component that provides an overarching thrust on issues of equity, facilitates sharing of knowledge and ensures overall coordination among various stakeholders was emphasized in the evaluation. Accordingly, the following national level activities will augment work at the State/regional level -

B. **National level** initiatives –

National leave activities will focus on three main components – policy advocacy for human development, strengthening statistical systems to generate HD data on an annual basis, and capacity development.

Policy advocacy through cutting edge analytical studies unraveling the conundrum of consistent high growth with persistent or even widening inequalities, providing innovative strategic options to policy makers will be conducted. State, regional and district level HDRs as a tool for highlighting human development challenges and providing pathways for human development will be supported. While the country as a whole has made tremendous progress on reducing poverty and achieving some of its human development goals, as the India MDG report states, the country is far from achieving the specific MDG targets, particularly relating to hunger, maternal mortality rates and infant mortality rates. This is indicative of gender inequalities. The rate of progress on these indicators has plateued causing serious

concerns to policy makers. There are acute disparities in access and in outcomes across regions, gender and social groups.

Policy advocacy on issues that affect inclusion such as implementation of Panchayat Extension to Scheduled Area Act, Forest Right Act and Land Rights will be undertaken.

The flagship schemes of the government are trying to address development challenges but weak governance of service delivery systems dilutes the intended benefits to the most vulnerable. Research studies analyzing bottlenecks in service delivery will be supported.

- **Promoting policy dialogue for human development –** It is important to provide a platform that brings together different stakeholders to debate and discuss contemporary development challenges. Such a platform would be useful for disseminating key findings of research studies. The project would support such key policy dialogue with participation from government, academia and the civil society at the national and state levels. In addition it would foster the discussion of 'good practices' and experiences from across various countries to enable the spread of innovative ideas which can be adapted to local contexts within the framework of south-south collaboration. The project will partner with the proposed International Centre for Human Development of UNDP in New Delhi in this respect.

- **Ensuring availability of data on key HD indicators on an annual basis – The lack of timely**, reliable and comparable data continues to be a major bottleneck for policy formulation and planning. There is a need for preparing a strategy towards ensuring that data on a set of key human development indicators disaggregated by sex and social groups is made available to policy planners every year. This would require collaborating with the Ministry of Statistics and Programme Implementation as well as the key line ministries. The strategy would focus on (a) identifying a standard set of key HD indicators that would be made available on an annual basis, (b) designing a business plan for annual surveys for collection of data with statistically sound sampling techniques, (c) developing a strategy for identifying surveyors who can canvass the questionnaires, (d) preparing a plan for data analysis and dissemination, and (e) costing. Services of University students and other partners would be explored for data collection and analysis. Capacity development interventions and Training of Trainers and roll out of the plans would be undertaken in accordance with the agreed strategy.

In the light of current debates on measurement of human development, there is a need to review the existing definitions and methodologies adopted for measuring HDI, HPI, GDI and GEM at the national level and suggest alternative formulations suited to the Indian reality which could be supported under the project.

- **Capacity development -** In order to mainstream the human development approach and to sustain focus on human development challenges, it is essential to develop and

nurture "champions" of human development from the academia and civil society. Capacity development initiatives would cater to five categories of stakeholders –
- o Experts and civil society partners to act as champions or human development ambassadors
- o Young scholars and researchers
- o Officials and elected representatives at the State/district/panchayat level
- o Private sector partners
- o Media

Different capacity development strategies would be prepared for different constituencies on the basis of stakeholder consultation and capacity assessments.

- **District Human Development Reports Awards** - Given the large number of DHDRs being prepared and the need to encourage excellence in content and its relevance for district planning and also the participatory process that is a core principle to ensure people-centred district planning, District HDR Awards will be instituted under the project.

- **Strengthening monitoring and evaluation** – The Government of India has shifted emphasis from monitoring outlays to outcomes. This requires developing a monitoring and evaluation system that focuses on tracking outcome level indicators which goes beyond traditional scheme based monitoring. A parallel thrust is that of involving communities in participatory monitoring of development outcomes.

  The project will focus on developing the official's capacity for outcome monitoring as well as strengthening community monitoring systems.

- **Budget analysis for improving human development** will be undertaken at the national and State levels to highlight adequacy of budgets and expenditures to achieve human development outcomes.

Fostering partnership across a range of stakeholders will be a key *strategy*. The **national and State government** will continue to be key stakeholders in this partnership.

The private sector is an important constituency that has hitherto not been paid much attention. The Tata group earlier had partnered UNDP and adopted an index similar to the HDI for monitoring progress of their community level initiatives. With increasing emphasis on socially sensitive development policies being adopted by corporate houses, it is essential to sensitize and involve the private sector as partners in the widespread adoption of programmes and policies within a human development oriented approach.

Key decisions are made by **parliamentarians including** on budget allocation. While sensitization of the parliamentarians has been undertaken by the UN through the Parliamentarians forums, a systematic involvement to inform and raise awareness of the parliamentarians at the national and state levels is essential for ensuring a move from outlays to outcomes. Initiatives to share information and knowledge on recent trends in human

development at the national, regional and global level will play a key role in mainstreaming the human development approach in policies and programmes.

The role of civil society is central to promoting human development. A vibrant civil society engaging constructively with the government provides an ideal pathway to human development. **Civil society organizations** will be important stakeholders in advocating and monitoring human development outcomes, particularly at local levels.

The **media** in a democratic set-up plays an important role not only in disseminating knowledge but also in shaping perceptions and opinions. It is necessary to involve the media on a continuous basis to provide adequate knowledge and tools to analyze developmental issues from a human development perspective. Training modules in media courses, face to face interactions and a web based sharing platform would go a long way in ensuring sensitive and unbiased coverage of human development issues.

Universities are the crucibles for generation of knowledge and new ideas. The curriculum in most Indian universities pays more attention to the conventional development paradigm with the new developments in terms of alternative approaches such as the human development approach not being sufficiently explained or analysed. It is necessary to undertake capacity development initiatives to enhance the knowledge and understanding of teaching faculty on human development analysis and also to develop relevant curriculum that goes beyond concept and measurement issues. Issues such as climate change from a human development perspective, poverty and governance are important aspects of development studies in contemporary India. Support to curriculum development, training of teachers and research will go a long way in spreading the reach of the human development approach to successive batches of students who will be the future policy makers, researchers and government bureaucrats in the country. Collaboration with universities will be promoted in other project activities such as strengthening of statistical systems. Human Development Centres may be established in universities which may act as think-tanks for governments. Accordingly, these Centres will not only have substantive skills but also skills for developing sound business proposals for working on specific requirements of the government with respect to human development issues. The proposal writing skills will enable students and trainees seek financial support of their proposals and help ensure longer-term sustainability and matching of supply and demand for new areas of research.

5. Proposed Output and Deliverables

CPAP Output: Institutions and mechanisms strengthened to enhance capacities of elected representatives and functionaries for human development oriented inclusive planning, implementation, and improved accountability in local governance.

The expected outputs of this project will be: -
   a) National and State policies influenced to improve human development outcomes through research and advocacy.

Deliverables:
- State, regional and district level Human Development Reports focusing on social and spatial inequalities prepared in select States.
- Strengthening statistical systems for better monitoring of human development outcomes
- Human development advocacy
- Research based policy advocacy to influence national and State planning through analytical research studies identifying constraints in achieving inclusive growth focusing on social and geographical disparities.
- Strengthening programme implementation through four to six high quality research studies focusing on select flagship schemes ascertaining bottlenecks in implementation and recommending improvements in service delivery mechanisms
- Capacity development of
  - State officials and elected representatives for undertaking human development oriented analysis
  - Researchers through introduction of a curriculum on human development
  - Civil society
  - Private sector
  - Media
- Institutionalising community monitoring tools
- Analysis of fiscal policy including budget analysis, including from a gender lens, of partner State governments to achieve HD outcomes
- Facilitating knowledge sharing including within south-south collaboration framework

6. Results & Resources Framework

Intended Outcome as stated in the Country Programme Results and Resource Framework:
UNDP Country Programme Outcome 2.1: Capacities of elected representatives and State and district officials in the UNDAF focus states/districts enhanced to perform their roles effectively in local governance

Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets.

Applicable Strategic Plan Key Result Area:
Project title and ID (ATLAS Award ID):

Intended CPAP Output or Project Outcome *(as outlined in CPD/CPAP)*	Project Output and Targets	Indicative Activities *(deliverables)*	Responsible parties	Inputs
CPAP Output 2.1.2: Institutions and mechanisms strengthened to enhance capacities of elected representatives and functionaries for human development oriented inclusive planning, implementation, and improved accountability in local governance.	**Project component 1** – State level/regional/district HDRs focusing on inclusion prepared. • Agreements with States on preparation of HDRs and identification of themes • Preparation of Draft Report • Finalisation of State HDR and dissemination • Continued advocacy on human development issues	• Resource institutions/experts contracted for writing the papers/ HDRs • Stakeholders consultation organized • Desk review/field work and Drafting of papers initiated • Draft report peer reviewed • Finalisation of State HDR • Communication and advocacy around key messages of State HDRs	State governments, resource institutions and experts	

		Project component 2 – Statistical systems strengthened to provide HD data on an annual basis	• In principle agreement with MOSPI on initiatives		
		• Preparing an action plan for strengthening statistical system to monitor HD progress • Piloting the roll-out in select States/districts • Capturing lessons learnt • Revising and rolling out the improvised plan of action	• Collaborating with appropriate government stakeholders to review availability of existing data sets • Identifying gaps and proposing a strategy to get annual HD statistics • Pilot/roll-out of the strategy		
		Project component 3 – Human development advocacy • Institutionalise DHDR awards • Documentation and dissemination of knowledge products	• Announce DHDR Awards and call for proposals • Constitute relevant screening committees/selection and award selected DHDRs • Organise Stakeholders consultation on HD themes • Prepare high quality knowledge products and disseminate		
		Project component 4 – National and State planning influenced through analytical research studies identifying constraints in achieving inclusive growth focusing on social and geographical disparities • State specific studies on inclusive growth to feed into State level plans. • Two national level policy researches to be conducted per year. And policy dialogues to be conducted based on	• Identification of research themes in consultation with the government • National resource institution(s)/experts contracted for the research • Institutions/experts conduct desk review/field work as per the ToR and draft analytical research papers • Peer review of papers • Finalisation papers • Dissemination through policy dialogues		

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	findings of studies. • Specific inputs to be provided for the MTR of the XII Plan in the year 2013/2014 and the next Five Year Plan in 2015 under this component.			
	Project component 5 - Implementation of select flagship schemes strengthened through four to six high quality research ascertaining bottlenecks in implementation and recommending improvements in service delivery mechanisms	• Identification of research themes in consultation with the government • National resource institution(s)/experts contracted for the research • Institutions/experts conduct desk review/field work as per the ToR and draft analytical research papers • Peer review of papers • Finalisation papers • Dissemination through policy dialogues		
	Project component 6- Capacities of partners enhanced for undertaking human development oriented analysis • Forging partnerships with various stakeholders (CSOs, Universities, private sector) • Designing appropriate CD programmes • Implementation of CD interventions	• Identifying partners and entering into agreement with them • Designing a basket of CD interventions suitable to each category of partner • Implementation of CD strategy/intervention, monitoring and improvising on interventions		
	Project component 7– Use of community monitoring tools institutionalised • Community monitoring tools pilot testing and roll out in select	• Identification of partner institutions • Mobilising stakeholders for using the tool • Canvassing the tool in identified regions • Compiling results		

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	districts • Documenting lessons learnt and improvisation of tools • Advocacy with government for institutionalising the tool as part of government monitoring mechanism	• Dissemination of results • Documenting lessons learnt • Improvisation of tool • Presentation to government and training of trainers on the use of the tool		
	Project component 8 - Budget analysis of partner State governments to achieve HD outcomes focusing on SC/ST and women (recurring activity every year for select States)	• Identifying appropriate resource institution • Completion of budget analysis • Dissemination of results		
	Project component 9 – Facilitating knowledge sharing within south-south collaboration framework			

The proposed project envisages the following <u>risks</u> which need to be considered once it becomes operational.

- Influencing policies in favour of human development outcomes in a democratic and federal governance structure is a function of political exigencies requiring commitments from the national as well as partner State governments.

7. Management Arrangement

Implementation Arrangements

The Country Programme Management Board (CPMB) convened by DEA has the oversight of the GoI-UNDP Country Programme. A Programme Management Board (PMB) for the Democratic Governance Programme Outcome (Outcome 2 in CPD/CPAP) will be set up and co-chaired by DEA and UNDP. The PMB will oversee the delivery and achievement of results for all the initiatives under the Democratic Governance Programme Outcome and provide strategic direction for future programmes in this Outcome area. The PMB will also appraise the new programme initiatives prior to sign off with the Implementing Partners (IPs).

The project will be implemented by the Planning Commission in collaboration with UNDP. The National Project Director (NPD), designated by the Planning Commission, will be responsible for overall management, including achievement of planned results, and for the use of UNDP funds through effective management and well established project review and oversight mechanisms.

The Planning Commission will sign a budgeted Annual Work Plan with UNDP on an annual basis, as per UNDP rules and regulations, and submit signed financial report as per UNDP rules. As a co-implementer, UNDP will undertake certain number of activities in the annual work plans.

Responsible Parties: To achieve project results, the Planning Commission and UNDP will identify partners for carrying out specific project activities. These will be designated as Responsible Parties and could be state departments, universities, civil society organizations (CSOs), financial institutions, private sector development agencies or UN agencies.

Planning Commission and UNDP as implementing partners will enter into agreements/sub-contract institutions/organizations or procure the services of consultants to ensure proper implementation of project activities. Procurement of services from Responsible Party (ies) will be through capacity assessment and a process of competitive bidding to undertake specific tasks linked to project outputs carried out under the overall guidance of the Project Steering Committee

Project and State Steering Committees: Project Steering Committee and State Steering Committees will be set up at national and state levels respectively. They will be co-chaired by the NPD, Planning Commission and UNDP and comprise designated representatives from NPC, UNDP and representatives from Responsible Parties. The PSC will:
- Ensure that project goals and objectives are achieved in the defined timeframe;
- Review project progress and suggest implementation strategies periodically;
- Review project expenditures against activities and outcomes; and
- Approve Annual and Quarterly Work Plans.

The PSC will be the group responsible for making, by consensus, management decisions for the project and holding periodic reviews. In order to ensure UNDP's ultimate accountability, the final decision making rests with UNDP in accordance with its applicable regulations, rules, policies and procedures. Project reviews by the SSC will be carried out on a quarterly basis during the running of the project, or as necessary when raised by the Project Manager.

Project Management Team: Project management arrangements will be agreed upon with the Implementing Partners.

A Programme Management Team headed by a Project Manager will be established under the project for national level activities being implemented by NPC as well as oversight of state partnerships. A full-time Project Manager will be designated by the NPC or recruited on project funds by the NPC for the day-to-day management; monitoring and review of project activities; coordination with Responsible Party (ies) and different stakeholders at national and

state level. The Project Manager will be accountable to the NPD and PSC and will prepare the Annual Work plans (AWP) to deliver on project objectives and submit it to the PSC for approval. The Project Manager will ensure that the project produces the results specified in the project document, to the required standards of quality and within the specified constraints of time and cost.

The Project Manager will prepare and submit to the NPC and UNDP the following reports/documents: Annual and Quarterly Work Plans, Quarterly and Annual Progress Reports (substantive and financial), Issue Log, Risk Log, Quality Log, Lessons Learnt Log, Communications and Monitoring Plan using standard reporting format to be provided by UNDP. S/he will ensure that responsible parties are capable of delivering outputs. S/he will utilise her/his domain knowledge relevant to the project to establish quality standards for delivery of outputs. S/he will provide technical guidance to the responsible parties as and when necessary in consultation with UNDP.

The Project Manager will be assisted by other members of the Project Management team at the national level in the day-to-day management of the project.

Above project management arrangements at national and state level will be further detailed out in the Annual Work Plans with the implementing partners.

The recruitment and staffing process will give due attention to considerations of gender equality, promoting diversity at workplace and will not discriminate on the basis of HIV/AIDS status.

Project Assurance: Project Assurance will be the responsibility of UNDP. The Project Assurance role will support the PSC and SSC by carrying out objective and independent project oversight and monitoring functions. During the implementation of the project, this role ensures (through periodic monitoring, assessment and evaluations) that appropriate project management milestones are managed and completed.

Project Assurance, in collaboration with the Project Manager, will convene an annual review meeting involving the Implementing Partners and Responsible Parties to review the progress in the previous year and approve the work plan for the coming year. The NPC will conduct review meetings involving the Implementing Partners and Responsible Parties to review the progress in the previous year and discuss the work plan for the coming years.   An independent external review may be conducted through resource persons/groups to feed into this process. Project Assurance and Project Manager will meet quarterly (or whenever guidance/decision is required by an implementing agency).

Funds Flow Arrangements and Financial Management:

The Implementing Partner will account for funds received from UNDP as per the respective signed AWPs. The UNDP country office may provide, at the request of the Planning Commission, specific support   activities to the project, towards which UNDP will charge implementation support services (ISS) as per UNDP rules and regulations. The Implementing

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Partner(s) may enter into an agreement with UNDP for the provision of implementation support services (ISS) by UNDP in the form of procurement of goods and services. Cost recovery for ISS will be charged as per UNDP rules and regulations and the details will be outlined in the budgeted AWPs for each year.

Planning Commission may request UNDP to proceed directly with payments to vendors/Responsible Parties on certification of completion of activities. Combined Delivery Reports reflecting expenditure under the project will be signed quarterly and annually by UNDP and Planning Commission. Unspent funds from the approved AWPs will be reviewed in the early part of the last quarter of the calendar year and funds reallocated accordingly. The detailed UNDP financial guidelines will be provided on signature of the project.

Up to 1% of the total project budget will be allocated for communication and advocacy activities undertaken by UNDP.

Interest Clause: A separate Savings Bank Account will be opened in the name of the project and any interest accrued on the project money during the project cycle will be ploughed back into the project in consultation with the NPC, state governments and UNDP and project budgets will stand revised to this extent. In case there is no scope for ploughing back, the interest will be refunded to UNDP.

Audit: The project shall be subject to audit in accordance with UNDP procedures and as per the annual audit plan drawn up in consultation with the Planning Commission. The project shall be informed of the audit requirements by January of the following year. The audit will cover annual calendar year expenditure. In line with the UN Audit Board requirements for submitting the final audit reports by 30 April, the auditors will carry out field visits during February/March. Detailed instructions on audit will be circulated by UNDP separately and on signature.

8. **Monitoring & Evaluation**

A monitoring and evaluation system will be established to track the project's progress at national and state levels. It will also help identify lessons and good practices with potential for policy advocacy and replication/scaling up in other states/regions. The monitoring tools used will promote learning (including identification of factors that impede the achievement of outputs). Such learning will be used to adapt strategies accordingly and avoid repeating mistakes from the past.

The NPC and state governments will have the overall responsibility of monitoring the AWPs, in line with the roles and responsibilities described above and through regular monitoring visits and quarterly review meetings by the PSC. The Project Manager assisted by a team will be responsible for overall coordination and management of project activities through periodic field visits, interactions with state level project teams/partners and desk reviews. S/he will also prepare and submit periodic progress reports to the PSCs. Monitoring will be an on-going process and mid-course corrections will be made if required.

An annual project review will be conducted during the 4th quarter of each year to assess the performance of the project and the extent to which progress is being made towards outputs, and ensure that these remain aligned to relevant outcomes. Based on the status of project progress, the Project Manager will prepare an Annual Work Plan for the subsequent year which will be discussed and approved at the annual review meeting. In addition, UNDP will commission a mid-term project review and annual management and financial audit during the project period.   In the last year, the annual review will be the final evaluation of the project and this will involve all key project stakeholders.

A variety of formal and informal monitoring tools and mechanisms should be used by the Project Management Team and IPs. This would include field visits as well as reports in standard UNDP formats and as per UNDP's web-based project management system (ATLAS). Within the annual cycle, the Project Manager in consultation with the NPD, and UNDP will ensure quarterly review and reporting.

9. Exit Strategy

A comprehensive exit strategy will be formulated for the gradual withdrawal of UNDP support. This strategy will be formulated after a mid-term review of the project in discussion with project stakeholders to decide the form of continuation of the project. Adequate mechanisms and systems will be established for a steady and smooth transition to institutionalize key functions in the state/national governments, platforms/networks and identified institutions (e.g. new institutions created under the project). This may include additional capacity development of stakeholders to undertake these functions. Further plans may also be developed by national and state governments to move onto next steps, including establishing post-project monitoring/handholding mechanisms. Dissemination workshops will be organised to share project lessons and to identify elements to be taken up on a sustained basis by national and state governments.

The exit strategy will also allow UNDP and the Implementing Partner to withdraw from the project in the case of risks (anticipated or unanticipated) that prevent the achievement of project deliverables.

The Project Manager will define the process for the formal handover of project assets/equipment, documents and files to the Implementing Partners and/or responsible parties as per UNDP guidelines and PSC/SSC decision. A mechanism for post-project maintenance of assets will also be established.

10. Legal Context

This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together the instrument envisaged in the Supplemental Provisions to the Project Document.   Consistent with Supplemental Provisions, the responsibility for safety and security of the IP and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner.   The implementing partner shall:

- put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- Assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). This provision must be included in all sub-contracts or sub-agreements entered into under this Project Brief.

11. Budget

Project Output	Key Activities and Deliverables	Budget Amount (USD)
National and State policies influenced to improve human development outcomes through research and advocacy.	• *Activity 1:* State level Human Development Reports focusing on inequalities prepared in select States.	1,200,000
	• *Activity 2*: Statistical systems strengthened to provide HD data on an annual basis[3]	500,000
	▪ *Activity 3:* Human Development Advocacy	200,000
	▪ *Activity 4:* Research based policy advocacy through analytical research studies identifying constraints in achieving inclusive growth focusing on social and geographical disparities.	800,000
	▪ *Activity 5:* Strengthening programme implementation through four to six high quality research focusing on select flagship schemes ascertaining bottlenecks in implementation and recommending improvements in service delivery mechanisms	600,000
	▪ *Activity 6:* Capacity development for undertaking human development oriented analysis	500,000
	▪ *Activity 7:* Use of community monitoring tools institutionalized	400,000
	▪ *Activity 8:* Budget analysis of partner State governments to achieve HD outcomes	500,000
	• *Activity 9:* Facilitating knowledge sharing within south-south collaboration framework	300,000
	• *Activity 10:* Project Management, Monitoring, Evaluation & Capacity Development	500,000
		5,500,000

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[3] Planning Commission and the Ministry of Statistics and Programme Implementation may wish to consider cost sharing for up scaling activities across the country.

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