United Nations Development Programme

Country: India
2009 Annual Work Plan

Project Title: Biomass Energy for Rural India

UNDAF Outcome(s):
Communities are aware of their vulnerabilities and adequately prepared to manage (and reduce) disaster and environmental related risks.

Expected CP Outcome(s):
Promotion of biomass energy for rural India

Expected Output(s):
Biomass energy for rural India
Department of Rural Development and Panchayat Raj (RDPR), Government of Karnataka

Implementing Partner:
Department of Rural Development and Panchayat Raj (RDPR), Government of Karnataka

Responsible Party:

Brief Description
The project aims at developing and implementing carbon neutral bio-energy packages in rural areas through decentralized means, for reduction of GHG for mitigating global warming & climate change, through a participatory approach in a cluster of 24 villages of Tumkur district in Karnataka. During the year 2009 the following activities would be undertaken:

(i) System demonstration and proof of concept
   a. operationalisation of the gasifier based power generation system installed at Kabbigere generating about 300,000 kWh of electricity. 360 hour PG test completed for 100 kW and 200 kW systems. Boregunte & Seebanayanapalya biomass plants complete the 300 hours PG test each and generate 150,000 kWh of electricity.
   b. serving local loads by providing power to community IP sets & other village economic activities, over & above the power supplied from grid by the ESCOM, from the electricity generated from the project power plant and
   c. establish yield of energy plantations developed

(ii) Capacity Building: Training village youths in the operation, maintenance and troubleshooting of gasifier based power plants with certification by CGPL, IISc., training for entrepreneurs, NGOs, technicians and managers in the business skills under output

(iii) Information dissemination: Process documentation, newsletters and information package on performance guidelines

(iv) Enabling activities; policy papers relating to tariff, and case studies.

<table>
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<th>Programme Period: 2008-2012</th>
<th>Key Result Area (Strategic Plan): Mainstreaming Energy &amp; Environment 13002</th>
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<tbody>
<tr>
<td>Atlas Award ID:</td>
<td>Start date: January 2009 End Date: December 2009</td>
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<tr>
<td>PAC Meeting Date:</td>
<td>7 November 2008 National Implementation</td>
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<td>Management Arrangements:</td>
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<td>Total resources required: USD 4,017,000</td>
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<td>Total allocated resources:</td>
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|                          | Other:
|                          | GEF USD 209,000 |
|                          | Government |
|                          | Others |
|                          | Unfunded budget: In-kind Contributions |

Project Coordinator
Biomass Energy For Rural India Project
(UNDP, ICEF, GOF & GOK)
FORTI Campus, Dodasanapalya, Aircraft M C Layout, Bannergatta Road, BANGALORE - 560 076.

Agreed by (Implementing Partner):

Agreed by UNDP:
Deirdre Boyd
UNDP Country Director
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1. Project Overview:

1.1 Situation analysis
India has accorded priority to renewable energy in its developmental plans. Primary energy use in India is dominated by coal (40% of total primary energy supply & 59% of power generation), followed by fuel wood (34%), & petroleum fuels (15%). The share of fossil fuels is projected to increase to 74% of total energy use by 2010. This growth in fossil fuel consumption will result in enhanced greenhouse gases (GHG) emissions & climate change. Carbon emissions in India from the energy sector are projected to increase to 1646 metric tonnes by 2010.

The renewable energy policy aims at transition from a fossil fuel based energy economy to a renewable energy economy. Solar, wind & biomass are the major renewable programmes on the anvil. Biomass programmes includes fuel wood efficient stoves, biogas for cooking, biomass gasifiers for thermal & electrical applications (rural electrification) & biomass power for grid connection.

1.2 Project Rationale
The project aims to reduce CO₂ emissions through the promotion of bio energy, as a viable & sustainable option to meet the rural energy service needs in India. It would provide decentralized bio energy technology packages for the provision of good quality rural energy services for lighting, drinking water supply, milling & help in removing key barriers to large-scale adoption & commercialization of bio energy technology packages. The project is consistent with the goals & guidelines of the GEF Operational Programme 6: “Promoting the Adoption of Renewable Energy by Removing Barriers & Reducing Implementation Costs.” At the global level, the project is expected to facilitate a CO₂ neutral path for sustainable development & serve as a model for other developing countries & will demonstrate the commercial viability of bio energy package & enable its widespread adoption in rural India. The global environmental benefits anticipated from the project are:

- Zero or negative net CO₂ emissions through sustainable supply of bio-energy
- Carbon sequestration in degraded lands through forestry options
- CO₂ emission reduction substituting fossil fuels with bio-energy

1.3 Results and achievements till now (31st December 2008)

- Bio-energy end-use systems have been demonstrated. Gasifier (a device to convert fuel wood, agriculture residue, etc., into a combustible gas mixture) based power plants have been set up in Kabbigere (500 kW), Boregunte (250 kW) and in Seebirayana Palay (250 kW) villages.
- Tree plantations have been taken up on 2930 hectares of land (including plantation on 1983 ha forest land and tree based farming (TBF) in 947 ha. Fifty-one group biogas plants (four to five families per group) have been installed, enabling 175 households to light their homes and cook with cleaner fuel. The pruning from these plantations are appropriately sized and used as fuel in biomass gasifier plant to generate electricity.
- About 8,580 ton of carbon have been reduced (5,000 ton sequestered due to energy plantations, 3,300 ton by using biogas plants, and 280 ton by producing electricity from biomass) in the last three years.
- Hundred percent gas engines (earlier dual fuel engines) have been deployed and fine-tuned for local adaptability. This has helped in reducing the cost of electricity production considerably. One of the 100 percent gas engines has been handed over to the community for operation and management (O&M) on a trial basis.
- Electricity production has been synchronized to the electricity grid of Bangalore Electricity Company (BESCOM) for further distribution. The plant in Kabbigere, operational since January 2007, has generated more than 250,000 kW of electricity till January 2009.
- Communities have been mobilized and stakeholder groups and committees formed with strong representation of women members. 'Village Forest Committees', 'Biogas Users Group', self-help groups, 'Water Users Associations', 'Village Bioenergy Management Committee' and 'Hasiru Shakti Implementation Gram Panchayat Committee' have been formulated for different activities under the project. All these committees are linked to the Gram Panchayat (local governing body) for sustenance.
- Over 240 women in 81 self-help groups raised about one million seedlings in 24 decentralized nurseries earning Rs.1 million over a six-month period. Few have used the earnings to initiate livelihood activities.
- Five small gasifier systems of 10 kW each have been installed in different parts of southern Indian state of Karnataka to generate interest, awareness and capacity among local people to run such systems.
- The Government of Karnataka and the Tovinakere Grama Panchayat (GP) signed a first-of-its-kind formal agreement that allows the Panchayat to sell electricity to the power utility. Rangapura GP (Boregunte village) and Kavandla GP (Seebanayanapalya) also have signed similar agreements.
- Inspired by the success of the Biomass Energy for Rural India model, private companies have expressed interest in setting up similar systems in the state.
• Capacity building and training conducted on skills development in O&M of bio energy packages and nursery development, and TBF plantations. Managerial skills development was also provided on bookkeeping and accountancy, management of micro-credit, etc., exposure trips, biomass development sites, agriculture fares, efficient agriculture practices (2,843 participants through 109 exposure trips).

• The knowledge gained from BERI is being used to develop a policy for bio-energy promotion to install 1000 MW capacity in the State of Karnataka in the next 10 years.

1.4 Project outputs and activities
The outputs planned during the year 2009 are:
(i) Technology package standardization: Developing technology package documentation

(ii) System demonstration and proof of concept
   a. Activities: operationalisation of the gasifier based power generation system installed at Kabbigere generating about 300,000 kWh of electricity. 360 hour PG test completed for 100 kW and 200 kW systems. Boregunte & Seebanayanapalya biomass plants complete the 300 hours PG test each and generate 150,000 kWh of electricity
   b. Serving local loads by providing power to community IP sets & other village economic activities, over & above the power supplied from grid by the ESCOM, from the electricity generated from the project power plant and
   c. Establish yield of energy plantations developed.

(iii) Capacity Building*: Training village youths in the operation, maintenance and troubleshooting of gasifier based power plants with certification by CGPL, IISc., training for entrepreneurs, NGOs, technicians and managers in the business skills under output 1

(iv) Information dissemination packages: Newsletters, process documentation, information package on performance guidelines, etc.

(v) Enabling activities: Policy papers relating to tariff, and case studies.
## 2. ANNUAL WORK PLAN AND BUDGET SHEET YEAR: 2009

<table>
<thead>
<tr>
<th>EXPECTED OUTPUTS</th>
<th>PLANNED ACTIVITIES</th>
<th>TIMEFRAME</th>
<th>RESPONSIBLE PARTY</th>
<th>PLANNED BUDGET in USD</th>
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<tbody>
<tr>
<td>And baseline, associated indicators and annual targets</td>
<td>List activity results and associated actions</td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
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<tr>
<td>Output 1. Technology package standardization</td>
<td>Activity Result: Developing technology package documentation</td>
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<tr>
<td>Indicators: # of technology package documents developed for technology packages for 100% producer gas engine system</td>
<td>1.1 Preparation of technology package</td>
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<td>Baseline: 0 (2008)</td>
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<td>Target: 1 (2009)</td>
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<tr>
<td>Sub-total (Output 1)</td>
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<td>Output 2: System demonstration and proof of concept</td>
<td>Activity Result: Continuous operation of biomass gasifier plants in all the three clusters</td>
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<tr>
<td>Indicators 2.1: # of kWh of electricity generated from Kabbigere, Boregunte, and Seebanayanapalya</td>
<td>2.1 Performance Guarantee test at Boregunte and Seebanayanapalya</td>
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<td>Baseline: 260,000 kWh (2008)</td>
<td>2.2 Operation &amp; maintenance of Kabbigere plant (1000 hours completed generating 0.1 million units of power and 5000 hours initiated for the system handed over to community)</td>
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<td>Target: 450,000 kWh (2009)</td>
<td>2.3 Operationalisation of 100 kW dual fuel mode unit at Kabbigere</td>
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<td>Indicators 2.1: # of hours of Performance Guarantee tests completed at Kabbigere, Boregunte and Seebanayanapalya</td>
<td>2.4 Completing warranty run of 200 and 100 kW systems installed by NETPRO at Kabbigere</td>
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<td>Baseline: 0 (2008)</td>
<td>2.5 Storage facility for biomass</td>
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<td>Target: 360 hours, 360 hours (two systems in Kabbigere), 300 hours (Boregunte) and 300 hours (Seebanayanapalya (2009)</td>
<td>2.6 11 kV line from Tovinakere substation to Kabbigere/Seebanayanapalya plant for reliable evacuation of power produced in Gasifier plant</td>
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<td>Expected Outputs</td>
<td>Planned Activities</td>
<td>Timeframe</td>
<td>Responsible Party</td>
<td>Planned Budget in USD</td>
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<tr>
<td>And baseline, associated indicators and annual targets</td>
<td>List activity results and associated actions</td>
<td>Q1 Q2 Q3 Q4</td>
<td>RDPR GEF</td>
<td>74500 Public consultations and hearings 74500 Miscellaneous</td>
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<td>Sub-total (Output 2)</td>
<td>2.7 Local load segregation and distribution arrangement</td>
<td>✓ ✓ ✓</td>
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<td>Output 3: Capacity building</td>
<td>Activity Result: Capacity building of stakeholders in running of biomass gasifier plant as a profitable business</td>
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<td>RDPR GEF</td>
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<td>Indicator 3.1: # of village youth trained as technicians and certified by Combustion, Gasification and Propulsion Laboratory</td>
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<td>Indicator 3.2: No. of identification exercises conducted to identify potential entrepreneurs to take up O &amp; M of the plants</td>
<td>3.1 Training of village youth as technicians and certification by CGPL 3.2 Meeting with potential entrepreneurs and their empanelment</td>
<td>✓ ✓</td>
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<td>Output 4: Enabling activities</td>
<td>Activity Result: Strengthen concept of rural energy service company by developing policy framework</td>
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<td>RDPR GEF</td>
<td>71300 Local consultants 74500 Miscellaneous</td>
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<td>Indicator 4.1: # of study tours for project staff to successful Biomass Gasification sites in India/abroad</td>
<td>4.1 Study tours to successful small scale biomass power projects conducted 4.2 Workshop to exchange experiences of grid interactive and stand alone biomass power generation systems conducted 4.3 Database preparation on technologies, policies, field</td>
<td>✓ ✓ ✓</td>
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<tr>
<td>EXPECTED OUTPUTS</td>
<td>PLANNED ACTIVITIES</td>
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<td>List activity results and associated actions</td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
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<tr>
<td>technologies, policies, field projects and institutions on small rural power producing units <strong>Baseline</strong>: No database available (2008) <strong>Target</strong>: Database preparation initiated (2009)</td>
<td>projects and institutions initiated</td>
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<td><strong>Output 5: Information dissemination</strong></td>
<td><strong>Indicators</strong></td>
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<tr>
<td>No. of specification &amp; performance guidelines</td>
<td>Activity Result: Compiling successful implementation of bio-energy systems and services</td>
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<tr>
<td>5.2 Development of O &amp; M manuals for gasifiers, biogas systems, etc.</td>
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<td>5.3 Website up-gradation (quarterly)</td>
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<td>5.4 Technical paper on O &amp; M of biomass gasifier plants - Benchmarking performance and conditions</td>
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<td>5.5 Development of Newsletters</td>
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<td><strong>Sub-total (Output 5)</strong></td>
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<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
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<td>Output 6: Removal of financial barriers and creation of investment risk fund</td>
<td>Activity result: Remove critical investment risks</td>
<td>✓</td>
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<td>Indicator: Focus group meeting to discuss investment returns and risks in small scale biomass gasifiers organised Baseline: 0 (2008); Target: 1(2009)</td>
<td>6.1 Focus group meeting organized with model units, investors and other relevant stakeholders</td>
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<td>Output 7: Monitoring and Evaluation</td>
<td>Activity Result: Periodical evaluation to learn lesson for improving the project performance and for replication</td>
<td>✓</td>
<td>✓</td>
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<td>Indicators: Consolidation and documentation of methods to monitor carbon flows done Baseline: 0 (2008) Target: 1 document (2009)</td>
<td>7.1 Consolidation and documentation of methods to monitor carbon flows completed</td>
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<td>PMU</td>
<td>Activity Result: Support the project implementation</td>
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<tr>
<td>Project assurance, monitoring and capacity building</td>
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<td>And baseline, associated indicators and annual targets</td>
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<td>TOTAL</td>
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<td>209000</td>
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3. MANAGEMENT ARRANGEMENTS

3.1.1 The implementing Partner:
The project will be implemented by the Department of Rural Development and Panchayat Raj (RDPR),
Government of Karnataka and will assume the overall responsibility for the achievement of the project
results. RDPR will sign the budgeted Annual Work Plan (AWP) with UNDP on an annual basis, as per
UNDP rules and regulations. RDPR will designate a senior official as the National Project Director (NPD)
for the project. The NPD 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.

3.1.2 Responsible Party
The RDPR is the responsible party for the project. Under the overall guidance of the NPD and the Project
Steering Committee, the RDPR, will be responsible for implementing the project activities, on the
ground and will also participate in the preparation of annual work plan, budget, physical and financial
progress reports. The RDPR is expected to provide able and qualified management capacities to the
project, as well as infrastructural facilities, documentation and access to research and databases.

3.1.3 Project Steering Committee (PSC)
PSC will be responsible for ensuring the project implementation and results achievement in line with the
agreed project objectives and consistent with national and state development policies. The PSC
will meet quarterly in a year and will provide required oversight and also ensure the overall co-
ordination of the project. The PSC will be chaired by Additional Chief Secretary (Development
Commissioner) and comprise officials from the RDPR, UNDP and other relevant stakeholders: The
meetings of the PSC will be convened by the ACS on a quarterly basis and carry out the following functions:

- Ensure that the project goals and objectives are achieved in a defined timeframe;
- Review the project progress and suggest implementation strategies periodically;
- Review the project expenditures against activities, outputs and outcomes;
- Approve Annual and Quarterly Work Plans, and
- Provide progress report for feedback and review.

The PSC will be responsible for making, by consensus, management decisions for the programme 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.

Programme Management Board (PMB) established for the Energy & Environment Outcome (Outcome
1.1 in CPD/CPAP) and co-chaired by MoEF and UNDP will oversee the delivery and achievements at the
Programme Outcome level and this project's contribution to the higher level results outlined in the
appraised project document. The PMB comprises all the implementing partners (represented by NPDs)
for the Energy & Environment Programme area, concerned GEF-Operational Focal Point and relevant
stakeholders identified in consultation with UNDP and Implementing Partners. The PMB will meet twice
a year to assess and analyze the progress towards achievement of planned objectives, outputs,
outcomes and provide strategic directions for future programmes in this outcome area. The PMB will
also appraise the new programme initiatives prior to sign off with the Implementing Partners.
Department of Economic Affairs, Ministry of Finance will be a special invitee to the PMB meetings.

National Project Coordinator (NPC)
A full time NPC will be designated by the RDPR for the day-to-day management of the project. The NPC
will provide support to NPD in the management of the project, and will be accountable to the PSC. NPC
will closely liaise with UNDP for project activities and results. S/he will prepare the detailed activity and
monitoring plan based on the Annual Work Plan (AWP) and budget and submit it to the PSC for approval.

The NPC will lead a team of project staff and support team termed as project management unit - BERI formed as part of RDPR to ensure that the component produces the results specified in the project document, to the required standards of quality and within the specified constraints of time and cost. The NPC will prepare and submit to 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 also provide inputs as required for the PMB.

The NPC will work in close collaboration with relevant stakeholders and undertake periodic monitoring and review of project activities.

Project Communication
In order to accord proper acknowledgement to GEF for providing funding, a GEF logo should appear on all relevant GEF-supported project publications, including among others, project hardware, if any, purchased with GEF funds. Any citation on publications regarding projects funded by GEF should also accord proper acknowledgement to GEF. The UNDP logo should be prominent – and separated from the GEF logo.

3.1.4 Project Assurance
Project Assurance will be the responsibility of UNDP. The Project Assurance role will support the PSC and PMB 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.

NPD supported by the NPC, will convene an annual review meeting involving the Implementing Partner and Responsible Parties and other relevant stakeholders to review the progress in the previous year and discuss the work plan for the coming year. The annual review may be combined with the fourth quarter PSC as appropriate. An independent external review may be conducted through resource persons/groups to feed into this process. Project Assurance and Project Coordinators will meet regularly and at least once in a fortnight to review the project progress.

3.2 Funds Flow Arrangements and Financial Management:
RDPR will make suitable and separate provisions in its budget for UNDP funds and will account for the funds received from UNDP. UNDP will directly release the funds to RDPR on a quarterly basis through the standard Fund Authorization and Certificate of Expenditure (FACE) Report duly certified and signed by the NPD/RDPR. No funds shall be released by UNDP without prior submission of a duly filled and signed FACE report by the NPD/RDPR. No funds shall be released by UNDP without prior submission of a duly filled and signed FACE report. In case of advance releases only after 80% of the last advances and 100% of the previous advances are spent will the next tranche of advances be released. The NPC will be responsible for compilation and collation of these Financial Reports. 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. Unspent funds from the approved AWPs will be reviewed at the end of the fourth quarter and funds reallocated accordingly. The detailed UNDP financial guidelines will be provided on signature of the project.

The NPC will be responsible for compilation and collation of the Financial Reports as well as physical progress reports for submission to UNDP.
A separate bank account will be maintained to track and report the utilization on GEF-UNDP funds. Any interest accrued on the project funds during the project cycle will be ploughed back into the project in consultation with RDPR and UNDP and project budgets will stand revised to this extent. If there is no scope for ploughing back the interest will be refunded to UNDP and project budget revised accordingly.

If necessary, RDPR may enter into an agreement with UNDP for support services in the form of procurement of goods and services during the project implementation process. In such a case, appropriate cost recovery will be charged as per UNDP rules and regulations. The support services will be outlined in the form of letter of agreement signed between RDPR and UNDP.

As may be noted in the budget above, up to 0.5% of the total project budget has been allocated for communication, advocacy and accountability undertaken by UNDP.

3.3 Audit:
The project shall be subject to audit in accordance with UNDP procedures and as per the annual audit plan. The project shall be informed of the audit requirements by January of the following year. The audit covering annual calendar year expenditure will focus on the following parameters – (a) financial accounting, documenting and reporting; (b) monitoring, evaluation and reporting; (c) use and control of non-extendable reporting; (d) UNDP Country Office support. 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.

4. Monitoring Framework and Evaluation

Project monitoring and evaluation will be conducted in accordance with established UNDP and GEF procedures. The details of Monitoring and Evaluation Plan have been enumerated in the attached GEF-approved proposal. This plan will be presented and finalized at the Project Steering Committee following a collective fine-tuning of indicators, means of verification, and the full definition of project staff M&E responsibilities.

The project will be monitored through the following:
The Project Management Team will use a variety of formal and informal monitoring tools and mechanisms. This would include field visits as well as reports such as progress reports, annual reports and annual reviews in standard UNDP formats and as per UNDP’s web-based project management system (ATLAS). Within the annual cycle, the NPC in consultation with the NPD and UNDP will ensure the following:

**Within the annual cycle**
- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below.
- An Issue Log shall be activated in Atlas and updated by the NPC to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted (see annex 1), a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, a Project Progress Reports (PPR) shall be submitted by the NPC to the Project Board through Project Assurance, using the standard report format available in the Executive Snapshot.
A project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project.

A Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events.

**Annual Basis:**

**Annual Review Report:** An Annual Review Report shall be prepared by the NPC and shared with the PSC and the PMB. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.

**Annual Project Review:** Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review is driven by the Project Board and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes.

**Project Evaluation:** A mid-term project evaluation will be carried out in July 2010 to assess the progress of the project in meeting its objectives as outlined in the document. In July 2012, an outcome evaluation will be conducted to review the overall impact of the project.

**Monitoring system and tools**

An M&E system within the overall results framework outlined in the project brief will be established. The Project Management Unit should use a variety of formal and informal monitoring tools and mechanisms.

This would include field visits as well as reports such as progress reports, annual reports and annual reviews in standard UNDP formats and as per UNDP’s web-based project management system (ATLAS). Within the annual cycle, the Project Coordinators in consultation with the NPD and UNDP will ensure the following:

**Quarterly basis**

- On a quarterly basis, a quality assessment shall record progress as per established quality criteria and methods towards the completion of key results. It should also captures feedback from the beneficiary perspective as well as information related to timeliness and resources usage.
- An Issue Log shall be activated in Atlas and updated by the Project Coordinators to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis, a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, a Project Progress Reports (PPR) shall be submitted by the Project Coordinators to the SC through Project Assurance, using the standard UNDP report format.
- A project Lesson-learned log will be activated and regularly updated to ensure on-going learning and adaptation within the Implementing Partner, and to facilitate the preparation of the Lessons-learned Report at the end of the project.
A Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events.

In addition to normal Government monitoring, UNDP will have the monitoring and reporting obligation for the programme, in accordance with GEF Monitoring and Evaluation (M&E) guidelines. In this connection, additional M&E missions will be undertaken by UNDP when this is judged to be required, as for example when there is a need for an intermediate assessment of progress or impact before a decision is made as to the continuation of any given activity. This will be done in collaboration with the RDPR as well as with the other relevant stakeholders.

RDPR will be responsible for regularly monitoring progress in project implementation. In this, it will be supported by the National Project Director, and the PMC, as above. Progress will be measured against the targets set out in the work plan and project logical framework. PMC will be required to report relevant progress to the NPD and UNDP on a quarterly basis. Regular monitoring of the project will occur through these reporting mechanisms as well as through site visits, as required.

Annual review meetings with the participation of IP, project team, stakeholders and UNDP, will be held to review progress, identify problems, and agree on solutions to maintain timely provision of inputs/achievement of results. The PSC will review annual work plans as well as provide strategic advice on the most effective ways and means of implementation. Reporting to GEF will be accomplished through annual project implementation review.

Field visits: A representative/s from the UNDP office will visit each project periodically. Field visits serve the purpose of results validation, especially when undertaken in the first half of the year. If undertaken in the latter part of the year, the field visit should provide latest information on progress for annual reporting preparation. Field visits will be documented through brief and action-oriented reports, submitted within the week of return to the office.

In addition, a mid-term and a terminal evaluation of the project will be commissioned based on approval of the PSC. It will be conducted by external agencies/experts.

A detailed Communication and Advocacy Plan will be prepared and approved by PSC that describes the activities and outputs that will be monitored, reviewed and evaluated, and how and by whom. The Plan will articulate the types of communication and associated scheduling required during the project, as well as methods of communicating project results to stakeholders shall be activated in Atlas and updated to track key management actions/events.

Learning & Knowledge Management
Project lessons learned would be actively captured to ensure ongoing learning and adaptation within the organisation. Based on the Lessons Learned Log created and updated above, a final Lessons Learned Report would be prepared at the end of the project to foster the learning process. In addition, in order to promote knowledge sharing, ideas, experiences and lessons deriving from the project would be shared/ disseminated to all stakeholders and as well as colleagues on the Practice Knowledge Networks (e.g. answer a referral, participate in an e-discussion or peer review/assist, contribute to the development of a knowledge product).

Project Closure: Projects would be financially completed not more than 12 months after being operationally completed. Between operational and financial closure, the Implementing Partner is required to identify and settle all financial obligations and prepare a final expenditure report. No adjustments can be made to a financially completed project.
Transfer or Disposal of Assets
UNDP is responsible for deciding on the transfer or other disposal of assets financed by UNDP. He/she does so in consultation with the other parties to the project;

Assets may be transferred to the government for project activities managed by a recipient institution at any time during the life of a project.

Assets may be temporarily placed in the custody of the UNDP country office, pending transfer or sale. The custody period must not exceed nine months. (The need for custody usually arises once UNDP support for the project has come to an end).

Under NGO implementation, the NGO returns all UNDP-financed assets to UNDP upon completion of the project. Such assets are transferred or sold unless alternative arrangements are agreed on between the parties.

When no longer needed by the project, assets may be transferred to another project or to the government, or it may be disposed of by sale or donation. In all cases of transfer, a transfer document must be prepared and kept.
5. **Quality Management for Project Activity Results**

**OUTPUT 1: Technology package standardization**

| Activity Result 1 (Atlas Activity ID) 13002 | Developing technology package documentation | Start Date: May 2009  
End Date: December 2009 |
| Purpose | Establish technical standards |
| Description | Detailed technical specifications will be drawn for the proposed bioenergy packages |
| Quality Criteria | how/with what indicators the quality of the activity result will be measured? |
| Quality Method | Means of verification. What method will be used to determine if quality criteria has been met? |
| Date of Assessment | When will the assessment of quality be performed? |
| Documentation to help in project preparation for similar new projects | Review of the document by CGPL  
Review by sample entrepreneurs | December 2009 |

**OUTPUT 2: System Demonstration and proof of concept**

| Activity Result 1 (Atlas Activity ID) | Continuous operation of biomass gasifier plants in all the three clusters | Start Date: Jan 2009  
End Date: Dec. 2009 |
| Purpose | Capacity utilization of installed systems and demonstration for feasibility and replication |
| Description | Continuous operation of the installation play a key role in learning lessons for demonstration and dissemination |
| Quality Criteria | how/with what indicators the quality of the activity result will be measured? |
| Quality Method | Means of verification. What method will be used to determine if quality criteria has been met? |
| Date of Assessment | When will the assessment of quality be performed? |
| Number of hours/days the systems run | Physical verification of operation hours | December 2009 |

**OUTPUT 3: Capacity building**

| Activity Result 1 (Atlas Activity ID) | Capacity building of stakeholders in running of biomass gasifier plant as a profitable business | Start Date: Jan 2009  
End Date: Dec. 2009 |
| Purpose | The purpose is to remove institutional barriers to promote bioenergy packages |
| Description | Training the community (operators on operation, maintenance and trouble shooting), workshops and visits to exchange experiences of other similar projects will be the set of specific activities carried out during the year 2009 Database of technologies, policies, field projects and institutions shall be initiated, |
| Quality Criteria | how/with what indicators the quality of the activity result will be measured? |
| Quality Method | Means of verification. What method will be used to determine if quality criteria has been met? |
| Date of Assessment | When will the assessment of quality be performed? |
| Package developed as per CGPL standards. | Package Reviewed by training expert | Quarterly assessment |

**OUTPUT 4: Information dissemination**

| Activity Result 1 (Atlas Activity ID) | Compiling successful implementation of bio-energy systems and services | Start Date: June 2009  
End Date: Dec 2009 |
United Nations Development Programme

### Purpose
To overcome the information barrier in promoting the bioenergy packages

### Description
Newsletters and website will be the media to display the progress in the project. While the discussions on issues will be compiled in discussion papers.

### Quality Criteria

**how/with what indicators the quality of the activity result will be measured?**

Academic quality of discussion papers, communication effectiveness of newsletter, website

### Quality Method

**Means of verification. What method will be used to determine if quality criteria has been met?**

Feedback by readers on newsletter and website. Peer review of discussion papers.

### Date of Assessment

**When will the assessment of quality be performed?**

It will be assessed quarterly. It will be reported in quarterly reports and PIR

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### OUTPUT 5: Removal of financial barriers and creation of investment risk fund

<table>
<thead>
<tr>
<th>Activity Result 1 (Atlas Activity ID)</th>
<th>Approach to remove critical investment risks</th>
<th>Start Date: June 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purpose</td>
<td>To overcome the financial barrier</td>
<td>End Date: Dec. 2009</td>
</tr>
<tr>
<td>Description</td>
<td>Focus group meeting will be conducted to discuss investment risks and returns in small scale biomass gasifiers.</td>
<td></td>
</tr>
</tbody>
</table>

### Quality Criteria

**how/with what indicators the quality of the activity result will be measured?**

Focus group meeting comprehensively covers issues on investment risks and returns in small scale biomass gasifiers.

### Quality Method

**Means of verification. What method will be used to determine if quality criteria has been met?**

Banks, entrepreneurs, developers, govt. agencies are adequately represented.

### Date of Assessment

**When will the assessment of quality be performed?**

December 2009

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6. **EXIT STRATEGY**
Draft exit strategy was prepared in year 2008. The draft will be refined during the year 2009 and will be presented to PSC.

7. **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, attached hereto (Annex 1).

Consistent with the above Supplemental Provisions, the responsibility for the safety and security of the implementing partner 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:

a) 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;

b) assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

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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 Document.
General responsibilities of the Government, UNDP and the executing agency

1. All phases and aspects of UNDP assistance to this project shall be governed by and carried out in accordance with the relevant and applicable resolutions and decisions of the competent United Nations organs and in accordance with UNDP's policies and procedures for such projects, and subject to the requirements of the UNDP Monitoring, Evaluation and Reporting System.

2. The Government shall remain responsible for this UNDP-assisted development project and the realization of its objectives as described in this Project Document.

3. Assistance under this Project Document being provided for the benefit of the Government and the people of (the particular country or territory), the Government shall bear all risks of operations in respect of this project.

4. The Government shall provide to the project the national counterpart personnel, training facilities, land, buildings, equipment and other required services and facilities. It shall designate the Government Co-operating Agency named in the cover page of this document (hereinafter referred to as the "Co-operating Agency"), which shall be directly responsible for the implementation of the Government contribution to the project.

5. The UNDP undertakes to complement and supplement the Government participation and will provide through the Executing Agency the required expert services, training, equipment and other services within the funds available to the project.

6. Upon commencement of the project the Executing Agency shall assume primary responsibility for project execution and shall have the status of an independent contractor for this purpose. However, that primary responsibility shall be exercised in consultation with UNDP and in agreement with the Co-operating Agency. Arrangements to this effect shall be stipulated in the Project Document as well as for the transfer of this responsibility to the Government or to an entity designated by the Government during the execution of the project.

7. Part of the Government's participation may take the form of a cash contribution to UNDP. In such cases, the Executing Agency will provide the related services and facilities and will account annually to the UNDP and to the Government for the expenditure incurred.

(a) Participation of the Government

1. The Government shall provide to the project the services, equipment and facilities in the quantities and at the time specified in the Project Document. Budgetary provision, either in kind or in cash, for the Government's participation so specified shall be set forth in the Project Budgets.

2. The Co-operating Agency shall, as appropriate and in consultation with the Executing Agency, assign a director for the project on a full-time basis. He shall carry out such responsibilities in the project as are assigned to him by the Co-operating Agency.
3. The estimated cost of items included in the Government contribution, as detailed in the Project Budget, shall be based on the best information available at the time of drafting the project proposal. It is understood that price fluctuations during the period of execution of the project may necessitate an adjustment of said contribution in monetary terms; the latter shall at all times be determined by the value of the services, equipment and facilities required for the proper execution of the project.

4. Within the given number of man-months of personnel services described in the Project Document, minor adjustments of individual assignments of project personnel provided by the Government may be made by the Government in consultation with the Executing Agency, if this is found to be in the best interest of the project. UNDP shall be so informed in all instances where such minor adjustments involve financial implications.

5. The Government shall continue to pay the local salaries and appropriate allowances of national counterpart personnel during the period of their absence from the project while on UNDP fellowships.

6. The Government shall defray any customs duties and other charges related to the clearance of project equipment, its transportation, handling, storage and related expenses within the country. It shall be responsible for its installation and maintenance, insurance, and replacement, if necessary, after delivery to the project site.

7. The Government shall make available to the project - subject to existing security provisions – any published and unpublished reports, maps, records and other data which are considered necessary to the implementation of the project.

8. Patent rights, copyright rights and other similar rights to any discoveries or work resulting from UNDP assistance in respect of this project shall belong to the UNDP. Unless otherwise agreed by the Parties in each case, however, the Government shall have the right to use any such discoveries or work within the country free of royalty and any charge of similar nature.

9. The Government shall assist all project personnel in finding suitable housing accommodation at reasonable rents.

10. The services and facilities specified in the Project Document which are to be provided to the project by the Government by means of a contribution in cash shall be set forth in the Project Budget. Payment of this amount shall be made to the UNDP in accordance with the Schedule of Payments by the Government.

11. Payment of the above-mentioned contribution to the UNDP on or before the dates specified in the Schedule of Payments by the Government is a prerequisite to commencement or continuation of project operations.

(b) Participation of the UNDP and the executing agency

1. The UNDP shall provide to the project through the Executing Agency the services, equipment and facilities described in the Project Document. Budgetary provision for the UNDP contribution as specified shall be set forth in the Project Budget.

2. The Executing Agency shall consult with the Government and UNDP on the candidature of the Project Manager/ designate Project Coordinator who, under the direction of the Executing Agency, will be responsible in the country for the Executing
Agency's participation in the project. The Project Manager shall supervise the experts and other agency personnel assigned to the project, and the on-the-job training of national counterpart personnel. He shall be responsible for the management and efficient utilization of all UNDP-financed inputs, including equipment provided to the project.

3. The Executing Agency, in consultation with the Government and UNDP, shall assign international staff and other personnel to the project as specified in the Project Document, select candidates for fellowships and determine standards for the training of national counterpart personnel.

4. Fellowships shall be administered in accordance with the fellowships regulations of the Executing Agency.

5. The Executing Agency may, in agreement with the Government and UNDP, execute part or all of the project by subcontract. The selection of subcontractors shall be made, after consultation with the Government and UNDP, in accordance with the Executing Agency's procedures.

6. All material, equipment and supplies which are purchased from UNDP resources will be used exclusively for the execution of the project, and will remain the property of the UNDP in whose name it will be held by the Executing Agency. Equipment supplied by the UNDP shall be marked with the insignia of the UNDP and of the Executing Agency.

7. Arrangements may be made, if necessary, for a temporary transfer of custody of equipment to local authorities during the life of the project, without prejudice to the final transfer.

8. Prior to completion of UNDP assistance to the project, the Government, the UNDP and the Executing Agency shall consult as to the disposition of all project equipment provided by the UNDP. Title to such equipment shall normally be transferred to the Government, or to an entity nominated by the Government, when it is required for continued operation of the project or for activities following directly therefrom. The UNDP may, however, at its discretion, retain title to part or all of such equipment.

9. At an agreed time after the completion of UNDP assistance to the project, the Government and the UNDP, and if necessary the Executing Agency, shall review the activities continuing from or consequent upon the project with a view to evaluating its results.

10. UNDP may release information relating to any investment oriented project to potential investors, unless and until the Government has requested the UNDP in writing to restrict the release of information relating to such project.

Rights, Facilities, Privileges and Immunities

1. In accordance with the Agreement concluded by the United Nations (UNDP) and the Government concerning the provision of assistance by UNDP, the personnel of UNDP and other United Nations organizations associated with the project shall be accorded rights, facilities, privileges and immunities specified in said Agreement.

2. The Government shall grant UN volunteers, if such services are requested by the Government, the same rights, facilities, privileges and immunities as are granted to the personnel of UNDP.
3. The Executing Agency’s contractors and their personnel (except nationals of the host country employed locally) shall:

(i) Be immune from legal process in respect of all acts performed by them in their official capacity in the execution of the project;

(ii) Be immune from national service obligations;

(iii) Be immune together with their spouses and relatives dependent on them from immigration restrictions;

(iv) Be accorded the privileges of bringing into the country reasonable amounts of foreign currency for the purposes of the project or for personal use of such personnel, and of withdrawing any such amounts brought into the country, or in accordance with the relevant foreign exchange regulations, such amounts as may be earned therein by such personnel in the execution of the project;

(v) Be accorded together with their spouses and relatives dependent on them the same repatriation facilities in the event of international crisis as diplomatic envoys.

4. All personnel of the Executing Agency’s contractors shall enjoy inviolability for all papers and documents relating to the project.

5. The Government shall either exempt from or bear the cost of any taxes, duties, fees or levies which it may impose on any firm or organization which may be retained by the Executing Agency and on the personnel of any such firm or organization, except for nationals of the host country employed locally, in respect of:

(i) The salaries or wages earned by such personnel in the execution of the project;

(ii) Any equipment, materials and supplies brought into the country for the purposes of the project or which, after having been brought into the country, may be subsequently withdrawn therefrom;

(iii) Any substantial quantities of equipment, materials and supplies obtained locally for the execution of the project, such as, for example, petrol and spare parts for the operation and maintenance of equipment mentioned under (b), above, with the provision that the types and approximate quantities to be exempted and relevant procedures to be followed shall be agreed upon with the Government and, as appropriate, recorded in the Project Document; and

(iv) As in the case of concessions currently granted to UNDP and Executing Agency’s personnel, any property brought, including one privately owned automobile per employee, by the firm or organization or its personnel for their personal use or consumption or which after having been brought into the country, may subsequently be withdrawn therefrom upon departure of such personnel.

6. The Government shall ensure:
prompt clearance of experts and other persons performing services in respect of this project; and

(ii) the prompt release from customs of:

a) equipment, materials and supplies required in connection with this project; and

b) property belonging to and intended for the personal use or consumption of the personnel of the UNDP, its Executing Agencies, or other persons performing services on their behalf in respect of this project, except for locally recruited personnel.

7. The privileges and immunities referred to in the paragraphs above, to which such firm or organization and its personnel may be entitled, may be waived by the Executing Agency where, in its opinion or in the opinion of the UNDP, the immunity would impede the course of justice and can be waived without prejudice to the successful completion of the project or to the interest of the UNDP or the Executing Agency.

8. The Executing Agency shall provide the Government through the resident representative with the list of personnel to whom the privileges and immunities enumerated above shall apply.

9. Nothing in this Project Document or Annex shall be construed to limit the rights, facilities, privileges or immunities conferred in any other instrument upon any person, natural or juridical, referred to hereunder.

Suspension or termination of assistance

1. The UNDP may by written notice to the Government and to the Executing Agency concerned suspend its assistance to any project if in the judgement of the UNDP any circumstance arises which interferes with or threatens to interfere with the successful completion of the project or the accomplishment of its purposes. The UNDP may, in the same or a subsequent written notice, indicate the conditions under which it is prepared to resume its assistance to the project. Any such suspension shall continue until such time as such conditions are accepted by the Government and as the UNDP shall give written notice to the Government and the Executing Agency that it is prepared to resume its assistance.

2. If any situation referred to in paragraph 1, above, shall continue for a period of fourteen days after notice thereof and of suspension shall have been given by the UNDP to the Government and the Executing Agency, then at any time thereafter during the continuance thereof, the UNDP may by written notice to the Government and the Executing Agency terminate the project.

3. The provisions of this paragraph shall be without prejudice to any other rights or remedies the UNDP may have in the circumstances, whether under general principles of law or otherwise.
### Annexure 2: Risk Log

<table>
<thead>
<tr>
<th>#</th>
<th>Description</th>
<th>Date Identified</th>
<th>Type</th>
<th>Impact &amp; Probability</th>
<th>Countermeasures/ Mngt response</th>
<th>Owner</th>
<th>Submitted, updated by</th>
<th>Last Update</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Enter a brief description of the risk. (In Atlas, use the Description field.</td>
<td>When was the risk first identified (In Atlas, select date. Note: date cannot be modified after initial entry)</td>
<td>Environmental, Financial, Operational, Organizational, Political Regulatory, Strategic Other Subcategories for each risk type should be consulted to understand each risk type (see Deliverable Description for more information)</td>
<td>Describe the potential effect on the project if this risk were to occur Enter probability on a scale from 1 (low) to 5 (high) Enter impact on a scale from 1 (low) to 5 (high) (In Atlas, use the Management Response box. Check &quot;critical&quot; if the impact and probability are high)</td>
<td>What actions have been taken/will be taken to counter this risk (in Atlas, use the Management Response box. This field can be modified at any time. Create separate boxes as necessary using &quot;+&quot;, for instance to record updates at different times)</td>
<td>Who has been appointed to keep an eye on this risk (in Atlas, use the Management Response box)</td>
<td>Who submitted the risk</td>
<td>When was the status of the risk last checked</td>
<td>e.g. dead, reducing, increasing, no change</td>
</tr>
<tr>
<td>2</td>
<td>Turnkey agency (like NETPRO) not completing the PG test and other tests as per agreement</td>
<td>Operational</td>
<td>There will be delay before alternative course of action is undertaken. There may be slight increase in expenses with alternative strategy. P = 3 I = 3</td>
<td>Support from technology developer will be taken. RDPR (BERI) and CGPL IISc</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Poor participation of community</td>
<td>Operational</td>
<td>Low level of ownership. P = 3 I = 3</td>
<td>Ensuring approaches that would benefit all the stakeholders RDPR (BERI) UNDP CGPL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Slow progress in activities</td>
<td>Operational</td>
<td>P = 2 I = 4</td>
<td>Periodical reviews by NPD/PSC. RDPR (BERI) PSC UNDP</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>