#### Project Board Composition

#### *UNDP/GEF Energy Efficiency in Public Buildings in Ukraine through the ESCO Modality*

#### *in Small and Medium-Sized Cities Project*

*Deputy Minister for European Integration, Ministry of Energy of Ukraine*

*Head of the State Agency on Energy Efficiency and Energy Saving of Ukraine*

*UNDP Deputy Resident Representative*

*GEF Operational Focal Point, Ministry of Environmental Protection and Natural Resources of Ukraine (Observer)*

*UNDP/GEF Regional Technical Advisor*

*Team Lead, Energy and Environment Portfolio*

*Project Manager, Energy Efficiency in Public Buildings in Ukraine through the ESCO Modality in Small and Medium-Sized Cities*

*Programme Analyst, Energy and Environment Portfolio*

*Project Associate, Energy Efficiency in Public Buildings in Ukraine through the ESCO Modality in Small and Medium-Sized Cities (Secretary)*

**Terms of Reference for GEF-UNDP Project Boards in Ukraine**

The Project Board is the group responsible for taking corrective action as needed to ensure the project achieves the desired results. In order to ensure UNDP’s ultimate accountability, Project Board decisions should be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition.

**Scope of the Project Board**

* Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
* Address project issues as raised by the project manager;
* Provide guidance on new project risks, and agree on possible mitigation and management actions to address specific risks;
* Agree on project manager’s tolerances as required, within the parameters set by UNDP-GEF, and provide direction and advice for exceptional situations when the project manager’s tolerances are exceeded;
* Advise on major and minor amendments to the project within the parameters set by UNDP-GEF;
* Ensure coordination between various donor and government-funded projects and programmes;
* Ensure coordination with various government agencies and their participation in project activities;
* Track and monitor co-financing for this project;
* Review the project progress, assess performance, and appraise the Annual Work Plan for the following year;
* Appraise the annual project implementation report, including the quality assessment rating report;
* Ensure commitment of human resources to support project implementation, arbitrating any issues within the project;
* Review combined delivery reports prior to certification by the implementing partner (for NIM);
* Provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans;
* Address project-level grievances;
* Approve the project Inception Report, MTR and TE reports and corresponding management responses;
* Review the final project report package during an end-of-project review meeting to discuss lesson learned and opportunities for scaling up;
* Ensure highest levels of transparency and take all measures to avoid any real or perceived conflicts of interest.

**Project Manager**

**Project Board**

**Beneficiary: Relevant state bodies and civil society**

**Executive: UNDP DRR or NIM Counterpart**

**Development Partners: UNDP Country Office**

**Project Assurance**

(UNDP)

**Project Board Organization Structure**

The composition of the Project Board must include the following roles:

* Project Executive: Is an individual who represents ownership of the project and chairs the Project Board. The Executive is normally the national counterpart for nationally implemented projects and Deputy Resident Representative for direct implemented projects.
* Beneficiary Representative(s): Individuals or groups representing the interests of those who will ultimately benefit from the project. Their primary function within the board is to ensure the realization of project results from the perspective of project beneficiaries. Often Ministries official(s) and civil society representative(s) can fulfil this role.
* Development Partner(s): Individuals or groups representing the interests of the parties concerned that provide funding and/or technical expertise to the project. The Development Partner(s) is/are: UNDP.
* Project Assurance: UNDP performs the quality assurance and supports the Project Board and Project Management Unit by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. The Project Board cannot delegate any of its quality assurance responsibilities to the Project Manager. UNDP provides a three – tier oversight services involving the UNDP Country Offices and UNDP at regional and headquarters levels. Project assurance is totally independent of the Project Management function.

**Administrative arrangements**

The Project Board should meet at least once per year. It is advised to include the Country GEF OFP as observer to Project Board meetings. Meeting could be arranged as personal or virtual depending on needs and a current situation.

**Stakeholder engagement and grievance mechanism**

The overall project partnership approach is that success can only be achieved through extensive cooperation and partnership, including with the private sector.

The project manager is responsible for the implementation of stakeholder engagement activities and ongoing communication with such partners. Also, some responsibilities for establishing cooperation with stakeholders and partners are on project experts’ obligations, who perform technical tasks and they will involve into negotiations with stakeholders. The project manager should be in full constant communication with local communities and their associations. Project Manager should prepare information for communities and periodically provide this information (at least annually) to communities.

The key stakeholders who are considered as beneficiaries of the Project should be presented in Project Board. The list on beneficiaries should be composed from stakeholder engagement plan developed for the Project (for new GEF-UNDP Projects).

The project activities should be based on the principles of fairness and minimization of negative consequences for all parties involved in the project and whom may be affected by the project activities. In view of the above, the project should provide effective resolution of stakeholder grievances:

Legitimate: enabling trust from the stakeholder groups for whose use they are intended, and being accountable for the fair conduct of grievance processes. Accountability for ensuring that the parties to a grievance process cannot interfere with its fair conduct is typically one important factor in building stakeholder trust.

Accessible: being known to all stakeholder groups for whose use they are intended, and providing adequate assistance for those who may face particular barriers to access. Barriers to access may include a lack of awareness of the mechanism, language, literacy, costs, physical location and fears of reprisal.

Predictable: providing a clear and known procedure with an indicative timeframe for each stage, and clarity on the types of process and outcome available and means of monitoring implementation. In order for a mechanism to be trusted and used, it should provide public information about the procedure it offers.

Equitable: seeking to ensure that aggrieved parties have reasonable access to sources of information, advice and expertise necessary to engage in a grievance process on fair, informed and respectful terms. Where imbalances are not redressed, perceived inequity can undermine both the perception of a fair process and the GRM’s ability to arrive at durable solutions.

Transparent: keeping parties to a grievance informed about its progress, and providing sufficient information about the mechanism’s performance to build confidence in its effectiveness and meet any public interest at stake. Providing transparency about the mechanism’s performance to wider stakeholders, through statistics, case studies or more detailed information about the handling of certain cases, can be important to demonstrate its legitimacy and retain broad trust. At the same time, confidentiality of the dialogue between parties and of individuals’ identities should be provided where necessary.

Rights compatible: these processes are generally more successful when all parties agree that outcomes are consistent with applicable national and internationally recognized rights. Grievances are frequently not framed in terms of rights and many do not initially raise human rights or other rights concerns. Regardless, where outcomes have implications for rights, care should be taken that they are consistent with applicable nationally and internationally recognized standards and that they do not restrict access to other redress mechanisms.

Enabling continuous learning: drawing on relevant measures to identify lessons for improving the mechanism and preventing future grievances and harms. Regular analysis of the frequency, patterns, and causes of grievances; strategies and processes used for grievance resolution; and the effectiveness of those strategies and processes, can enable the institution administering the GRM to improve policies, procedures, and practices to improve performance and prevent future harm.

Based on engagement and dialogue: consulting the stakeholder groups for whose use they are intended on their design and performance, and focusing on dialogue as the means to address and resolve grievances.

**Disputes**

In case consensus cannot be reached within the Project Board, the UNDP Resident Representative (or their designate) will mediate to find consensus and, if this cannot be found, will take the final decision to ensure project implementation is not unduly delayed.