Substantive Project and Budget Revision
Country: Saudi Arabia

Project Title: SAU10-40801: Umbrella Programme for the Saudi Commission for Tourism and National Heritage (SCTH)

UNDAF Outcome(s): Outcome 2: Quality of life improved through effective and equitable delivery of education and social services

Expected CP Outcome(s): National policies developed to promote economic diversification with a focus on increased employment of nationals

Expected Outputs: Policies to enhance the social effectiveness and efficiency of services sectors.

Implementing Partner: The Saudi Commission for Tourism and National Heritage

Responsible Parties: SCTH

Justification
This revision intends to detail the output of promoting tourist-oriented behaviors among students (primary and secondary education) through school curricula design. The required budget of this output is revised on the basis of actual delivery to date and therefore an increase of the project’s inputs for AWP2017 is conceived at US$2,666,667. The project’s duration is also extended until 31 December 2018.

Since the Umbrella Programme was signed on 1 August 2004 without certain UNDP’s corporate requirements such as the Governance Arrangement and the Legal Context as well as detailing the AWP2017, this revision is therefore including all such requirements.

Programme Period: 2017-2021
Key Result Area (Strategic Plan): Atlas Award ID: 00040801
Start date: 1 August 2004
End Date: 31 December 2018
LPAC Meeting: 27 November 2017
Management Arrangements: NIM

Original 2016 AWP budget: US$ 8,800,000
Revised Budget: US$14,133,334
Increase in 2017/2018: US$ 5,333,334

Total resources required: US$14,133,334
- Regular
- Other: Government US$ 14,133,334

Unfunded budget: 0.00
Budget increase: US$5,333,334
GMS rate: 5%

Agreed by (SCTH):
H. E. Dr. Abdulaziz M. Al-Sheikh,
Vice President for Support
National Project Coordinator

Agreed by UNDP:
Firas Gharaibeh
UNDP Deputy Resident Representative

3 Dec 2017
## I. Annual Work Plan

### Year: 2017

<table>
<thead>
<tr>
<th>Expected Outputs</th>
<th>Planned Activities</th>
<th>Timeframe</th>
<th>Responsible Party</th>
<th>Planned Budget</th>
</tr>
</thead>
</table>
| **Output 1:** Tourist-oriented behaviors promoted among students (primary and secondary education)  
Baseline: Tourism Assessment in 2017 reflected public reluctance in promotion of tourist activities at local levels  
Indicators: Increase of 5% in annual growth of tourism by 2019.  
Targets: Tourism-orientation behaviors reflected in young local communities | 2.1 Conducting nation-wide surveys for school curricula review to accommodate tourism dimensions and heritage preservation aspects  
2.2 Organize focus-group workshop to review and endorse curricula reviews and points of interventions  
2.3 School curricula formulated and deployed  
2.4 Training of Trainers programs developed, delivered and evaluated in 26 selected primary and secondary schools (two schools at each region)  
2.5 Partnerships arranged with Ministry of Education and other educational institutions | Q1 | Q2 | Q3 | Q4 | SCTH | PERINT/PERLOC/PER SCT | 285,000 |
| **Output 2:** National capacities developed for efficient promotion of tourism  
Baseline: Private investment in 2016 was not exceeding 9.86% of overall investment in the industry  
Indicators: Private sector recognizes profit opportunity in tourism industry  
Targets: Legal framework revised with systemic incentives | 3.1 Training manuals designed and validated for human resource capacity development  
3.2 Conducting a study for worldwide best practices and their relevance to national tourism context  
3.3 Study tours conducted for international best practices in promotion of investment in the industry  
3.4 Monitoring and Evaluation | Q1 | Q2 | Q3 | Q4 | SCTH | PERLOC | 350,000 |
|                      |                      |          |                  |                |                  |                  | 205,000 |
|                      |                      |          |                  |                |                  |                  | 225,000 |
|                      |                      |          |                  |                |                  |                  | 20,000  |
| **Sub-Total**        |                    |          |                  |                |                  |                  | 2,184,500 |
| **GMS (5%)**         |                    |          |                  |                |                  |                  | 109,225 |
| **Budget Total**     |                    |          |                  |                |                  |                  | 2,666,667 |
## Schedule of Payments
Project: SAU10-40801 – Umbrella Programme for SCTH

<table>
<thead>
<tr>
<th>Payments</th>
<th>Amount in US$</th>
<th>Contributor</th>
</tr>
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<td>4,442,667.00</td>
<td>Government of Saudi Arabia</td>
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<tr>
<td>Payment made in January 2013</td>
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<td>Payment Due in January 2013</td>
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<tr>
<td>Payment due in December 2013</td>
<td>4,000,000.00</td>
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<tr>
<td>Payment due in February 2014</td>
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<tr>
<td>Payment due in April 2014</td>
<td>29,092.11</td>
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</tr>
<tr>
<td>Payment due in May 2014</td>
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<tr>
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<tr>
<td>Payment due in April 2015</td>
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<td>Payment due in February 2017</td>
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</tr>
<tr>
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<tr>
<td>Payment due in June 2018</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>34,111,758.80</strong></td>
<td></td>
</tr>
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</table>

Revised on 28 November 2017
II. Governance and Management Arrangements

This project will be implemented under the National Implementation (NIM) modality with activities implemented through UNDP NIM modality, whereby SCTH assumes implementation responsibility with UNDP Implementation Support Services for recruitment of international and national advisors and other activities as noted in the Annual Work Plan.

All activities under the project will be done through standard Project Board mechanism to serve as a steering committee between SCTH and UNDP to ensure coherence of all activities under the project. UNDP will provide technical advisory support to all activities through the UNDP Country Office in Riyadh, UNDP Regional Service Centre and various units in UNDP Headquarters in New York, as well as support for overall project management activities. Other UN agencies/bodies may also be invited to contribute to specific activities in the project.

Project Board

The Project Board is the group responsible for making on consensus basis management decisions for a project when guidance is required by the National Project Manager, including recommendation for approval of project revisions. Project reviews by this group are made at biannual basis in Riyadh, or as necessary when raised by the National Project Manager. This group is consulted by the National Project Manager for decisions when management tolerances (i.e. constraints normally in terms of time and budget) have been exceeded. This group contains three roles: executive representing the project ownership to chair the group, senior Supplier role to provide guidance regarding the technical feasibility of the project, and senior Beneficiary role to ensure the realization of project benefits from the perspective of project beneficiaries.

The Project Board has the following members: Vice President for Support of SCTH (Executive and Senior Beneficiary), Resident Representative, United Nations Development Programme, Saudi Arabia (as Senior Supplier). SCTH and UNOP must always be present in the project board which works on a consensus basis and final decision making on project activities and accountability in accordance with its applicable regulations, rules, policies and procedures.

Project Assurance

Project Assurance is the responsibility of each Project Board member, but the role can be delegated to staff within each partner agency. The Project Assurance role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. The Team Leader for Governance UNDP Saudi Arabia will hold the Project Assurance role for the UNDP, and a similar level government representative would undertake this role for SCTH. The National Project Manager and Project Assurance roles will never be held by the same individual in SCTH.

National Project Manager

The National Project Manager will be the Vice President for Support and has the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Project Board. The National Project Manager is responsible for day-to-day management and decision-making for the project and prepare the required annual and quarterly progress reporting and monitoring of risks. The National Project Manager’s prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost. The National Project Manager is appointed by the SCTH through letter to UNDP. SCTH will also provide counterpart staff, offices facilities and necessary
office equipment (including computers) for project staff; other project support facilities as required including for project related seminars, workshops and training facilities; other support in kind.

The NPM shall prepare the Annual Project Report (APR) for review by the Project Board in its meeting.

Terms of Reference/job descriptions for the respective long term advisers and short term experts/consultants are set out in the Annex III.
III. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of (country) and UNDP, signed on (date). All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner."

This project will be implemented by Saudi Commission for Tourism and National Heritage ("Implementing Partner") in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

IV. RISK MANAGEMENT

Government Entity (NIM)

1. Consistent with the Article III of the SBAA 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. To this end, 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.

2. 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 the Implementing Partner's obligations under this Project Document.

3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no 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). The list can be accessed via http://www.un.org/sc/committees/1267/1267_sanctions_list.shtml.


5. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.

6. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

7. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds. The Implementing Partner will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
8. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.

9. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.

10. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

11. UNDP shall be entitled to a refund from the Implementing Partner of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the Implementing Partner under this or any other agreement. Recovery of such amount by UNDP shall not diminish or curtail the Implementing Partner's obligations under this Project Document.

Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

*Note:* The term “Project Document” as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

12. Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.

13. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.

14. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled “Risk Management” are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled “Risk Management Standard Clauses” are included, *mutatis mutandis*, in all sub-contracts or sub-agreements entered into further to this Project Document.
V. ANNEXES

1. Project Quality Assurance Report

2. Social and Environmental Screening Template [English], including additional Social and Environmental Assessments or Management Plans as relevant. (NOTE: The SES Screening is not required for projects in which UNDP is Administrative Agent only and/or projects comprised solely of reports, coordination of events, trainings, workshops, meetings, conferences, preparation of communication materials, strengthening capacities of partners to participate in international negotiations and conferences, partnership coordination and management of networks, or global/regional projects with no country level activities).

3. Risk Analysis. Use the standard Risk Log template. Please refer to the Deliverable Description of the Risk Log for instructions

4. Capacity Assessment: Results of capacity assessments of Implementing Partner (including HACT Micro Assessment)

5. Project Board Terms of Reference and TORs of key management positions
<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 Updated</th>
<th>Status</th>
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<td>Enter a brief description of the risk Possible delay in getting the cost-sharing as agreed in the Schedule of Payment</td>
<td>When was the risk first identified 2017</td>
<td>Environmental, Financial, Operational, Organizational, Political, Regulatory, Strategic, Other</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) [ P = 2 ] Enter impact on a scale from 1 (low) to 5 (high) [ I = ]</td>
<td>What actions have been taken/will be taken to counter this risk Close follow-up to expedite getting cost-sharing</td>
<td>Who has been appointed to keep an eye on this risk: SCTH</td>
<td>Who submitted the risk: UNDP</td>
<td>When was the status of the risk last checked:</td>
<td>e.g. dead, reducing, increasing, no change</td>
</tr>
<tr>
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<td>Ethiopian</td>
<td>Environmental, Financial, Operational, Organizational</td>
<td>Text</td>
<td>(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>(In Atlas, use the Management Response box)</td>
<td>(In Atlas, automatically recorded)</td>
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