



## How to Extend DaO MPTFs

A Delivering as One (DaO) Multi-Partner Trust Fund (MPTF) is established through finalization of the MPTF's Terms of Reference (ToR), signature of the Memorandum of Understanding (MOU) with Participating Organizations (POs), formal appointment of the Administrative Agent (AA), and signature of the Standard Administrative Arrangement (SAA) with the contributing partners. A MPTF transfer and financial reporting structure is also established based on the United Nations Development Assistance Framework (UNDAF)/One Programme priority areas. See [How to Establish a MPTF](#), for more detailed information.

A MPTF is established with a specific start and end date that corresponds to the UNDAF/One Programme that is contained in the ToR, MOU and SAA. Therefore, when an UNDAF cycle ends and a new cycle starts, the MPTF legal and structural arrangements should be updated.

The process for updating the MPTF should begin at least six months prior to the start of the new UNDAF/One Programme. Similar to the UNDAF road map outlining the preparation process of the UNDAF, a formal timeline and plan should be outlined and managed by the DaO MPTF Secretariat/Resident Coordinator Office (RCO) in consultation with the MPTF Office for both centralized and decentralized DaO MPTFs.

### Steps to Extend DaO MPTFs

The Secretariat/RCO, under the direction of the Resident Coordinator (RC) working closely with the relevant Portfolio Manager in the MPTF Office, plays an important role in providing guidance and communicating with the POs throughout the process.

Planning is important to ensure a smooth transition of MPTF arrangements between UNDAF/One Programme cycles, and to enable funding to continue to be available quickly and aligned to the correct priority areas. The following section outlines the five main steps for extending a DaO MPTF followed by key considerations that may guide the process.

#### Step 1: Revise Terms of Reference

The Secretariat/RCO, working with the POs, modifies the DaO MPTF ToR to reflect the new UNDAF/One Programme priority areas and any other changes to the MPTF structure including the new MPTF end date.

#### Step 2: Amend Memorandum of Understanding

After the ToR is updated, the MOU will be amended to reflect the UNDAF/One Programme and new MPTF end date. The revised ToR is annexed to the MOU and the MOU is signed by each PO. The MPTF Office will prepare the MOU amendment and the Secretariat/RCO facilitates the PO signatures. Note: RCs from pilot countries sign as full signatories and MOU's signed prior to issuance of October 2008 UNDG-endorsed stand MOU for One UN Funds, should conclude a new MOU and not amend the existing MOU.

#### Step 3: Amend MPTF Fund Structure

The MPTF structure may require revision to reflect the new UNDAF/One Programme priorities. This may include renaming existing fund codes or establishing new codes. The Secretariat/RCO should confirm the new MPTF structure to the AA, while the MPTF Office manages modification of the MPTF structure (fund codes). See below ['Fund Structure in Brief'](#)

#### Step 4: Inform Contributors (Partners/Donors)

The AA is responsible for informing the contributing partners that the MPTF end date has been extended and a new UNDAF/One Programme and priority areas have been approved. The AA informs the contributing partner(s) in writing and obtains their endorsement to utilize any unspent earmarked contributions to support the new DaO MPTF priority areas. For DaO pilot countries, all communications with contributors will be done through the AA and RC.

#### Step 5: Close Projects/Programmes

Approved projects/programmes, against the current UNDAF/One Programme structure should be concluded within the current MPTF end date (UNDAF cycle). Unspent contributions may then be programmed under the new MPTF priorities and structure following the successful conclusion of the steps above. For more details on project closure, see the [MPTF Office Guidelines for Project Closure](#).

## Key considerations when extending DaO MPTFs:

- **Timeline:** The transition process should begin at least six months before the end of the current UNDAF/One Programme cycle to ensure the legal arrangements and new MPTF structure is in place. This is important to avoid any delays in the transfer of funds to POs under the structure.
- **Fund Structure:** When revising the MPTF structure, limit the number of child codes and projects to reduce transaction costs, increase flexibility and reduce administration. Note, fund transfers and annual reporting depend directly on the MPTF structure, so the structure should practically reflect the DaO MPTF reporting needs. See right 'Fund Structure in Brief'
- **Final Reporting:** At the conclusion of an UNDAF cycle, at the Fund level, a UNDAF or One Programme final narrative report should be prepared in lieu of the Annual One Programme report. At the Project level, POs should operationally and financially close their respective projects in accordance with the MOU and Guidance. See '[How to Close an MPTF](#)'.
- **Closure:** During the transition cycle, the Secretariat/RCO and POs should plan for projects/programmes closure to ensure the timely return any unspent/interest balances to the DaO MPTF account for reprogramming under the new priority areas.
- **Steering Committee Oversight:** As the primary oversight and decision making body, it is important that the Steering Committee ensure that projects approved under the current cycle will be completed by the end date to avoid parallel programmes under different UNDAF/One Programme cycles and priorities. Also, the Steering Committee may want to monitor commitments and disbursements in the final year of the UNDAF cycle to determine if programmed funds will be utilized or returned for reprogramming under the new UNDAF/One Programme cycle.
- **Delegation of Authority (DoA):** If the DaO MPTF is delegated, it is the responsibility of the delegated AA, working in collaboration with the MPTF Office, to manage the transition process and steps outlined above.

## Fund Structure in Brief:

i) Parent Fund Code: is set up at the MPTF level. Each MPTF will only have one parent fund code.

ii) Child Fund Code(s): are set up to reflect the thematic/priority area(s). For DaO funds, child codes are usually established at the UNDAF priority level.

iii) Project(s): are set up under relevant child fund codes. There could be one project per child code or multiple, if separate reporting is needed under an UNDAF outcome. For DaO funds, projects are usually established at the UNDAF outcome level. Preference is to limit the number of projects/joint programmes.

The [MPTF Office](#) is available to provide its partners with strategic guidance and support throughout the transition process. Please contact the relevant Portfolio Manager at in the MPTF Office early in the process to provide support.

**For more information, visit the MPTF Office 'document center' on the MPTF Office GATEWAY at:**

<http://mptf.undp.org/document/templates>

**Or visit UNDG-approved documents at:**

<http://www.undg.org/index.cfm?P=1532>