



**Interoffice Memorandum**

To: Beat Rohr  
UN Resident Coordinator  
Guatemala

Date: 17 December 2007

From:   
Assistant Administrator and Director, Partnerships Bureau  
UNDP New York

Extension:

Subject: MDGF-1740: Strengthening Environmental Governance in the face  
of Climate Risks in Guatemala

File: MDGF 1740

**I. Approval Status**

On behalf of the MDG-F Steering Committee I am pleased to inform you that your Joint Programme "Strengthening Environment Governance in the face of Climate Change Risks" is hereby approved with an allocation of **USD\$3.6** million for three years. This figure includes 7% for indirect costs incurred by UN Participating Organizations. Please note the 1% AA fee will be reimbursed directly to the MDTF Office and need not be included in your allocation.

**II. JP design comments**

The MDG-F Secretariat, in collaboration with various experts, has reviewed the draft Joint Programme presented by the UNCT in Guatemala.

No substantive changes are required to the design of your Joint Programme and you may proceed with signature of the Joint Programme document. In addition to the Government, the Resident Coordinator and Participating UN Organizations should each sign the Joint Programme document. We would encourage you to ensure some visibility for this event and for the launch of implementation.

Please note that the Fund Secretariat may revert to you with comments on your Monitoring Framework in the first part of 2008. While the proposed Monitoring Framework is very thorough, it focuses primarily on output-related indicators and does not include indicators touching on broader development outcomes nor indicators relating to UN reform or the Paris Declaration. This has been a common feature across many submissions, and the Secretariat has been tasked with investigating what is feasible within a three-year programme and developing Fund-wide M&E standards.

The new formulation improves on and finalizes the initial Concept Note. We have noted and accepted your justification for requesting \$600,000 in excess of the originally approved Indicative Budget.

**III. JP re-design requirements and/or recommendations**

(Not applicable)



#### **IV. Management arrangements and delegation of authority**

On receipt of a copy of the signed document, the Fund Secretariat will transfer the full three-year allocation to the custody of the Multi Donor Trust Fund (MDTF) Office pending further instructions from you.

Please note the MDTF Office will pass-through funds to Participating Organizations on instruction from you as Resident Coordinator and Co-Chair of the National MDG-F Steering Committee.

As reflected in the Fund's Framework Document (Section 9 'Formulation Process & Release of Funds) and the global MoU with Participating Organizations (Article I, 2-c) the MDTF Office will release resources on an annual, advance basis. For the first advance, these funds will be transferred on the basis of receipt of the first year Annual Workplan and the signed Joint Programme document. Subsequent annual advances will be released on instructions from you and on the basis of a) receipt of the next annual work-plan approved by the National Steering Committee; b) evidence that a formal review of the programme's progress has been undertaken not more than three months earlier, either in the form of an annual progress report (if the timing coincides) or through the minutes of a National Steering Committee where this has been discussed; and c) only when combined commitments against the existing advance have exceeded 70%. Please review the initial year budget requests carefully with participating organizations in order to ensure realistic delivery targets in this regard. The annual agency apportionment projected in the final budget attached to the signed Joint Programme document should also be reviewed and can be revised up to the time of your first funds-advance request. This is important for the reasons outlined below.

In order to allow the implementation team some flexibility to adapt the strategy to unexpected challenges and opportunities, and to empower Resident Coordinators in their oversight responsibilities, this memorandum also provides you with the authority over the three year duration of the programme and with the agreement of your National Steering Committee to (a) transfer up to \$1,000,000 or 20% of the total value of the project budget – whichever is lowest – *between Participating Organizations* identified in the original Joint Programme budget and (b) re-phase up to \$1,000,000 or 20% of the total value of the project budget – whichever is lowest - *between years*. The base-line against which these ceilings will be measured is the annual budget projection (by year and by participating organization) confirmed at the time of your first funds-advance request. The MDTF Office must be informed of any revisions of this kind, decided locally and is responsible for tracking these delegation ceilings for each programme. Any changes that fall outside these parameters will have to be referred back to the (Global) MDG-F Steering Committee for approval.

The success of the MDG-F activities will depend on your ongoing leadership and engagement. We count on you to exercise this leadership and to ensure this Joint Programme remains an ongoing, integrated effort by the UN system in support of national priorities. Please also use the National Steering Committee mechanism to help ensure national ownership by the Government in particular and involve it in important financial and programmatic oversight decisions.



The Executive Coordinator of the MDTF Office, Bisrat Aklilu, will be in contact with any specific documentation requirements to ensure the programme meets compliance requirements for UNDG pass-through arrangements.

With best wishes,

cc.

Mr. Bisrat Aklilu, Executive Coordinator, Multi-Donor Trust Fund Office  
Ms. Rebeca Grynspan, Assistant Administrator and Director Bureau for Latin America and the Caribbean, UNDP New York  
H.E. Mr. D. Juan Antonio Yáñez-Barnuevo, Permanent Representative of Spain to the United Nations  
H.E. Mr. Jorge Skinner-Klée Permanent Representative of Guatemala to the United Nations  
Ms. Milagros Hernando, Director-General for Planning & Evaluation, MFA Madrid  
Ms. Sally Fegan-Wyles, Director, Development Group Office  
MDG-F Secretariat