



UNity in diversity
United Nations Rwanda

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One UN Fund for Rwanda Terms of Reference

I. Introduction

1. The One UN initiative in Rwanda was initiated in early 2007. It was in part based on the General Assembly's: *'Triennial comprehensive policy review (TCPR) of operational activities for development of the United Nations system'*, A/RES/59/ 250 of 17 December 2004. This resolution stresses that the purpose of reform is to make the United Nations development system more efficient and effective' and 'requests the funds and programmes and specialized agencies' to implement 'joint offices'. Twenty pilot countries have been identified for the ongoing TCPR joint offices initiative. In response to this and inspired by the Report of the High Level Panel on System Wide Coherence, the Government of Rwanda requested to be one of the eight pilot countries for looking at ways to strengthen the effectiveness and coherence of the UN at the country level.

2. The One UN Initiative in Rwanda comprises of four elements: One Programme, One Budgetary Framework and Fund, One Leader, One Office. The One Budgetary Framework is a total estimated amount of resources (both regular and other) needed to implement the UN Common Operational Document (COD) for Rwanda. The proposed One UN Fund for Rwanda is a new common fund mechanism to mobilize and allocate additional resources at the country level in a simplified, coherent manner consistent with the overall purpose of the One UN Initiative. This arrangement in Rwanda is subscribed to by all members of the UN Country team (hereafter referred to as the participating UN Organisations). Other UN Organisations may wish to join this funding arrangement in the future. The UNCT in Rwanda has developed and adopted a Code of Conduct committing themselves to the key principles for the success of One UN – Delivering as One.

3. The One UN Initiative in Rwanda is being implemented in a collaborative manner under the strong leadership of the Government of Rwanda. The Minister of Finance and Economic Planning is the chair of the One UN Steering Committee.

4. The introductory part of these Terms of Reference of the One UN Fund for Rwanda will be revised to reflect the dynamic nature of the UN reform process in Rwanda, particularly when circumstances changes or other UN Organisations join as new participants.

II. Purpose of the One UN Fund

5. The objective of the One UN Fund is to support the coherent resource mobilization, allocation and disbursement of donor resources to the UNDAF/Common Operational Document under the direction of the Resident Coordinator as leader of the UN Country Team.

6. The One UN Fund is the proposed vehicle for new resources pooled by donors to support the unfunded portions of the Common Operational Document. The Fund, under the guidance of

the Steering Committee and leadership of the Resident Coordinator and UNCT, is intended to facilitate the realization of UNDAF outcomes by strengthening the planning and coordination process, tying the funding allocation to the Common Operational Document and channelling funds towards the highest priority needs.

7. The Fund will support partnership and communication between all stakeholders involved with Rwanda's development led by the Government of Rwanda. Information given to the press, to the beneficiaries of the One UN programme, all related promotion material, official notices, reports and publications, shall acknowledge the role of Government of Rwanda, the UN and the donors.

III. Description of the One UN Fund

8. The One UN Fund for Rwanda shall be administered by UNDP, as Administrative Agent, on behalf of the participating UN Organisations and the Resident Coordinator as agreed with the Government. UNDP will administer the fund in accordance with its Regulations and Rules, and a Memorandum of Understanding among the participating organizations.

Contributions to the One UN Fund

9. Contributions to the One UN Fund may be accepted from governments of Member States of the United Nations or from intergovernmental or non-governmental organisations, or from private sources. Acceptance of funds from the private sector will be guided by criteria stipulated in the UN system-wide guidelines on cooperation between the UN and Business Community (the UN Secretary General's guidelines <http://www.un.org/partners/business/otherpages/guide.htm>).

10. In support of the overarching aim of the One UN Fund, and to ensure maximum flexibility and adaptation to national priorities, a guiding principle for resource mobilization would be that donors are encouraged to contribute with multi-year pooled/unearmarked resources. However, if this is not possible, earmarking at the level of the 5 main results of the UNDAF/COD will be accepted. It is expected that the percentage of earmarked resources will diminish over time.

11. Contributions to the One UN Fund may be accepted in fully convertible currency. Such contributions shall be deposited in the bank accounts designated by UNDP. The value of a contribution-payment, if made in other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment.

Utilization of the One UN Fund

12. The One UN Fund will be utilized for the purpose of meeting the unfunded costs of initiatives, including new initiatives responding to emerging needs, under the Common Operational Document. Details of such initiatives, including the respective budgets and implementation partners, will be set out in the relevant Participating UN Agencies' AWP, programme or project documents.

13. Implementing Partners such as NGOs involved in the Common Operational Document will have access to the One UN Fund through the Participating UN Organizations. The Participating UN Organisations will utilise their standard NGO cooperation modalities for this purpose and charge the corresponding direct and indirect costs to the One UN Fund on the basis of its financial regulations and rules.

14. In conformity with the UNDG Guidelines on Joint Programming, the Administrative Agent and the Participating UN Organisations will be entitled to deduct their indirect costs on contributions received. The Administrative Agent's administrative fee will be 1%. The fee will be

deducted from the contributions to the One UN Fund at the time they are deposited. The indirect costs of the Participating UN Organisations will be 7%.

IV. Governance Arrangements

The One UN Steering Committee

14. The One UN Steering Committee in Rwanda is comprised of 4 members of the Govt of Rwanda, the UN Resident Coordinator, 4 members of the UNCT and 3 donors. The Committee guides and decides on the overall strategic orientation of the entire One UN – Delivering as One Initiative in Rwanda. The Administrative Agent participates in the Steering Committee as observer.

The Resident Coordinator

15. The overall management of the One UN Fund will be led and coordinated by the Resident Coordinator in consultation with the Participating UN Organisations. In line with the overall objective of the One UN in Rwanda to deliver more effectively at the country level and the UNCT Code of Conduct, the Resident Coordinator will be responsible for:

- Strategic leadership of the One UN Fund on the basis of the Common Operational Document;
- Mobilizing resources for the One UN Fund in collaboration with Participating UN Organisations;
- Signing the Letters of Agreement with Donors and the Memorandum of Understanding with Participating UN Organisations;
- Approving allocation of funds from the One UN Fund based on priorities identified within the Common Operational Document and endorsed by the overall guidance of the Steering Committee, as well as the allocation principles outline in the COD;
- Chairing the UN Country Team including making ultimate decisions on fund allocations.

The UN Country Team/Allocation Committee

16. The UN Country Team will be responsible for allocation decisions of the One Fund under the leadership of the UN Resident Coordinator and including the Country Directors/Heads of Participating UN Organisations.

17. The UN Country Team will be responsible for developing a joint resource mobilisation strategy, for approving prioritization of allocation of funds from the One UN Fund, and for providing oversight of the management and operations of the One UN Fund. The prioritisation will be guided by recommendations from Common Operational Document Annual Reviews, recommendations by the UNDAF Theme Groups, and the overall strategic orientation of the Steering Committee.

18. In this process, the Resident Coordinator and the UNCT can seek inputs from the M&E Task Force and the UNDAF Theme Groups.

19. Decisions of the UNCT are made by consensus. In the event that no consensus is reached, the Resident Coordinator can make ultimate decisions on fund allocation (with documented process and rationale for these decisions). Programme implementation will be the responsibility of the Country Directors/Head of Participating UN Organisations.

The UNDAF Theme Groups

20. The UNDAF Theme Groups are responsible for allocation of the resources within each UNDAF Result on the basis of the criteria and process listed in the COD.

The Administrative Agent

21. UNDPs responsibilities as Administrative Agent will include the following:

- Provide the delegated signature authority to the UNDP Country Director for the Signature (as Administrative Agent) of Letters of Agreement with Donors and Memorandum of Understanding with participating UN Organizations;
- Receipt, administration and management of contributions from Donors;
- Disbursement of such funds to the participating UN Organisations in accordance with the approved Annual Work Plans/Programmatic Documents;
- Provide consolidated narrative and financial reports, in accordance with the MOU, on the One UN Fund Account to the Resident Coordinator based on reports of the participating UN Organisations.

Support services provided by the Resident Coordinator's Office

22. The Office of the Resident Coordinator is responsible for support to the strategic leadership role of the Resident Coordinator for the One UN Fund. It will provide support in all the designated tasks for the Resident Coordinator as listed in paragraph 17 above. Drawing on the narrative reports provided by each of the UNDAF Theme Groups, the Office of the Resident Coordinator shall make a recommendation to the UNCT. The Office of the Resident Coordinator will provide strategic focus including analysis of progress and lessons to be learned for future programme implementation. It will circulate the finalised annual consolidated report on the One UN Fund to the One UN Steering Committee for consultation. The Office of the Resident Coordinator will ensure that these reports are distributed to all donors contributing to the Fund and maintain an appropriate level of fund information on UN system website for Rwanda to ensure transparency.

23. The Senior Policy Advisor within the Office of the Resident Coordinator will be fully dedicated to supporting the consolidation of the narrative reports, to support the UN Policy Advisors and the UNDAF Theme Groups, and to prepare and report on consultations with stakeholders regarding the One UN Programme and One UN Fund. The costs of this support will be charged directly to the One UN Fund account by the Administrative Agent in accordance with Article 1 para 5b of the Memorandum of Understanding between the Administrative Agent and the UN participating organizations.

V. Monitoring and Evaluation

24. Monitoring and evaluation of the projects/programmes shall be undertaken in accordance with the Monitoring and Evaluation Framework developed under the direction of the Resident Coordinator, to monitor and evaluate the Common Operational Document implementation. The Monitoring and Evaluation Framework contains outcome and output indicators as well as a calendar of M&E activities carried out, as appropriate, by Participating UN Agencies and jointly. Participating UN Organizations shall also explore further thematic or functional clustering of Monitoring and Evaluation activities.

VI. Audit

25. The Administrative Agent and Participating UN organizations will be audited in accordance with their own Financial Rules and Regulations. The Internal Audit Services of all UN

organizations will prepare summaries of their internal audit reports and share those with the UNCT and Administrative Agent;

26. The principles of HACT should apply to all participating agencies in the One UN Fund¹.

VII. Reporting

27. Each participating UN Organisation shall provide the Administrative Agent with the following statements and reports prepared in accordance with harmonised accounting and reporting procedures applicable to the participating UN Organisation concerned:

- Annual financial reports as of 31 December each year with respect to the funds disbursed to it from the One Fund Account, to be provided no later than two months (28 February) after the end of the applicable reporting period;
- A final financial report, after the completion of the Common Operational Document and including the final year of the Programme, to be provided no later than four months (30 April) of the year following the financial closing of the Programme;
- A final certified financial statement, to be provided no later than 30 June of the year following the financial closing of the Programme.

28. The annual progress report on Common Operational Document implementation will serve as the narrative part of the One UN Fund report for both unearmarked and earmarked contributions, to be provided no later than four months after the end of the applicable reporting period in accordance with article 27 above.

29. Each participating UN Organisation shall provide the Administrative Agent who will in turn provide the Resident Coordinator with the following reports prepared in accordance with harmonised reporting procedures applicable to the participating UN Organisation concerned:

- Annual narrative reports as of 31 December each year with respect to the implementation of the Common Operational Document, to be provided no later than two months (28 February) after the end of the applicable reporting period;
- A final narrative report, after the completion of the Common Operational Document and including the final year of the Programme, to be provided no later than 30 April of the year following the financial closing of the Common Operational Document;

30. In line with the Paris Declaration Principles on Aid Effectiveness, until such a time that a harmonised reporting format and procedure is mutually agreed and accepted by Government and participating UN Agencies, the participating UN Organisations will utilise for financial reporting the ten categories agreed by the UNDG Financial Policies Working Group.

31. The Administrative Agent shall prepare consolidated financial reports consisting of the reports referred to in paragraph 27 above submitted by each participating UN Organisation, and shall provide those consolidated reports to the Resident Coordinator once these have been agreed upon by all participating UN Organisations but no later than 4 months upon receipt thereof.

¹ In the short term this will apply to UNDP, UNICEF, UNFPA and WFP conform paragraph 52 of the Common Operational Document. The UNCT will explore the possibility of HACT modalities being extended to non Ex-Com agencies.

32. The Administrative Agent shall also provide to the Resident Coordinator for submission to donors and participating UN Organizations, an annual certified Financial Report on its activities as Administrative Agent ('Report on Sources and Uses of Funds') as well as a final Financial Report and certified Financial Statement no later than 30 June of the year following the financial closing of the One UN Fund.

33. The Office of the Resident Coordinator shall, in close consultation with the relevant inter-agency working group tasked with consolidating the annual narrative reports, provide such reports to the Resident Coordinator no later than four months after the applicable reporting period, and provide the final narrative report no later than 30 June of the year following the closure of the Common Operational Document.

34. Consolidated One UN Fund reporting and documentation, including agreements, will be posted on the UN Rwanda web site.

VIII. Other Matters

35. The One UN Fund will be established upon signing of the first donor agreement and the Memorandum of Understanding amongst participating UN Organisations and the Administrative Agent. The One UN Fund will terminate upon completion of all Projects funded through the One UN Fund and after satisfaction of all commitments and liabilities. Notwithstanding the completion of the initiatives financed from the One UN Fund, any unutilized balances will continue to be held in the One UN Fund Account until all commitments and liabilities incurred in implementation of the Projects have been satisfied and project activities have been brought to an orderly conclusion. Any balance remaining in the One UN Fund Account or in the individual participating UN Agencies' accounts shall be used as decided by the Resident Coordinator in consultation with the UNCT, the Steering Committee, the contributing donors and participating UN Organisations.