The Liberia Multi-Partner Trust Fund

Operational Manual for the UN Window

This Operations Manual is not a legally binding document. It describes the governance structure and establish the operating principles, guidelines, and procedures for day-to-day operations of the UN funding window under the LMPTF.

Table of Contents

1. Fund's objectives and principles

The Liberia Multi-Partner Trust Fund (LMPTF) serves as the centrepiece for the Government, international community, the UN system, and relevant stakeholders to sustain peace and implement the Sustainable Development Goals (SDGs) in Liberia. It functions as both a coordination framework and a financing platform to support the implementation of the Government's national development plan, the Pro-Poor Agenda for Prosperity and Development (PAPD), informed by the priorities of the Liberia Peacebuilding Plan.[1]

The architecture of the LMPTF is designed to support and accelerate the implementation of the PAPD. The UN Window will initially support delivery of the current UNDAF[2] and subsequently the PAPD. The National Window will be directly linked to supporting the implementation of the PAPD. The LMPTF projects and programmes will be formulated through the lens of local SDG priority areas throughout the four PAPD and UNDAF pillars.

The LMPTF brings together two windows under common governance arrangement to promote: 1) coordination across activities and instrument; 2) alignment with national priorities; and 3) reduced transaction costs for the government and development partners alike. The Windows are administrated by UN Multi-Partner Trust Fund Office (MPTFO), based on specific legal frameworks set up for each Window.

In addition to channelling funds for programmatic activities, the LMPTF will also promote coordination across different financing instruments. In that regard, the LMPTF will foster the inclusion of such activities under one reporting. The UN will strive to align the governance of its existing programmes to the LMPTF governance, to the extent possible, and aim to increasingly channel more resources under the goal of predictable 'One Fund'.

The comparative advantage of the LMPTF includes its continuous engagement and strengthened coordination on the areas that aim to tackle root causes of conflicts, its capacity for immediate delivery (rapid cycle), strategic allocation of resources by leveraging comparative advantages of participating UN agencies and the national entities, reduced transaction costs, enhanced transparency and most importantly, strong ownership by the Government and the UN's focused support to the Government to deliver the PAPD.

Contributions to the funds can be made by bilateral and multilateral development partners, private sector, foundations, and non-governmental organizations. Contributions to the two windows are governed by the Standard Administrative Arrangement by the UN MPTFO.

2. Overview of the Liberia MPTF

Table 1. The LMPTF structure

	UN Window	**National Window**
Focus	Supporting the current UNDAF and subsequently the PAPD. Once the next generation of the UNDAF is launched, the LMPTF will be re-aligned to the new UNDAF.	Supporting the implementation of the PAPD.
Governance and Administration	The two windows share their governance and administration structures, except the implementing entities, as following: • Fund operation, involving the coordination and operation, performed by a Steering Committee, the Thematic Working Groups and the Fund Secretariat. • Fund design and administration, performed by the Administrative Agent (MPTF Office).	

---

[1] "Sustaining Peace and Securing Development" (document S/2017/282), endorsed by the UN Security Council.
[2] The LMPTF will be linked to the next generation of the UNDAF which is expected to launch in Jan 2020.

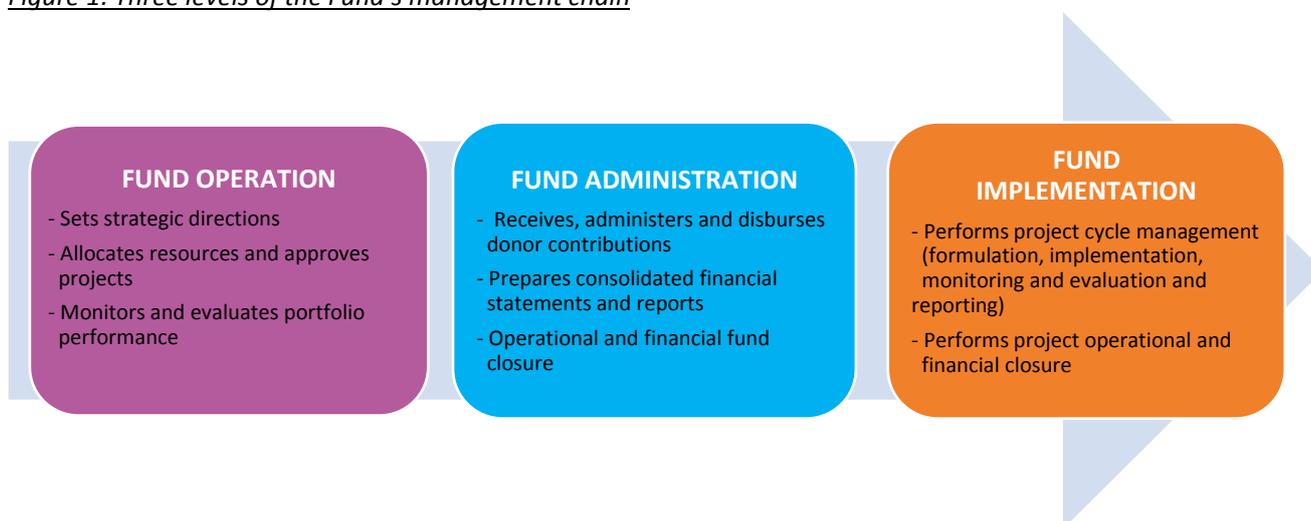| Delivery modalities (Implementing entities)	Participating UN organizations are eligible to receive funding. Financing may be provided to others as implementing partners of the recipient UN agency, based on rules and regulations of the participating UN organizations	The projects are implemented by the national entities (i.e. pre-qualified government institutions) to receive direct fund allocations from the LMPTF. The projects will support the Government of Liberia to be the leaders of their own development and peace consolidation related initiatives and ensure that capacity building and knowledge transfer are sustainable and replicable by the national institutions.

3. Governance of the Fund

3.1 Overview

The Terms of Reference of the Fund (TOR) describes the governance structure and management of the Fund, which consists of three levels:

- Fund operation, involving the coordination and operation, performed by the Steering Committee, the Thematic Working Groups and the Trust Fund Secretariat.
- Fund administration, performed by the Administrative Agent (MPTF Office).
- Fund implementation, performed by the implementing entities.

Figure 1: Three levels of the Fund's management chain

FUND OPERATION
- Sets strategic directions
- Allocates resources and approves projects
- Monitors and evaluates portfolio performance

FUND ADMINISTRATION
- Receives, administers and disburses donor contributions
- Prepares consolidated financial statements and reports
- Operational and financial fund closure

FUND IMPLEMENTATION
- Performs project cycle management (formulation, implementation, monitoring and evaluation and reporting)
- Performs project operational and financial closure

3.2 Fund Operation

3.2.1. Steering Committee

Description

The Steering Committee is the guiding, decision-making and supervisory body for Fund activities. It shall set strategic guidelines, approve programme proposals, and monitor the Fund's overall performance.

Composition

The Steering Committee is co-chaired by the Minister of Finance and Development Planning and the UN Resident Coordinator. The Steering Committee comprises the following members (or designated representatives), supported by their respective offices as appropriate:

- Two representatives from the Government, in rotation
- Two representatives of the UN Agencies, in rotation
- Two representatives of the donors, in rotation
- One civil society representative without the right to vote
- One World Bank representative, one European Union representative and one African Development Bank representative, as observers, without the right to vote
- The MPTFO as the Fund administrator and ex officio member without the right to vote.

The Head of the Secretariat and representatives from the Thematic Working Groups should attend meetings of the Steering Committee but may not vote. The Head of the Secretariat should serve as secretary of the Steering Committee in the capacity of rapporteur.

Responsibilities

In order to fulfil its mandate successfully, the Steering Committee shall have the following specific duties:

A. Provide general oversight and exercising overall accountability of the Fund.
B. Provide policy and strategic guidance.
C. Approve the strategic direction of the Fund.
D. Approve the Terms of Reference (TOR) of the Fund, as well as its revision when deemed necessary.
   o The Steering Committee will review and validate the Terms of Reference of the Fund at its first meeting. Any revision of the Terms of Reference shall be of a substantive nature and shall only be carried out on the basis of a decision of the Steering Committee. The Secretariat will be responsible for carrying out the review, in consultation with the relevant stakeholders, which will then be submitted to the Steering Committee for validation.
E. Approve the Fund's Operational Manual and update it as necessary to incorporate lessons learned or adapt it to operational requirements.
   o The Steering Committee will review and validate the Fund's Operational Manual. Then, if there is a need to incorporate a substantive change (i.e. change in the scope of the Fund, new implementing entities, etc), it will commission the revision of the Operational Manual, based on the lessons learned during the period in question. In this context, when the Steering Committee is called upon to decide on a procedural aspect not contemplated in the manual, such a decision will be taken as a precedent for the next period, at the end of which the Operations Manual will be amended accordingly. Non-substantive changes of the Operational Manual will be incorporated by the Secretariat and the SC will be informed accordingly.
F. Review the status and implementation of the Fund and oversee progress.
G. Approve the Fund risk management strategy.
H. Approve the projects to be financed by the Fund.
   o The Steering Committee will analyze the programmatic and financial aspects of project proposals based on the recommendations submitted by the Secretariat and will approve or reject the proposals.
I. Approve allocations.
   o Depending on the available resources, the SC will allocate funds to approved projects according to the Fund's priorities, expected results and allocation criteria.
J. Approve direct costs related to the fund operations support by the Secretariat, including the staff costs.
   o The Secretariat shall prepare and submit to the Steering Committee for approval, in form of project document, the proposed direct costs to the Fund. The organigram and its related budget will be annually reviewed and adjusted by the Steering Committee as per needs and budget availability.
K. Review the risk monitoring matrix regularly updated by the Secretariat.
L. Commission independent evaluations of the Fund.

- o The Steering Committee will commission two independent (mid-term and final) evaluations of the overall performance of the Fund and its impact in relation to the Fund's objectives. These evaluations will be carried out through the Secretariat.
- M. Decide on Fund extensions.
  - o Based on consultations with the relevant partners, the Secretariat will prepare a proposal for the Fund extension and will submit to the SC for a final decision.
- N. Guide the formulation and implementation of the resource mobilization strategy.

Meetings and decision making

The Secretariat will convene the meetings of the Steering Committee. The Secretariat will send a communication to the members and ex officio members of the committee, at least 14 working days before the date of the meeting, inviting them to appoint their representative. The agenda, supporting documents, minutes of the previous meeting and a note on the progress made in implementing the projects financed by the Fund (if applicable) should be sent at least 10 days before the meeting.

The Steering Committee will make its decisions by consensus. For each decision, the Chair and Co-chair will request the views of each member. Decisions can only be taken when a quorum of the two co-Chairs, two government representatives, two UN agency representatives and one donor representative is present. In addition, exceptional participants may be invited to attend when any matter requires clarification or external opinion. Such participants will not be involved in decision making.

All members of the Steering Committee shall declare any conflict of interest that may exist regarding any item on the agenda. In case the Steering Committee cannot physically meet, the decisions will be taken by virtual vote, through email, and the same norms of consensus will apply. The Secretariat will coordinate the communications with the SC members.

3.2.2. Secretariat

Description

The Secretariat will support the Steering Committee in managing the Fund by providing administrative and technical support. In this capacity, the Secretariat is responsible for the daily coordination of Fund activities and monitor compliance with the rules and procedures laid down in this Operations Manual. It is also responsible for coordinating the Steering Committee, for which it shall also serve as rapporteur, and the Thematic Working Group meetings. The Secretariat shall serve as the point of liaison with the Administrative Agent (the MPTF Office).

Composition

The Secretariat is embedded within the UN RCO. It is comprised of the necessary technical personnel to manage the trust fund and program cycles as follows:

- Head of Secretariat (P5/P4)
- Strategic Planning Specialist (P4/P3)
- Fund Officer/M & E Officer (P3)
- Communication Officer (P3)
- 2 X Operations and Finance Assistant (NOB)

The above secretariat personnel composition is indicative and will depend on the availability of funding. The organigram and budget of the Secretariat is submitted to the Steering Committee for approval. The process of recruitment of the staff will be carried out in accordance with the relevant rules and procedures.

Responsibilities

The Secretariat has the following functions:

A. Analysis and advice
- o Advise the Steering Committee on strategicpriorities and programmatic and financial allocations;
- o Coordinate the preparation of guidance notes commissioned by the Steering Committee;
- o Orient and support entities that submit concept notes and / or project proposals on operational issues related to the Fund;
- o Participate in the meetings of the Thematic Working Groups' meetings;
- o Analysis of knowledge management of the Fund, including systematization of knowledge, generation of good practices and lessons learned and proposals for recommendations;
- o Develop the Fund's communication strategy; and
- o Develop the Fund's resource mobilization strategy.

B. Management of the Fund's operational activities
- o Coordinate and manage all the daily activities necessary for the proper functioning of the Fund;
- o Ensure compliance with the rules and procedures of the Fund;
- o Organize meetings of the Steering Committee: prepare and circulate the calendar and agenda of the meetings, document the decisions taken in the minutes of the meetings, ensure the signature of the Chair and Co-chair, and subsequently distribute the minutes to all Members of the Steering Committee;
- o Conduct follow-up meetings on the decisions of the Steering Committee, to ensure that they are properly implemented and informed, if necessary;
- o Organize the meetings of the Thematic Working Groups for Fund related issues;
- o Organize other ad hoc meetings, and prepare the necessary documentation;
- o Circulate information regularly on the activities of the Fund to all interested parties;
- o Liaise with the Administrative Agent's office; and
- o Prepare and submit the Fund Transfer Request (FTR) to the Administrative Agent, according to the decisions made by the Steering Committee.

C. Planning, programming and monitoring and evaluation of the Fund portfolio
- o Ensure that all requested documents are available in the context of concept notes and project documents submitted by implementing entities;
- o Guarantee the format of the project proposals presented before their submission to the Thematic Working Group;
- o Ensure the inclusion of risk management elements the application of cross-cutting approaches of the Fund in the project proposals;
- o Monitoring of the Fund and provide technical planning and M&E support to implementing agencies and government when required;
- o Develop the Fund Risk Management Strategy and ensure the monitoring and control of the identified risks;
- o Liaise with the AA to update the funding framework of the Fund on a regular basis, informing the Steering Committee;
- o Consolidate the annual and final narrative reports provided by the implementing entities and submit the consolidated report to the Steering Committee for approval; and
- o Carry out the process of the independent evaluations of the Fund.

Costs

The operating costs of the Secretariat will be charged to the Fund as direct costs. Proposals for costs will be submitted to the Steering Committee in the form of a project document for analysis and approval. This will include a work plan (with schedule), a budget and detailed organization chart.

These operating costs may cover both the recruitment of the Secretariat staff and other costs directly related to the functions of the Secretariat.

If necessary, the Steering Committee may assign additional specific functions to the Secretariat. Such decision shall be duly documented and based on it, the Secretariat shall prepare the specific project document for these functions, which shall be approved by the Steering Committee.

3.2.3. Thematic Working Groups (TWG)

Description

The Thematic Working Groups are formed on the basis of the pillars identified in the UNDAF and subsequently the PAPD. They serve as consultative bodies for each pillar to coordinate the provision of technical inputs. The TWGs are also responsible for reviewing the projects proposals submitted to the Fund for consideration, which will be submitted for approval by the Steering Committee through the Secretariat.

Composition

The Thematic Working Groups consists of representatives of Government, donor representatives, United Nations System (UNS) representatives and a Fund's Secretariat representative. Depending on the project's subject matter, representatives from all these entities with relevant knowledge could be invited. If technical assistance is required to help ensure project technical quality, the UNS agencies will put subject matter experts at the service of the technical committees. During the project review, the implementing entities and/or executing partners may be invited to the committee meetings in order to receive technical recommendations regarding project and programme execution. Other relevant stakeholders may be invited to participate in TWG meetings, subject to consultation with and clearance of the Secretariat in consultation with the stakeholders.

Responsibilities

A. Technical analysis
   o Provide technical analysis and strategic advice to the Steering Committee on emerging issues and trends related to the policy areas.

B. Serve as coordination Platform
   o Provide a platform for coordination between Government institutions and (inter)national organizations within the respective policy area, with the objective to facilitate a joint approach within the sector, coordinate the implementation of activities and avoid duplication of efforts.

C. Conduct technical Project Proposals Review:
   o The review of the projects by the Thematic Working Groups aims to:
      1) Ensure the technical quality of the projects: through a specialized technical review by policy area;
      2) Ensure the relevance of the intervention: ensures that projects submitted for approval by the Steering Committee are (i) aligned with the priorities of the Government and the TOR of the Fund; (ii) coordinated with existing and planned activities within the policy area and (iii) developed in consultation with relevant national institutions.
   o In order to meet the objectives of the technical review, the Thematic Working Groups will perform the following functions:
      - Analyse and provide opinions and recommendations on project proposals, in order to ensure the consistency and alignment with the relevant national strategies;
      - Manage and provide information, as required, on the activities and interventions of the different actors in each policy area, in order to coordinate and complement the proposals to be reviewed;
      - Provide strategic coordination oversight in the development of project proposals to ensure that stakeholders are involved and consulted;
      - Conduct substantive, systematic, rigorous, detailed and high-quality technical and financial reviews of project proposals. This includes ensuring that project design is based on a qualitative and/or quantitative assessment and evidence base and supported by an M&E Framework with clear targets, milestones and SMART indicators for measuring project performance.

D. Support the implementation of Projects
   o Under the relevant policy area, the TWGs will assess progress reported by Projects, as well as identify issues, challenges and risks arising during implementation, and propose recommended actions and options to the Secretariat for mitigating these.

TWGs are scheduled to meet quarterly, or as may be required to reduce transaction costs for optimizing the efficiency and effectiveness of the Fund's operations and that of its respective projects.

Meetings and decision making

The composition of the Thematic Working Group could vary for the analysis of each project proposal, according to the availability and expertise of the participating entities and it will be determined no later than five (5) days before the meeting. To avoid conflicts of interest, all members of the TWGs must declare any conflict of interest that may exist.

Once the composition of the Thematic Working Group has been established, the Secretariat will be responsible for convening the meeting.

The Thematic Working Group will receive the programmatic documents for analysis and will have the prerogative to make recommendations and request a review before sending them to the Steering Committee (through the Secretariat). The Thematic Working Groups shall take decisions by consensus. At the end of the review, the Lead of the Thematic Working Group will submit to the Steering Committee, through the Secretariat, a report with recommendations.

Figure 2: Fund Governance Structure
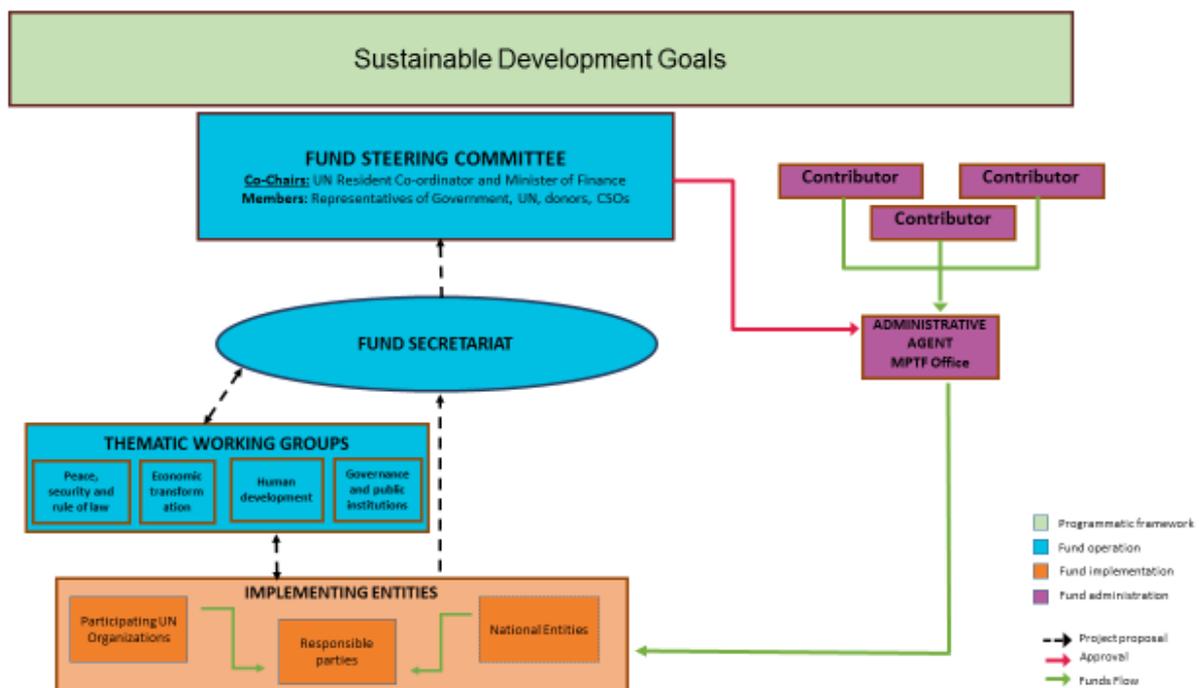
3.3 Fund Administration

The Fund Administration function is performed by the trustee - the Administrative Agent. The MPTF Office has been appointed the Administrative Agent (AA) of the Fund and will use the pass-through modality. The AA services include:
1) The establishment of the Fund: support for the design of the Fund (Terms of Reference and Operational Manual), and development of legal instruments; and
2) Administration of the Fund: receipt, administration and disbursement of funds to implementing entities in accordance with the decisions of the Steering Committee, and consolidation of financial reports.

Responsibilities

A. Provide support in the design of the Fund
   o The MPTFO will provide substantive support in the design phase of the fund, including the development of the TOR and this Fund Operational Manual. To this end, the Office will work jointly with the Secretariat, providing standard formats and examples of other funds as well as sharing good practices.

B. Signing a Memorandum of Understanding (MOU) with the UN implementing entities.
   o This agreement, which uses a standard language, establishes the legal framework of the relationship between the implementing entities and the Administrative Agent. The Administrative Agent will facilitate the process of signing the Agencies, making liaison with the headquarters if necessary.
C. Signing a Memorandum of Agreement (MOA) with the Government Coordinating Entity.
   o This agreement, which uses a standard language, establishes the legal framework of the relationship between the Government and the Administrative Agent.
D. Conclude a Standard Administrative Agreement (SAA) with each donor who wishes to provide financial support the Fund.
   o Each Standard Administrative Agreement shall specify the total amount of funding, the deadlines for payment of instalments, and all conditions for the disbursement of funds.
E. Receive financial allocations from donors and deposit them into the Fund's account
   o Once contributions are deposited into the account and recorded in the Administrative Agent's accounting system, the Administrative Agent's website (Gateway) reflects these contributions automatically.
F. Administer the resources received, in accordance with UNDP rules, procedures and policies
   o Administration includes investing and reinvesting the Fund's resources, in accordance with its investment policies, practices and procedures. Any gain will be added to the resources of the Fund and will not be credited to the contributions of a particular donor. The Fund's website will display financial information in real time, including fees and expenses, interest rates applied, Administrative Agent fees and direct costs.
G. Provide updated information to the Steering Committee on the availability of resources on a regular basis: Funding framework.
   o Based on the information gathered in the financial system, the Administrative Agent will periodically report on the financial status of the Fund and the balance available for programming to the Steering Committee through the Secretariat.
H. Subject to the availability of resources, make transfers to implementing entities, in accordance with the decisions of the Steering Committee
   o Based on the decisions of the Steering Committee, the Administrative Agent will be requested to disburse the corresponding resources through the Secretariat. The request for transfer, addressed to the Executive Coordinator of the MPTFO, will be done through electronic means and will be sent to the responsible of the Fund in the MPTFO. This application shall include the standard format for requesting funds, signed by the Co-chair of the Steering Committee, and the necessary accompanying documents (see details in section 5).
   o The Administrative Agent will generally disburse each payment to the implementing entities within three to five business days after receipt of the request for transfer of funds with all necessary approved documents. The Administrative Agent will review all documents submitted and ensure that they have been duly signed and will verify the consistency and conformity in the budgets.
   o In order to disburse funds to the implementing entities, the Administrative Agent must have signed an agreement (MOU or MOA) with the entity in question.
   o The Administrative Agent shall ensure that funds are available and disburse them based on the budget provided in the approved program document.
   o When making the transfer, the Administrative Agent will notify the receiving entity with a copy to the Secretariat electronically, including the following information: (a) the amount transferred; (B) the reference date of the transfer; and (c) a note stating that the transfer has been made from MPTFO, and on behalf of the Fund.
I. Disburse funds to the Secretariat, as approved by the Steering Committee, and cover additional costs associated with operational activities and operations of the Fund executed by the Secretariat.
   o The decision of the Steering Committee will be communicated to the Administrative Agent by the Secretariat and will be accompanied by a project document detailing the costs and including at least one work plan, budget and schedule. The Administrative Agent shall notify the Steering Committee annually of the amounts used for such purposes.
J. Consolidate the annual and final financial reports of the projects.
   o The annual and final projects' financial reports are submitted to the AA by the implementing entities, as described in the legal agreements. The Administrative Agent shall consolidate the

reports and submit the consolidated report to the Steering Committee and to the donors (see details in Section 7).

K. Provide the annual and final certified financial reports of the activities of the Administrative Agent ("source and use of the Funds") of the Fund.

L. Provide tools to ensure the transparency of the Fund.
   o These tools include the maintenance of the Fund's website, including all real-time periodic financial and narrative information and all decisions made by the governance structure of the Fund.

M. Carry out the operational and financial closure of the Fund (see details in section 9).

Costs

The costs of the Administrative Agent's functions comprise 1% of the contributions received and are charged when the contribution is received. The Administrative Agent shall be entitled to charge the Fund a direct cost charge to cover the cost of continuing to perform the duties of Administrative Agent, provided that the Fund is extended beyond the date of termination and no more contributions are received.

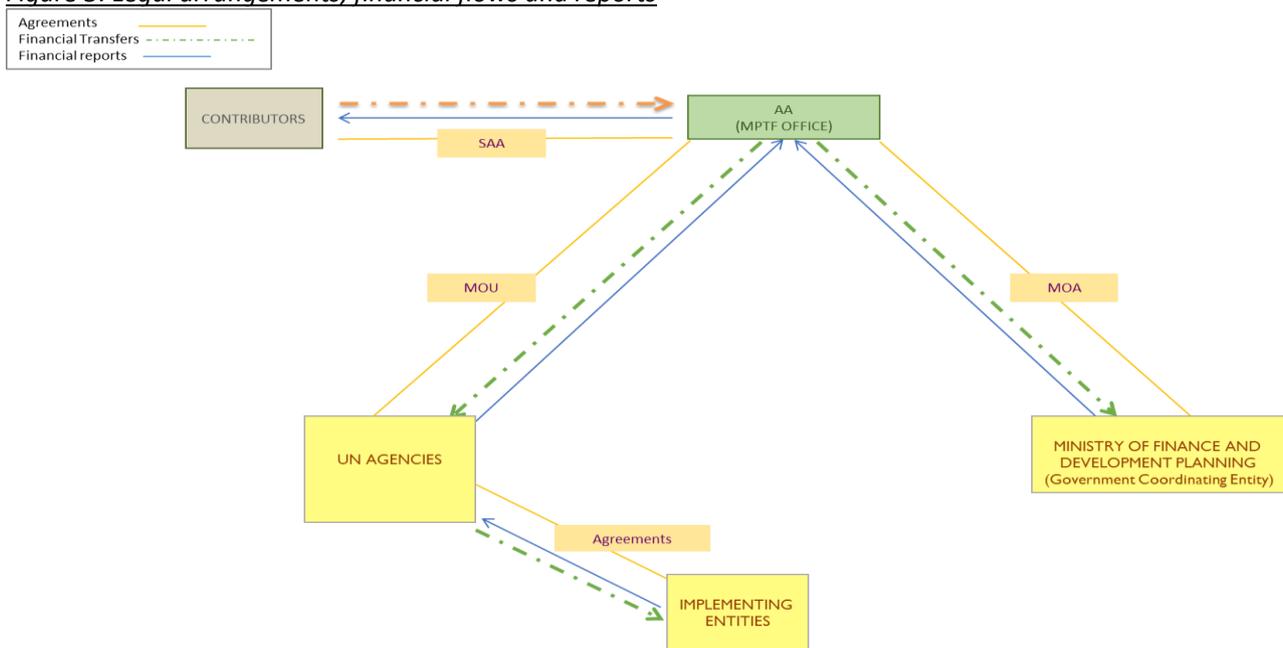### 3.4 Fund Implementation

3.4.1. Windows architecture

The Liberia MPTF will use a two-funding windows modality: the National Window, established by the Government and the UN Window, established by the UN. This architecture allows the implementing entities from each window to operate under a common governance structure (including the Administrative Agent), but based on distinct policies and procedures. The Steering Committee decides on the fund allocation for each window, depending on the available funds. Approved funds will be disbursed from the respective window to the UN Agencies or to the Government Implementing Entities.

Each implementing entity is programmatically and financially responsible for funds received in accordance with its own regulations, rules, policies and procedures, including those related to public procurement, as well as recruitment and evaluation of executing partners, provided that the minimum requirements established by the Fund are complied with, in terms of fiduciary securities and principles. The implementing entities of each window will be validated by the Fund's Steering Committee.

The window structure will be created in the MPTFO administrative system. Windows are set independently, which allows the follow-up of resources allocated to each of them.

Figure 3: Legal arrangements, financial flows and reports

3.4.2. Implementing Entities

Fund implementation will be performed by the Fund Implementing Entities. Those are the various bodies involved in the Programme that may be financed by the Fund. The Fund's flexible implementation architecture would enable the different implementing entities to operate under a common strategic governance structure yet in accordance with their distinct policies and procedures.

While the Fund considers two categories of implementing entities, UN entities and the national entities, this operational guideline is limited to the UN entities. A separate guideline will be developed for the National Window.

United Nations entities – UN Window

Through this window, the UN Agencies, Funds, and Programmes can implement programmes and provide capacity development services. These entities will be able to receive funding by concluding a Memorandum of Understanding (MOU) with the Administrative Agent.

The UN entities will assume full programme-related and financial accountability for the funds transferred directly to them by the AA and implement the approved activities according to their own rules and procedures, including with regards to auditing and acquisitions. They shall send reports of their audits to the Steering Committee.

When funds are transferred to a UN entity, it must create a separate ledger account, in accordance with its procedures and financial regulations, for the receipt and administration of funds released from the Fund account by the Administrative Agent. This ledger account shall be administered by the organization in accordance with its own rules and procedures, without contravening national laws and regulations. Indirect costs of the Participating UN Organizations recovered through programme support costs will be maximum seven percent (7%).

4. Project approval cycle

Two types of project approval are proposed:
1. Regular cycle: includes phases of project identification, presentation, review and approval.
2. Rapid cycle: the approval phases are shorter (total duration of maximum a week), to prioritize the approval of critical initiatives of short term implementation.
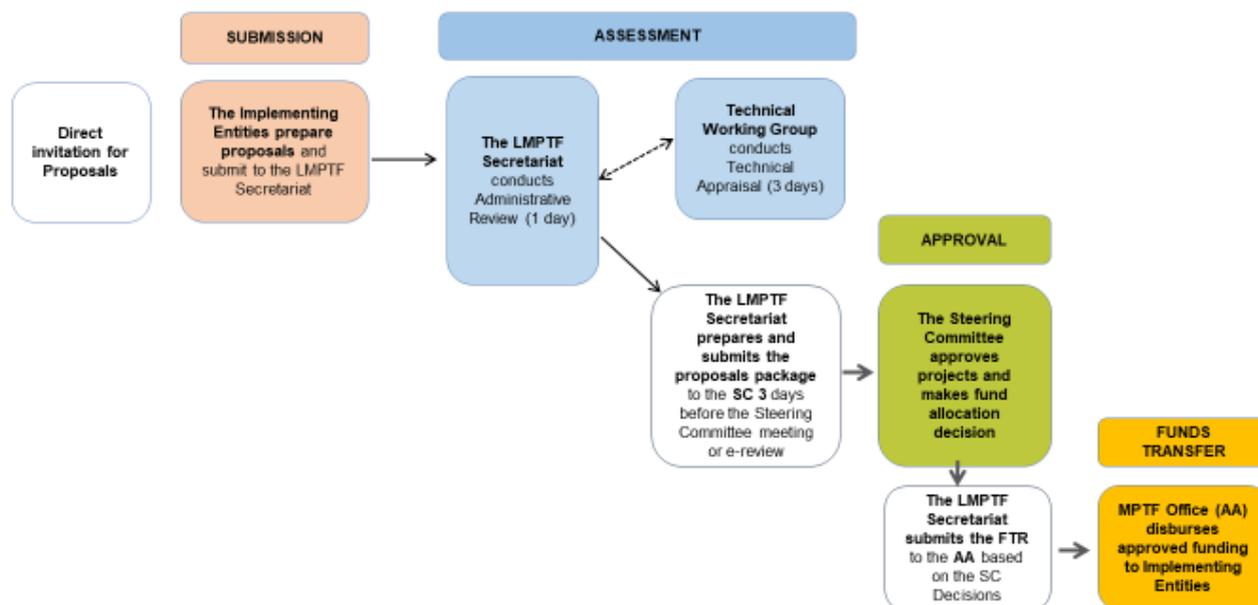
The process for developing and submitting projects to the Fund's Steering Committee for approval is summarized in the Figure below.

Figure 4: Project Approval cycle

1. *Regular Cycle*
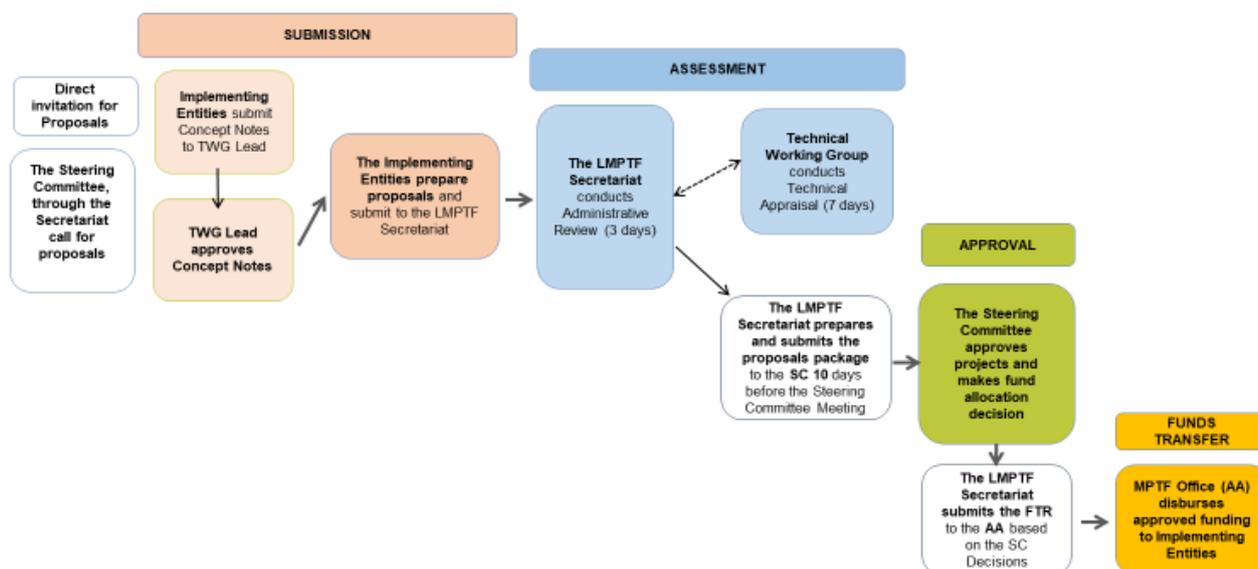
2. *Rapid Cycle*

4.1 Regular Cycle

4.1.1 Project identification, design and submission

For the UN Window, the Steering Committee will identify funding priorities at the pillar level taking into consideration the orientations defined in the UNDAF and subsequently the PAPD informed by the Peacebuilding Plan and the Social Cohesion and Reconciliation index (SCORE), as well as analyses the analysis provided by the Secretariat, the Thematic Working Group, and the Politics, Peace, and Development Unit (PPDU) of the RC Office.

Two project submission processes are foreseen: Call for proposals and direct submission

1. Direct submission of projects: Following discussions and based on a strategic consensus and justified rationale, the Steering Committee may solicit a proposal from Implementing Agencies directly.

2. Calls for proposals: The Secretariat, based on Steering Committee's decisions, will request implementing entities to submit project proposals. The Secretariat will use electronic media (website of the Fund and notice by electronic mail to relevant entities) to publish calls for proposals. The calls will include specified the selection criteria and information on the steps to be followed for entities interested in submitting a proposal to the Fund. Proposals will be requested in the Concept Notes format. The deadlines and requirements to submit the proposals will be specified in the call.

Projects are developed in two stages as below:

A. Concept Notes

Prior to the Project Development, the implementing agencies will present a concept note (format included as Annex 1) to the Thematic Working Groups for validation according to the relevant strategy and priorities.

The purpose of the concept note is to identify project rationale, the proven experience of the partner in the field in question, its implementation capacity, any alliance already established, and the ability to use the Fund's strategic framework (PAPD an UNDAF) and monitoring and evaluation procedures. The concept note should also facilitate the identification of key aspects of a project without resorting to the same level of detail as the project documents.

If the concept note is validated by the TWG, the Secretariat will inform the corresponding implementing entity of the deadline to present its project proposal.

B. Development of Project Proposals

The design of the projects will be the responsibility of the implementing entities. During the process of project development, a close collaboration is foreseen between the Secretariat and the implementing entities. The design of projects or programs shall be consistent with the Fund TOR and shall include consultation with the relevant stakeholders.

Project documents should respond to the standard model so that participating entities can implement tight, results-oriented projects. The project document, which is attached to this manual (See Annex 2), should include the following:

- Project Summary;
- Context and rational for support – the current challenge, analysis of previous findings and the existing framework, and lessons learned from previous intervention;
- Project content, strategic justification, implementation strategy – theory of change, a brief description of the project's approach, links to the strategic frameworks (PAPD and UNDAF), and implementation strategy;
- Project management and coordination – mechanisms for project coordination, risk assessment and management, M&E, communication plan, and exit strategy; and
- Project budget

4.1.2 Project Assessment

The Fund Secretariat with the support of relevant sector specialists will conduct a substantive, systematic, rigorous and detailed assessment of the project proposals. The criteria for the evaluation will be provided to prospective implementing entities in the relevant submission form. While each project will have its own set of context-specific criteria, all programmes will be guided by the following overarching principles:

- Projects will support inclusive national ownership, and implementation modalities will be rooted in extensive consultation with the Government of Liberia, political parties and civil society;
- The results of funded projects must contribute to consolidating national capacities in critical areas;
- The design of projects must embed a consensus-based approach to conflict sensitivity and be based on human rights principles;
- Projects will be results-driven and integrate robust monitoring and evaluation mechanisms which enshrine the commitment of the Government of Liberia, the UNCT and donors to ensure the transparent, timely and predictable use of aid through information-sharing and regular and honest policy dialogue;
- The design of projects will be the responsibility of the implementing entities, and will be consistent with the UNDAF (UN Window) and the PAPD (national window);
- Preference will be given to joint programmes which bring together multiple implementing entities with a target for 75% of funds being allocated to joint initiatives. Joint programmes must demonstrate a genuine partnership between participating organisations, a coordinated management structure, and joint responsibility for results and cost effectiveness;
- Existing Joint Programmes (EJPs) will be considered for funding by the Steering Committee, if proposals meet the assessment standards and are consistent with the policy objectives of the Fund. Assessing the viability of consolidating EJPs with current Fund priorities will be a critical factor in determining the merit of financing EJPs from the LMPTF in the future;
- Communicating project and programme results will be a key responsibility for all implementing partners, and all projects will integrate a robust approach to strategic communications; and
- Wherever possible, projects will seek to accommodate technical assistance from South-South Cooperation.

The Project assessment is conducted through two rounds of review:

A. Secretariat Review

The Secretariat receives the proposals submitted by the Implementing Entities and conduct an administrative review (See Annex 3). This review will ensure the administrative completeness of the submission and will be done within three days of the receipt of the proposal. The review covers the following aspects associated with the design of the project:

- Consistency with the approved Concept Note;
- Inclusion of mandatory information:

- Executive Summary
- Contexts and rationale for support: Clear identification of challenge; Analysis of contexts, findings, and lessons learned; and Alignment to strategic framework (PAPD and UNDAF)
- Project content and implementation strategy: Theory of change; Description of project content, accompanied with result and resource framework; and Project implementation strategy
- Project management and coordination: Clear roles of participating partners; Mechanisms for the project management and coordination; Risk assessment and management (risk log annex); Monitoring, evaluation and audit (M&E plan annex); Communication and donor visibility; and Project exit strategy / sustainability.
- Budget to ensure the compliance with the UNDG budget template, including the details on the budget breakdown (budget annex).
- Supporting Documents to ensure that all the required information is included in the package through the relevant supporting documents.

Upon completion of its review, the Secretariat will submit the proposal, accompanied by its review, to all members of the Thematic Working Group.

B. Thematic Working Group Review

The Thematic Working Group carries out a programmatic quality control of the proposal and ensures alignment, coordination and prioritization of the intervention in the relevant priority area. The evaluation form for the Thematic Working Group of the project proposals is attached to this Manual (Annex 4).

The review is conducted based on the eligibility criteria of the Fund and covers the following aspects:
- The technical quality of the proposal;
- The project's contribution to the Fund's strategic objectives;
- Its relevance and alignment with the identified strategic priorities based on a good analysis of issues;
- Its interventions expected to effectively address the identified priorities; and
- Project management and coordination based on inclusive consultations with relevant stakeholders.

The project proposals are analysed by the members of the Thematic Working Group and evaluated in private session or through e-review. If the Thematic Working Group does not recommend the submission of the project document to the Steering Committee, the Secretariat will return the project document to the bidders. They will have 14 days to correct the project proposal and resubmit it to the Secretariat.

At the end of the review, the Lead of the Thematic Working Group, with the support of the Secretariat, will prepare a note summarizing the technical review process and the project evaluation based on the review criteria with:
(i) a positive recommendation for approval; or
(ii) a recommendation for ineligibility.

Both, the support and reservations or opposition reasons to approval must be clearly identified in this note. The Secretariat shall send the consolidated package of all submitted proposals to the Steering Committee 10 days prior to the date of the scheduled meeting.

4.1.3. Project Approval

The Secretariat shall send to the Steering Committee 10 days prior to the date of the scheduled meeting a consolidated package of each proposal submitted for funding, including:
- Complete documentation of the submitted project proposals;
- Secretariat review form;
- Technical Review Group recommendations.

The Steering Committee will approve the Fund allocation drawing on the two reviews by the Thematic Working Group and the Secretariat. The reviewing process will not go beyond two weeks from the reception of the Project proposal.

The Steering Committee will take into account all the proposals and will select them based on:
- Alignment with the Fund's strategic objective and frameworks, namely PAPD and UNDAF;
- Contextual priorities in the moment the decision is made;

- Complementarity of the intervention with other ongoing or foreseen actions;
- Level of involvement of concerned actors;
- Cross-cutting criteria; and
- Available funding.

For decision making, there should be a quorum of 7 members including the Chair and the Co-chair for decisions to be made by the Steering Committee. The Steering Committee will make its decisions by consensus. The decision of the Steering Committee consists of the following three options:

(i) approval;
(ii) approval with recommendations; or
(iii) non-approval.

For approved projects with recommendations, a proposal is not required again. The Secretariat should ensure that the implementing entity receives such recommendations before requesting the transfer of funds to MPTFO.

The Steering Committee decisions are recorded in the meeting minutes and consolidated by the Secretariat in a fund allocation matrix. Within five working days after the end of the Steering Committee meetings, the Secretariat should:

- Finalize and electronically share with the Steering Committee members the minutes of the Steering Committee meeting and approved allocations;
- Provide information to all implementing entities on the decisions of the Steering Committee and indicate the following stages of the actual implementation of the project and launch of its activities;
- Send to the Administrative Agent the details of the projects with funding approved by the Steering Committee so that the funds can be transferred in accordance with the procedures detailed in this manual.

4.2. Rapid cycle

The implementing entities submit a proposal to the Secretariat, using a simplified project document template. The Secretariat convenes the corresponding Thematic Working Group depending on its category, to review virtually the proposal within no more than 3 working days, at the end of which the project shall be deemed approved on a no-objection basis. Once the proposal is endorsed by the Thematic Working Group and the technical sheet is prepared by the Secretariat (within no more than 3 working days) the Secretariat will circulate these documents to the Steering Committee which will meet in person or virtually to decide about the program or project approval and resource allocation.

5. Transfer and receipt of Funds

Following the approval by the Steering Committee, and the signature of the programme documents by the duly authorized parties, the Secretariat request the Administrative Agent to transfer the funds allocated to the Implementing Organization(s). The Secretariat shall prepare a Funds Transfer Request (FTR form, See Annex 5) for each project and budget allocation approved by the Steering Committee that will be signed by the Co-chair. In case a project involves higher risks, the Steering Committee may decide to transfer resources in tranches.

The Administrative Agent ensures that the submitted documents are consistent with the applicable provisions of the Standard Administrative Agreement. The MPTFO will carry out transfers approved by the Steering Committee to implementing entities no later than five working days after the receipt of the FTR and supporting documents. Upon completion of the transfer, the representative of the Implementing Organization and the Secretariat will be notified through electronic mail.

The implementing entities shall acknowledge receipt of the funds to the Secretariat within five working days. The date of the initial transfer of the funds shall then be adopted as the project's start-up date. This date will be reflected on the project's Gateway page. The organization shall note the project number allocated to the project by the MPTF Office; this number must be included in all reports and communications concerning the project.

6. Project revisions

Fund procedures include three types of Projects revision that require the approval by the Steering Committee:

- Programmatic Review: includes any modification of the Results Framework or project intervention area. The corresponding request shall be justified either by recommendations of an external evaluation or beneficiaries.
- Budget Review: If a revision is made to the project budget to (i) increase the budget costs; (ii) to introduce variations between the different UN budget categories by more than 15%[3]; and/or (iii) to change the total budget of any outcome by more than 15%.[4]
- Temporary Revision: in the event that no-cost extension is needed longer than 3 months, a formal extension of the project will be required.[5]

In case an ongoing project requires changes in one or more of the categories described above, the implementing entity must submit a request for review by completing the required template (see Annex 6) and submit to the Secretariat for processing.

The Steering Committee will review the documents and take a decision by consensus. This decision may be: (i) approval, (ii) approval with modifications / conditions; and (iii) non-approval. Once this decision is made, the Secretariat will complete the review template and will monitor the procedure by informing the concerned entity and the Administrative Agent.

The steps of the review process are:
1. Application of the implementing entity
2. Review of the Secretariat
3. Secretariat obtains approval of the Steering Committee
4. Signature of the Co-chair of the Steering Committee (unless delegated to the Secretariat)
5. MPTFO: revision in the System - Atlas and Gateway

7. Monitoring, evaluation and reporting

7.1 Monitoring

Internal and external mechanisms will be used to monitor the performance of the Fund and its portfolio of Programmes.

A. Internal mechanism

The Fund shall adopt a RBM approach which will be used for monitoring programmes to achieving results, improving performance and integrate lessons learned into the Steering Committee's decisions and actions on performance. The Secretariat shall be responsible for coordinating the production of all project/programme reports; but the prime responsibility for collecting data lies with the implementing entities.

Programmatic performance indicators will be monitored at the outcome and output levels (fund and programme level), to ensure that all actors are contributing directly or indirectly to achieving predetermined results. Every programme would monitor the key outcome indicators of the Fund to which it must contribute in accordance with their individual Results Matrix. The output indicators would be specific to each programme.

- Output level: The output indicators would be specific to each programme and reflect changes in skills or abilities, or the availability of new products and services that have been achieved with the resources provided by the Liberia MPTF. The evaluation of the performance against each output indicator will take external factors into account as well as the pre-identified assumptions and risks.
- Outcome level: The outcome indicators will form the basis of the Fund level reporting and evaluations.

---

[3] In case the change is below 15%, the implementing agencies through the Secretariat will inform the Steering Committee.
[4] Same as above.
[5] If a temporary extension is for less than 3 months, the Secretariat may approve the extension, then will inform the Steering Committee and the Administrative Agent.

The Secretariat will be responsible for consolidating all the reports both financial and narrative reported by the implementing entities into a single format. This will enable the Steering Committee to review the overall progress against expected results and assess the achievement of performance targets defined in the agreements for funding.

B. External mechanisms

External mechanisms constitute the Fund's own monitoring and evaluation tools. These audits of Programmes will focus on both financial and programme-related aspects, with emphasis on the good governance of all Programmes. These audits shall be carried out at programme level according to a schedule determined by the SC. It is important to note here that, with regards to the UN entities, external audits will be conducted in accordance with their rules and procedures, but the audit reports will nevertheless be supplied to the Steering Committee. For other implementing entities, the Steering Committee will determine the level and frequency of the audits based on the recommendations resulting from the micro-evaluations and in accordance with the concluded terms of the Memorandum of Understanding (UN agencies) or Agreement (National entities).

7.2 Evaluation

The Steering Committee will commission two external (independent) evaluations on the overall performance of the Fund through the Secretariat. These evaluations will take place at mid-term and at the operational closure of the Fund. The aim is to examine the various performance measurements of the Fund. The data collected by the various monitoring and evaluation tools will be consolidated to provide an overview of the performance of the Fund and the level of its contribution to the positive or negative impact observed. The mid-term evaluation will consist of specific recommendations to the Steering Committee, including the review of the Fund's results areas and following adjustments if necessary.

The costs of these evaluations will be charged as direct costs to the Fund. The Secretariat will present a project document including a work plan (with schedule) and a budget, which must be approved by the Steering Committee.

7.3 Reporting

7.3.1. Narrative Reports

For each project approved for financing from the Fund, each implementing entities must provide the Secretariat with the following narrative reports prepared in accordance with the report formats set by the Fund and appended to this manual:
- Annual progress reports, to be provided within a maximum of three months of the end of the calendar year (by 31 March);
- A final narrative report at the end of the Project's activities, to be provided within a maximum of four months of the end of the year (by 30 April) following the operational closure of the Project. The final report provides a summary of the results and achievements compared with the Project's aims and objectives;
- Additional progress may be requested to implementing entities based on the decision by the Steering Committee.

The Project's reports shall contain the following elements:
- A summary of the main immediate results produced and their contribution in relation to the anticipated outcomes of the Fund as defined in the project document;
- A qualitative and quantitative assessment of the results on the beneficiaries, including beneficiaries' story;
- Analysis of the external risks and various internal operational factors;
- The principal challenges and lessons learned during implementation, and analysis of the actions taken to incorporate them;
- The performance indicators and the updated data (level of outcomes and outputs);
- A specific narrative illustration;
- Photos, videos, and other communication-related materials;

- Programme-related and financial review if necessary.

The Secretariat shall prepare a single consolidated annual or final narrative report[6], based on the submitted narrative reports referred to above. This consolidated annual report will pay attention to the analyses of Fund performance in terms of impact, outcome and immediate results by taking into consideration the financial performance measurements provided by the Administrative Agent in its financial report.

The consolidated annual narrative report shall be submitted to the AA no later than 25 May each year. In accordance with the schedule established in the MOU and the MOA, the AA shall submit the consolidated annual narrative and financial report to the Steering Committee and the contributors to the Fund on 31 May each year.

Table 2: Narrative Report Schedule

Report	Prepared by	Submitted to	Date
Annual Project Narrative Report	Implementing Entities	Secretariat	31 March (every year)
Consolidated Annual Narrative Report	Secretariat	Administrative Agent	25 May (every year)
	Administrative Agent	Steering Committee and fund contributors	31 May (every year)
Final Project Narrative Report	Implementing Entities	Secretariat	30 April (after the year of Operational Closure)
Consolidated Final Narrative Report	Secretariat	Administrative Agent	25 May (every year)
	Administrative Agent	Steering Committee and fund contributors	31 May (every year)

7.3.2 Financial Reports

All the financial reports shall be submitted in accordance with the format of categories used by the United Nations Development Group (UNDG).

The implementing entities shall submit annual financial reports (as at 31 December) for each project financed by the Fund, in respect to the funds received, within a maximum period of four months (30 April) after the end of the calendar year.

The final certified financial statements and the final financial reports upon completion of the project activities will be provided within a maximum period of six months (30 June), after the end of the year of the project's operational closure. The same filing procedure applies as described above for the final reports.

The Administrative Agent will consolidate the different financial reports and products of the consolidated financial tables and submit to the Secretariat. This will include the following financial tables, in US dollars:
- General financial overview;
- Contributions by donors;
- Net value of financing by specific objective / result;
- Net value of financing by project objective;
- Net value of funding per participating organization;
- Total financial execution rate by category;
- Financial execution rate by specific objective / result;
- Financial execution rate per project; and
- Financial implementation rate per participating organization.

---

[6] Final in the case of closure of the Fund.

These tables allow the measurement of the performance of the financial indicators in the preceding year or cumulatively in relation to each level of results, as previously described in the different sections related to the Fund's strategic framework and the monitoring and evaluation activities.

The Administrative Agent will also provide donors and the Steering Committee with a certified annual financial report of their activities as an Administrative Agent ('Report on the sources and uses of funds') within a maximum period of five months (31 May) as of the end of the calendar year, and a final financial report certified within a maximum period of five months (31 May) after the year in which the Fund's account is closed.

Table 3: Financial Report Schedule

Report	Submitted by	Submitted to	Date
Annual Project Financial Report (via UNEX)	Implementing Entities via UNEX (UN Agencies at HQ level)	MPTF Office	30 April (every year)
Annual Consolidated Financial Report	MPTF Office	Secretariat	15 May (every year)
Annual Consolidated Financial Report	MPTF Office	Donors and SC	31 May (every year)
Final Project Financial Report (certified by Comptroller of respective UN Agencies)	Implementing Entities (UN Agencies at HQ level)	MPTF Office	30 June (after the year of Operational Closure)
Final Consolidated Financial Report	MPTF Office	Donors and SC	31 May (after the year of Fund Operational Closure)
Certified annual financial statement of AA activities (signed by UNDP Comptroller)	MPTF Office	Donors and SC	31 May (every year)
Certified final financial statement of AA activities (signed by UNDP Comptroller)	MPTF Office	Donors and SC	31 May (after the year of Fund Financial Closure)

The Secretariat will consolidate the annual narrative and financial consolidated reports into a single document and will transmit them to the Administrative Agent, no later than May 25 of each year. In accordance with the schedule established in the legal framework of the Fund, the Administrative Agent shall transmit the consolidated report to the Fund's donors, the Steering Committee and the general public on May 31 of each year.

Figure 5: Reporting Flows
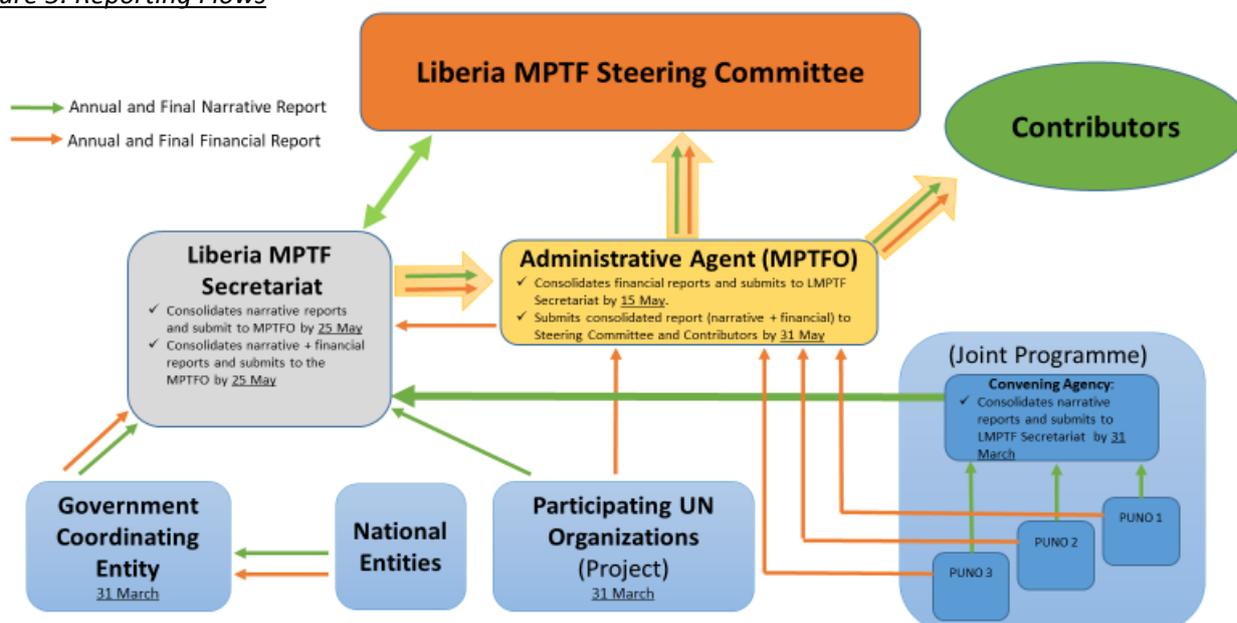
8. Risk Management

The final objective of a risk management strategy at the Fund level is facilitating the achievement of program-related objectives in the context of the risk in which it operates.

The Secretariat will develop a risk management strategy of which the main objectives are to:
   i)   Accelerate Fund implementation and increase the impact of the Fund activities; and
   ii) Verify that resources are used for foreseen purposes and improve the risk management capacity of national institutions.

The Fund's risk management strategy will encompass the following tasks:
   • Develop shared understanding of risks faced by the Fund;
   • Define risk appetite or tolerance of the Fund;
   • Establish the Fund's policies regarding identified risks;
   • Identify or clarify potential compensation from risk taking and seek consensus among stakeholders regarding its management;
   • Determine risk treatment through measures of mitigation or adaptation;
   • Identify risk holders, control its spreading and define follow-up measures; and
   • Establish information strategies and common messages about the risks.

Every program or project approved by the Fund will need to comply with the risk management strategy. The fulfilment of such strategy will be one of the selection criteria during the process of project evaluation.

The Fund's risk strategy will be developed within three months after the approval of this manual. The strategy should ensure compliance with multiple needs and expectations from main stakeholders, including the following elements:
   • Risk management framework;
   • Risk matrix for risk identification and mitigation;
   • Institutional agreements to make the strategy operational;
   • Needs identified for capacity development and risk management;
   • Information management agreements; and
   • Estimated cost of mitigation measures.

To develop the strategy, the Secretariat will consult with the Government and the UN Country Team to conduct a joint risk evaluation that provides a baseline for the strategy development. This evaluation will also identify the tools for monitoring and evaluation of risks.

Once the strategy is prepared, this section will include the description of the duties of the different Fund's bodies in terms of risk management. It will also describe key processes of risk management in the projects and at the level of the Fund. Lastly, it will provide a general overview of tools and methodology for risk management.

The risk ranking matrix would capture the hierarchy of risk at different levels, allowing an assessment of the most appropriate responses to the identified risks, particularly to those risks most likely to impede success.

Figure 6: A Risk ranking matrix for the LMPTF

	Consequences				
Likelihood	**Insignificant (1)**	**Minor (2)**	**Moderate (3)**	**Major (4)**	**Extreme (5)**
Very Likely (5)	Medium (5)	High (10)	High (15)	Very High (20)	Very High (25)
Likely (4)	Medium (4)	Medium (8)	High (12)	High (16)	Very High (20)
Possible (3)	Low (3)	Medium (6)	High (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare (1)	Low (1)	Low (2)	Medium (3)	Medium (4)	High (5)

9. Fund closure

The Fund closure requires that all projects financed by the Fund have been closed both operationally and financially.

9.1. Project Closure

For the closure of projects, implementing entities must follow the following steps:
1. Report to the Secretariat and the Administrative Agent the operational closure of the Project;
2. To present the final narrative report no later than April 30 of the following year operational closure of the project;
3. Upon receipt of the final narrative report, the Administrative Agent will close the operation of the project management system;
4. Return any balance available to the Administrative Agent by bank transfer to the Fund; and
5. Provide certified financial statements to the Administrative Agent within a maximum period of six months (June 30) days from the end of the year following the operational closure of the Project.

Upon notification by the relevant authority, the Administrative Agent will perform the financial closure of the project in the system and inform the Steering Committee through the Secretariat.

9.2. Fund Closure

The closing of the Fund is carried out by the Administrative Agent and it encompasses the following steps:
1. Verify that all projects have been financially closed;
2. Verify that all fund direct costs projects have been financially closed;
3. Verify that all interests have been received;
4. Refund to donors the balance of the account (including interest);
5. Issue the certified final report of the activities of the AA; and
6. Closure of the Fund in the system.

10. Amendments to the Operational Manual

This Operational Manual may be amended from time to time by the Secretariat, provided that such amendments are not substantive and are consistent with the mandates, policies and procedures of the United Nations, as well as agreements contribution signed with donors.

Ordinarily, the Operational Manual will be reviewed every two years to ensure the relevance and appropriateness of procedures regarding the context.

Extraordinarily, the Steering Committee may approve a substantive revision of the Operational Manual when circumstances require an adjustment of procedures, for example, if the terms of reference are revised and the changes affect the operational aspects of the Fund.

11. Transparency

The MPTFO keeps the GATEWAY website (http://mptf.undp.org), a knowledge platform that provides regular data on implemented projects and financial information in real time, refreshed every two hours and from the MPTFO accounting system - ATLAS - on contributors commitments and deposits, approved project budgets, transfers to and expenditures reported by implementing entities, interest income and other expenses.

The Secretariat will ensure that the project approvals decision, the project documents, the reports on projects and associated external evaluations are made available to the public through the Fund website of the Gateway (http://mptf.undp.org/factsheet/fund/GLR00). The MPTFO will ensure that the financial information (contributions, approved funds, funds transfers and expenses), as well as periodic financial reports at Project and Fund levels are published on the website.