

OPERATIONAL GUIDANCE

Final version (13 May 2019)

Summary

This guidance outlines the framework for operations, , coordination and decision making for all aspects of Joint SDG Fund operations.

In defining various processes, roles and responsibilities and procedures, this manual seeks to serve as a guide for the Operational Steering Committee and Joint SDG Fund Secretariat by elaborating upon the Fund's Terms of Reference with regard to the Calls for Concept Notes, country support, reviews and assessment, allocation of funds, monitoring and evaluation and reporting.

The Joint SDG Fund's commitment to an iterative learning process will inform continuous improvement and evolution of this operational guidance, which will be updated as appropriate.

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1. Overview of the Joint SDG Fund

Within the broader context of the 2030 Agenda, the Addis Ababa Action Agenda and the Quadrennial Comprehensive Policy Review, the UN Development System (UNDS) has collectively developed a new inter-agency pooled mechanism that will support governments in advancing the SDGs: the Joint Fund for the 2030 Agenda (the Joint SDG Fund). The General Assembly resolution on the repositioning of the UNDS¹ invited Member States to contribute on a voluntary basis to the capitalization of the Joint SDG Fund at \$290 million US dollars per annum.

The overall aim of the Joint SDG Fund is to incentivize integrated and transformative policy shifts and support the United Nations in convening and creating SDG financing strategies, in order to spur catalytic investments that will enable countries to leapfrog in their development. Building on the [Terms of Reference of the Fund](#) and leveraging the opportunities available in this regard, the focus of the Fund will be to:

- **Identify and activate SDG policy tools:** The Joint SDG Fund will support UN Country Teams (UNCTs) in identification of policy levers, through an integrated and cross-sectoral approach, that unleash rapid progress across different goals and targets, based on data, assessments and analysis carried out by national and international partners.
- **Reinforce the SDG financing architecture and ecosystem:** The Joint SDG Fund will support UNCTs in development of financing strategies for SDG investment. Work will include: i) strengthening the capacities of the national and sub-national SDG financing architecture, and ii) the production of multi-stakeholder financing strategies with the aim of dramatically increasing the scale and improving the focus of SDG investments.
- **Catalyze strategic programming and investments:** The Joint SDG Fund will support UNCTs in investing in specific initiatives that emerge from (1) and (2), and leverage public and private financing to advance the SDGs. Initiatives will provide a demonstration of concept and be scalable in-country and elsewhere.

The Joint SDG Fund will focus on accelerating SDG progress and it will fund proposals that reflect the interdependent nature of the SDGs, leverage public and private financing, and/or lead to the development of new partnerships that steer investments towards the SDGs. The Joint SDG Fund will support initiatives that promote innovative ways to create new coalitions and networks between governments, development banks, commercial banks, impact investors, funds², and other sources of private and public capital.

¹ (A/RES/72/279/para 27)

² i.e. Pension Funds, Health Funds, Social Security Funds, Sovereign Wealth Funds, etc.

2. Governance and management arrangements

2.1 Strategic Advisory Group

The Joint SDG Fund governance structure is led by the Strategic Advisory Group (SAG), which is chaired by the United Nations Deputy Secretary-General (DSG) and Chair of the United Nations Sustainable Development Group. The SAG is the overarching high-level mechanism that will provide leadership, vision and strategic direction. The SAG acts as a high-level forum that facilitates consultation among stakeholders of the Joint SDG Fund, including the United Nations, partner countries, contributing Member States, the private sector and civil society. The SAG will recommend strategic priorities and take stock of overall progress.

Roles and responsibilities of the SAG

Strategic direction:

- Set the strategic direction of the Joint SDG Fund and be accountable for the achievement of the Funds objectives, through adoption of the Terms of Reference,
- Lead efforts to capitalize the Fund, through advocacy and mobilization of investments,
- Provide strategic guidance to the OSC on partnership and fundraising strategies,
- Provide a partnership platform for dialogue, coordination, communication and advocacy among stakeholders, and ensure adaptation of Fund architecture and strategies based on evolving priorities.

Strategic oversight:

- The Chair of the SAG will approve Concept Notes with budgets that exceed an agreed threshold,
- Review the status of the Joint SDG Fund and oversee overall progress,
- Review the financial status and resource needs of the Joint SDG Fund,
- Review consolidated Annual and Final Results Reports prepared by the Fund Secretariat, and
- Review the Joint SDG Fund's evaluations and oversee the management response.

Membership of the SAG

The membership for the SAG, will consist of the following 20 members:

- Largest Contributors to the Fund (eight seats): The eight contributors making the largest financial contribution (on an annual basis)³ to the Joint SDG Fund.
- Programme Country Member States (seven seats): Seven Member States will be invited to participate in the SAG. These Member States will cover different country typologies (such as post conflict, SIDS, LICs, humanitarian-development nexus situations) and will ensure regional representation based on being users of the Fund.
- Private Sector, Foundation and Civil Society (three seats): There will be a total of three representatives from the private sector, foundations and civil society who will be invited to attend the SAG in an observer capacity. This group will be comprised of

³ This will be calculated yearly on December 31st, through Funds received in the two previous calendar years and signed pledges for the following calendar year, except for the first year, in which pledges alone will be counted.

representatives from the following categories: significant Institutional Investors; Private Foundations or Impact Investors; International Civil Society Organizations or local Civil Society Organizations.

- UNDS (two seats): The SAG will include two members of the UNDS– it will be Chaired by the Chair of the UNSDG, the DSG, and will include the alternate Chair who is the Vice Chair of the UNSDG, the UNDP Administrator.

The volume of contributions will be calculated on an annual basis. As a result, the composition of this group may change on an annual basis. The programme country Member State seats will rotate on a biennial basis. Principles of membership for all seats will be revisited after two years, to ensure a fair and diverse representation.

The Director of UN DCO and the Administrative Agent as fund trustee will attend as observers. The individual members should be at an executive decision-making level, and be eminently qualified and recognized as national, regional and/or global leaders on the SDG agenda.

The SAG will have a quorum when 50 per cent of its members are present. It will meet at least once a year to agree, by consensus, on the strategic direction for the fund. The SAG may also establish an 8-10 member global Private Sector, Foundations and Civil Society reference group⁴ to facilitate regular dialogue.

Criteria for the Private Sector, Foundation and Civil Society reference group

- Global Compact (applies only to Private Sector entities): Members will be selected amongst those entities signatories of the United Nations Global Compact, and its 10 principles;
- Geographic diversity: Members will be selected ensuring geographical representation;
- Diversity of focus: Members will be selected ensuring diversity of focus areas i.e. environment, human rights, gender, etc.
- Members will be selected among those entities that have a proven track record of alignment to SDGs;
- Shared values of UN: the overall values of the selected entities will be aligned with UN's values, including sound due diligence and risk assessment and an organization's' overall reputation and good business practices.

Expected contribution

- The Reference group will provide the Joint SDG Fund with guidance and strategic support to ensure achievement of the Fund's objectives;
- The Reference group will provide a platform for dialogue between different entities in order to locate areas of collaboration and synergies, both globally and at country level;
- The Reference group will promote activities of capacity building and knowledge development;
- The Reference group will promote advocacy and awareness-raising measures;
- The Reference group will support efforts to mobilize resources for the Joint SDG Fund, and more broadly, for the achievement of the 2030 Agenda;
- The Reference group will provide a platform for knowledge and expertise sharing.

⁴ The reference group will meet at least twice a year, and it will discuss key policy and financing issues related to the workings of the Joint Fund for the 2030 Agenda. The TOR for the reference group will be endorsed by the Operational Steering Committee and annexed to the Operations Manual at a later stage.

The Fund Secretariat serves as the Secretariat of the SAG. The Fund Secretariat will notify members of the SAG at least 10 business days in advance of any upcoming meetings and will submit background documentation at least 5 business days in advance.

Formal Decision-Making Process of the SAG

The Fund Secretariat will circulate the minutes and proposed actions arising from meetings of the SAG within a maximum of 5 business days. The Chair shall adopt the minutes within a maximum of 5 business days.

2.2 Operational Steering Committee

Under the direction of the SAG, the OSC ensures effective and efficient management and coordination of operational and technical aspects of the Joint SDG Fund. The OSC will ensure that the Joint SDG Fund remains fast and light and able to respond to country needs through Resident Coordinators and UNCTs, in a timely way. The OSC and Fund Secretariat should be able to draw on technical expertise from across the UNDS.

Based on the strategic direction set by the SAG, the OSC will oversee Calls for Concept Notes. Concept Notes submitted above the agreed threshold will be approved by the Chair of the SAG. The OSC will oversee the development of full proposals and agree budgets for fund allocation. Based on allocation decisions by the OSC the Fund Secretariat will request the transfer of funds from the Administrative Agent to PUNOS, subject to UN regulations, rules, policies and procedures.

Roles and responsibilities of the OSC

- Oversees the call for and development of Concept Notes, based on the strategic direction set by the SAG (SAG), and approves Concept Notes with budgets under agreed threshold.
- Makes recommendations to the Chair of the SAG on Concept Notes with budgets above the threshold.
- Oversees the development and implementation of Joint Programmes following from the Concept Notes.
- Approves the operational guidance that complements the Terms of Reference (ToR). The operations manual may be amended as needed by the OSC.
- Monitors the performance of Joint Programmes.
- Reviews any Joint Programme revisions of more than 25% of the value of the budget or programmatic revisions that significantly change the scope, objectives, strategy or priorities of an approved Joint Programme.
- Endorses direct costs budgets, specifically those related to the Fund Secretariat and any support operations, evaluations and audits.
- Monitors financial management of funded initiatives.
- Ensures lessons learned are distilled and fed into relevant wider policy discussions.
- Reviews annual/final consolidated narratives and financial reports submitted by the Fund Secretariat.
- Regularly reviews the risk-monitoring matrix and ensures identified risks are addressed.
- Agrees upon evaluation plans of Joint Programmes and commissions.

Membership of the OSC

Membership will include Representatives from five UN organizations at the senior decision-making level. The OSC will be chaired by UNDP. The Fund Secretariat and the Administrative Agent will be ex-officio members of the OSC.

The OSC will meet quarterly, or more frequently as required, arriving at decisions through consensus. A summary note of decisions made will be shared with the Chair of the SAG. In case of non-consensus, the Chair can make recommendations based on the views of the members. The OSC will have a quorum when the Chairs and at least fifty per cent of its other members are present.

The Fund Secretariat will notify members of the OSC at least 10 business days in advance of any upcoming meetings and will submit background documentation at least 5 business days in advance.

UN organization membership on the OSC will be on a staggered rotational basis, specifically, at least two members of the OSC will serve for three years⁵. There will always be at least two UN organizations with significant country-level operational presence as OSC members.

The OSC will also convene an annual stakeholder event, as a larger partnership and dialogue forum on the Joint SDG Funds focus areas and results.

Annual Stakeholder Meeting

An annual meeting with key stakeholders, including all donors to the fund, will be conducted prior to, or in direct conjunction with the Operational Steering Committee. This meeting will review progress and discuss significant changes in circumstances and major risks including any substantive revisions to the Fund.

The annual review meetings will be undertaken under the leadership of the Operation Steering Committee and will focus on the overall progress the Fund made against the SDGs, progress against the Joint SDG Fund's results framework, the funding situation, challenges in implementing the TOR for the Joint SDG Fund and possible needs for adjustments as well as an in-depth assessment of selected country cases.

Key stakeholders will receive the annual report and all other documentation three weeks prior to the annual meeting and be invited to provide comments, questions and recommendations. The Fund Secretariat will prepare and convene the meeting.

All SAA signatories to the fund will be invited to participate. Also, a limited number of partner countries will be invited, with priority given to countries relevant for the case studies selected. Depending on the agenda for a particular annual meeting, it may also be considered to invite major donors to other relevant SDG funding.

⁵ With three years being the maximum length of time for any OSC member.

2.3 Joint SDG Fund Secretariat

The operational coordination and technical support unit for the Joint SDG Fund will be the Joint SDG Fund Secretariat (Fund Secretariat). The Fund Secretariat will be operationally focused, provide quick turn-arounds, and have the capacity to ensure effective and efficient management of the Fund. The Fund Secretariat will be hosted by UN DCO.

The Fund Secretariat provides operational and administrative support to the SAG and OSCs. It is responsible for the coordination and day-to-day management of the Joint SDG Fund. The Fund Secretariat provides quality assurance over the implementation of the fund, coordinates meetings and facilitates collaboration and communication between governance bodies, participating United Nations organizations, Resident Coordinators and UNCTs.

A primary role of the Fund Secretariat is to support the submission of country-level programme proposals to the OSC, ensuring they are in accordance with agreed-upon submission guidelines and criteria, as previously referenced and in accordance with United Nations Sustainable Development Group (UNSDG) standards. The Fund Secretariat will report on the implementation of funded Joint Programmes through periodic progress updates (which include consolidated annual narratives and financial reports) received from PUNOs. The Fund Secretariat will present an overview of progress to the SAG, OSC and Annual Stakeholder meeting and ensure that lessons learned feed into relevant wider UN reform discussions.

The Joint SDG Fund Secretariat will perform the following functions:

- Act as liaison between the chairs of the Joint SDG Fund SAG and OSC, UN Resident Coordinators/UNCTs, the Joint SDG Fund Administrative Agent and UNSDG mechanisms.
- Provide logistical and operational support to the SAG and OSC.
- Prepare consolidated narrative reports on Fund progress, in accordance with the agreed results framework and indicators.
- Consolidate narrative reports with the financial report provided by the Administrative Agent.
- Facilitate learning and knowledge management including but not limited to analytical reports, reviews, studies, seminars.
- Compile country and Fund level baseline data for inclusion in the results framework and facilitate annual progress reviews against the indicators.
- Organize annual review meetings and preparation of information, data and reports to enable the assessment of overall progress made against the agreed Joint SDG Fund indicators, funding situation, and in-depth assessment of selected country cases.
- Ensure the monitoring of operational risks and Joint SDG Fund performance.
- Liaise with the Administrative Agent on fund administration issues.
- Facilitate independent evaluations on the overall performance of the Fund as directed by the SAG and OSC.
- Organize Calls for the submission of Concept Notes.
- Review submitted Concept Notes with PUNOs and external experts and approve allocation of seed funding for the development of full project proposals, within budget approval by the OSC
- Support the development of quality project proposals with PUNOs, including facilitating linkages between UNCT's and substantive policy experts at regional and global level.
- Facilitate the submission of countries' full project proposals to the OSC.
- Support the implementation of approved projects with support from PUNOs and other participating partner entities.
- Monitor project closure.

- Contribute to develop partnerships within the UNDS and beyond that can be leveraged to support the implementation of projects funded by the Joint SDG Fund.
- Support outreach, communication and resource mobilization activities.
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2.4 Multi-Partner Trust Fund Office

The Fund will be administered by the Multi-Partner Trust Fund Office (MPTF Office), acting as the Administrative Agent (AA) (<http://mptf.undp.org>). The AA will be entitled to allocate an administrative fee of one percent (1%) of the amount contributed by each donor, to meet the costs of performing the AA's standard functions as described in the MOU.

The MPTF Office is responsible for Fund design and set-up, maintenance of the Fund account, receipt of donor contributions, and disbursement of funds upon instructions from the OSC, and provision of periodic consolidated reports.

The key responsibilities of the Joint SDG Fund Administrative Agent include:

- Concluding a Memorandum of Understanding (MOU) with the Participating UN Organizations and Standard Administrative Arrangements (SAAs) with contributing partners.
- Receipt, administration, and disbursement of funds to PUNOs according to the instructions of the OSC, financial reporting and consolidation.
- Disbursal of funds to the Fund Secretariat for direct costs based on the decision of the OSC.
- Holding the Joint SDG Fund in the MPTF ledger account until such time that the OSC directs the Fund Administrator for disbursement. The amount distributed to the specific fund, project or programme shall be communicated by the OSC to the Fund Administrator through the Secretariat.
- Preparation of and communication to the SAG and OSC, through the Fund Secretariat, the annual and final Fund Source and Use of Funds' statements.
- Consolidating financial reports and receiving annual and final narrative reports from the Secretariat, and preparing Sources and Use of Fund's statements. Notifying the SAG and OSC and donors on the availability of these reports and statements.
- Undertaking the financial closure of the Joint SDG Fund.

2.5 PUNOs

Participating UN Organizations are responsible for providing inputs to the review of Concept Notes and full project proposals, and for implementing activities set forth in approved proposals. Participating UN Organizations sign a Memorandum of Understanding with the MPTF Office.

Each Participating UN Organization shall assume full programmatic and financial accountability for the funds disbursed to it by the Administrative Agent. Such funds will be administered by each UN Agency, Fund, and Programme in accordance with its own regulations, rules, directives and procedures. Each Participating Organization shall establish a separate ledger account for the receipt and administration of the funds disbursed to it by the Administrative Agent.

Indirect costs of the Participating Organizations recovered through programme support costs will be 7%. All other costs incurred by each Participating Organization in carrying out the activities for which it is responsible under the Fund will be recovered as direct costs.

3. Call for Concept Notes

The Joint SDG Fund will operate at country level through Joint Programmes implemented by UN Agencies in collaboration with national counterparts. UNCTs, under the leadership of the UN Resident Coordinator, will be invited to apply for funding from the Joint SDG Fund. The application process will consist of two steps: the first step will involve the submission of a Concept Note; and the second step will include the development of full proposals in the form of a Joint Programme document based on the Concept Notes that were successful in the first step. The Joint SDG Fund will support initiatives implemented by a minimum of Participating UN Organizations (PUNOs).

Funding will only be provided to proposals that are part of the country's UNDAF and are aligned with national priorities. Successful proposals will promote integrated approaches across the 2030 Agenda and will operationalize the principle of Leaving No One Behind. All proposals will be required to include an analysis of the risks and of the mitigation measures.

The Joint SDG Fund cycle is based on three phases:

- 1) Preparation and approval of a Concept Note;
- 2) Development and quality assurance of the full Joint Programme; and
- 3) Implementation of the Joint Programme.

Preparation and approval of Concept Notes

- RCs will be invited to prepare and submit proposals in the form of a Concept Note;
- The Technical Review of Concept Notes will be conducted by experts from UN agencies and external experts;
- The Fund Secretariat will propose options to the OSC following the outcome of the Technical Review;
- The OSC will make preliminary funding decisions.

Development and approval of Joint Programmes

- Based on successful Concept Notes, RCs will be invited to develop a full Joint Programme;
- Joint Programme documents will be quality assured by the Fund Secretariat, and experts from UN agencies represented in the OSC;
- The Fund Secretariat will make recommendations to the OSC as to whether the quality criteria have been met;
- The OSC will make final funding decisions.

Implementation of Joint Programmes

- Implementation of successful Joint Programmes will start.

During the first phase, the Joint SDG Fund will announce a Call for Concept Notes and will invite RCs to prepare and submit proposals in the form of a Concept Note. Concept Notes represent initial proposals for Joint Programmes (JPs).

Based on successful Concept Notes, RCs will be invited to develop a full JP document (phase two). JPs will be based on the [UNSDG Guidance on Joint Programmes](#). JP documents will be quality assured by the Fund Secretariat, and experts from UN agencies represented in the OSC, while final funding decisions will be made by the Operational Steering Committee⁶.

The third phase, implementation of JPs will commence after the release of funds. In this phase, the Fund Secretariat will monitor progress and facilitate interagency capacity to offer methodological, advisory, and technical support to UN Country teams, as well as support for partnership development.

3.1 Preparation and launch of the Call

The OSC will endorse the Call's scope, focus, and funding envelope. The Fund Secretariat will then draft the Call for Concept Notes in consultation with relevant stakeholders.

The Deputy Secretary-General, through the UN Development Coordination Office, will officially inform Resident Coordinators of the Joint SDG Fund's Call and selection criteria. The Fund Secretariat will inform UN agencies at the global, regional, and country levels through established communication channels. It will also provide necessary updates, clarifications and hotline support to RCs.

RCs will submit finalized Concept Notes, following the submission procedures outlined in each Call for Concept Notes.

3.2 Screening of Concept Notes

All Concept Notes will be screened based upon a set of eligibility and technical criteria. If a Concept Note does not meet the eligibility criteria, it will be rejected.

Each Call for Concept Notes will outline the Call's eligibility criteria, which will include the following:

- Reflects the integrated nature of the SDGs;
- Based on an inter-agency approach (two or more UN entities involved⁷), that develop and implement the Joint Programme under the leadership of the RC;
- Results are part of the UNDAF and aligned with national SDG priorities;
- The proposal is based on country level consultations, and endorsed by the government (the letter of endorsement); and
- Based on the standard template for Concept Notes, it is complete, and it includes:
 - Theory of Change demonstrating contribution to SDG acceleration,
 - Results-oriented partnerships,
 - "Quick wins" and substantive outcome-level results, and
 - Initial risk assessment and mitigation measures.

⁶ And/or the Deputy Secretary-General (see below).

⁷ Lessons learned from SDG-F and MDG-F indicate that the good practice is maximum four PUNOs per Joint Programme.

The Fund Secretariat will be responsible for shortlisting Concept Notes that meet the eligibility criteria.

Once shortlisted, successful Concept Notes will be assessed against the technical criteria specific for each Call and its particular scope and focus.

3.3 Technical review of Concept Notes

The Technical Review of Concept Notes will be conducted by experts from UN agencies represented in the OSC, and other UN Agencies and external experts. The Fund Secretariat will organize the Technical Review for each Call.

In principle, the technical review experts will perform the following primary tasks:

- Conduct the technical review of Concept notes in timely manner;
- Ensure overall consistency of technical review amongst Concept notes;
- Score Concept notes; and
- Submit the results of the technical review to the Fund Secretariat.

Each expert will:

- Be familiar with the TOR of the Joint SDG Fund and the specific Call for Concept notes;
- Participate in any webinar/workshop organized by the Fund's Secretariat on the technical review approach, issues, and standards;
- Provide written comments and numeric scoring against the agreed criteria based on the approach proposed in this note and instructions provided by the Fund Secretariat; and
- Review assigned proposals with independence and impartiality.

The Joint SDG Fund will request that experts for technical review maintain confidentiality about the discussions in the course of the technical review process, and that they recuse themselves from any discussions of Concept notes that he/she may be directly associated with.

With regard to the technical review, the Fund Secretariat will perform, amongst other, the following tasks:

- Organize the overall technical review;
- Select the technical review experts;
- Screen Concept notes based on eligibility criteria and prepare the list of those that qualify for technical review;
- Coordinate the experts and allocate Concept notes amongst them;
- Provide guidance and support throughout the technical review process;
- Perform the final check of the consistency of the technical assessment;
- Prepare recommendations for the Operational Steering Committee, based on the outcome of the technical review.

3.4 Selection and approval of Concept Notes

The Fund Secretariat will propose options to the OSC following the outcome of the Technical Review of Concept Notes. The OSC will make preliminary⁸ funding decisions, or it will

⁸ Final funding decisions will be made once the quality assurance process for the Joint Programme document is completed.

recommend preliminary funding decisions to the Deputy Secretary-General, according to the threshold⁹.

The funding decisions will be informed by the portfolio approach that takes into consideration expected impact, and the operationalization of the following principles:

- Regional diversity
- Typology of countries: (including Least Developed Countries, Middle Income Countries, Small Island Developing States, as well as post-conflict and development-humanitarian nexus settings).
- SDG coverage - a wide range of approaches to social protection that cover social, economic and environmental dimensions of the 2030 Agenda.

The Deputy Secretary-General, through UN Development Coordination Office, will communicate preliminary funding decisions to Resident Coordinators.

3.5 Development and approval of Joint Programmes

RCs who submitted successful Concept Notes will be invited to prepare full Joint Programme (JP) documents. RCs will be given 12 weeks to develop the Joint Programme.

Results of JPs need to be measurable (based on robust SDG data), catalytic (producing 'chain-reactions' in development and financial terms), and sustainable (ensuring the preconditions for continued change). Results frameworks of JPs should include indicators from the Joint SDG Fund Results Framework.

The Fund Secretariat will provide instructions to RCs on how to develop Joint Programmes for the Joint SDG Fund.

The Fund Secretariat and experts from UN agencies represented in the OSC will conduct quality assurance of Joint Programme documents. Quality criteria will include, amongst other, the following:

- Adequate use of the required template for Joint Programme;
- Fully developed Theory of Change, with mechanism for its iterative application;
- Results Framework, including indicators from the Joint SDG Fund Results Framework;
- Stakeholder mapping and analysis, with the particular focus on marginalized and vulnerable (i.e. operationalization of Leaving No One Behind)
- Management arrangements with the government in the leading role and based on partnerships with other stakeholders;
- Monitoring, reporting and evaluation plan (including allocated budget, specific roles and responsibilities, and the use of SDG data collection and analysis);
- Communication plan;
- Learning and sharing plan (including best practices, stories from the field, action-reflection, etc.); and
- Risk Management plan.

The Fund Secretariat will make recommendations to the OSC as to whether the quality criteria have been met. If the quality criteria are met, the OSC or DSG (depending on the threshold, as mentioned previously) will authorize the transfer of funding and the start of the Joint Programme; if the quality criteria are not met the Joint Programme will be rejected.

⁹ For more details on the threshold, see p.10

Threshold for funding decisions

The OSC in consultation with the DSG will agree a funding threshold. For proposals above this amount, or those involving political complexity, the OSC will recommend proposals to the DSG for approval.

The OSC recommended to the DSG the following threshold¹⁰:

- Funding decisions for 6 million USD or below will be made by the OSC;
- Funding decisions above 6 million USD: the OSC will recommend funding proposals to DSG for her approval;
- Regardless of the budget presented, proposals that have a high risk in terms of a political dimension will be shared with the DSG.

3.6 Financial transfers

Upon final approval of a Joint Programme, the Fund Secretariat will request disbursement of the authorized amount to the participating organizations, subject to the availability of funds.

The following documents will be compiled by the Fund Secretariat and forwarded to the Administrative Agent:

- Fund Allocation Form signed by the OSC Chair,
- The Fund Transfer Request form (see Annex 2) signed by the RC on behalf of the JP, and
- JP signed by Participating Organizations and relevant stakeholders, including the budget in UNDG harmonized budget categories.

The Administrative Agent will disburse the authorized amounts to the relevant PUNOs within three to five business days after receiving the duly signed FTR form with all the required supporting documentation.

Each financial transfer will be approved on the basis of successful performance in the previous period of implementation, and availability of funds. The minimum amount of the transfer to a PUNO will be 100.000 US Dollars.

For the vast majority of its approvals, the Joint SDG Fund has introduced a tranche approach to funding, which are specified in the JP budget. Only the first tranche is considered fully committed by the Joint SDGF. Subsequent tranches will depend on transfer conditions, which are also clearly indicated in the JP document, and availability of Joint SDGF funds. The JP document budget is usually divided into two tranches (70/30), unless the project is high risk in which case the first tranche may be lower or more tranches may be required

The release of the first tranche is based on the JP document. Subsequent tranches are subject to the Joint SDG Fund Secretariat's confirmation that:

- The Joint Programme has committed 75% of the previous tranche(s)
- The Joint Programme has satisfied all financial and narrative reporting requirements and operational and financial closure requirements for any current or previous Joint SDG Fund-funded joint programmes in that country;

¹⁰ See the minutes of the OSC meeting held on 23 January 2019.

- Each Participating Organization has complied with operational and financial closure conditions of previous funds provided by the Joint SDG Fund in the same country.

The date of initial transfer is the formal date of project commencement and the duration is as per the JP document.

4. Administration of the Joint SDG Fund

4.1 Financial contributions

The Fund Secretariat liaises with potential contributing partners to promote the fund and finalize negotiations on financial contributions¹¹. Once the amount has been determined, the Fund Secretariat introduces the contributor to the Administrative Agent to finalize the contribution through a Standard Administrative Arrangement. If the contributor has special conditions, they will be discussed with the Secretariat, Administrative Agent and Participating Organizations as appropriate.

Contributions to the Joint SDG Fund may be accepted from PUNOs, Governments of Member States of the United Nations or from inter-governmental or non-governmental organizations, and/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 the Business Community.

Contributions from the private sector are subject to a due diligence process. The Fund Secretariat requests the contributor to fill out the information in the Risk Assessment Tool and submits it to the Administrative Agent who commissions an independent review. If the contribution is deemed within acceptable risk, then the Fund Secretariat submits the Risk Assessment Tool with the recommendation to the OSC for their concurrence to accept the contribution.

In support of the overarching aim of the Joint SDG Fund, and in order to ensure maximum flexibility and adaptation to priorities, donors to the Fund are encouraged to contribute with multi-year pooled/ un-earmarked resources. However, if this is not possible, earmarking at the thematic or regional levels will be accepted.

Contributions to the Joint SDG Fund will be accepted in fully convertible currency. Such contributions shall be deposited in the bank accounts designated by the MPTF Office. 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. The MPTF Office charges a standard one-time fee of 1% for pass through services of UN pooled funds, which will be deducted from the contributions to the Joint SDG Fund at the time they are deposited.

4.2 Thematic and Country Windows

The Joint SDG Fund will be able to establish thematic, country and multi-country-based windows. Detailed guidelines will be approved by the OSC including criteria, thresholds and management arrangements¹². Thematic and multi-country windows shall help to nurture a variety of partnership platforms at global, multi-country and national levels enabling diverse

¹¹ The Fund Secretariat will submit a resource mobilization strategy to the OSC, for the Committee's approval.

¹² The Fund Secretariat will submit detailed guidelines to the OSC, for the Committee's approval.

institutions to support Member States to address significant trends in a more coordinated manner. The UNCTs will be able to draw upon the technical resources of these partnerships to assist Governments and non-State actors promote integrated approaches to sustainable development. The thematic windows will also enhance resource mobilization for the fund, particularly from donors that have these themes as strategic priorities. They will address cross-cutting issues in a holistic manner, while reducing donor fragmentation, bolstering inter-agency coordination and enhancing medium to long term country-led planning processes for more resilient results.

In order to improve alignment of funding at country level, and to enable a new generation of Resident Coordinators to shape country-based programming, aligned with the UNDAFs, UNCTs will be encouraged to set up a country-based SDG financing instrument ("Country level SDG Fund¹³"), managed locally and in line with the Joint SDG Fund Theory of Change, that would allow RCs to mobilize flexibly deployable funding. The Multi Partner Trust Fund Office and UN DCO, will identify, on a case by case basis, the most appropriate administrative set-up for the country level SDG Fund. Based on the resources mobilized, and on the scope of the interventions planned, the country level SDG Fund could be set up as window under the global Joint SDG Fund, or as a stand-alone fund.

Country based Joint SDG Funds, complemented from global funding from the Joint SDG Fund, Peacebuilding Fund and other pooled funds will focus on the highest priority items, that can accelerate progress towards the SDGs through integrated policy and SDG financing. The Country based Joint SDG Funds will promote joint strength of UNCT towards the achievement of UNDAF results, and country-led SDG actions overall, in close coordination with national stakeholders.

4.3 Reporting, monitoring, and evaluation

Reporting

The RC will report to the Secretary-General and the host Government on the implementation of the UNDAF, including the joint results achieved through the Joint Programmes funded by the Joint SDG Fund.

Reporting on the Joint SDG Fund will be results-oriented, and evidence based. The Fund Secretariat will prepare mandatory templates for monitoring and reporting.

Each PUNO will provide the Convening/Lead Agent with the following narrative reports prepared in accordance with instructions and templates developed by the Fund Secretariat:

- Annual narrative progress reports, to be provided no later than one (1) month (31 January) after the end of the calendar year, and must include the result matrix, updated risk log, and anticipated expenditures and results for the next 12-month funding period;
- Mid-term progress review report to be submitted halfway through the implementation of JP; and
- A final consolidated narrative report, after the completion of JPs, to be provided no later than two (2) months after the operational closure of the activities of the JP.

The Convening/Lead Agent will compile the narrative reports of PUNOs and submit a consolidated report to the Fund Secretariat, through the Resident Coordinator. Monitoring

¹³ The Fund Secretariat will submit a TOR for Country level SDG Funds to the OSC, for the Committee's approval.

updates and additional insights (such as policy papers, value for money analysis, case studies, infographics, blogs) might need to be provided by RC, per request of the Fund Secretariat.

Data for all indicators of the JP's results framework will be shared with the Fund Secretariat on a regular basis, in order to allow the Fund Secretariat to aggregate results at the global level and integrate findings into reporting on progress of the Joint SDG Fund.

To facilitate monitoring and evaluation reporting of resources allocated by the Joint SDG Fund, PUNOs will be required to include information on complementary funding received from other sources (both UN cost sharing, and external sources of funding) for the activities supported by the Fund, including in kind contributions and/or South-South Cooperation initiatives, in the reporting done throughout the year.

PUNOs at Headquarters level shall provide the Administrative Agent with the following statements and reports prepared in accordance with its accounting and reporting procedures, consolidate the financial reports, and provide them to the Fund Secretariat for consolidation into the consolidated narrative report:

- Annual financial reports as of 31st December each year with respect to the funds disbursed to it from the Joint SDG Fund Account, to be provided no later than four months after the end of the applicable reporting period; and
- A final financial report, after the completion of the activities financed by the Joint SDG Fund and including the final year of the activities, to be provided no later than 30 April of the year following the operational closing of the project activities.

In addition, regular updates on financial delivery might need to be provided, per request of the Fund Secretariat.

Based on the above submissions, the Fund Secretariat will prepare one annual consolidated narrative and financial progress report, and provide the report to the Administrative Agent by 22 May (who will provide the consolidated report to each donor that has contributed to the Fund Account), as well as the OSC for approval.

The narrative report will include lessons learned and highlight both challenges and achievements from the implementation of the initiatives supported by the fund, as well as the functioning of the fund itself as outlined in the TOR. Reports will include important findings and recommendations from analyzing the project portfolio and results in relation to potential SDG impact, including how different segments of the population (may) benefit from the interventions. Data should be disaggregated by sex. The report will also describe how the fund contributes to reducing fragmentation of the UN's policy and financing efforts and their respective transaction costs, addressing unproductive competition, facilitating scale and partnerships and providing incentives for pursuing system-wide priorities, strategic positioning and coherence to achieve national SDG commitments. The Fund Secretariat may use other available data and conduct or commission focus studies/reviews to collect reflections.

The Administrative Agent will provide the donors, the SAG and OSC, and Participating Organizations with the following statements on its activities as Administrative Agent:

- Certified annual financial statement ("Source and Use of Funds" as defined by UNSDG guidelines) to be provided no later than five months (31 May) after the end of the calendar year; and
- Certified final financial statement ("Source and Use of Funds") to be provided no later than seven months (31 July) of the year following the financial closing of the Fund.

Consolidated reports and related documents will be posted on the websites of the Joint SDG Fund and the Administrative Agent.

Monitoring and Evaluation

The RCs will be required to monitor the implementation of the JP, with the involvement of Fund Secretariat to which it must submit data and information when requested. As a minimum, Joint Programmes will prepare, and submit to the Fund Secretariat, 6-month monitoring updates. JPs will need to allocate resources for monitoring and evaluation in their budgets.

Elaboration of procedures on monitoring of JP implementation will be provided by the Fund Secretariat and consolidated in a technical note or manual.

After competition of a JP, the RC will organize a final, independent evaluation.

The monitoring and quality assessment of the Joint SDG Fund will be undertaken by the OSC, with the support of the Fund Secretariat¹⁴. The monitoring of the Joint SDG Fund will be based on achievements in relation to results expressed in Fund's Results Framework and in relation to Joint Programmes.

An independent evaluation of the Joint SDG Fund will be conducted in 2021 and at regular intervals thereafter.

4.4 Communications

The Joint SDG Fund offers recipients a significant opportunity to launch collaborative initiatives, promote integrated approaches, and channel strategic investments to accelerate SDG achievement. Communicating aims, progress, challenges, and good practices is integral to the success of a Joint SDG Fund initiative.

The full JPs will require a communication strategy for JP implementation, including a integrating communication activities into the work plan and costs of those activities in the P budget. In communicating processes and results, the tools, instruments, and materials will vary according to country context. UNCTs should agree on and include communication strategy relevant to the local context in their JP proposals.

Recipients and partners must comply with Joint SDG Fund brand guidelines, which includes information on donor visibility requirements. Guidelines will be made available to UNCTs prior to the implementation of their JP.

4.5 Extensions, Revisions and Closure

Extensions and revisions

RCs may request extensions and/or revisions by submitting a justification to the OSC through the Fund Secretariat no later than 6 months before the operational end date of the JP. If the extension is approved, the Fund Secretariat will notify the RC and the AA.

¹⁴ The Fund level monitoring and evaluation plan will be developed in the first year of operations.

Operational closure

Operational closure provides for cost-effective and timely closure and reporting following the end of programmatic activities. Delays in closure result in increased risk, cost accrual, and reduced credibility for the United Nations System as an efficient fund manager. Delays by a single partner or even a single project closure affect the entire fund closure timeline, since refunded balances cannot be re-programmed and utilized, implicitly driving up costs for all parties, including financial contributors who cannot close their own books.

JPs should complete all activities by the operational end date indicated in the full JP document approved by the OSC. By that date, the JP must have completed all programmatic activities. The RC is encouraged to submit to the Fund Secretariat, and the MPTF Office, the final narrative reports on or before the operational closure date, when project personnel have not yet moved on to other assignments. This timing must be taken into account when preparing final narrative reports, and final narrative reports should be submitted to the Fund Secretariat within one month of operational closure of the programme.

On a quarterly basis, the Fund Secretariat will submit documentation to the MPTF Office, including, as appropriate: (i) final agency narrative project report, (ii) consolidated final JP narrative report, and (iii) a list of projects (in the case of a JP, it could be 'JP components') that have been operationally closed by agencies. Upon receipt, final narrative reports will be uploaded to Gateway, will be updated to reflect fully closed projects.

Financial closure

Each PUNO must provide a certified financial report for its portion of the Joint Programme to the MPTF Office no later than 18 months after the operational closure of the Joint Programme. While each PUNO has different procedures, typically, the project is financially closed at the country level prior to Headquarters' provision of a certified financial report.

4.6 Risk management

A systematic and structured risk management approach will be implemented. It will be integrated into the processes and internal decision making and tailored to specific tasks and responsibilities taking into account the distinguishing features of the Joint SDG Fund. The Joint SDG Fund encourages new approaches and solutions, and thus could support high risk JPs if they have a rigorous risk mitigation strategy.

This approach will involve the following principal steps:

- identification of potential risks,
- assessment as to their potential severity of loss and to the probability of occurrence,
- design of mitigation measures to reduce the likelihood and/or impact of the risk, and
- documentation, evaluation and revision of the risk management process.

This approach will consider the risks at the level of individual JP but also the overall risk at SDG joint fund portfolio level. Therefore, for each JP, the risk owner shall implement risk management processes and maintain effective internal controls. S/he will also be responsible for executing risk and control procedure on a day-to-day basis. This process shall be clearly documented, periodically reviewed and revised if needed. The same applies at the SDG joint fund level, where risk controls at portfolio level shall be conducted.

Annexed to the Joint Fund TOR is a risk management log that outlines 8 risks to be managed by the OSC of the Joint SDG Fund, Fund Secretariat, and country level partners. These include risks of a programmatic, operational, institutional, political, strategic and/or regulatory nature that could impact the successful implementation of the Fund. The Fund Secretariat will report to the OSC on any risk factors which emerge for consideration and/or action.

4.7 Public disclosure

Each Participating Organization will take appropriate measures to publicize the Joint SDG Fund and give due credit to the other Participating Organizations. All related publicity material, official notices, reports and publications, provided to the press or Fund beneficiaries, will acknowledge the role of the host Government, donors, Participating Organizations, the AA, and any other relevant entities. In particular, the AA will include and ensure due recognition of the role of each Participating Organization and partners in all external communications related to the Joint SDG Fund.

The AA, in consultation with the Participating Organizations, will ensure that decisions regarding the review and approval of the Joint SDG Fund, periodic reports on the progress of implementation of the Joint SDG Fund, or associated external evaluations are posted, where appropriate, for public information on the website of the Joint SDG Fund and the AA (<http://mptf.undp.org/>). Such reports and documents may include approved programmes and programmes awaiting approval, funding levels, annual financial and progress reports, and external evaluations, as appropriate. Transparency of the Fund will be ensured by its inclusion in the MPTFO's online Gateway which can be publicly accessed.

Annex 1: Fund Transfer Request Form



JOINT SDG FUND
TRANSFORMING OUR WORLD

Fund Transfer Request Form to Multi-Partner Trust Fund Office, UNDP

To be completed by the Resident Coordinator on behalf of Participating Organization(s)

From:				Joint Programme Title :	
E-mail:				Joint Programme No:	
JP focal point & email					
Country:				Theme	

Amounts in USD - Please do NOT use decimals.

Participating UN Organization(s), as applicable <small>(Use English Acroaym)</small>	E-mail contact for the Participating Organization at Country Level	Total Approved Budget per prodoc (Whole Period)	Revised Budget (if applicable)	Net amount previously transferred amount, per Gateway	Amount Requested at this time	Remaining Balance after <i>this request</i> (should = 0)	Total Committed to date[1]
		A	B	D	E	F	G
PUNO 1						-	-
PUNO 2						-	-
PUNO 3						-	-
PUNO 4						-	-
						-	-
						-	-
Grand Total:		-	-	-	-	-	-

Please check here if there is a change in the overall budget allocation: _____

Total amount committed as percentage of total amount received (% calculated, G/E) must be 70% or greater to request next installment

Project end date (operational closure) as approved by the Operational Steering Committee: _____ Month/Year: _____

I hereby confirm that the funds requested are calculated in accordance with the approved Annual Work Plan & Joint Programme Document. I also certify that the copy transmitted to the MPTF Office is a true copy of the original which is secured by the RC Office. I have received documentation from Participating Organizations demonstrating Committed amounts as indicated in column E above where applicable. I also confirm that the PUNOs' indirect cost does not exceed 7%.

Signature: _____ Date: _____
 Name: _____
 Title: Resident Coordinator

[1] legally binding contracts signed, including multi-year commitments which may be disbursed in future years, prevailing guidelines.

Signature: _____ Date: _____
 Name: _____
 Title: Chair, Operational Steering Committee

Annex 2: MPTFO Private Sector Contribution Risk Assessment form

Provided separately

Annex 3: Project Closure Fact Sheet

Overview

The Multi-Partner Trust Fund Office (MPTF Office) of UNDP, as Administrative Agent (AA), hereby further elaborates the process for project/programme closure as described in the Memorandum of Understanding (MOU) signed between the Participating Organizations and the AA of the MPTF. Procedures for the closure of Project/Programmes follow the individual Participating Organization's own internal rules and regulations. As outlined in the MOU, each Participating Organization determines when it has completed all approved activities and communicates the completion of activities to the AA (and Steering Committee) based on approved programmatic document end date. The MOU indicates that final narrative reports be submitted to the AA by 30 April of the year following financial closing of the project. The Certified Final Financial Statement and Report is to be provided to the AA by 30 June of the same year. The closure of individual projects within the approved implementation timeline facilitates orderly and efficient MPTF closure within the specified MPTF End Date established

by the Steering Committee. Further, the timely closure of projects/programmes allows for re-allocation of unspent funds and interest, in accordance with the MPTF Terms of Reference and individual Participating Organizations' rules and regulations.

Operational Closure Steps

For projects/programmes to be accepted as 'Operationally Closed" the following would need to be complied with:

1. Inform the AA (and Steering Committee) of projects /programmes that have been operationally closed; and
2. Submit the End of Programme Narrative Report to the MPTF Office Portfolio Manager (link to contact list) for posting on the MPTF Office GATEWAY.

Financial Closure Steps

For projects/programme to be accepted as "Financially Closed" the following needs to be complied with:

1. Certified Final Financial Statement and Report is submitted for each project /programme allocation. The report is accessible to Participating Organization's designated financial reporting (UNEX) focal points.
2. Unspent balance, if over 250 US Dollars, is refunded and notification is sent to the MPTF Office to enable the MPTF Office to identify the refund. To avoid bank charge fees, ensure unspent balances are transferred to the MPTF Office bank account from the corresponding Participating Organization's HQ bank account (see notification instructions below).
3. Interest for prior and current year, if any, transferred to the appropriate MPTF Bank Account and notification sent to the MPTF Office to identify the inter-est (see notification instructions below). If the Participating Organization's regulations do not require transfer of interest, indicate this by marking the box on the Certified Final Financial Statement and Report.
4. Expenditure in excess of funds transferred should not be reported on the Certified Final Financial Statement and Report.
5. Indirect cost should not exceed the approved percentage of programme cost.

Notification of Closure

Notification for transfer of interest earnings and refund of unutilized funds should include a reference to the type of refund, amount of refund and project number, and should be sent to the following individuals at the MPTF Office: louise.moretta@undp.org, aamir.maqsood@undp.org; and the relevant Finance Associate and Portfolio Manager (link to contact list). Proper notification will ensure the funds are applied in a timely manner.