



Moldova 2030- SDGs Partnership Fund

Terms of Reference

October 2018

I. Introduction

To achieve the national development priorities, the Sustainable Development Goals (SDGs) framed by the 2030 Agenda for Sustainable Development, as well as the country's international human rights commitments and the reform agenda linked to the European Union (EU) association process, the Government of the Republic of Moldova and the United Nations system in Moldova have committed, through the Republic of Moldova- United Nations Partnership Framework for Sustainable Development 2018–2022 (RM- UN PFSD), to further enhance its partnership and efficiently deliver development results.

The Partnership Framework for Sustainable Development 2018–2022 further accelerates the implementation of the Delivering as One (DaO) and is framed along four thematic pillars: 1) Governance, human rights and gender equality; 2) Sustainable, inclusive and equitable economic growth; 3) Environmental sustainability and resilience; 4) Inclusive and equitable social development.

The SDGs Partnership Fund will serve as an instrument driving for UN joint resource mobilization thus enabling UNCT to seek innovative financing solutions supporting the implementation of the 2030 Agenda. The fund will leverage the UN Agencies' collaborative advantages and will play a key role in establishing new partnerships.

The Moldova SDGs Partnership Fund (SDGPF) complements other resources available to the country and is established to support the activities agreed by the Government and the UN as outlined in the 2018-2022 RM- UN PFSD and the UN Joint Annual Workplans contributing to the achievement of the SDGs. The SDGPF will be articulated around the four thematic pillars of the RM- UN PFSD.

The MPTF Office (MPTFO) acts as Administrative Agent for the SDGPF on behalf of the Participating UN Organisations, and administers the fund in accordance with its Regulations and Rules. The SDGPF operates on the basis of a series of agreements between agencies and the Administrative Agent and between donors and the Administrative Agent.

II. Functions of the “Innovating Moldova 2030”- SDGs Partnership Fund

1. The *Moldova 2030- SDGs Partnership Fund* aims to ensure:
 - a. **Coherence:** to support an integrated and coherent UN system resource mobilization and administration of a joint pool of government and donor resources to support implementation of UN joint programmes in adhering to the Delivering as One standards and to support delivering of results of the RM-UN PFSD.
 - b. **Cooperation:** to enhance cooperation and collaboration among various internal and external stakeholders to deliver on a wide range of areas under RM- UN PFSD, including leveraging of resources.
 - c. **Cost and risk reduction:** to enhance efficiency and reduce transaction costs, including information, coordination and administrative costs, through joint resource mobilization in a single fund administered by a fund administrator, and allow enhanced joint coordinated support in fragile contexts to reduce fiduciary and political risk.
 - d. **Strategic alignment:** The government, donors and UN participating agencies are members of the SDGPF Steering Committee thus supporting strategic alignment of development priorities, regular exchange of information and joint endorsement of strategic approaches and programmatic interventions in full alignment with the national priorities.
 - e. **Consolidation:** the funding mechanism reduces fragmentation in bringing coherence to the work of the participating UN agencies through complementarity of expertise based on respective mandates and focuses on delivering integrated and targeted development assistance.

III. Programmatic Scope and Theory of Change

2. The programmatic scope of the SDGPF Moldova is to support integrated and coherent resource mobilization, allocation and disbursement of pooled government and donor resources to promote development and implementation of strategic integrated activities to meet the national development priorities.
3. The SDGPF will be the mechanism contributing to the achievement of the RM- UN PFSD outcomes ensuring the continuous application of the Delivering as One approach based on the Standard Operating Procedures (SOPs) of the United Nations Development Group (UNDG). It will facilitate the implementation of the One Programme component by consolidating and strengthening the coherence of the programme of cooperation between the Government and United Nations system agencies.

4. The SDGPF Moldova represents a key instrument for the United Nations Moldova to enable change to happen in line with its *Vision 2030* and formulate programming priorities. The below Theory of Change showcases the long-term changes aimed to be achieved through the various programmatic interventions:

STRATEGIC INTERVENTIONS	OUTCOMES	IMPACT
<u>Priority area 1: GOVERNANCE, HUMAN RIGHTS AND GENDER EQUALITY</u>		
<p>Policy advice and technical assistance</p> <p>Data and knowledge generation</p> <p>Capacity-building</p> <p>Strategic partnerships</p> <p>Advocacy and social mobilization</p> <p>Leveraging resources from public and private sources</p> <p>Modelling/piloting of innovative approaches for scaling up countrywide</p> <p>Communication for behaviour change</p>	<p>1. The people of Moldova, in particular the most vulnerable, demand and benefit from democratic, transparent and accountable governance, gender-sensitive, human rights- and evidence-based public policies, equitable services, and efficient, effective and responsive public institutions.</p> <p>Outputs:</p> <p><u>Output 1.1:</u> National statistical system and central and local government have improved capacities to produce, use and disseminate reliable and disaggregated data</p> <p><u>Output 1.2:</u> Independent human rights institutions, government, CSOs and mass media have strengthened capacity to timely and strategically monitor, report and act on systemic human rights issues</p> <p><u>Output 1.3:</u> National institutions have capacities to develop, implement, and monitor legislation, policies and budgets to advance integrity, gender equality and human rights commitments in inclusive and participatory way</p> <p><u>Output 1.4:</u> Youth, women and men, including from vulnerable groups, have increased capacities and skills to participate in democratic governance and claim their rights</p> <p><u>Output 1.5:</u> Justice system has increased capacities and skills to provide gender sensitive and child-friendly services, especially to the most vulnerable</p>	<p>Improved well-being of people of Moldova, in particular of the most vulnerable, in a just and equitable society, in line with international human rights standards and Vision 2030</p>
<u>Priority area 2: SUSTAINABLE, INCLUSIVE AND EQUITABLE ECONOMIC GROWTH</u>		
	<p>2. The people of Moldova, in particular the most vulnerable, have access to enhanced livelihood opportunities, decent work and productive employment, generated by sustainable, inclusive and equitable economic growth.</p> <p><u>Output 2.1:</u> Public institutions, civil society and private businesses have improved capacities to design, develop and implement innovative, gender-sensitive policies and services towards inclusive and sustainable economic growth and productive employment</p> <p><u>Output 2.2:</u> People from vulnerable groups (including women, youth, people from special status regions) have relevant skills and knowledge and improved access to resources and sustainable jobs and livelihoods</p> <p><u>Output 2.3:</u> Adolescents and youth (girls and boys, including NEET) are more resilient and have relevant skills to transition successfully from school to gainful employment.</p> <p><u>Output 2.4:</u> Local public authorities, their communities and other partners have capacities to improve public services and develop infrastructure to enhance access to</p>	

sustainable local development and inclusive labour markets, including in regions with special status

Priority area 3: ENVIRONMENTAL SUSTAINABILITY AND RESILIENCE

3. The people of Moldova, in particular the most vulnerable, benefit from enhanced environmental governance, energy security, sustainable management of natural resources, and climate and disaster resilient development.

Output 3.1: Public and residential buildings in rural and urban areas increased their use of renewables and energy efficiency

Output 3.2: Local public authorities improved their capacities to apply sustainable management practices of pasture, forest and water ecosystems

Output 3.3: National and sub-national governments have improved capacities to integrate adaptation and mitigation to climate change into development plans and implement practices to reduce population's vulnerability

Priority area 4: INCLUSIVE AND EQUITABLE SOCIAL DEVELOPMENT

4. The people of Moldova, in particular the most vulnerable, demand and benefit from gender-sensitive and human rights-based, inclusive, effective and equitable quality education, health and social policies and services.

Output 4.1: Health system and civil society have Improved capacity to assure access and quality of health services

Output 4.2: Women, young people and persons with disabilities have improved capacity and are empowered to access and demand quality education, health and social services

Output 4.3: Educational system has better capacities to deliver quality and inclusive education to all children and youth and address discrimination

Output 4.4: Increased capacity of Ministry of Health, Labour and Social Protection to address poverty through effective social assistance

Output 4.5: Governmental and non-government institutions have better capacity to address the violence against women and children

IV. Governance Arrangements

SDGPF Steering Committee

5. The SDGPF Steering Committee will be co-chaired by the State Chancellery as national coordinating authority of the UN-Moldova Partnership Framework for Sustainable Development and the UN Resident Coordinator and will include Head of Agencies of the Participating UN Organizations and relevant donor representatives. The Ministry of Finance, as the national coordination authority of the external assistance, will be invited as an observer.

The main functions of the SDGPF Steering Committee will be to:

- a. Provide general oversight and assume overall accountability regarding the Fund;
- b. Oversee and approve the allocation of available non-earmarked funds according to the priority areas as identified in the RM- UN Republic of Moldova Partnership Framework for Sustainable Development and the Joint Work Plans;
- c. Oversee utilization of funds and approve, as required, re-allocation of funds to joint programmes based on jointly agreed changed priorities. The approval of funds re-allocation within earmarked contributions is delegated to the Programme Steering Committee;
- d. Review and approve the periodic progress reports on implementation of Joint Work Plans consolidated by the Administrative Agent and the Secretariat based on the progress reports submitted by the Implementing Entities;
- e. Approve Fund extensions and update to the Fund TOR, as required.

Criteria for approval of allocation on the non-earmarked funds by the Fund Steering Committee

- i. UN Coherence: Joint programmes and/or projects are eligible for funding only if they contribute to the RM- UN PFSD;
- ii. Justification: Project or joint programme concept notes detail the justification for the project or programme, its objectives, outcomes, key indicators, activities and respective budgets specifying allocations to individual participating agencies;
- iii. Readiness: The joint programme or project is ready to start with implementation structure in place;
- iv. Predictability: The joint projects or programmes that request resources from the SDGPF are reflected in the UN Joint Annual Workplans or address an unforeseen humanitarian emergency for which the modality of the Consolidated Humanitarian Appeal¹ will be applied;
- v. Impact: The project or programme is expected to have an impact in its area, and to leverage additional resources and progress for other interventions.

Programme Steering Committee/ Technical Board

¹ Various humanitarian financing modalities include: FLASH appeals (quick and speedy); Consolidated Appeals Process (CAP), Central Emergency Response Fund (CERF), Expanded Humanitarian Response Fund (ERF)

6. The membership of the Programme Steering Committees will be defined in joint projects' concept notes developed for the implementation of the Joint Work Plans and it will vary depending on the scope and purpose of the joint programme. The composition of each Programme Steering Committee will comprise representatives of PUNOs, government, donors and civil society.

The main functions of the Programme Steering Committee will be:

- a. Approve joint program documents as per JWPs, including technical proposals and program budgetary frameworks and implementation timetables;
- b. Recommend the allocation and/or re-allocation of funds to specific joint programme activities as reflected in project documents and budgets;
- c. Recommend programme extension subject to prior approval of the MPTF Office;
- d. Request advance fund transfers to the Administrative Agent (signed off by UN member of the Steering Committee);
- e. Oversee the overall program implementation progress against the results and budget framework through regular monitoring, reporting and evaluation.

Secretariat

7. The Resident Coordinator's Office (RCO) will serve as Secretariat of the Fund. The RC office will provide technical and management support and will be the main liaison between the MPTF Office, implementing PUNOs and other stakeholders. As per the SDGPF MOU/SAA, the costs of such support may be charged as direct costs to the earmarked and non-earmarked contributions. The cost of RC office support services is agreed during the programme development process and is incorporated as direct cost in the overall program budget administrative cost (as separate budget lines) and would normally not exceed 3%.

The Secretariat is responsible for:

- a. Advise the Steering Committee on strategic priorities, programmatic and financial allocations (based on Joint Work Plans, inputs from inter-agency working groups and the Administrative Agent, if applicable);
- b. Provide operational support to the Fund Steering Committee;
- c. Consolidate annual and final narrative reports provided by the Participating UN Organisations and share with the Fund Steering Committee for review as well as with Administrative Agent for preparation of consolidated narrative and financial reports;
- d. Facilitate collaboration and communication between Participating UN Organizations to ensure programmes are implemented effectively;
- e. Liaise with the Administrative Agent on fund administration issues, including issues related to funds disbursements, project/ fund extensions and project/fund closure.

The Administrative Agent

8. The administrative agent (AA) of the SDGPF Moldova will be the Multi Partners Trust Fund Office (MPTFO). As per UNDG “Protocol on the Administrative Agent for Multi-Donor Trust Funds and Joint Programmes, and One UN Funds” 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 functions include:

- a. **Fund design:** Support for developing the Fund concept note and the TOR. This includes notably support for the design of the fund architecture, the preparation of the legal instruments based on standard legal agreements, and the development of a logical framework based on the theory of change
- b. **Fund administration:** The Administrative Agent will conclude a Memorandum of Understanding (MOU) with the Participating UN Organisations and Standard Administrative Arrangements (SAAs) with contributing partners. Receipt, administration, and disbursement of funds to the participating organizations in line with the approved project/joint programme documents and budgets.
- c. **Fund reporting:** Based on the narrative reports submitted by the Participating UN Organisations, provide annual and final consolidated narrative and financial reports and financial statements to the Resident Coordinator for onward submission to Donors and the Steering Committee.

The Participating UN Organisations

9. The Participating UN Organizations will be responsible for the implementation of the specific joint projects and programmes. They will assume full programmatic and financial accountability for the funds transferred to them by the Administrative Agent. The Participating UN Organizations will issue the narrative annual and final reports (and other reports if agreed by the Steering Committee).
10. For Joint Programmes, the lead agency will coordinate activities related to the Joint Programme. The lead agency consolidates the annual narrative reports, with inputs from all UN participating agencies, in accordance to the MPTF guidance and templates. The reports are consolidated into a fund level report by the RC Office and MPTF Office. The financial reporting is done by the UN agencies HQ’s directly to MPTF Office.
11. 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.
12. The minimum size of individual transfers from the AA to the PUNOs during the implementation phase should be at least \$100,000 per agency per transfer to reduce transaction costs. Transfers can be smaller during the last year of the programmatic framework, when the final round of

allocations is made. It is recommended to limit the number of transfer rounds per year so that each project funded from a given SDGPF receives funding at maximum only once per year.

13. As with all programmes supported by the United Nations, projects and programmes will be implemented with the active involvement of relevant line ministries, civil society and other relevant partners.

V. Fund Implementation

Contributions to the SDGPF Moldova

14. Contributions to the SDGPF Moldova may be accepted from governments of Member States of the United Nations or from intergovernmental or non-governmental organizations, or from private sources.
15. The SDGPF Moldova will provide matching funding contributions to government allocation aimed at achieving jointly agreed development priorities as outlined in RM -UN PFSD 2018-2022 and as agreed by the SDGPF Moldova Steering Committee.
16. Acceptance of funds from the private sector will be guided by criteria stipulated in the UN system-wide guidelines on cooperation between the UN and Business Community (the UN Secretary General's guidelines: <http://www.un.org/partners/business/otherpages/guide.htm>).
17. In support of the overarching aim of the SDGPF Moldova, and to ensure maximum flexibility and adaptation to national priorities, a guiding principle for resource mobilization would be that donors are encouraged to contribute with multi-year, pooled, non-earmarked resources. In the eventuality that this is not possible, earmarking at the level of outcome of the UNDAF will be accepted. Whilst the non-earmarked funding is encouraged, in the donor environment of Moldova, it is more likely that funds will be earmarked to joint programmes. In the case of earmarked funds, to ensure focus on national priorities and allow maximum flexibility in planning and funds allocation, the approval of the fund distribution will be at the level of Programme Steering Committee.
18. Contributions to the SDGPF Moldova may be accepted in fully convertible currency. Such contributions shall be deposited in the bank accounts designated by UNDP. The value of a contribution-payment, if made in other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment.

Fund implementation

19. The SDGPF Moldova will be directly implemented by the UN agencies through targeted programmes designed under the 2018-2022 RM- UN PFSD and as per agreed JWP activities. The fund will have four thematic windows matching the four pillars of the RM-UN PFSD.
20. Resources from the SDGPF will be utilized to meet the direct and indirect costs of projects selected for funding and managed by the Participating UN Organizations. Details of such projects, including respective budgets and implementation partners (national entities, NGOs, civil society

organizations, non-state actors and inter-governmental organizations) will be set out in the relevant project documents.

21. The *project approval* would entail the signing of the project document and budget by the participating UN organizations and agencies and the signing of the Standard Administrative Agreement (SAA) between the MPTF Office and the donor organization.
22. For the *Risk Management*, the implementing partners will comply with the policies, procedures and practices of the United Nations Security Management System and will undertake all reasonable efforts to ensure that any management or mitigation plan prepared for the project/ programme comply with such standards. The PUNOs will engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism.
23. In order to accelerate delivery and increase fund impact, and to ensure that fund operations 'do no harm' and are used for their intended purpose the below risks will be considered as identified in the RM-UN PFSD:

RISK	IMPACT/ PROBABILITY <i>High (5) Medium (3)</i>
Political instability	High/ Medium (15)
Changing policy priorities	High/ Medium (15)
Outward migration	Medium/ High (15)
Economic decline	Medium/ Medium (9)
The unresolved conflict in the Transnistrian region	Medium/ High (15)
Extreme weather events and natural disasters	Medium/ Medium (9)

1-9 Low; 10- 19 Medium; 20-25 High

24. The accountability provisions are specified in the legal instruments governing the Fund (MOU, MOA and SAA), and ensure a clear understanding with regards to programmatic and financial accountability of all stakeholders in the course of implementation.

VI. Reporting

25. For each project the Participating UN Organizations will provide the Support Office/Technical Secretariat and the Administrative Agent with annual and final reports and financial statements prepared in accordance UNDG harmonized reporting standards and according to the timing indicated in the MOU/SAA.
26. The annual and final reports will be results- oriented and evidence based and will give a summary of results and achievements compared to the goals and objectives of the approved result matrix in the programme document. Both programmatic and financial performance indicators will be monitored at the outcome and output level (project level).
27. The prime responsibility for collecting data lies with the implementing organisations and will be one of the key elements reflected in their annual report. The SDGPF Secretariat will be responsible for coordinating the data collection and ensuring the proper use of the reporting format.
28. The final report will also contain an analysis of how the outcomes and outputs have contributed to the overall impact and delivering on UNDAF sought Outcomes.

VII. Monitoring and Evaluation

29. Programmes supported by the SDGPF will be subject to monitoring and evaluation as agreed in the Republic of Moldova- United Nations Partnership Framework for Sustainable Development 2018-2022, and specifically in Chapter Six. As such, they will be monitored through the annual review of progress against the Partnership Framework's outputs and outcomes conducted by the Government and the UN.
30. The Donor, the Administrative Agent and the Participating UN Organizations will hold consultations at least annually, as appropriate, to review the status of the Fund. In addition, the Donor, the Administrative Agent and the Participating UN Organizations will discuss any substantive revisions to the Fund, and promptly inform each other about any significant circumstances and major risks.

VIII. Audit

31. The AA and Participating UN Organizations will be audited in accordance with their own Financial Regulations and Rules and, in accordance with the [Framework for Joint Internal Audits of UN Joint Activities](#) which has been agreed to by the Internal Audit Services of Participating UN Organizations and endorsed by the UNDG in 2014.

IX. Public Disclosure

32. Subject to the regulations, rules, policies and procedures of the Participating UN Organization, information given to the press, to the beneficiaries of the Fund, all related publicity material, official notices, reports and publications, will highlight the results achieved and acknowledge the role of the Host Government, the Donor, the Participating UN Organizations, the Administrative Agent and any other relevant entities.
33. The Administrative Agent in consultation with the Participating UN Organizations will ensure that decisions regarding the review and approval of the Fund as well as periodic reports on the progress of implementation of the Fund are posted, where appropriate, for public information on the websites of the UN in Moldova website <http://md.one.un.org/> and the Administrative Agent website <http://mptf.undp.org/> .

X. Modification and Expiration of the SDGPF

34. The Administrative Agent will notify the Donor when it has received notice from all Participating UN Organizations that the activities for which they are responsible under the approved programmatic document have been completed and the Fund is operationally closed.
35. This Arrangement may be modified only by written agreement between the Participants.
36. This Arrangement may be terminated by either Participant on thirty (30) days written notice to the other Participant, subject to the continuance in force of paragraph 4 below for the purpose therein stated.