

**PARTNERSHIP FOR PROGRESS:
UN Civil Society Fund**

I. Introduction

The UN's current policy towards civil society stems from the Millennium Declaration of 2000, which includes the commitment by member states to develop strong partnerships with civil society organisations (CSOs) in pursuit of development and poverty eradication. The commitments of the Millennium Declaration were reinforced by the 2005 World Summit Outcome Document. Against this background the UN Secretary General appointed a Panel of Eminent Persons on United Nations-Civil Society Relations in 2003. The Cardoso Report was presented in 2004 under the title "We the peoples: Civil Society, the United Nations and global governance". The report contained far-reaching recommendations to strengthen civil society around the world and to strengthen the UN System's ability to interact with civil society.

The response by the UN Secretary General to the report of the Panel of Eminent Persons was submitted to member states in September 2004 and represents the current UN approach on civil society. As follow-up to the Secretary General's response, the United Nations Development Group Working Group on Civil Society developed a Framework for Action for Enhancing Engagement with Civil Society to be funded by a United Nations civil society trust fund¹. The framework for action and the proposed **UN Civil Society Fund (UNCSF)** aim at: i) promoting an enabling environment for civil society and public participation; ii) strengthening the capacity of civil society organizations as well as their organizational and institutional capacity; iii) enabling civil society participation in policy development; and iv) ensuring effective involvement of civil society in the work of the United Nations.

A pilot phase, spanning the three year period 2009-2011, will provide grants to 20 selected countries to field test approaches to strengthening UN-civil society relations. An independent evaluation will be undertaken after two years and the findings will be used to develop a second phase of the Fund.

II. Purpose and pillars of activities

The purpose of the proposed UN Civil Society Fund is to strengthen a process of collaboration between the UN and civil society at the country level from a vantage point of partners. This Fund is designed to help realise this potential by:

- Promoting the existence of an enabling environment, including support to the establishment of regulatory frameworks for CSOs.
- Supporting the civil society sector to establish their own collaborative frameworks, such as national platforms, federations and/or other apex institutions. Given the essentially pluralistic and polycentric nature of civil society in each country, the Fund's approach will not be to promote rigidity in this respect, but to support the development of various opportunities.

¹ Paragraph 47 of the Secretary General Report

- Capacity-development support to civil society structures, especially apex institutions, to facilitate their management capability, good governance, public accountability and transparency.
- Develop UN's capacity for partnerships with civil society. The UNCSF will provide the UN System at the country level with the resources necessary to work systematically with civil society. Such efforts will be complemented by a consultative mechanism, which ensures that the UN Country Team (UNCT), composed of Participating UN Organizations, has access to the best national advice on civil society issues. A National Civil Society Consultative Group (NCSCG) will therefore complement the capacity of the UNCTs.

III. Eligibility

The Participating UN Organizations at the country level will be eligible to submit a proposal - either a Joint Programme jointly developed by Participating UN Organizations or a project to be implemented by a single Participating UN Organization (hereinafter referred to as the "Proposal") to the UN Civil Society Steering Committee (UNCSSC) ; on either occasion, Proposals are to have been developed by the Participating UN Organization in consultation with the civil society beneficiary organizations/partners. Depending on the funds available, 20 countries will be invited to submit programme proposals for this pilot phase. These 20 countries will be selected on the basis of already-demonstrated interest in, and potential for enhancing UN-civil society collaboration. During the first phase, one Proposal per country will be approved. Such Proposal will have to be between \$100,000 and \$250,000 and a maximum duration of two years.

Participating UN Organizations that have signed a Memorandum of Understanding (MOU) with the Administrative Agent will be eligible to receive funding from the UNCSF based on the approved Proposals. Governments and civil society organizations can receive funding through Participating UN Organizations playing oversight functions, and in accordance to the appropriate implementing arrangements and partnership mechanisms.

IV. Selection Criteria

The overall approach of the Fund will be to elicit proposals from the country level, for which grant funding will be provided. There will be no funding for regional or global initiatives. The Fund is not intended to support UN activities in isolation from civil society, nor vice versa, since strengthened partnerships is the overall objective. Such collaboration will also include national authorities, in keeping with national ownership of development processes.

A Proposal submitted for UNCSF funding will need to be endorsed by the UN Resident Coordinator and by the country level National Civil Society Consultative Group (NCSCG) which will be established in each participating country.

The selection of proposals will be guided by a combination of the following criteria:

- UN Country Teams that have appointed a UN civil society focal point.

- UN Country Teams that operate in countries where an enabling environment for civil society needs to be developed and/or strengthened.
- UN Country Teams that operate in countries in crisis, post-conflict or transition.

V. Structure of the UN Civil Society Fund

A. UN Civil Society Advisory Board (UNCSAB)

The **UNCSAB** will provide advice and guidance to the UNCSF and monitor its performance to ensure consistency with its intended purpose. Members of the UNCSAB will comprise:

- i) Two Representatives of Civil Society Organisations (CSOs)
- ii) Two Representatives of contributors to the Fund, i.e. member states, private foundations, private sector entities
- iii) The Office of the President of the General Assembly
- iv) The Chair of the UNCSSC

The UNCSAB will meet once or twice a year. The CSOs and contributors to the Fund will select their respective representatives to the UNCSSC. To be eligible, representatives of CSOs should be mandated by an internationally recognized NGO, enjoying ECOSOC status and being involved in a partnership with at least one of the agency participating to the fund & and be widely recognized by international organisations for their commitment to development, human rights and social justice for all

B. UN Civil Society Inter-Agency Steering Committee (UNCSSC)

The UNCSSC will be tasked with articulating the strategic priorities of the Fund, decide on resource allocations and programme implementation issues. The UNCSSC will comprise of:

- i) Representatives of Participating UN Organizations: Representatives will be formally designated by their agencies to participate in the work of the UNCSSC as a part of their functions; each agency will be entitled to designate one alternate member of the UNCSSC.
- ii) UN Fund for International Partnerships (UNFIP).
- iii) One representative of contributors (who is also a member of UNCSAB)
- iv) One representative of CSOs (who is also a member of UNCSAB)

UNCSSC will meet twice a year, or more frequently, depending on the needs and proposals to review in vivo and/ or via video or teleconference.

The UNCSSC should stand as a *light decision-making* structure to allow flexibility and efficiency in managing the Fund.

UNCSSC Secretariat

The secretariat function will be undertaken on a rotational basis for at least 2 consecutive years by one of the Participating UN Organizations. The UNDP Civil Society Organizations Division at the Partnerships Bureau, will serve the first term as the UNCSSC Secretariat.

The Chair of the UNDG will appoint a Chair of the UNCSSC from among its members, a position which could rotate every 2 years.

The agenda of the UNCSAB and UNCSSC meetings and the minutes of the decisions taken at those meetings will be posted on the website of the UNCSSC Fund.

UN Resident Coordinators and Participating UN Organizations

At the country level, the UN Resident Coordinator will be responsible for the overall guidance and coordination of the Proposal funded by the UNCSF. The Multi-Donor Trust Fund (MDTF) Office of UNDP shall serve as the Administrative Agent of the UNCSF. Projects will be implemented by Participating UN Organizations. Each Participating UN Organization will assume full programmatic and financial accountability for the funds disbursed to it by the Administrative Agent. Each Participating UN Organization will establish a separate ledger account under its financial rules and regulations for the receipt and administration of the funds disbursed to it by the Administrative Agent from the UNCSF account. This separate ledger account will be administered by each Participating UN Organization in accordance with its own regulations, rules, directives and procedures, including those relating to the use of interest income. The respective ledger accounts shall be subject exclusively to the internal and external auditing procedures laid down in the financial regulations, rules, directives and procedures applicable to the Participating UN Organization.

The UN Resident Coordinator will establish a **National Civil Society Consultative Group (NCSCG)** to guide implementation and use of the UNCSF resources at the country level. Where such National bodies/structures exist, the RC should endeavour to use such established structures. The establishment and proper functioning of this body will be a requirement for developing a proposal funded by the Fund in any given country. The NCSCG will be co-chaired by the Resident Coordinator and the Civil Society Representative duly appointed. Resident Coordinator's office will provide secretariat support in terms of agenda, documentation and summary minutes preparation. Membership of the NCSCG may vary according to specific country circumstances but will always comprise:

- i) Representatives of civil society organisations in partnership with UN Organizations
- ii) Representatives of national authorities
- iii) Participating UN Organizations' representatives

Members cannot be appointed for terms exceeding two years and cannot serve more than two consecutive terms.

The functions of the NCSCG will be twofold:

1. To promote and oversee UNCSF activities at the country level, encompassing all activities that serve to promote improved partnership between the UN development agencies and civil society. This function will necessarily include engaging in a continuous dialogue on development policies and programmes in the country and enhancing the capacity of civil society organisations to partner the UN and national authorities in these programmes.
2. To oversee the allocation of the UNCSF resources in support of the above, including the review of proposals as well as oversight of implementation of all activities undertaken under the UNCSF.
3. To endorse proposals before they are submitted to the UNCSSC for review and approval.

The NCSCG will meet at least once every six months. Its agenda and summary minutes will be posted on the UN Resident Coordinator Office's website (following scheduled guidelines).

The Multi-Donor Trust Fund (MDTF) Office of UNDP shall serve as the **Administrative Agent** of the UNCSF. UNDP's accountability as the Administrative Agent is set out in the policy "UNDP's Accountability when acting as Administrative Agent in MDTFs and /or UN Joint Programmes using the pass-through fund management modality." (See link: <http://www.undp.org/mdtf/docs/UNDP-AA-guidelines.pdf>).

VI. Procedures

Concept Notes

The UNCSSC, with the support of the Administrative Agent and UNCSSC Secretariat, will develop terms of reference for two-page Concept Notes for a Proposal, the detailed criteria that will be applied in reviewing the concept notes, and a standard concept note form that all Participating UN Organizations will be required to use when submitting requests to the UNCSF. An invitation for Joint Programmes/project proposals will be issued by the Chair of the UNCSSC, addressed to all UN Resident Coordinators. It will specify that all submissions must be endorsed by the National Civil Society Consultative Group. The deadline for response will be two months from the date of issuance of the invitation.

Concept notes for funding under the UNCSF will originate from the UN Resident Coordinator and will require the endorsement of the National Civil Society Consultative Group (NCSCG). Concept notes will be submitted to the UNCSF Secretariat for initial screening and to UNCSSC for selection and approval. The UNCSSC will hold a meeting at which it will select the Concept Notes.

Joint Programme/Project Proposals

The selected Concept Notes will be developed into Joint Programme or projects proposals, which will be submitted to the UNCSSC Secretariat for further approval by UNCSSC.

To ensure that the gaps are filled and overlaps avoided and that there is consistency and coherence between UNCSF financed activities and the overall national priorities and budgets, proposals will need to be developed in close collaboration with national authorities, Civil Society Organizations and other development agencies present in the country. Proposals for funding should be shared with the relevant local stakeholders, including donors to facilitate coordination of efforts and avoid programmatic and funding overlaps.

The UNCSSC Secretariat will review the Proposals to ensure that all the required information is included in the standard request form before submission to the UNCSAB. The UNCSSC Secretariat will prepare the portfolio of Proposals within a maximum of one week upon their receipt. The Proposals will be circulated to UNCSSC members at least three weeks in advance of the UNCSSC meeting, where budget allocation decisions are to be made. The UNCSSC will hold a meeting at which it will review the Proposals and make a decision of accepting it, requesting further review or rejecting it.

Upon approval of Proposals, the UNCSSC will instruct the UNCSF Administrative Agent to disburse the authorized amount to the Participating UN Organization. The instruction will be signed by the Chair of the UNCSSC and will include all relevant documentation to enable a disbursement.

Upon availability of funds, the Administrative Agent will disburse the authorized amounts to a Participating UN Organization within 3-5 businesses days of receiving all the required documentation and instructions from the UNCSSC.

VII. Roles and Responsibilities

UN Civil Society Inter-Agency Steering Committee (UNCSSC)

UNCSSC will have the following responsibilities:

- Set strategic priorities of the UNCSF, allocate resources and provide guidance on programme implementation issues.
- Review all Concept Notes and select those that will be included in the first round (the first 20 proposals).
- Review Proposals and make a decision on their funding.

UNCSSC Secretariat

UNCSSC Secretariat will be responsible for the following activities:

- Review proposals submitted by Participating UN Organizations for completeness and consistency with the Framework for Action for Enhancing Engagement with Civil Society and transmit to the UNCSSC for review.
- Transmit proposals approved by the UNCSSC to the Administrative Agent for fund disbursement.
- Synthesize and compile the narrative reports submitted by Participating UN Organizations.

- Prepare agenda background documentation and summary minutes for the UNCSSC meetings.

Administrative Agent:

As Administrative Agent, the UNDP MDTF Office will administer resources under the direction of the UNCSSC and will be responsible for the following activities:

- Sign an MOU with the Participating UN Organizations.
- Negotiate and sign Standard Administrative Arrangements with donors that wish to provide contributions to the UNCSF.
- Receive, administer and manage contributions from donors.
- Disburse funds to Participating UN Organizations based on resource allocation decisions of the UNCSSC.
- Consolidate financial reports from Participating UN Organizations and submit them to the UNCSF Secretariat for inclusion in the annual Progress Report.
- Transmit UNCSF's annual Progress Report to donors following the endorsement of the UNCSSC.

The UNDP MDTF Office will charge a 1% fee of each donor contribution for Administrative Agent functions and fiduciary responsibilities.

Participating UN Organization(s):

Participating UN Organizations shall assume full programmatic and financial accountability for the funds transferred to them by the Administrative Agent and will be responsible for the following activities:

- Share concept notes and Proposals with the UNCTs for further submission to the UNCSF Secretariat for consideration by the UNCSSC.
- In collaboration with the relevant/concerned CSOs, design, implement and oversee projects financed by the UNCSF.
- Establish a separate ledger account for the receipt and administration of the funds disbursed to it by the Administrative Agent.

For each project approved for funding from the UNCSF, Participating UN Organizations will be required to provide the following to the UNCSF Secretariat through the UNRC:

- Annual narrative progress reports, to be provided no later than three months (31 March) after the end of the calendar year.
- Final narrative reports, after the completion of the activities in the approved programmatic document/Joint Programme Document and including the final year of the activities in the approved programmatic document/Joint Programme Document, to be provided no later than four months (30 April) of the year following the financial closing of the UNCSF. The final report will give a summary of results and achievements compared to the goals and objectives of the UNCSF.

Participating UN Organizations will be required to provide the following statements and reports to the Administrative Agent:

- Annual financial statements and reports as of 31 December with respect to the funds disbursed to it from the UNCSF Account, to be provided no later than four months (30 April) after the end of the calendar year.
- Certified final financial statements and final financial reports after the completion of the activities in the approved project to be provided no later than six months (30 June) of the year following the financial closing of the UNCSF.

Indirect costs of the Participating UN Organizations recovered through programme support costs will be 7%. In accordance with the UN General Assembly Resolution 62/208 (2007 Triennial Comprehensive Policy Review principle of full cost recovery), all other costs incurred by each Participating UN Organizations in carrying out the activities for which it is responsible under the UNCSF will be recovered as direct costs.

VIII. Monitoring and evaluation

Monitoring and evaluation of the proposals funded by UNCSF will be undertaken in accordance with the provisions contained in each programme/project proposal, which are consistent with the respective regulations, rules and procedures of the Participating UN Organizations. The donor(s), the Administrative Agent and the Participating UN Organizations will hold annual consultations, as appropriate, to review the status of the Fund.

An independent “lessons learned and review exercise” of the entire operation of the Fund may be commissioned by the UNCSSC and Participating UN Organizations.

IX. Contributions to the UNCSF

Contributions to the UNCSF may be accepted from, among others, governments of Member States of the United Nations, inter-governmental organizations, non-governmental organizations, International Financial Institutions, foundations and the private sector. Donors are strongly encouraged to contribute un-earmarked funds.

Acceptance of funds from the private sector will be guided by the document issued in July 2000 by the UN Secretary-General entitled, “Guidelines on Cooperation between the United Nations and the Business Community” (see link: <http://www.un.org/partners/business/otherpages/guide.htm>), and any relevant guidelines applicable to the individual Participating UN Organization(s).

Contributions may be accepted in fully convertible currency and 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. Each individual contribution to the UNCSF should be equivalent to at least US\$50,000.

X. Public Disclosure

Decisions by the UNCSSC will be shared with all stakeholders in order to ensure transparency of UNCSF financed projects. In line with the UN's commitment towards public disclosure of its operational activities, the Administrative Agent in consultation with the UNCSSC, will ensure that reports and documents of the UNCSF, such as UNCSSC approved projects/programmes, projects/programmes awaiting approval, fund level annual financial and progress reports, and external evaluations, as appropriate, are posted for public information on the UNCSF page of the MDTF Office website (see link: <http://www.undp.org/mdtf>).

Information given to the press, to the beneficiaries of the UNCSF and all related publicity material, official notices, reports and publications, shall acknowledge the role of the UNCSF's donors, the Participating UN Organizations, and any other relevant parties.

To the extent that it does not jeopardize the privileges and immunities of Participating UN Organization(s), and the safety and security of their staff, Participating UN Organization(s) will promote donor visibility on information, project materials and at project sites in accordance with their respective regulations, rules, policies and procedures.

XI. Audit

The Administrative Agent and Participating UN Organizations will be audited in accordance with their own Financial Regulations and Rules and, where appropriate, in accordance with the Framework for auditing Multi-Donor Trust Funds which has been agreed to by the Internal Audit Services of Participating UN Organizations and endorsed by the UNDG in September 2007.

XII. Ownership of equipment, supplies and other property

Ownership of equipment, supplies and other property financed from the UNCSF shall vest in the Participating UN Organization(s) undertaking the activities. Matters relating to the transfer of ownership by the Participating UN Organizations shall be determined in accordance with the applicable policies and procedures of the Participating UN Organizations.

XIII. Establishment of the UNCSF

The UNCSF will be established upon signature of the MOU between the Participating UN Organizations and the Administrative Agent. It will become operational upon signature of the first Standard Administrative Arrangement between the first donor and the Administrative Agent.

XIV. Termination of the UNCSF

The UNCSF will terminate upon completion of all projects and after satisfaction of all commitments and liabilities. Notwithstanding the completion of the initiatives financed from the UNCSF, any balances will continue to be held in the UNCSF account until all commitments and liabilities incurred in the implementation of the projects have been satisfied and project activities have been brought to an orderly conclusion. Upon termination of the UNCSF, any balance remaining in the UNCSF account or in the account of the individual Participating UN Organization shall be allocated as decided by the UNCSSC.