



LOTFA Law and Order Trust
Fund for Afghanistan

Terms of Reference

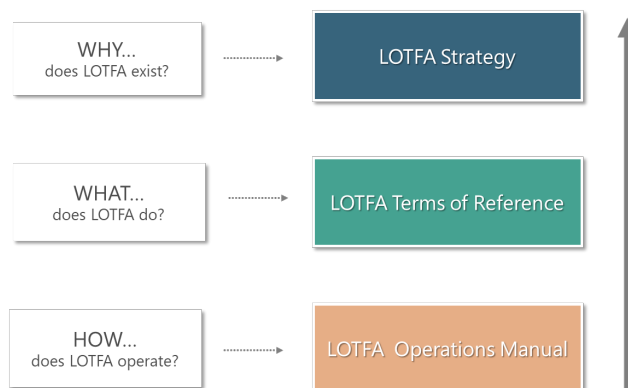
LAW AND ORDER TRUST FUND FOR AFGHANISTAN

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1. Purpose of this Document

The Terms of Reference (TOR) in this document set out the principles, architecture and management and administration arrangements for the Law and Order Trust Fund for Afghanistan (LOTFA). Their aim is to configure LOTFA arrangements in the optimal way for the Fund to deliver the intent set out in the LOTFA Strategy; and to provide the management framework within which to execute Fund activities as set out in the LOTFA Operations Manual. As such, the TOR represent the 'middle tier' of the 'Why, What, How' documentation for the Fund, as illustrated in the graphic below. The TOR should therefore be read in conjunction with the LOTFA Strategy and Operations Manual, which are appended in Annexes I and II.



2. Purpose of LOTFA

The purpose of LOTFA has four 'headline' components:

- To provide a mechanism through which donors with the same or compatible policy objectives can bring their resources together to maximise their combined effect in strengthening security and justice delivery by the Government of Afghanistan to improve security and justice outcomes for citizens.
- To provide a mechanism to manage close partnerships between Government institutions and donors, helping to bring them together under a common vision, set of goals, desired outcomes and framework for defining and measuring success.
- To leverage the convening power and technical expertise of the UN and other international actors providing assistance to the Government of Afghanistan in order to optimise the delivery of positive change in the security and justice sectors.
- To act as an accessible and transparent funding, commissioning, and reporting mechanisms so that donors can leverage the convenience of a 'one stop shop' for contributions to Afghan rule of law, and at the same time facilitating Government management and coordination of donor assistance.

3. LOTFA's Core Principles

Fulfilling this purpose and its components means that LOTFA and all of its stakeholders must be aligned with a set of guiding principles.

- **Strategic clarity:** all LOTFA stakeholders jointly own a single strategic vision of what the Fund is there to achieve, how, and with what desired results.
- **Partnership:** a set of joint approaches and management tools for (a) shared definitions of success measured against common metrics; (b) the co-design of activity sponsored by the Fund; and (c) collective oversight of Fund performance, delivery and risk.
- **Measurability:** clear agreement on desired outcomes which are specific, which can realistically make an attributable contribution to Afghan security and justice, and which are easily measurable

- **Agility:** an iterative management and adaptation cycle and a willingness to acknowledge where things are not working and adjust activity accordingly in a highly dynamic programming environment.
- **Mainstreaming of good governance:** human rights, anti-corruption and gender and inclusion objectives mainstreamed into every Fund delivery action to ensure that good governance is a central pillar of every intervention.
- **Coherence and value-add:** ensuring that LOTFA only sponsors work when it can provide clear added value, and that its work is coherent with national framework and institutional strategies, and leverages synergy from other donor inputs to optimise effect in a finite resourcing environment.

4. Fund Architecture

LOTFA's governance, oversight, management and administration functions are delivered through the collective work of the bodies (committees, groups and units) which make up the Fund architecture, as follows:

- The **Steering Committee** is mandated to provide strategic direction, guidance and governance to the Fund (not as a political discussion forum or simply a clearing house for funding decisions).
- The **Technical Working Group** (TWG) is responsible for oversight, management, performance and risk handling of the Fund at programmatic and delivery levels.
- The **Trust Fund Management Unit** (TFMU) is the 'nerve centre' of the Fund, providing coordination, communication, and information management support to the other Fund bodies; serving as secretariat to those bodies; providing and sourcing high quality technical advisory services for LOTFA as obtainable and as authorised by Implementing Partners; and administering the Fund's budgets; and overseeing the performance of the Fund's Implementing Partners.
- The **Administrative Agent** is the trustee of the Fund and provides fund design support and fund administration services.
- **Implementing Partners** are responsible for delivery, monitoring and evaluation and reporting of outcomes; and for ensuring that project activity aligns with principles of transparency, human rights compliance, gender equality and sensitivity and robust fiduciary management.

These functions are outlined in the diagram below and detailed in sections 6-8 below.

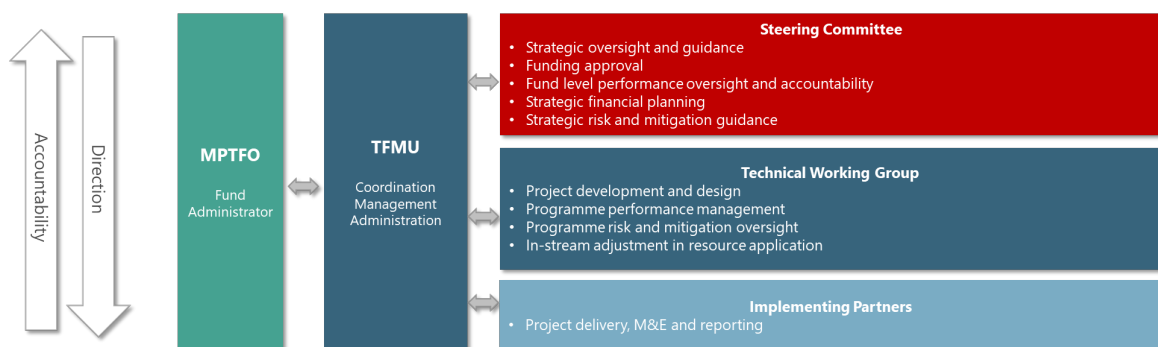


Figure 1: Headline the functions of the draft TOR

5. Programme Structure

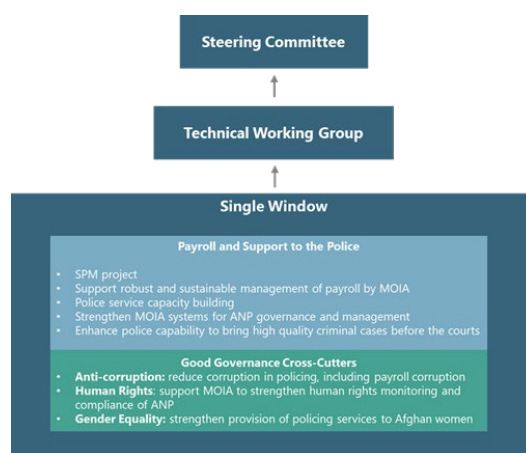


Figure 2: LOTFA Programme Structure

The programme structure illustrated in the graphic above represents a sharpening of focus for LOTFA. This sharpening (a) corresponds with the outcome of the April 2021 Strategy Review; (b) is designed to focus application of finite resources; and (c) simplifies and clarifies management structures and processes. The programme structure:

- Unifies all LOTFA work into a single window, streamlining oversight, management, performance reporting, financial reporting and coordination.
- Focuses the Fund's resources on meeting police payroll requirements, underpinned by more sustainable financial and human resource management by the MOIA.
- Supports the use of payroll contributions through projects to strengthen police service delivery and MOIA management of the ANP.
- Focuses the LOTFA contribution to improved justice outcomes on the role of the police and police-prosecutions interface as Afghan citizens' entry point to the criminal justice sector.
- Mainstreams anti-corruption, human rights and gender equality across all delivery strands.

6. LOTFA Governance, Oversight, Management and Coordination

6.1. Steering Committee

6.1.1. Purpose

The Steering Committee is the highest decision-making authority of LOTFA. Its purpose is to set strategy and provide strategic guidance; approve project proposals; authorise funding and oversee resource usage; manage strategic risks to the Fund and delivery of its strategic outcomes; and monitor the Fund's overall performance.

6.1.2. Roles and Responsibilities

The roles and responsibilities of the Steering Committee are:

- To set Fund strategy and give strategic guidance and direction to the Fund, ensuring alignment with the policy frameworks and strategic priorities of the Government of Afghanistan and LOTFA partner institutions.
- To approve the Fund Results Framework developed by the Technical Working Group with the support of the Trust Fund Management Unit.
- To monitor and oversee LOTFA's strategic performance against the Fund Results Framework, ensuring that Fund delivery is optimised to meet the targets set out in the Fund Results Framework.
- To review strategic and/or critical risks, advise on action and responsibilities for addressing these risks; and monitor them

- e effectiveness of risk management actions in controlling strategic risk.
- To provide strategic oversight of and accountability for the Fund's financial resources, including assessing the extent to which donor pledges, commitments, and fund transfer timetables will meet the forecast financial requirements of the Fund.
- As the sole strategic resource allocation mechanism for LOTFA, to make decisions on the allocation of funding to proposed new programmes and projects, authorising budgetary commitments where the decision is taken to fund new activity.
- To provide accountability for the use of the Fund's operating expenditure in the form of the Trust Fund Management Unit.
- To take or instruct to be taken all required steps to ensure principles of accountability, transparency and fairness are exercised in all Fund actions and by all Fund entities, including assessing the risk of corruption or the use of LOTFA funds for other than their stated purpose.
- To monitor and oversee the human rights effects and risks of LOTFA-funded projects and determine action to enable Fund stakeholders to meet their national and international human rights obligations.
- To monitor and oversee the gender sensitivity and social inclusion effects and risks of LOTFA-funded projects in order to support the Government of Afghanistan and donor governments in meeting the goals of their National Action Plans on Women, Peace and Security in line with their commitments under UNSC 1325.
- To review and authorise strategic communications planning, action and products which have the potential to influence stakeholder, partner or public perceptions regarding the reputation of the Fund.

6.1.3. Membership and Constitution

The Steering Committee comprises the following permanent members with decision-making authority:

- Minister of Interior Affairs
- Minister of Finance
- The ambassadors/heads of mission of LOTFA contributing donors
- The UNDP Resident Representative

Permanent members without decision making authority are:

- The Fund Administrative Agent (MPTF Office New York).

Where permanent members are not able to attend Steering Committee meetings they will delegate attendance to a competent deputy fully authorised to represent their parent institution in performing the roles and responsibilities of the Steering Committee set out at 6.1.2

The TFMU Manager shall attend meetings in his or her role as Secretary of the Steering Committee and without decision making authority.

Observers and contributors may be invited, at the discretion of the co-Chairpersons, to attend all or specified elements of Steering Committee meetings. Observers and contributors may include representatives of other Government institutions, non-LOTFA donors active in the policing, justice and governance spheres, other UN agencies, relevant non-governmental organisations, academics and analysts.

6.1.4. Chairing Arrangements

The Steering Committee will be co-chaired by the Minister of Interior Affairs and the UNDP Resident Representative. Where either of the co-Chairpersons are not able to attend Steering Committee meetings, he or she will delegate full chairing responsibilities to a qualified and empowered representative.

6.1.5. Decision-Making Authority

Where possible, the Steering Committee will make decisions by consensus. This means that all members agree to a specific decision, or where members do not actively agree they express no objection and recuse themselves from that decision.

Where consensus is not reached the Steering Committee will reach a decision on the issue in question by majority vote. In such cases, members who command a vote are the permanent members with decision-making authority. In the event that decisions cannot be reached following voting (i.e. where voting is tied) the issue will be returned to the Technical Working Group and/or TFMU for further analysis to provide information which meets the requirements of the Steering Committee.

6.1.6. Operation

The operating model for the Steering Committee is as follows (detailed process and requirements in the Operational Manual):

- The Steering Committee will meet every 6 months. The co-Chairpersons may decide, with consensus between them and at their discretion, to convene extraordinary Steering Committee meetings at any time, with a minimum of 10 working days' notice to Steering Committee members and the TFMU as the Steering Committee secretariat.
- The TFMU, in its role as Steering Committee secretariat, will support meeting preparations in its role as secretariat to the Steering Committee in line with the methodology set out in the Operational Manual.
- Before each meeting, Steering Committee members will consult internally in their institutions and externally with partners as required to come to each Steering Committee meeting fully empowered to fulfil the roles and responsibilities set out above, including decision-making on all issues set out in the meeting agenda.
- The TFMU, as the secretariat to the Steering Committee, will record meeting proceedings and disseminate meeting minutes and other relevant post-meeting materials to Steering Committee members in line with the methodology set out in the Operational Manual.

6.2. Technical Working Group

6.2.1. Purpose

The purpose of the Technical Working Group (TWG) is to serve as the consultative body for the LOTFA programme of action in (a) needs assessment and project concept development; (b) project design, development and submission for Steering Committee approval; and (c) project oversight, monitoring, risk management and reporting to the Steering Committee. As such, the TWG is the 'centre of excellence' for LOTFA programming, programme-level performance monitoring and in-stream adaptation to maintain relevance and effectiveness, and responsible for optimising the contribution of the Portfolio Window to the desired outcomes of the LOTFA strategy.

6.2.2. Roles and Responsibilities

The roles and responsibilities of the TWG are:

- To develop, maintain and amend the Fund Results Framework (FRF), approved by the Steering Committee and aligned with national sectoral strategies and donor policy priorities.
- To consider sectoral and thematic needs against rolling needs assessments collated and managed by TFMU.
- To commission, support the development of, review and approve projects for submission to the Steering Committee through the five stages of project development detailed in the Operational Manual.
- To monitor programme and project performance, identifying performance shortfalls and determining action to remediate the, including project refocusing of project funds within the funding envelopes authorised by the Steering Committee.

- To review, assess and determine management of programme-level risks in line with the methodology set out in the Risk Management Strategy and Operational Manual.

6.2.3. Membership and Constitution

Permanent TWG members will be:

- Representative of MOIA Deputy Minister of Policy and Strategy
- Representative of MOIA Deputy Minister of Security
- Representative of MOIA Deputy Minister of Education and Personnel
- Representative of MOIA General Directorate of Finance and Budget
- Representatives of LOTFA contributing donors.

A representative of the TFMU shall attend meetings in the role of Secretary of the TWG, without decision making authority.

Observers and contributors may be invited, at the discretion of the co-Chairpersons, to attend all or specified elements of Steering Committee meetings. Observers and contributors may include representatives of other Government institutions, non-LOTFA donors active in the policing, justice and governance spheres, and technical advisory experts from UN agencies or other relevant institutions.

6.2.4. Chairing Arrangements

The TWG will be co-chaired by the Deputy Minister for Strategy and Police of the MOIA and the TFMU Manager. Where either of the co-Chairpersons are not able to attend TWG meetings, he or she will delegate full chairing responsibilities to a qualified and empowered representative.

6.2.5. Decision-Making Authority

The TWG will, where possible, make decisions by consensus. This means all members agree to a specific decision, or where members do not actively agree they express no objection and recuse themselves from that decision. Where consensus is not reached, the TWG will return the issue in question to the TFMU with instructions for action to enable the issue to be reconsidered and resolved, for example revision of the text of proposals, further data gathering and analysis, or additional consultations.

6.2.6. Operation

The operating model for the TWG is as follows (detailed process and requirements in the Operational Manual):

- The TWG will meet every month. The co-Chairpersons may decide to convene extraordinary TWG meetings at any time, with a minimum of 5 working days' notice to TWG members.
- The TFMU, in its role as TWG secretariat, will support meeting preparations in its role as secretariat to the TWG in line with the methodology set out in the Operational Manual.
- Before each meeting, TWG members will consult internally in their institutions and externally with partners as required to come to each TWG meeting fully empowered to fulfil the roles and responsibilities set out above, including decision-making on all issues set out in the meeting agenda.
- The TWG, as the secretariat to the Steering Committee, will record meeting proceedings and disseminate meeting minutes and other relevant post-meeting materials to Steering Committee members in line with the methodology set out in the Operational Manual.

6.3. Trust Fund Management Unit

6.3.1. Purpose

The TFMU manages the Fund on behalf of the Steering Committee. Its purpose is to manage, coordinate, administrate and support the Fund to optimise delivery of its desired outcomes. The TFMU provides the operational coordination,

communication, performance reporting and financial reporting and forecasting which the Steering Committee and TWG require to develop, authorise, fund, monitor and oversee LOTFA's work; and the resource management required to ensure transparent and accountable custodianship of the Fund's financial and other assets. The TFMU serves as secretariat to the Steering Committee and TWG, and as point of liaison with the Administrative Agent. TFMU is responsible for monitoring compliance with the rules and procedures laid down in the Operational Manual.

6.3.2. Roles and Responsibilities

The roles and responsibilities of the TFMU are set out below and summarised in the following graphic:

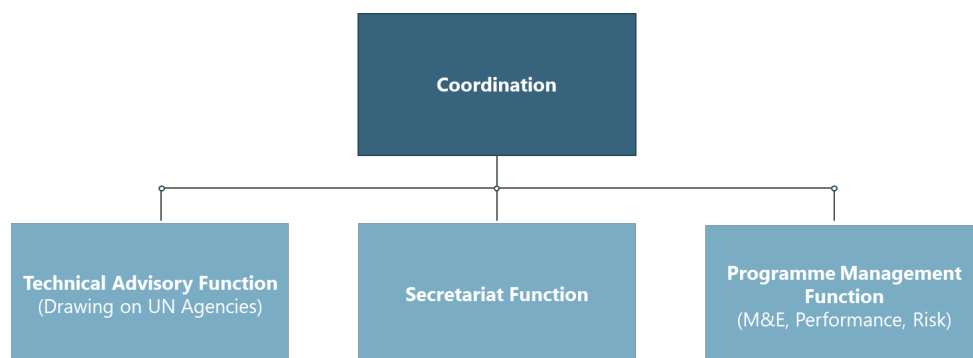


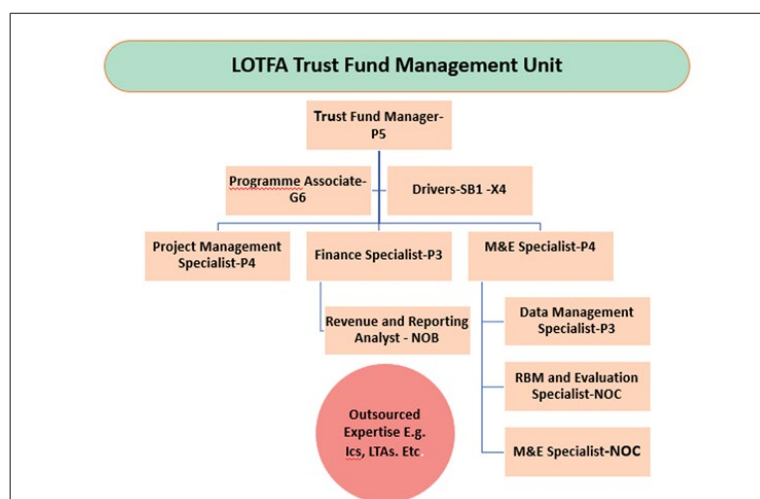
Figure 4 Diagram to show the roles and responsibilities of the TFMU

- **Planning.** The TFMU will produce an Annual Operational Plan and Annual Resource Plan for consideration and approval by the Steering Committee.
- **Secretariat function.** The TFMU will serve as the secretariat of the Steering Committee and TWG. Detailed secretariat requirements for each of these bodies are set out in the Operational Manual. This includes (a) providing logistic and operations support to convene meetings; (b) meeting preparation, including setting agendas and preparing supplementary meeting materials, and establishing clear decision points for each meeting; (c) preparing meeting participants through correspondence and pre-meetings to optimise the performance of each body (d) recording and communicating the proceedings and outcomes of each meeting; and (e) tracking the delivery of actions agreed at each meeting and compiling them into a progress report which will form part the materials for progress review at the subsequent meeting.
- **Donor and Government partner coordination.** TFMU will coordinate with and between donor and Government partners to the Fund by (a) Maintaining a shared online calendar of LOTFA and LOTFA-relevant events; and (b) direct in-person and telephone consultation and email correspondence with individual donor and Government partners or groups of partners outside the standing schedule of formal LOTFA meetings to convey issues, promote alignment of understanding and perspective and ensure that all partners are appropriately informed on Fund matters.
- **International community police support coordination.** TFMU will maintain open, regular channels of communication with other international actors contributing to police support and reform in Afghanistan. This includes liaison with the International Police Coordination Board (IPCB), its Ministerial Support Team (MST) and relevant working and sub-working groups to maximise coherence of strategy and action, avoid duplication of international effort, leverage synergy to optimise results, and minimise the donor coordination burden on the MOIA.
- **Information and Knowledge Management.** TFMU will maintain the Information Management systems of the Fund, including hosting of Fund data on TFMU servers and maintaining the dedicated LOTFA SharePoint site.
- **Reporting.** TFMU will act as the 'node' for all LOTFA reporting, as set out in section 15 and in further detail in the Operational Manual.

- **Financial management.** TFMU will manage the financial resources of the Fund. This includes:
 - Requesting transfer of funds from the MPTF to the recipient UN Organizations (RUNO) based on decisions made by the Steering Committee.
 - Preparing and maintaining TFMU budgets and reviewing the overall LOTFA budget in line with the programme and budget structure agreed by the Steering Committee.
 - Financial reporting and forecasting, enabling overall fund utilisation and programme or project financing risks to be communicated to the LOTFA governance and oversight bodies in line with the requirements of their respective roles and responsibilities.
 - Providing an oversight role to ensure that Implementing Partners (IP) provide strong financial and fiduciary management in recording financial records transparently in order to provide transparent and fair financial reporting in the use of LOTFA funding.
- **Implementing Partner management.** The TFMU will manage the work of the Implementing Partners in delivering projects funded by LOTFA in order to optimise the performance of IPs in delivering relevant, coherent, effective, efficient, impactful and sustainable work. In line with the procedures set out in the Operational Manual, this includes (a) monitoring IP performance; (b) monitoring IP risk management to ensure mitigation and/or escalation of delivery risks ; (c) ensuring that IPs provide strong financial and fiduciary management to provide transparency and accountability in the use of LOTFA funding.
- **Risk Management Coordination.** The TFMU will coordinate the management of risk for the Fund through production of a Risk Management Strategy and the establishment of the processes required for its implementation, as set out in section 13.
- **Monitoring and Evaluation support.** The Terms of Reference for LOTFA M&E are outlined in section 14 and specified in detail in the Operational Manual. The role of TFMU in M&E has two components: (a) managing and coordinating LOTFA partners to produce and maintain the Fund Results Framework, and gathering and analysing the data required to produce Fund-level M&E reports as required by the Steering Committee in its role in overseeing Fund performance; and (b) overseeing the M&E processes, systems and activities of LOTFA Implementing Partners to ensure that each LOTFA-funded project is underpinned by a robust M&E.
- **External Communications.** The TFMU will produce a LOTFA Communications Plan specifying the target audiences for external communications and the type, frequency, format, media/channels and aims of those communications. Where instructed by the TWG the TFMU will design and develop communications products, which may include press statements, public announcements, social media posts, print media such as brochures, video and audio products and other forms of external communications as required for the delivery of the Communications Plan.
- **Technical Advisory Support.** TFMU will provide expert advice to the Steering Committee and TWG in the fields of policing and criminal justice, and in the cross-cutting themes of human rights, anti-corruption and gender and inclusion. This advisory support may be provided by TFMU experts or by experts from other UN agencies. Where appropriate, the TFMU may draw on wider technical expertise, for example from the Afghan Independent Commission on Human Rights, civil society organisations or academia.
- **Oversight of cross-cutting approaches:** throughout the Fund's activities, UNDP as host of the Trust Fund Management Unit will ensure a human rights-based approach to programming, a focus on gender and women's empowerment, and adherence to the UN's Human Rights Due Diligence Policy (HRDDP)

6.3.3. TFMU Structure

The current structure of the TFMU, as set out in May 2020's Strategic Management Review UNDP Afghanistan is as follows:



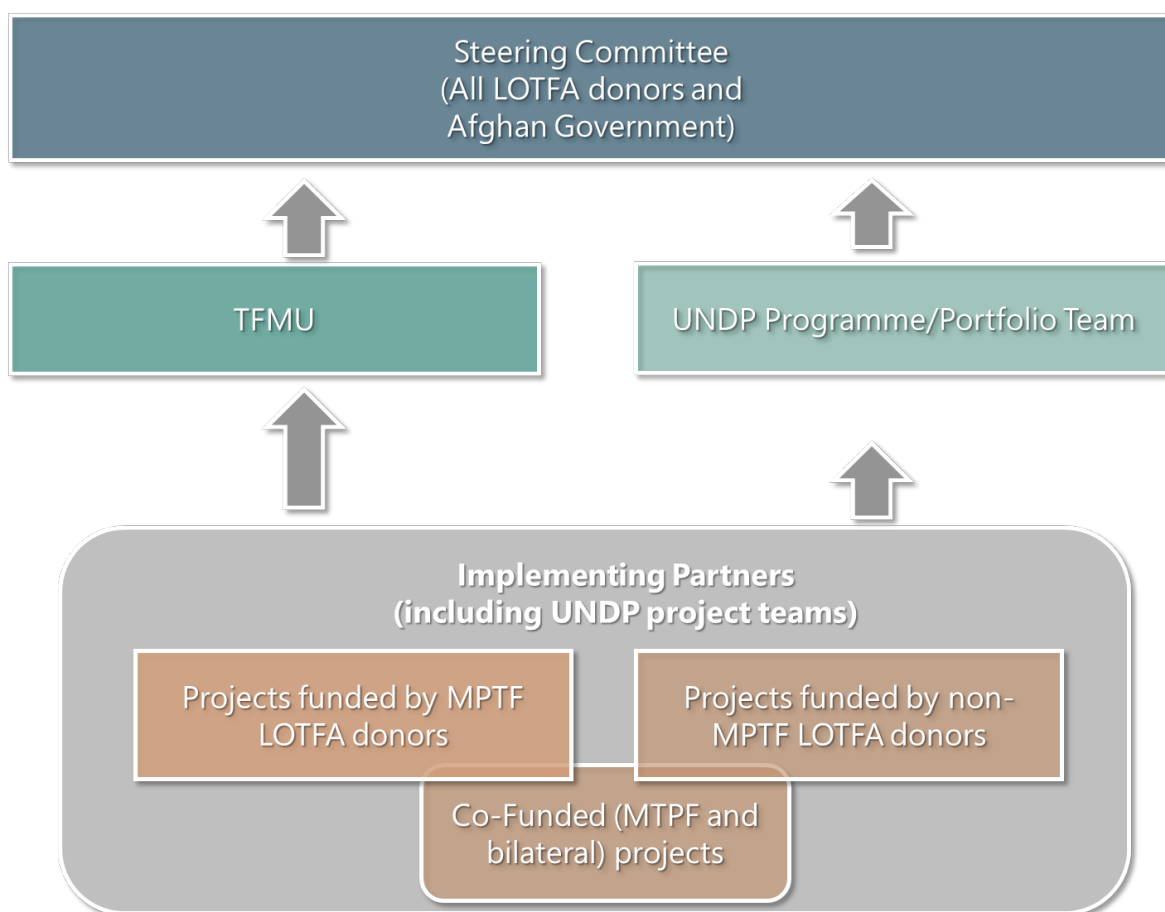
If the TFMU workplan or resource requirement changes in-year the TFMU will review and amend the Annual Plan and present it to the Steering Committee for re-approval.

6.3.4. Leadership and Accountability

The TFMU is led by the Trust Fund Management Unit Manager, who is accountable to the Steering Committee. The TFMU is hosted by the UNDP Country Office in Kabul, in its role as Implementing Partner for the TFMU Management Project. Reporting lines and accountability are as follows:

- Where UNDP is an IP for actions funded by MPTF donors, UNDP is accountable for monitoring, evaluation, reporting, risk, finance etc.) to the TFMU, which exercises oversight on behalf of the LOTFA Steering Committee. In these cases, UNDP as an Implementing Partner is not accountable to the UNDP Country Office because this would raise a conflict of interest.
- Where non-MPTF donors to LOTFA commission UNDP directly as an Implementing Partner (i.e. not through MPTF contributions) the UNDP project implementation team is accountable directly to the UNDP programme team, which exercises oversight on behalf of the funding donor; the TFMU does not have oversight or responsibility in these cases.
- Where projects are executed using 'blended' MPTF and non-MPTF funds, IP teams (including UNDP) have dual accountability and reporting requirements to the TFMU and UNDP.

These arrangements are illustrated in the following graphic.



7. Implementation

Activity funded by LOTFA is delivered by two categories of fund management: (1) Implementing Entities with direct access to the Fund via the UN Multi-Partner Trust Fund Office as Administrative Agent, and (2) Implementing Entities with access to bilateral contributions. The Implementing Entities with direct access to MPTFO Fund are Recipient UN Organizations (RUNOs). They will conclude a MOU with the Administrative Agent, will assume full programmatic and financial responsibility for the funds transferred directly to them by the MPTFO and will implement approved activities in accordance with their own rules and procedures, including those related to audits and contracts. The RUNOs will charge a maximum of 7% indirect costs. MPTFO will conclude an agreement with the donor. The Implementing Entities with access through a bilateral funding can implement those projects financed through the bilateral funding. Donors will conclude an agreement with the concerned UN Agency for such bilateral funding.

8. Fund Administration

The appointment of the Fund Administrator is legally formalised through the signature of the UNDP Administrator or his or her designee of the UNDP Fund Framework arrangement for establishing the LOTFA. This Framework is the foundation act for the LOTFA and describes the pass-through financial setup. The Fund is administered by the MPTFO under the pass-through management modality. Under this modality, funds are channelled through the Administrative Agent, which passes the programmatic and financial accountability to the Recipient UN Organizations.¹

The Fund's administration services, whose costs are 1% of received contributions, include:

¹ The current MPTF is designed to pass-through funds only to UN Agencies. If Government and donors agree to transfer non-fiduciary payroll management responsibilities from UNDP to another managing authority, the Steering Committee will need to engage with the AA – the MPTF Office - to establish the appropriate fund transfer arrangements that will suit the new conditions.

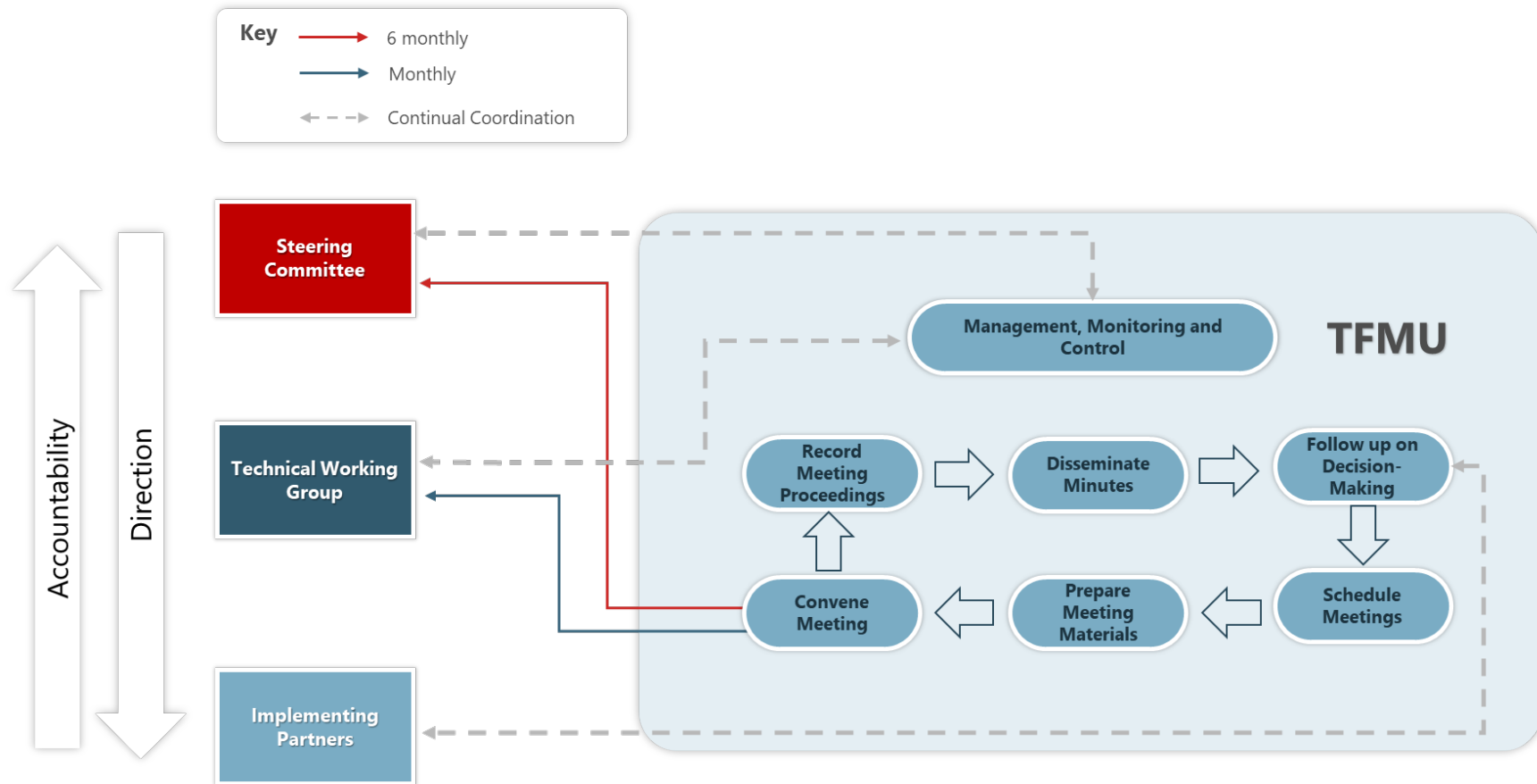
1. The Fund's setting up: support to the Fund's design (Terms of Reference and Operation Manual), and development of legal instruments; and
2. The Fund's administration: receipt, administration, and release of funds to implementing entities in accordance with decisions from the Steering Committee, and financial report consolidation.

The MPTFO is responsible for the following functions²:

- Provide support to the design of the Fund.
- Sign an MOU with United Nations System implementing entities.
- Sign Standard Administrative Agreements with donors that wish to contribute financially to the Fund.
- Receive and manage funds included those related to the Fund's closure.
- Invest and reinvest the Fund's resources according to investment policies, practices and procedures and in line with the financing agreements signed with Donors. Any interests accrued will be added to the Fund's resources and will not be credited to the contributions of a particular donor.
- Provide updated information to the Steering Committee regarding the resource availability.
- Subject to the availability of resources, transfer funds to implementing entities in accordance with the Steering Committee decisions.
- Consolidate the financial annual and final reports submitted by implementing entities and present the consolidated report to the Steering Committee and to each of the Fund's contributors.
- Provide a Fund final financial report which includes a notice of the Fund's closure.
- Release funds as direct costs, including for the running of the Trust Fund Management Unit, based on the Steering Committee decisions. The Administrative Agent will annually notify the Steering Committee about the amounts used to that end.
- Release funds for additional expenses that the Steering Committee decides to allocate.
- Provide tools for fund management to ensure transparency and accountability.

² All the responsibilities of the AA described in this section (including those relating to the receipt, administration and disbursement of funds; financial reporting; and management of accrued interests) only apply to pooled funds that are channelled through the Fund. Parallel contributions to other projects are regulated by the prevailing contribution agreement or arrangement signed between the donor and the respective RUNO.

9. LOTFA Operation and Process Flow



10. Contributions

LOTFA resources include donor contributions, any interests, payments, repayments or net profit for investments less any authorised release and incurred expenses in accordance with these Terms of Reference and decisions made by the Fund's Steering Committee.

The Fund's resources will be used to finance, or co-finance projects, programmes and operations approved by the Fund's Steering Committee. As a general rule, the contributions will not be earmarked, and the allocations will be decided by the Steering Committee. In case donors have specific restrictions or requirements, earmarking will be allowed to specific projects funded through the single window.

The contributions to the Fund will be administered by the MPTF Office as per the Standard Administrative Arrangements (SAA) signed between contributing donors and the MPTFO. The Fund receives contributions in fully convertible currency. Such contributions will be deposited to the bank account designated by the MPTF Office. The value of the contributions, if made in a currency other than US dollars will be determined by applying the UN operational rate of exchange in effect on the date of payment. Profit or loss due to currency exchange rate is registered in the Fund's account set by the Administrative Agent and will be taken on by the Fund.

Donors can provide parallel contributions to any of the projects financed by the Trust Fund. These parallel contributions will be administered as per the relevant parallel agreement or arrangements. For example, for the SPM project the parallel contributions will be administered as per the prevailing third-party Financing Agreements with UNDP and will follow the management, monitoring and reporting arrangements per UNDP rules and regulations.

11. Risk Management

The LOTFA Risk Management Strategy, developed by the TFMU, is the principal framework through which LOTFA manages Fund-level and cross-cutting risks. The Risk Management Strategy set out the systems and processes required for robust risk management at all levels. These include:

- Risk management framework.
- Risk matrix for risk identification and follow-up.
- Institutional arrangements to operationalise risk management.
- Risk Information Management system.

11.1. Fund-Level Risk Management

Management of Fund-level risk and cross-cutting risk (i.e., risks applicable across the Fund's project portfolio) is the responsibility of the Steering Committee, because it requires the active engagement, ownership, and participation of all partners to the Fund. The Risk Management Strategy will therefore set out the mechanisms and processes by which the Steering Committee will:

- Identify risks to the Fund and its performance.
- Analyse risks, their underlying causes and potential consequences.
- Grade risks against the risk matrix criteria, giving each risk the rating of critical, high, moderate or low; and rating the proximity (i.e. urgency) of each risk.
- Develop mitigation actions to avoid, transfer, accept or limit risks and the potential consequences of those risks materialising.
- Assign and accept sole or joint ownership of risks and mitigation actions.

- Track the delivery of mitigation actions and their effect in mitigating the risk, and reassign risk ratings as risks and their likelihood, impact and proximity changes.

11.2. Programme-Level Risk Management

Management of risks to the delivery of the desired outcomes of elements of the LOTFA programme is the responsibility of the Technical Working Group. The TWG will manage risk according to the methodology set out in the Risk Management Strategy and Operational Manual, which include escalating critical and strategic risks which cannot be mitigated at programme level to the Steering Committee.

11.3. Project-Level Risk Management

The management of risks to delivery of project activities and goals is the responsibility of the Implementing Partner. The TFMU will ensure that every project is underpinned by a comprehensive risk matrix and will monitor the IP's risk management processes to ensure that they are appropriate to and effective against the risks relating to the project intervention. Where critical or high operational risks exist and cannot be effectively mitigated by the IP, the TFMU will escalate those risks to the TWG for consideration at programme level.

12. Monitoring and Evaluation

Monitoring and Evaluation of LOTFA operates at three levels:

12.1. Fund Level Monitoring and Evaluation

The TWG, supported by the TFMU, will coordinate donors and Government partners to develop a Fund Results Framework (FRF). The FRF is the framework in which the Fund's impact and outcome objectives are set out, along with indicators for measuring progress in achieving those objectives and the sources of data which will feed those indicators. The FRF will be approved by the Steering Committee, which will use the FRF to execute its responsibility to monitor and strategic performance of the Fund. In addition to using the FRF for performance monitoring, the Steering Committee will review the FRF for relevance and mandate adjustments to the FRF to ensure that it is the right framework for measuring the right things, at the right time and in the right way.

Responsibility for data gathering, analysis and maintenance in the FRF rests with the TFMU. This means that the TFMU will conduct documentary review and secondary and primary data capture to supply the data required by the Fund's strategic results indicators. Indicators will be as easily measurable (where possible quantitatively) and as directly attributed to LOTFA as possible. Research, data gathering, collation, analysis and reporting required by LOTFA will be undertaken in close partnership with the Government partner institutions, and to the maximum possible extent through the data and information management systems of those institutions.

12.2. Programme Level Monitoring and Evaluation

The TWG, with the support of TFMU, will develop the Fund Results Framework. The TWG will use the FRF to oversee performance of the LOTFA programme of projects, as well as the benchmark against which proposed new projects are assessed against their potential to contribute to the desired Fund outcomes set out in the FRF. The TWG will adjust and update the PRF as required to ensure continued relevance and measurability, in line with the methodology set out in the Operational Manual.

12.3. Project Level Monitoring and Evaluation

Project-level M&E is the responsibility of Implementing Partners. The TWG will ensure that every proposed project has in place a robust Results Framework in advance of submission to the Steering Committee for approval. TFMU will ensure that IPs manage the M&E of their projects in a professional, transparent and competent way, escalating significant M&E problems to the TWG as programme risks.

13. Reporting

The responsibilities related to reporting are detailed in the Memorandum of Understanding (MOU) and Standard Administrative Agreements (SAA). All the implementing entities will carry out annual and final reports on activities and expenditures according to a common format designed for the Fund.

13.1. Strategic Reporting

The TFMU will provide a six-monthly Strategic Performance Report to the Steering Committee. The Strategic Performance Report will summarise the key monitoring data from the LOTFA portfolio based on the Strategic Performance Report Template set out in the Operational Manual, and will include (a) narrative summaries of progress against Fund Results Framework; and (b) visualisations (graphs, charts, maps) of key Fund delivery data; (c) detail of deviations from strategic plans and intentions and the reasons for those deviations; (d) a summary of strategic risks and challenges drawn from the Risk Matrix in line with the LOTFA Risk Management Strategy.

13.2. Annual and Final Project Reports

The implementing entities will present the following reports to the Trust Fund Management Unit for consolidation and further transmission to the Steering Committee:

- Annual narrative project reports to be provided no more than three months (March 31st) after the end of the calendar year.
- Final narrative project reports after the end of activities contained in the approved project document, including the final year of such activities, to be submitted no more than four months (April 30th) in the following year after the financial closure of the Fund.

Annual and final project narrative reports will comprise (a) narrative summaries of progress against project Results Frameworks; (b) detail of deviations from project plans and intentions and the reasons for those deviations; and (c) a summary of strategic risks and challenges drawn from the Risk Matrix in line with the LOTFA Risk Management Strategy. Final reports will include assessment of how the project has contributed to the desired LOTFA outcomes and impact; and lessons learned and recommendations for future LOTFA strategy and delivery.

13.3. Project Progress Reporting

Project Implementing Partners will report to TFMU in line with the reporting requirements set out in individual Project Documents. Routine project progress reports will include data setting out progress against project Results Frameworks, deviation from planning, risks and challenges and budget execution and reforecasting.

At the request of the Technical Working Group the TFMU team will organise ad hoc meetings between TWG members and Implementing Partner project managers and delivery teams to discuss recent data/findings and agree with the project managers on course corrections, next steps and necessary decisions to be taken.

13.4. Financial Reporting

The UN Agencies will present the following financial statements and reports to the Administrative Agent:

- Annual financial statements and reports to December 31st, regarding released resources by the Fund to them; these shall be provided no more than four months (April 30th) after the ending of the calendar year.
- Final certified financial statements and financial reports after the completion of activities contained in the program-related approved document, including the final year of such activities, to be submitted no more than six months (June 30th) in the following year after the financial closure of the project.

Based on these reports, the Administrative Agent will prepare consolidated narrative and financial reports, which will be submitted to each of the Fund's Contributors and to the Steering Committee as per the schedule established in the SAA.

14. Accountability and Transparency

These clauses are detailed in the legal instruments that govern the Fund (MOU and SAA).

14.1. Accountability

The accountability framework spelling out the responsibility and liability of the Administrative Agent, the Recipient UN Organizations and the Donors for the use of LOTFA funds is established in the Memorandum of Understanding (MOU) and the Standard Administrative Arrangement (SAA). As per these legal agreements for pass-through modality:

- The Administrative Agent is accountable for effective and impartial fiduciary management and financial reporting.
- The Recipient UN Organizations receiving funds from the Fund assume full programmatic and financial accountability for the funds disbursed to them by the Administrative Agent. Each Recipient UN Organization will establish a separate ledger account under its financial regulations and rules for the receipt and administration of the funds disbursed to it by the Administrative Agent from the Fund Account. That separate ledger account will be administered by each Recipient UN Organization in accordance with its own regulations, rules, policies, and procedures, including those relating to interest.
- The Recipient UN Organizations will provide implementation services in accordance with its own financial regulations, rules and policies.
- UNDP will receive funds as Recipient UN Organization to perform the Trust Fund Management Unit functions.

14.1.1. Financial audit

The Administrative Agent and the Recipient UN Organizations will be audited according to their own financial rules and regulations.

14.2. Visibility

The MPTFO website, Gateway (<http://mptf.undp.org>), is a web-based service portal that provides real-time financial data issued directly from the UNDP accounting system. Once established, the Fund will have a separate page in the Gateway portal, which will allow partners and the public at large to follow-up the Fund contributions, transfers and expenses, and access key documents and reports. At the same time, a LOTFA-Gateway at country-level will be established to allow for direct access to relevant documents related to LOTFA and its projects.

The Trust Fund Management Unit and the MPTFO will ensure that the Fund's operations are posted on the Gateway portal. From its side, each implementing entity will take appropriate measures to promote the Fund. Information shared with the media regarding beneficiaries of funding, official press releases, reports and publications will acknowledge the role of the Fund.

15. Operational Manual

The operational details of the Fund are contained in the LOTFA Operational Manual by the (annexed to this TOR)³. The Operational Manual is approved by the Steering Committee.

16. Amendments, duration and termination

The details regarding the amendments, duration and termination of the Fund are detailed in the MOU and SAA.

The Steering Committee will be able to modify any of the provisions of these Terms of Reference or establish complementary agreements.

³ The contents of the Operational Manual are subjected to the TOR.

It is stated that the Fund will have an initial duration starting on the date of the endorsement of its Terms of Reference until the expiration of the current Warsaw commitments in 2024⁴. UNDP will have the authority to modify the Fund's duration based on the decisions of its Steering Committee.

Any remaining balance in the Fund's account after the closure of the Fund will be used for a purpose established by the Steering Committee and the Donors, or it will be reimbursed to the donor(s) in proportion to their contribution to the Fund, as decided by the Contributor and the Steering Committee.

END OF DOCUMENT

⁴ The duration of the Fund's operations does not include the closure period of the Fund.



LOTFA Law and Order Trust
Fund for Afghanistan

ANNEX I. LOTFA Strategy

LAW AND ORDER TRUST FUND FOR AFGHANISTAN

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1. Background and Context

Since the establishment of LOTFA as a Multi-Partner Trust Fund (MPTF) in 2018 much has changed in both the Afghan and international context in which LOTFA works. Key developments in the strategic environment include:

- a. The Government-Taliban-US peace process and ongoing uncertainty regarding the future shape and composition of the Government of Afghanistan.
- b. The rapid withdrawal of NATO Resolute Support Mission and its Ministerial Advisory Team-Interior (MAG-I), alongside US troop withdrawal and the immediate end to the major CSTC-A police advisory and support presence.
- c. A deteriorating security context linked to the peace process and requiring the ANP to sustain a 'combat' posture at the same time as trying to fulfil its public safety and law enforcement functions.
- d. The continued difficulty of executing a national strategy for policing in the face of competing operational requirements and uncertain future challenges and needs.
- e. Uncertainty and unpredictability of funding in the face of competing donor global priorities and reduced domestic revenues as a result of Covid-19 challenges.

The risks stemming from these and other contextual issues are explored in detail in the recent LOTFA Risk Assessment.

2. Purpose

This challenging and highly uncertain context means that it is appropriate to review and refresh the LOTFA strategy to ensure that it is (a) focused on the right priorities; (b) understood by and agreed between all partners to LOTFA (both funding through MPTF and directly through UNDP Afghanistan), and (c) a practical framework for LOTFA action both over the current period of high tempo change and through the remainder of the LOTFA mandate.

The purpose of this draft strategy is therefore twofold:

1. To provide clear strategic direction on what LOTFA can and should do through the current political process and international military draw-down, within current funding constraints.
2. To set out the strategic scope and focus of the Fund to guide LOTFA's longer-term contribution to Afghan national development.

These two 'purpose components' are not contradictory. However, they require (a) agility and flexibility in implementation in view of the extreme level of uncertainty in the Fund's operating environment; and (b) careful phasing, with resource application against priorities changing over time in line with context, need and resource availability.

2.1. Strategic Principles

Taking account of these requirements as well as the issues identified in the Risk Assessment, this revised strategy is based on a small set of principles:

- **Sharpening the focus** to remain realistic within funding constraints and to maximise effect from the application of finite resources.
- **Prioritisation** in line with the most pressing Afghan Government needs and the issues to which donors attach greatest importance.
- **Streamlining management** to simplify operations, increase manageability and 'measurability' and reduce the burden on Government and donor stakeholders.
- **Streamlining financial management** to simplify financial reporting and forecasting and put LOTFA on a more predictable multi-year funding footing.
- **Leveraging strategic enablers** outside the Fund through coherence and coordination with other programming actions and funding sources.
- **Establishing shared incentives** by linking funding inputs to performance and good governance outcomes to foster activity which aligns donor and Government intent.

2.2. Scope and Theory of Change

In line with the principle of a sharper focus for LOTFA, careful prioritisation and more streamlined management mechanisms, the broad scope of the Fund set out in the 2018 Fund Strategy (LOTFA TOR Section 3) will be refined to focus most heavily on the sustainment, governance and capacity of the ANP, with multilateral support to the justice sector institutions shifting to the Peacebuilding pillar of the UNDP country programme, complementing support to those institutions delivered bilaterally by LOTFA contributing donors. This means revision of the Theory of Change which underpins LOTFA delivery and measurement, while ensuring that that Theory of Change remains consistent with the strategic goals of the Government of Afghanistan as set out in the second Afghan National Peace and Development Framework (ANPDF II) and the Core Principles for development assistance set out in the Afghan Partnership Framework (APF). Most importantly, the LOTFA Theory of Change must contribute to delivery of the goals of the MOIA Ten Year Vision for 1392-1402 (2013-23). The headline statements of this vision are that the ANP will, within ten years:

- Become a unified, capable, and trustworthy civilian police service
- Operate without ethnic, gender, language or religious discrimination.
- Pave the way for sustainable peace and socio- economic development of Afghanistan.
- Win public confidence by the use of community policing approaches to deliver policing services to the people of Afghanistan.

The Ten Year Vision highlights the requirement, in fulfilling this vision, to:

- a) Engage in community policing to enforce the rule of law and maintain public order in close cooperation with the public and other civil and social agencies.
- b) Abide by Afghan laws and international human rights conventions (including gender and children`s rights), and provide services to the people without any discrimination against gender, ethnicity, race, religion or social status.
- c) Protect the freedom and human rights of all Afghans in accordance with the Constitution, national laws of the country and international conventions to which Afghanistan is a signatory.
- d) Fight all forms of corruption in a committed, effective and tangible manner.
- e) Be transparent and accountable to the public for its performance.

Like LOTFA, the strategic aspirations of MOIA and ANP are also subject to external political and security circumstances, and under the current conditions it is highly unlikely that the MOIA will substantively meet the ambitions of its Ten Year vision within the foreseen timeframe. Nevertheless, they are important long-term aspirations which unless Afghanistan significantly backslides in its development trajectory will remain relevant for many decades into the future, and it is therefore important that LOTFA support is based on a fully complementary strategic framework. The revised Theory of Change which represents that framework and sets out the causal pathways between Fund activities, outputs, outcomes and impact, is depicted in Figure 1. This Theory of Change is significantly reduced compared with the Theory of Change set out in the 2018 LOTFA TOR; but is a more practical and achievable framework for LOTFA in the short-to-medium term.

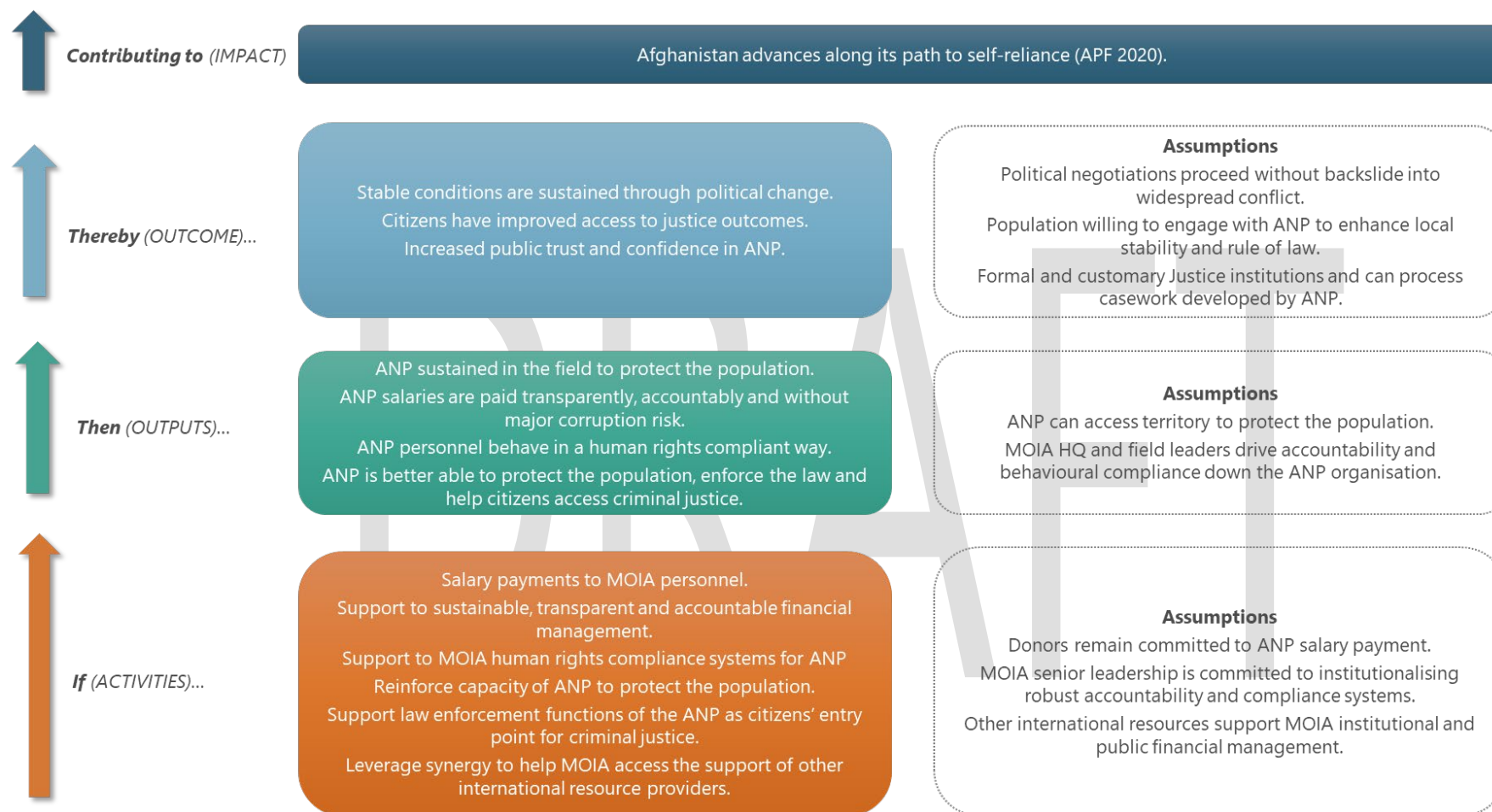


Figure 1: Theory of Change

2.3. Strategic Prioritisation

Although the development of robust capabilities through the full criminal justice continuum is important, in light of the contextual changes and constrained funding environment outlined above it is critical that LOTFA's work is based on clear order of priorities. This enables decision-making for resource application against competing objectives, and supports trade-offs by providing clarity on what the Fund both will and will not do. The priorities of LOTFA through to the end of its current mandate, in declining order of importance and attracting resource allocation in line with Fund capitalisation, are:

Priority 1	Pay the police. Failure to sustain salaries will mean the ANP will not be able to function effectively and generate the risk that unpaid police personnel will be forced into employment with non-state armed actors to make ends meet.
Priority 2	Good governance. This includes sustainable financial management, reducing payroll corruption and mitigating human rights risks in order to assure donors that the political, legal, financial and reputational risks of funding the ANP are being managed in a way which sustains donor confidence and funding.
Priority 3	Support the ANP to protect the population and contribute to public safety through building and sustaining police capability under robust and management by and accountability to the MOIA.
Priority 4	Support the law enforcement functions of the police as Afghan citizens' entry point to the criminal justice system.

Meeting these priorities involves (a) a strategic sharpening of the LOTFA focus towards policing as the 'front end' of the public safety and criminal justice systems, and (b) a focusing of its anti-corruption remit towards countering the corruption risks to police payroll execution and ANP activity in the field. This does not mean that LOTFA does not have the scope to apply resources selectively to strengthening 'downstream' elements of the criminal justice system, for example prosecutorial functions; but that its overriding priority is helping to 'do policing well', without which the criminal prosecution and court systems cannot work.

Across all of these delivery priorities a major **cross-cutting priority** is for the Fund to generate predictability of current and future financial needs and resources.

3. Fund Architecture

LOTFA's governance, oversight, management and administration functions are delivered through the collective work of the bodies (committees, groups and units) which make up the Fund architecture, as follows:

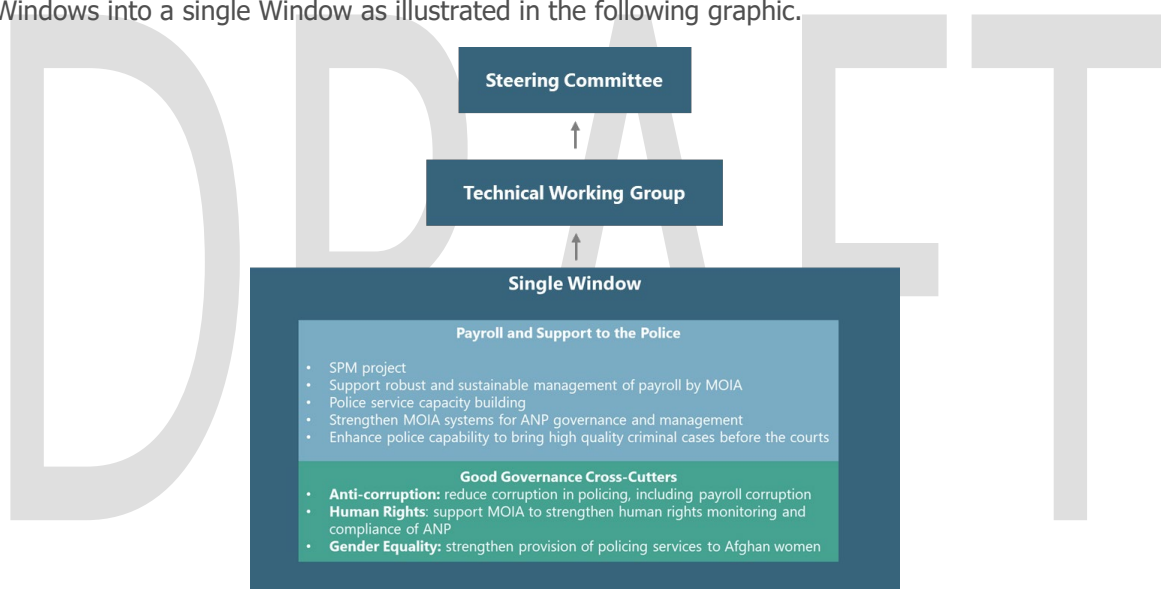
- The **Steering Committee** is mandated to provide strategic direction, guidance and governance to the Fund (not as a political discussion forum or simply a clearing house for funding decisions).
- The **Technical Working Group** (formerly 4 separate Technical Working Groups) is responsible for oversight, management, performance and risk handling of the Fund at programmatic and delivery levels. This means that the TWG is the 'heart' of LOTFA and the work of its members critical to Fund success.
- **Implementing Partners** are responsible for delivery, monitoring and evaluation and reporting of outcomes; and for ensuring that project activity aligns with principles of transparency, human rights compliance, gender equality and sensitivity and robust fiduciary management.
- The **Trust Fund Management Unit** (TFMU) is the 'nerve centre' of LOTFA, (a) providing coordination, communication and information management support to the Fund; (b) serving as secretariat to the LOTFA governance and oversight bodies; (c) providing technical advisory services; and (d) administering the LOTFA budget.

These functions are outlined in the diagram below:



4. LOTFA Programme Structure

In line with the priorities in paragraph 2.2, the LOTFA programme structure will be simplified and streamlined from four Thematic Windows into a single Window as illustrated in the following graphic.



The single Window will be managed and overseen by the Technical Working Group (TWG). This TWG integrates the current four Technical Working Groups into a single oversight and management mechanism, streamlining fund process and reducing the burden on LOTFA stakeholders, ensuring that cross-portfolio coherence and synergy can be identified and leveraged, and simplifying financial reporting and forecasting.

The purpose, constitution and operating model of the Technical Working Group (along with those of the Steering Committee and Trust Fund Management Unit) are set out in the revised LOTFA Terms of Reference which are appended to this strategy.

5. Strategic Linkages and Enablers

LOTFA is not the 'only game in town' in the field of security, justice and governance development in Afghanistan. LOTFA's comparative advantage is that it can focus resources on the development of non-military security provision, public safety and law enforcement in a way which responds directly to the needs of the Government of Afghanistan and Afghan citizens. To maximise its effect in doing so, however, the Fund needs to draw on linkages with and leverage synergy from a range of other donor and national mechanisms. Specifically:

- The management of LOTFA is entrusted to UNDP because it is uniquely positioned to draw on the capabilities and convening power of the **UN system in Afghanistan** under the “One UN” principle. In particular, through the TFMU LOTFA will access:
 - The political leadership of UNAMA, and its expertise in judicial affairs, human rights and anti-corruption.
 - The data and expertise managed by OHCHR in the field of monitoring, tracking and responding to allegations of human rights violations by ANP personnel.
 - The criminal justice and gender specialisms of UNODC and UN Women respectively to provide strategic guidance and advisory support to LOTFA-funded projects.

The primary mechanism for the MOIA to articulate its needs to the international community (including LOTFA and non-LOTFA donors) is **the International Police Coordination Board**, its Ministerial Advisory Team and sub-working groups. IPCB and LOTFA cannot be fully integrated due to their different donor memberships and funding authorities; but the LOTFA Technical Working Group will draw on needs assessment and concept development under IPCB as a key source of consideration for LOTFA funding support. As well as promoting donor coherence this reduces the ‘donor management’ burden on the MOIA through streamlining the number of stakeholders to which it needs to articulate its requirements.

- The Technical Working Group will also promote coherence with resourcing through the **Afghan National Army Trust Fund (ANATF)** and the **Afghanistan Security Forces Fund (ASFF)**.
 - The purpose of the ANATF is different from that of LOTFA in that it supports development of Afghanistan’s military forces; but because these forces work closely with the ANP in the field close liaison is required to eliminate duplication in development of field capability, command and control and management systems.
 - The ASFF funds infrastructure construction and maintenance, and close liaison is critical to ensure that the ANP’s human and physical resources are developed in a coordinated way which optimises security, public safety and law enforcement delivery capability and outcomes.
- The World Bank-managed **Afghan Reconstruction Trust Fund (ARTF)**, along with a number of major bilateral donors (e.g. the US, EU, Japan), support large-scale programming in the fields of Public Financial Management reform, governance development, human rights and anti-corruption. In many cases the most impactful role LOTFA can play is to help the MOIA access support from and participate in the wider donor contribution to rebuilding Afghan governance, public administration and public financial management systems.

6. Defining and Measuring Success

The central mechanism for aligning intent and action among LOTFA’s multiple stakeholders is a shared Fund Results Framework. This also acts as the central pillar for governance, oversight and evaluation of results, as well as supporting adaptation of strategy based on an analytical feedback loop of what has delivered desired outcomes and what has not. Based on the priorities set out above, LOTFA will measure success at a strategic level against the following headline metrics (which drive a detailed Results Framework and individual Project Results Frameworks, as set out in the revised LOTFA TOR).

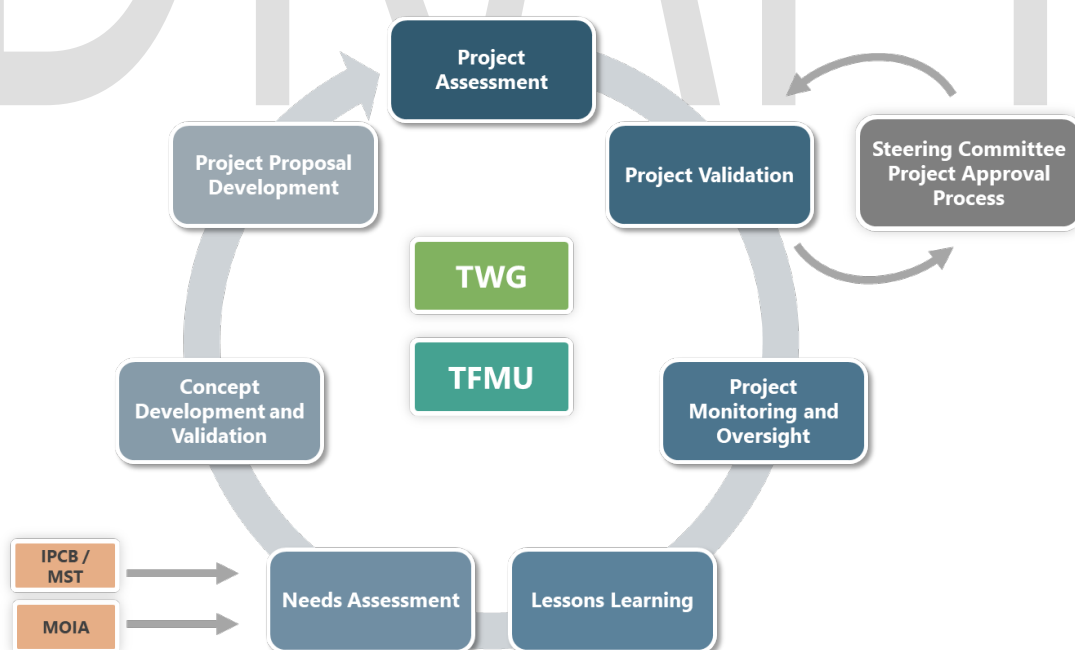
Priority	Example Indicators <i>(for development and approval)</i>
1. Pay the police	<ul style="list-style-type: none"> - % of ANP personnel paid up to date; and back pay owed - % of eligible personnel who receive full payment of incentives and allowances - Number of days’ delay in payroll execution beyond monthly pay-day - % of errors detected in payroll execution
2. Good governance	<ul style="list-style-type: none"> - Number of Police personnel that missed MA ‘head count’ on two consecutive occasions - Number of Administrative/disciplinary actions MOIA senior leadership has taken against misappropriation of LOTFA funds - Number of alleged human rights issues investigated and % satisfactorily resolved - UNAMA rating on ANP treatment of detainees - Number of findings by MA of ineligible expenditures

3. Police capability to protect the population and enhance public safety	<ul style="list-style-type: none"> - % of staffing against establishment (tashkil) by police district - Level of equipment and infrastructure against MOIA plans and resource requirements - % of ANP personnel who have fulfilled MOIA training requirements for their ranks.
4. Police contribution to access to criminal justice	<ul style="list-style-type: none"> - Case open-to-close ratio and time - % cases submitted to courts - % case rejection by courts - Case backlog numbers - Average remand times - % of court case submissions which include physical evidence
5. Fund Capitalisation	<ul style="list-style-type: none"> - % to which projected ANP payroll needs are covered by forecast funds in each LOTFA annual funding cycle. - Amount of funding available for work in addition to meeting ANP payroll needs. - Period of time in the future for which accurate fund forecasting is maintained. - Period of time in the future for which funding is fully secured to meet ANP payroll needs. - % of ANP salary and sustainment funding met from national budget.

7. Strategic Management Cycle

The purpose of the strategic management cycle of LOTFA is to make supply and demand 'meet in the middle', identifying where needs expressed by the MOIA for ministry and police support align with LOTFA donor policy agendas and funding appetites. To achieve this, it is critical that LOTFA's Government and donor partners both play a pro-active role in developing and articulating proposed Fund actions in a way which assures the Steering Committee that they justify funding, are measurable, are risk-assured and are in line with the good governance principles of transparency, accountability, human rights compliance and gender equality.

This means that the Technical Working Group is not merely a 'clearing house' for funding requests developed by the MOIA or Implementing Partners, but acts collaboratively to assess need, stress-test project concepts, development project technical and budget proposals and facilitate joint (Afghan-International) submission to the Steering Committee. This strategic management cycle is outlined in the following graphic.



As stated in the Strategic Principles (section 2.1), key part of the Fund's delivery strategy is to establish and work to incentives shared between the donor community and the Government. In practice, this means that approval of projects by the Steering Committee, and release of financial resources during the execution of those projects, may be contingent

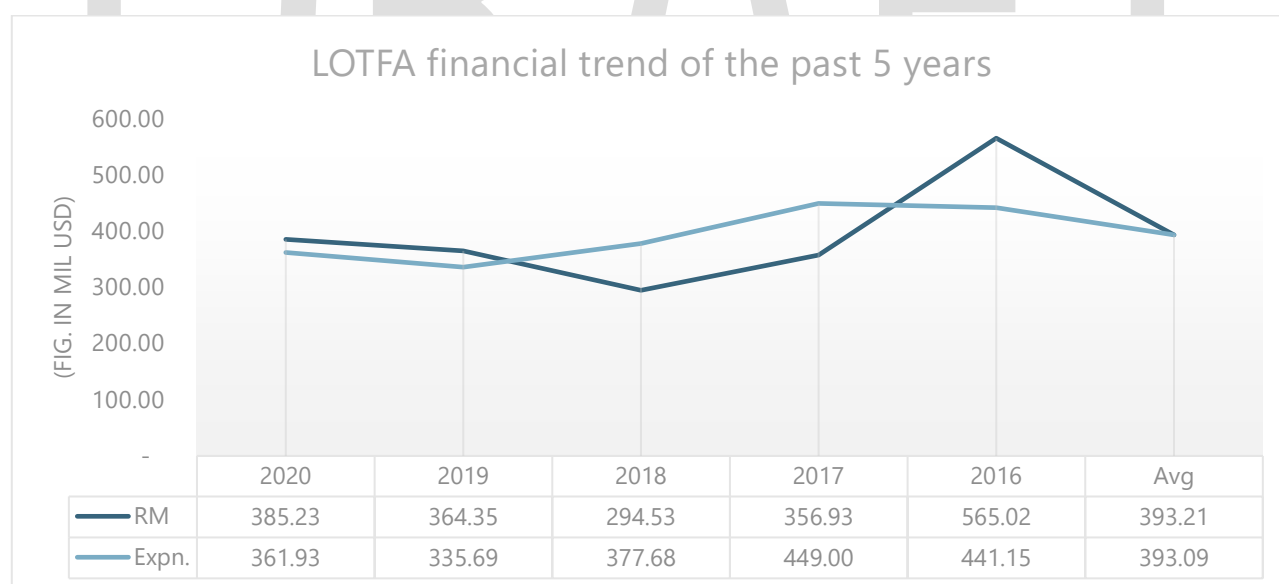
on the achievement by the MOIA and other Government stakeholders of specified performance and governance targets, for example on monitoring and addressing allegations of human rights violations, countering corruption and aligning projects with the commitments of the National Action Plan on UNSCR 1325 for Women, Peace and Security. This incentive-based financing model may apply to both ANP salary payment and MOIA capability development projects.

8. Resource Mobilisation

Successful implementation of the LOTFA strategy will require the Fund to have sufficient, predictable, and sustained contributions to implement programmes/projects that achieve the Fund's strategic objectives. The strategic objectives of the LOTFA Resource Mobilisation Strategy 2021-2024 are premised on the Fund's strategic framework.

In order to support and improve future delivery of LOTFA, there is a need to significantly shift how resources are mobilised and from whom, with priority placed on increasing and diversifying resource partnerships. In line with this need,

- UNDP has developed a pledging form for collecting expected contributions from the donors for more predictable and sustainable fund management.
- It is the expectation that the Government will gradually increase its funding to finance the ANP in order to deliver on its commitments in a consistent manner and over the long-term by sustaining its operations through national funding. In order to. An increased proportion of Afghan state funding is critical to ensure the sustainability of progress achieved under the Fund, as well as to compensate for a potential decrease in donor contributions to the Fund; and this objective is included in the headline metrics for measuring LOTFA success (section 6, point 5).



9. Strategic Management Plan

Due to the contextual uncertainty described above, LOTFA requires a 'phased' approach for the remaining period of its mandate. This is designed specifically to allow LOTFA to focus its resources and efforts on the requirement to bridge the ongoing shift in the political, international advisory and funding domains, ensuring continued and well-managed police salary payment during this transitional period, and while a process for multi-year pledging and commitment earlier in the funding year is introduced to put LOTFA funding onto a predictable and sustainable footing. This will mean that consideration of additional (non-payroll) activities can take place when partners have greater clarity on political and security circumstances, international advisory postures and future funding envelopes.

The Fund will execute this strategy in three broad Fund Phases:

Fund Phase 1 (May-November 2021)

- Execute the ANP payroll
- Build sustainable MOIA/MOF payroll management systems.
- Strengthen/build systems for human rights monitoring and compliance and fiduciary management/anti-corruption to reassure donors on their political, legal, financial and reputational risks.

Note: the above items are best achieved by reopening and revising the SPM Project Document to incorporate (a) payroll systems sustainability support and (b) payroll governance including human rights and corruption tracking.

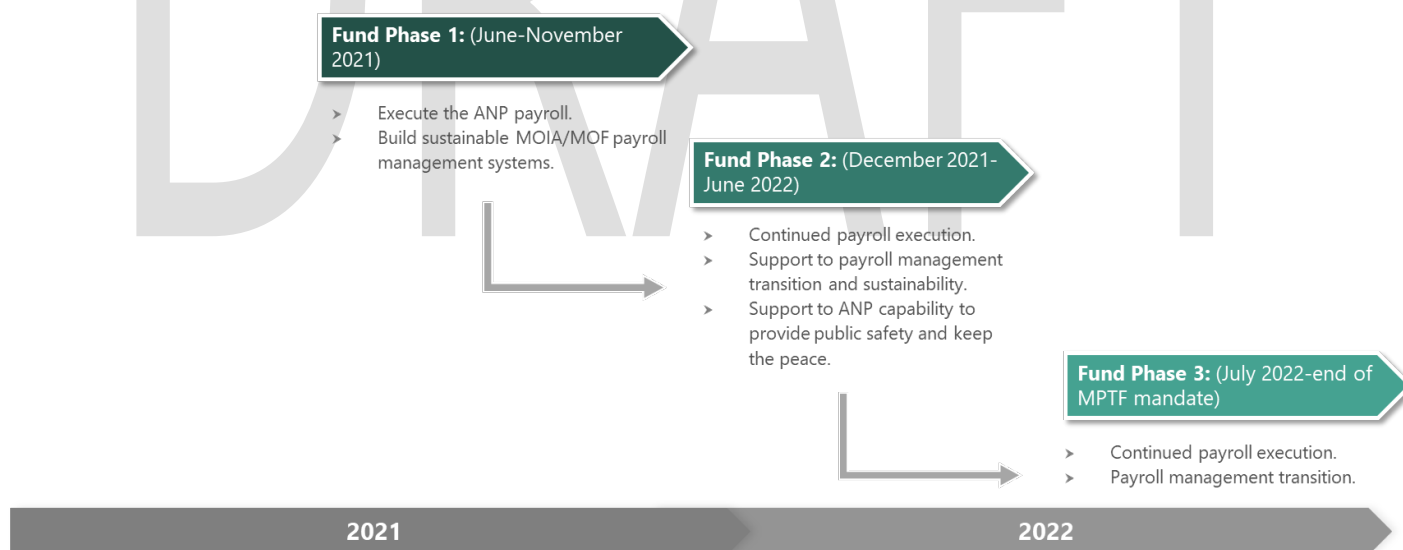
- Fund-raising (pledging and commitment round)
- Scenario planning for future action based on potential funding envelopes.

Fund Phase 2: (December 2021-June 2022)

- Continued payroll execution
- Support to payroll management transition and sustainability.
- Support to ANP capability to provide public safety and keep the peace.
- Human rights and corruption monitoring and follow-up for compliance.

Fund Phase 3: (July 2022-end of MPTF mandate)

- Continued payroll execution
- Payroll management transition.
- Support to ANP law enforcement functions for prosecution of cases before the courts
- Human rights and corruption monitoring and follow-up for compliance.



These phases will be reviewed, adjusted and refreshed in line with contextual circumstances and resource availability at the end of each of the Fund Phase.

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LOTFA

Law and Order Trust
Fund for Afghanistan

TFMU Operations Manual

LAW AND ORDER TRUST FUND FOR AFGHANISTAN

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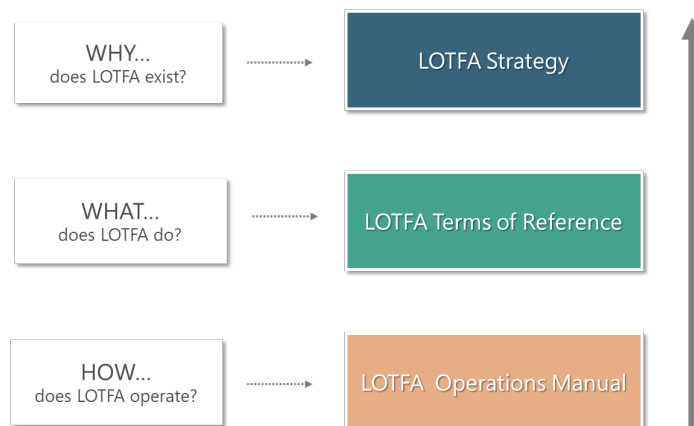
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1. Purpose

The purpose of this Operations Manual is to set out the processes, procedures and tools for governance, management and administration of the Law and Order Trust Fund for Afghanistan in line with the LOTFA Terms of Reference (TOR). As such, the Operations Manual is a more detailed version of the TOR, and designed to act as a handrail in day-to-day, week-to-week, and month-to-month management of the Fund.

This Operations Manual contains the instructions for activity to operationalise the LOTFA Terms of Reference, which is in turn based on the LOTFA Strategy. As such, the Operations Manual represents the 'lower tier' of the 'Why, What, How' documentation for the Fund, as illustrated in the graphic below. The Operations should therefore be read in conjunction with the LOTFA Strategy and TOR.

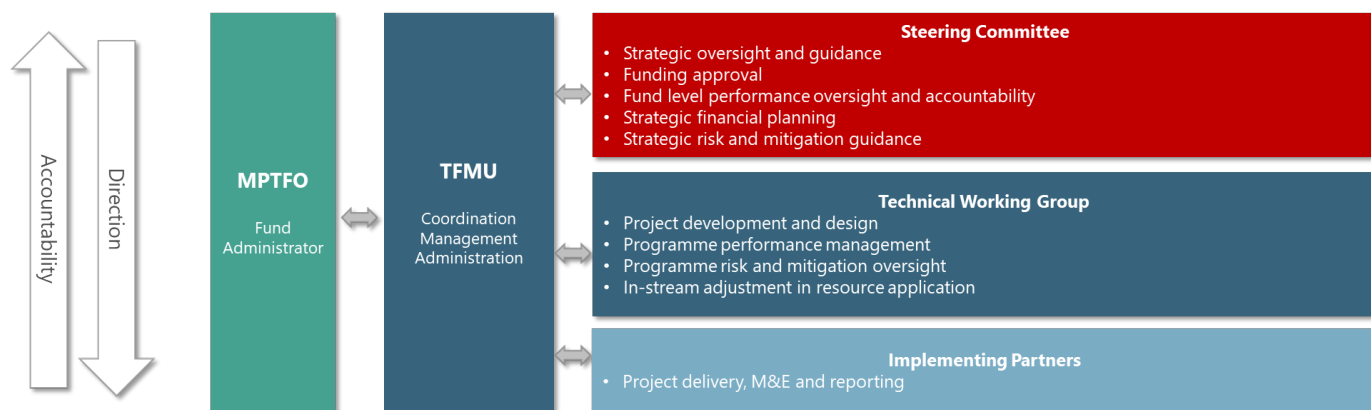


2. Fund Governance and Management Structure

LOTFA's governance, oversight, management, and administration functions are delivered through the collective work of the bodies that make up the Fund architecture, as follows:

- The **Steering Committee** is mandated to provide strategic direction, guidance, and governance to the Fund (not as a political discussion forum or simply a clearing house for funding decisions).
- The **Technical Working Group** (TWG) is responsible for oversight, management, performance, and risk handling of the Fund at programme and delivery levels.
- The **Trust Fund Management Unit** (TFMU) is the 'nerve centre' of the Fund, providing coordination, communication, and information management support to the other Fund bodies; serving as secretariat to those bodies; providing and sourcing high quality technical advisory services for LOTFA as obtainable and as authorised by Implementing Partners; and administering the Fund's budgets; and overseeing the performance of the Fund's Implementing Partners.
- The **Administrative Agent** is the trustee of the Fund and provides Fund design support and Fund administration services.
- **Implementing Partners** are responsible for the delivery, monitoring and evaluation and reporting of outcomes; and for ensuring that project activity aligns with principles of transparency, human rights compliance, gender equality and sensitivity and robust fiduciary management.

These functions are outlined in the diagram below and detailed in section 3.



3. Fund Operation

3.1. Steering Committee

3.1.1. Description

The Steering Committee is the highest decision-making authority of LOTFA. Its purpose is to set strategy and provide strategic guidance; approve project proposals; authorise funding and oversee resource usage; manage strategic risks to the Fund and delivery of its strategic outcomes; and monitor the Fund's overall performance.

3.1.2. Composition and Charing

The Steering Committee comprises the following permanent members with decision-making authority:

- Minister of Interior Affairs
- Minister of Finance
- The ambassadors/heads of mission of LOTFA donors
- The UNDP Resident Representative

Ex officio members without decision making authority are:

- The Fund Administrative Agent (MPTF Office New York).

The TFMU Manager shall attend meetings in his or her role as Secretary of the Steering Committee and without decision making authority.

Observers and contributors may be invited, at the discretion of the co-Chairs, to attend all or specified elements of Steering Committee meetings. Observers and contributors may include representatives of other Government institutions, non-LOTFA donors active in the policing, justice and governance spheres, other UN agencies, relevant non-governmental organisations, academics, and analysts.

The Steering Committee will be co-chaired by the Minister of Interior Affairs and the UNDP Resident Representative. Where either of the co-Chairs are not able to attend Steering Committee meetings, he or she will delegate full chairing responsibilities to a qualified and empowered representative.

3.1.3. Responsibilities

The roles and responsibilities of the Steering Committee are as follows:

Strategic Direction and Alignment

- To give strategic guidance and direction to the Fund, ensuring that Fund operations are relevant to the strategic political, security, social and economic context of Afghanistan and the international donor environment.

- To ensure alignment of LOTFA strategy, programmes and actions with the strategic and policy frameworks and strategic priorities of the Government of Afghanistan and of the LOTFA partner institutions.
- To set LOTFA priorities and give guidance on issues to be addressed through future project design and/or calls for proposals.
- To guide the formulation and implementation of the LOTFA Resource Mobilisation Strategy.
- To approve the Terms of Reference of the Fund, and to commission revision to the TOR. Any substantive revision of the TOR shall be commissioned and ratified solely by the Steering Committee.
- To approve the Fund's Operations Manual, and to commission and approve updates to the Operations Manual as necessary.

Strategic Performance Monitoring

- To approve the Fund Results Framework (FRF).
- To monitor and oversee LOTFA's strategic performance against the Fund Results Framework.
- To identify shortcomings and weaknesses in performance and determine actions to address them, ensuring that Fund delivery is optimised to meet the targets set out in the Fund Results Framework.
- To commission mid-term and final independent evaluations of the Fund's overall performance and impact.

Strategic Risk Management

- To approve the LOTFA Risk Management Strategy.
- In line with the LOTFA Risk Management Strategy, to review strategic and/or critical risks, advise on action and responsibilities for addressing these risks; and monitor the effectiveness of risk management actions in mitigating strategic risk.

Strategic Financial Management

- To provide strategic oversight of and accountability for the Fund's financial resources, including:
 - Assessing the distribution of LOTFA financial resources between budgets and authorising, where appropriate, the transition of financial resources between budgets to meet spending requirements across all Fund activities.
 - Assessing the extent to which donor pledges, commitments, and fund transfer timetables, both current and forecast, will meet the current financial requirement of the Fund and expenditure requirements as forecast in the period of 6 months from the date of every Steering Committee meeting.
 - Where there is a risk of funding shortfalls, making decisions on reallocation of funding and/or reduction in activity to ensure that LOTFA programme delivery remains viable within its resource constraints.
 - Overseeing and authorising Fund communications to annual and extraordinary pledging events.
 - Determining where additional or extraordinary calls for pledging and contribution are required and providing strategic guidance on additional funding calls.
- To approve the TFMU Annual Plan, organigram, and budget, including staff costs; and to act as the point of strategic accountability for the use of the Fund's operating expenditure. The Steering Committee may instruct interim review and revision of the TFMU Annual Plan where required.

- To take or instruct to be taken all required steps to ensure principles of accountability, transparency and fairness are exercised in all Fund actions and by all Fund entities, including assessing the risk of corruption or the use of LOTFA funds for other than their stated purpose.

Project Approval and Funding Authorisation

- To approve projects to be financed by the Fund, based on submissions by the Technical Working Group through the TFMU.
- As the sole strategic resource allocation mechanism for LOTFA, to make decisions on the allocation of funding to proposed projects, authorising budgetary commitments where the decision is taken to fund new activity.
- To approve amendments to ongoing projects where changes are required in their overall funding envelopes; including costed extensions of ongoing projects.
- To approve termination of projects.

Good Governance Oversight

- To monitor and oversee the human rights effects and risks of LOTFA-funded projects and determine action to enable Fund stakeholders to meet their national and international human rights obligations.
- To monitor and oversee efforts to counter corruption in the execution of LOTFA funding, including through the ANP payroll, in order to ensure transparency of fund investment and implementation.
- To monitor and oversee the gender sensitivity and social inclusion effects and risks of LOTFA-funded projects in order to support the Government of Afghanistan and donor governments in meeting the goals of their National Action Plans on Women, Peace and Security in line with their commitments under UNSC 1325.

External Strategic Communications

- To review and authorise strategic communications planning, actions and products that have the potential to influence stakeholder, partner, or public perceptions regarding the reputation of the Fund.
- To decide on Fund extensions. Based on consultations with the relevant partners, the TFMU will prepare a proposal for the Fund extension and will submit to the Steering Committee for a final decision.

3.1.4. Decision Making

Where possible the Steering Committee will make decisions by consensus. This means that all members agree to a specific decision, or where members do not actively agree they express no objection and recuse themselves from that decision.

Where consensus is not reached the Steering Committee will reach a decision on the issue in question by majority vote. In such cases, members who command a vote are the permanent members with decision-making authority. In the event that decisions cannot be reached following voting (i.e. where voting is tied) the issue will be returned to the Technical Working Group and/or TFMU for further analysis to provide information which meets the requirements of the Steering Committee.

In the event that decisions cannot be reached following voting (i.e. where voting is tied) the issue will be returned to the Technical Working Group and/or TFMU for further analysis to provide information which meets the requirements of the Steering Committee.

3.1.5. Meeting Operations

Frequency and Arrangement

The Steering Committee will meet every 6 months. The co-Chairs may decide, at their discretion, to convene extraordinary Steering Committee meetings at any time, provided a minimum of 2 weeks' notice is given to Steering Committee members and the Head of TFMU as the Steering Committee Secretary.

In the case that the Steering Committee cannot physically meet, the TFMU will coordinate the establishment and use of an online meeting platform in line with UNDP ICT and information security policies.

Preparation

The TFMU, in its role as Steering Committee secretariat, will provide a meeting pack to Steering Committee members and other invited attendees a minimum of 10 days in advance of each Steering Committee meeting. The meeting pack consists of:

- Meeting agenda (in line with the standing Steering Committee Agenda Template at Annex F. The agenda will clearly signal where decisions are required, enabling Steering Committee members to consult internally within their parent institutions prior to each meeting.
- All supplementary informational materials as required by the Steering Committee agenda.
- A summary of Fund strategic performance against the FRF.
- A summary of strategic and critical risks to LOTFA and its performance.
- A budget and expenditure forecast for a period of 6 months following each Steering Committee meeting.
- The minutes of the previous Steering Committee meeting.

Before each meeting, Steering Committee members will consult internally in their institutions and externally with partners as required to come to each Steering Committee meeting fully empowered to fulfil the roles and responsibilities set out above, including decision-making on all issues set out in the meeting agenda.

Steering Committee members shall, in advance of the meeting, declare to TFMU any conflict of interest that may exist regarding any item on the agenda.

Minuting

The TFMU, as the secretariat to the Steering Committee, will record meeting proceedings and a maximum of 10 working days after each Steering Committee meeting will communicate draft meeting minutes to the institutions represented by Steering Committee members. Those institutions will return comments on the draft meeting minutes to TFMU within 10 working days of receipt of the draft minutes. TFMU will address and incorporate comments and circulate final meeting minutes to Steering Committee members within 10 working days of receipt of comments. The total length of time from Steering Committee to circulation of final meeting minutes is therefore 30 working days:

- 10 days for production of draft minutes
- 10 days for donor and Government comments on draft minutes
- 10 days for incorporation of comments and circulation of final minutes.

In line with the Steering Committee Meeting Minutes Template at Annex G, the minutes will contain (a) a clear list of decisions taken, (b) the actions required to implement those decisions and timelines for action, and (c) the body or person responsible for leading implementation of those actions. This 'decision-action-responsibility' framework will cascade into the subsequent Steering Committee meeting agenda to enable the Steering Committee to assess progress on actions required to execute prior Steering Committee decisions.

3.2. Technical Working Group

3.2.1. Description

The Technical Working Group (TWG) is the consultative body for the LOTFA programme of action, serving as a donor-Government and inter-donor forum for (a) needs assessment and project concept development; (b) project design,

development and submission for Steering Committee approval; and (c) project oversight, monitoring, risk management and reporting to the Steering Committee. As such, the TWG is the 'centre of excellence' for LOTFA programming, programme-level performance monitoring and in-stream adaptation to maintain relevance and effectiveness, and responsible for optimising the contribution of the Portfolio Window to the desired outcomes of the LOTFA strategy.

3.2.2. Composition and Chairing

The TWG comprises the following permanent members with decision-making authority:

- Representative of MOIA Deputy Minister of Policy and Strategy
- Representative of MOIA Deputy Minister of Security
- Representative of MOIA Deputy Minister of Education and Personnel
- Representative of MOIA General Directorate of Finance and Budget
- Representatives of LOTFA contributing donors

A representative of the TFMU shall attend meetings in the role of Secretary of the TWG, without decision making authority.

Observers and contributors may be invited, at the discretion of the co-Chairs, to attend all or specified elements of Steering Committee meetings. Observers and contributors may include representatives of other Government institutions, non-LOTFA donors active in the policing, justice and governance spheres, and technical advisory experts from UN agencies or other relevant institutions.

The TWG will be co-chaired by one representative of the Government of Afghanistan and one representative of the donor community:

- The Afghan Government co-Chair will be the Deputy Minister of Strategy and Policy of the MOIA.
- The international co-Chair will be a representative of the LOTFA donors selected by donor consensus and serving for period of between 12 months, following which a replacement co-Chair will be selected.

3.2.3. Responsibilities

The roles and responsibilities of the TWG are as follows

Analysis and Needs Assessment

- To provide and/or commission analysis (which may include studies and surveys) on issues and trends relevant to the Portfolio Window.
- To conduct and/or commission assessment of the resourcing, support and development needs of Afghan security and justice institutions relevant to their delivery of services to the Afghan public and compliance with Afghan and international commitments relating to human rights, anti-corruption and gender equality.

Project Development and Submission

- To collectively develop, review and approve projects for submission to the Steering Committee through the following five stages:
 - Stage 1: Commission and review Project Concept Notes to determine whether those concepts merit further development into project proposals, based on the needs assessments and on analysis of their likelihood of contributing to achieving the targets set out in the Fund Results Framework. Concept notes may be developed by (a) the TWG, (b) Government institutions, (c) donors, (d) UN agencies, (e) other potential Implementation Partners including NGOs, CSOs and private sector entities and (e) other security and justice coordination bodies (e.g. the Ministerial Support Team of the International Police Coordination Board). Concepts will be developed using the Project Concept Template and reviewed against the criteria in the Project Concept Evaluation Template at Annex E.

- Stage 2: Where the TWG agrees that project concepts warrant development into full proposals, develop or commission development of Project Proposals in line with the format set out at Annex E.
- Stage 3: Review Project Proposals and determine whether they merit submission to the Steering Committee for approval, based on assessment of their likelihood of contributing to achieving the targets set out in the Fund Results Framework and in line with the Project Proposal Evaluation Template at Annex E.
- Stage 4: Review proposed project budgets and determine the extent to which the proposed project delivers value for money by assessing the required investment against the likelihood of the project contributing to achieving targets set out in the Fund Results Framework.
- Stage 5: To submit finalised Project Proposals and budgets to the Steering Committee for consideration, using the formats contained in Annex E.

Programme Performance Oversight

- With the support of TFMU to develop the programme-level Fund Results Framework (FRF), approved by the Steering Committee and aligned with national sectoral strategies, donor policy priorities and the Results Frameworks of other actions in the security and justice sector.
- To monitor programme and project performance against the FRF, identifying performance shortfalls and determining action to remediate them.
- To determine in-project refocusing of project funding to support optimal project performance within the funding envelopes authorised by the Steering Committee.

Risk Management

- To oversee the development and maintenance of the LOTFA Risk Management Matrix in line with the Fund Risk Management Strategy.
- To review and assess programme-level risks against the Risk Management Matrix, and determine what action is required to mitigate those risks, and who is responsible for taking, managing, and reporting on that mitigating action. This includes assessment and determination of action on human rights, fiduciary/corruption and gender and inclusion risks.
- To oversee updating of the Risk Management Matrix in line with the results of mitigation actions, and as new risk arise, as a result of changes in the external programme environment.
- Where residual risks (post-mitigation) are judged to remain at 'critical' level and/or where the TWG is not to determine mitigation action and/or where issues present a strategic political, fiduciary or reputational risk to donors and Government, to escalate those risks for consideration by the Steering Committee.

3.2.4. Decision Making

Where possible, the TWG will make decisions by consensus. This means all members agree to a specific decision, or where members do not actively agree they express no objection and recuse themselves from that decision.

Where consensus is not reached, the TWG will vote on issues on a case-by-case basis to reach decisions. In such cases, members who command a vote are:

- Representatives of Government partner institutions which will participate directly in the action subject to the vote. Representatives of Government institutions who are not directly involved in actioning the decision under consideration will recuse themselves from voting.

- Representatives of donors whose funds will be used to execute the decision in question. Representatives of donors whose funding will not be used to execute the decision on the issue will recuse themselves from voting. Where 'pooled' funding is to be used all donors will command an equal vote.

In the event that decisions cannot be reached following voting (i.e. where voting is tied) the issue will be returned to the TFMU for further data gathering and analysis to provide information which meets the requirements of the TWG.

3.2.5. Meeting Operations

Frequency and Arrangement

The TWG will meet every month. The co-Chairs may decide, at their discretion, to convene extraordinary TWG meetings at any time, provided a minimum of 5 days' notice is given to TWG members and the TFMU.

In the case that the TWG cannot physically meet the TFMU will coordinate the establishment and use of an online meeting platform in line with UNDP ICT and information security policies.

Preparation

The TFMU, in its role as TWG secretariat, will provide a meeting pack to TWG members and other invited attendees a minimum of 5 working days in advance of each TWG meeting. The meeting pack consists of:

- Meeting agenda (in line with the standing Technical Working Group Agenda Template at Annex F. The agenda will clearly signal where decisions are required, enabling TWG members to consult internally within their parent institutions prior to each meeting.
- All supplementary informational materials as required by the TWG agenda.
- A summary of portfolio performance against the Fund Results Framework.
- An updated Risk Management Matrix.
- The minutes of the previous TWG meeting.

Before each meeting, TWG members will consult internally in their institutions and externally with partners as required to come to each TWG meeting fully empowered to fulfil the roles and responsibilities set out above, including decision-making on all issues set out in the meeting agenda.

TWG members shall, in advance of the meeting, declare to TFMU any conflict of interest that may exist regarding any item on the agenda.

Minuting

The TFMU, as the secretariat to the TWG, will record meeting proceedings and within 10 working days after each TWG meeting will communicate meeting minutes to TWG members. In line with the Technical Working Group Meeting Minutes Template at Annex G, the minutes will contain:

- A clear list of decisions taken;
- The actions required to implement those decisions and timelines for action, and;
- the body or person responsible for leading implementation of those actions.

This 'decision-action-responsibility' framework will cascade into the following TWG meeting agenda to enable the Steering Committee to assess progress on actions required to execute prior TWG decisions.

3.3. Trust Fund Management Unit

3.3.1. Description

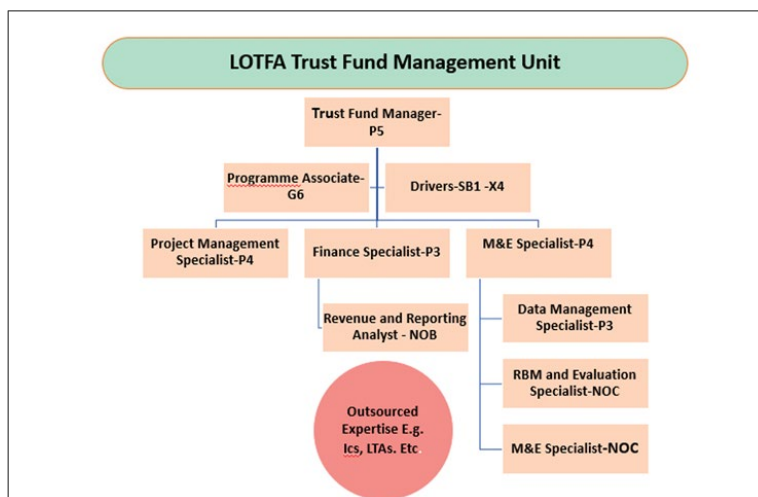
The TFMU manages the Fund on behalf of the Steering Committee. Its purpose is to manage, coordinate, administrate and support the Fund to optimise delivery of its desired outcomes. The TFMU provides operational coordination, communication, and information which the Steering Committee and TWG require to develop, authorise, fund, monitor

and oversee LOTFA’s work; and the resource management required to ensure transparent and accountable custodianship of the Fund’s financial and other assets. The TFMU serves as secretariat to the Steering Committee and TWG, and as point of liaison with the Administrative Agent. TFMU is responsible for monitoring compliance with the rules and procedures laid down in this Operations Manual.

3.3.2. Composition

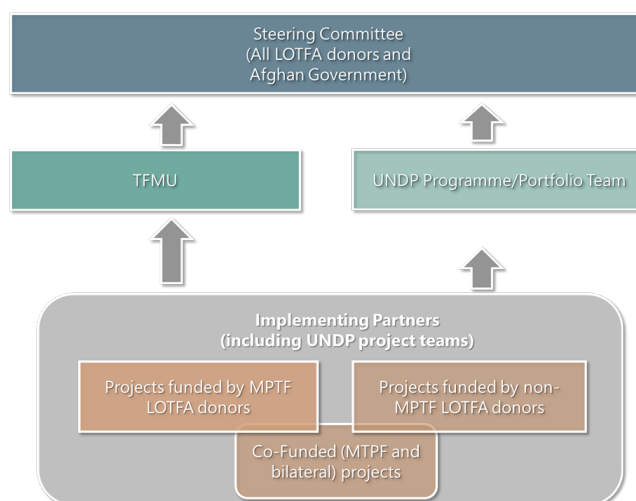
Structure

The current structure of the TFMU is depicted in the following graphic.



Leadership and Accountability

The TFMU is led by the Trust Fund Management Unit Manager, who is accountable to the Steering Committee. TFMU is hosted by the UNDP Country Office in Kabul, in its role as Implementing Partner for the TFMU Management Project. For the sake of clarity, lines of reporting and accountability for performance, staff oversight, budget and finance and reporting are illustrated in the following graphic.



As illustrated in the above diagram:

- Where UNDP is an IP for actions funded by MPTF donors, UNDP is accountable for monitoring, evaluation, reporting, risk, finance etc.) to the TFMU, which exercises oversight on behalf of the LOTFA Steering Committee. In these cases, UNDP as an Implementing Partner is not accountable to the UNDP Country Office because this would raise a conflict of interest.
- Where non-MPTF donors to LOTFA commission UNDP directly as an Implementing Partner (i.e. not through MPTF contributions) the UNDP project implementation team is accountable directly to the UNDP programme

team, which exercises oversight on behalf of the funding donor; the TFMU does not have oversight or responsibility in these cases.

- Where projects are executed using 'blended' MPTF and non-MPTF funds, IP teams (including UNDP) have dual accountability and reporting requirements to the TFMU and UNDP.

Planning, Resourcing and Costs

The TFMU will develop an Annual Plan for each year of LOTFA operation. The Annual Plan (which comprises a one-year workplan, Human Resources Plan and Procurement Plan) will include a staffing structure, organigram and budget as project document for submission to the Steering Committee, for review and approval every year or on an interim basis as determined by the Steering Committee. If the Steering Committee proposes amendment to the Annual Plan, for example assignment of additional functions to the TFMU, the TFMU shall prepare and submit a revised project document for review and approval by the Steering Committee.

3.3.3. TFMU Operations

The operational responsibility categories of the TFMU are summarised in the following graphic:

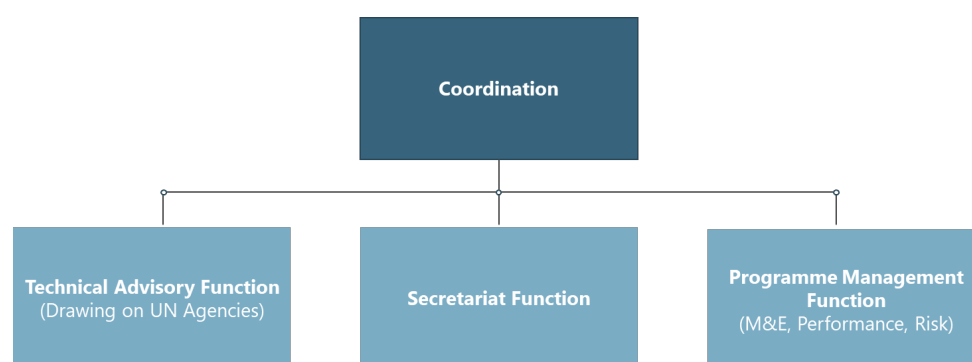


Figure 4 Diagram to show the roles and responsibilities of the TFMU

The operational functions, responsibilities and methodologies of the TFMU are as follows.

Secretariat Function

The TFMU serves as the secretariat of the Steering Committee and TWG. Secretariat functions are performed as follows:

- Provide logistic and operations support to convene meetings, including physical hosting of meetings where required and hosting of virtual meetings on UNDP online collaboration platforms in accordance with UN ICT and information security policies.
- Set meeting agendas, tailoring the templates in Annex F for each meeting in line with meeting purpose, the issues which the meeting will consider and the decisions the meeting aims to take.
- Collate meeting materials, including informational products and decision points, within the timeframes in advance of each meeting; and providing those materials to the following timelines:
 - Steering Committee meeting materials to be provided a minimum of 10 days before each meeting.
 - TWG meeting materials to be provided a minimum of 5 days before each meeting.
- Prepare meeting participants through correspondence and pre-meetings to optimise the performance of the Steering Committee and TWG in fulfilling their roles and responsibilities as set out in sections 3.1 and 3.2 respectively.
- Record the proceedings and outcomes of each meeting in concise, action-oriented minutes.
- Disseminate meeting minutes to Steering Committee and TWG members. In line with the Meeting Minutes Templates at Annex G, minutes include the following:

- Detail of decisions taken;
 - Actions agreed and timelines for action to implement decisions taken at each meeting.'
 - The body or person responsible for leading implementation of each action agreed.
- Track the delivery of actions agreed at each meeting and compile them into a progress report which forms part the preparatory materials for the subsequent meeting.

Donor and Government Partner Coordination

The TFMU is the central mechanism for coordination with and between donor and Government partners to the Fund. Coordination functions are as follows:

- Maintain a shared online calendar of LOTFA events, including pledging and contribution events; meetings of LOTFA bodies; meetings between LOTFA partners and external parties; relevant events external to LOTFA; internal LOTFA events; external informational briefings and issuance of external strategic communications.
- Conduct direct in-person and telephone consultation with donor and Government partners outside the standing schedule of formal LOTFA meetings to convey issues, promote alignment of understanding and ensure that all partners are appropriately informed, on a continual and ongoing basis, on Fund issues, risks, resourcing and other matters relevant to each partner.
- Maintain informational email correspondence outside the formal reporting schedule to provide relevant information and discuss issues as required by the operational work of the Fund. TFMU will enforce an internal policy to respond to any email correspondence from donor and Government partners within 48 hours of receipt. Where further work is required to provide a substantive response, TFMU will send an acknowledgment of receipt signaling the timeframe within which the donor or Government partner will receive a substantive response.

Information Management

The TFMU maintains the Information Management systems of the Fund. This means:

- Hosting of Fund data on UNDP servers, ensuring strong information security protocols are in place and maintained, including data encryption, compartmentalisation, and assignment of access rights as required.
- Maintaining a dedicated LOTFA SharePoint site with login access enabling partners to interrogate information through the IT systems of their parent institutions.

Coordination of Reporting

The TFMU is the 'node' for all LOTFA reporting detailed in section 9. The TFMU will:

- Ensure that report frequency, timelines, structure and content aligns with the stipulations of each LOTFA report set out in section 9.
- Communicate potential failure to meet specified report submission timelines to the appropriate report recipients, with an explanation of the issues and/or reasons for delay and a clear plan for report production and dissemination, including due dates.

Financial Management

The TFMU is responsible for managing the financial resources of the Fund as follows:

- *Requesting transfer of funds to the Administrative Agent based on decisions made by the Steering Committee.*
- *Preparation of TFMU budget and review & maintenance of Fund budgets in line with the programme and budget structure agreed by the Steering Committee.*

- *Budget forecasting for a period of at least 6 months ahead, enabling overall fund capitalisation and programme or project financing risks to be communicated to the LOTFA governance and oversight bodies in line with the requirements of their respective roles and responsibilities.*

Implementing Partner Monitoring and Oversight

The TFMU oversees the work of the Implementing Partners in delivering projects funded by LOTFA in order to optimise the performance of IPs in delivering relevant, coherent, effective, efficient, impactful and sustainable projects and project outcomes. The TFMU's Implementing Partner monitoring and oversight functions are as follows:

- Monitor IP performance against project plans, results frameworks and workplans to ensure that project delivery of activity, outputs, and contribution to Fund outcomes is on track.
- Where delivery risks, issues and shortcomings occur, ensuring that the relevant IP addresses these through clear mitigation plans and, where required, adjustments to the application of project resources. Residual (post-mitigation) project risks which remain Critical or High as defined in the LOTFA Risk Management Strategy will be escalated to the Technical Working Group in the form of the Risk Management Matrix.
- Ensure that IPs exercise robust financial and fiduciary management to provide transparency and accountability in the use of LOTFA funding and provide the Technical Working Group with assurance that all funds are used for their intended purposes, that risk of fraud is minimal and acceptable, and that projects provide optimum value for money for the application of LOTFA funds.

Where UNDP is selected by the Steering Committee as an IP, TFMU will maintain the requisite separation of roles, responsibilities, communications, and accountability from the UNDP Implementing Partner team, as with the delivery team of any IP, to exercise its role in monitoring and oversight of UNDP project implementation performance, quality, financial management and value for money.

Coordination of Risk Management

The TFMU is the risk management hub for LOTFA. TFMU risk management coordination functions are:

- Produce the LOTFA Risk Management Strategy for approval by the Steering Committee.
- Establishment of the processes required for implementation of the Risk Management Strategy as set out in section 5. These processes enable:
 - Production of a Strategic Risk Report for each Steering Committee meeting.
 - Production of a Risk Management Matrix for each TWG meeting.
 - Oversight and monitoring of IP project risk management.
 - Escalation of risks as set out in section 4.

Monitoring and Evaluation Coordination

The TFMU is the M&E hub for LOTFA. Fund M&E operations are set out in section 8.1. The actions of the TFMU, led by the TFMU M&E Manager, in supporting M&E operations are:

- Managing and coordinating LOTFA partners to produce and maintain the Fund Results Framework which captures the outcome- and impact-level goals of the Fund, the indicators for measuring effect, progress milestones and data sources.
- Gathering, collating and analysing data to produce Fund performance reports against the FRF for the Steering Committee and TWG.
- Monitoring IP performance against project plans, results frameworks and workplans to ensure that project delivery of activity, outputs, and contribution to Fund outcomes is on track.

- Overseeing the M&E processes, systems and activities of LOTFA Implementing Partners to ensure that each LOTFA-funded project is underpinned by a robust results framework, and that IPs gather and analyse data to produce high quality M&E reporting in line with individual project reporting schedules.
- Supporting IPs to improve project M&E, including advice on development and iteration of project results frameworks, data gathering and analysis and reporting.

External Communications

The TFMU will produce a LOTFA Communications Plan specifying the target audiences for external communications and the type, frequency, format, media/channels and aims of those communications. Where instructed by the TWG the TFMU will design and develop individual communications products, which may include press statements, public announcements, social media posts, print media such as brochures, video and audio products and other forms of external communications as required for the delivery of the Communications Plan.

Operations Compliance

The TFMU will ensure compliance with the rules and procedures of the Fund as set out in the TOR, Operations Manual and supporting technical process documents and operating procedures.

4. Fund Administration

The Fund Administration function is performed by the Administrative Agent. The MPTF Office has been appointed as the Administrative Agent of the Fund and will use the pass-through modality. The Administrative Agent services are:

- Establishment of the Fund: support for the design of the Fund (TOR and Operations Manual), and development of legal instruments.
- Administration of the Fund: receipt, administration, and disbursement of funds to implementing entities in accordance with the decisions of the Steering Committee, and consolidation of financial reports.

4.1. Responsibilities

The Administrative Agent has the following responsibilities:

- Provide support in the design of the Fund. The MPTFO will provide substantive support in the design phase of the fund, including the development of the Fund's TOR and its OM. To this end, the Office will work jointly with the TFMU, providing standard formats and examples of other funds as well as sharing good practices.
- Sign a Memorandum of Understanding (MOU) with the UN implementing entities. This agreement, which uses a standard language, establishes the legal framework of the relationship between the implementing entities and the Administrative Agent. The Administrative Agent will facilitate the process of signing the MOU with the agencies, liaising with UN Headquarters if necessary.
- Conclude a Standard Administrative Agreement (SAA) with each donor who wishes to provide financial support the Fund. Each SAA shall specify the total amount of funding, the deadlines for payment of instalments, and all conditions for the disbursement of funds.
- Receive financial allocations from donors and deposit them into the Fund's account: Once contributions are deposited into the account and recorded in the Administrative Agent's accounting system, the Administrative Agent's website (Gateway) reflects these contributions automatically.
- Administer the resources received in accordance with UNDP rules, procedures and policies. Administration includes investing and reinvesting the Fund's resources in accordance with its investment policies, practices and procedures. Any gain will be added to the resources of the Fund and will not be credited to the contributions of a particular donor. The Fund's website will display financial information in real time including fees and expenses, interest rates applied, Administrative Agent fees and direct costs.

- Provide updated information to the Steering Committee on the availability of resources on a regular basis. Based on the information gathered in the financial system, the Administrative Agent will periodically report on the financial status of the Fund and the balance available for programming to the Steering Committee through the TFMU.
- Subject to the availability of resources, make transfers to implementing entities in accordance with the decisions of the Steering Committee. Based on the decisions of the Steering Committee, UNDP will request that the Administrative Agent disburse the corresponding resources through the TFMU. The request for transfer, addressed to the Executive Coordinator of the MPTFO, will be made through electronic means and will be sent to the responsible officer for the Fund in the MPTFO. This application shall include the standard format for requesting funds, signed by the Co-chair of the Steering Committee, and the necessary accompanying documents (section 7).
- Disburse each payment to the implementing entities within three to five business days after receipt of the request for transfer of funds with all necessary approved documents. The Administrative Agent will review all documents submitted and ensure that they have been duly signed and will verify the consistency and conformity in the budgets. In order to disburse funds to the implementing entities, the Administrative Agent must have signed an agreement (MOU) with the entity in question.
- Ensure that funds are available and disburse them based on the budget provided in the approved program document. When making the transfer, the Administrative Agent will notify the receiving entity with a copy to the TFMU electronically, including the following information: (a) the amount transferred; (b) the reference date of the transfer; and (c) a note stating that the transfer has been made from MPTFO, and on behalf of the Fund.
- Disburse funds to the TFMU, as approved by the Steering Committee, to cover additional costs associated with operational activities and operations of the Fund. The decisions of the Steering Committee will be communicated to the Administrative Agent by the TFMU and will be accompanied by a project document detailing the costs and including at least one workplan, budget and schedule. The Administrative Agent shall notify the Steering Committee annually of the amounts used for such purposes.
- Consolidate the annual and final financial reports of the projects. The annual and final projects financial reports are submitted to the Administrative Agent by the implementing entities, as described in the legal agreements. The Administrative Agent shall consolidate the reports and submit the consolidated report to the Steering Committee and to the donors (see section 12.1).
- Provide the annual and final certified financial reports of the activities of the Administrative Agent ("source and use of the Funds") of the Fund.
- Provide tools to ensure the transparency of the Fund. This includes the maintenance of the Fund's website, including all real-time periodic financial and narrative information and all decisions made by the governance structure of the Fund.
- Carry out the operational and financial closure of the Fund (see section 12.2).

4.2. Costs

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

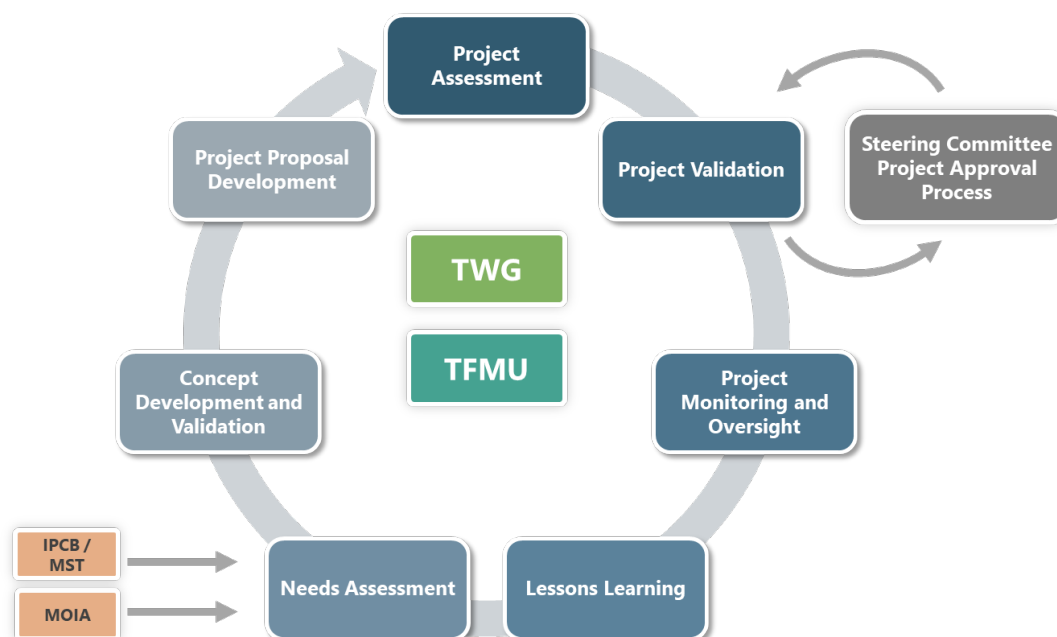
5. Fund Implementation

Activity funded by LOTFA is delivered by two categories of Implementing Entities, enabling the different implementing entities to operate under a common strategic governance structure but in accordance with their distinct policies and procedures.

- Implementing Entities with direct access to the Fund via the Administrative Agent.
 - The Implementing Entities with direct access are Recipient UN Organisations (RUNOs).
 - RUNOs will conclude a MOU with the Administrative Agent, will assume full programmatic and financial responsibility for the funds transferred directly to them by the MPTFO and will implement approved activities in accordance with their own rules and procedures, including those related to audits and contracts.
 - When funds are transferred to the RUNO it must create a separate ledger account, in accordance with its procedures and financial regulations, for the receipt and administration of funds released from the Fund account by the Administrative Agent. This ledger account shall be administered by the organisation in accordance with its own rules and procedures.
 - The RUNOs will charge a maximum of 7% indirect costs.
 - Each RUNO will report on implementation and financial performance to the SC through the TFMU and to the Administrative Agent, as indicated in the MOU.
- Implementing Entities with access through a Grant Managing Agent (GMA).
 - The Implementing Entities with access through a GMA are Implementing Partners whose projects are financed through a GMA.
 - These bodies will conclude an agreement with the GMA. The GMA role is performed by RUNOs.
 - The RUNO responsible for performing the GMA function shall, in collaboration with the TFMU, develop a manual of procedures and financial management in accordance with its own rules of procedure and internal regulations. The manual of procedures and financial management shall be submitted and validated by the Steering Committee.

6. Fund Management Cycle

LOTFA operates according to a defined management cycle of needs assessment, project development and review, project approval and funding, delivery monitoring and oversight and lessons learning for future project cycles. The overall Fund Management Cycle is illustrated in the following graphic.



6.1. Regular Cycle

The operation of the steps in the regular Fund Management Cycle are as follows:

6.1.1. Needs Assessment

The TWG, in line with its operational responsibilities set out in section 3.2.3, and with the support of TFMU, will commission work to gather information and assess the needs of Afghan beneficiary institutions, both in terms of strengthening their operating and management functions and of enhancing their compliance with Afghan human rights, anti-corruption and gender equality commitments and goals. In assessing MOIA and ANP needs, gaps and opportunities the TWG may draw on the work of the Ministerial Support Team of the IPCB, through which the MOIA directs many of its development and resourcing requests. The TWG will commission TFMU to produce needs assessment reports relating to specific functions of the beneficiary organisations where the potential requirement for LOTFA funding is identified or requested.

6.1.2. Concept Development and Validation.

Potential Implementing Partners will develop Concept Notes in the format of the Concept Note Template at Annex E. The Concept Note developing party will present concepts to the TFMU, which will conduct preliminary and administrative review and determine whether the Concept Note will be submitted to TWG for validation. The TFMU will also assess whether the applying entity is eligible to receive funds from the Fund, and whether any potential conflict of interest exists.

The TWG will assess submitted Concept Notes against the Project Concept Validation Framework at Annex E, which includes assessment of the potential of concept to contribute to LOTFA FRF outcomes; potential measurability using robust quantitative and/or qualitative data; relevance to Afghan needs; coherence with national development frameworks and beneficiary institutional strategies; potential value for money; and the headline capability and experience of the potential Implementing Partner (and any consortium partners or subcontractors) to deliver the project to a high quality standard. If the project concept is validated by the TWG the development party will be asked to develop the concept into a full Project Proposal.

6.1.3. Project Proposal Development

Implementing entities will design Project Proposals using the Project Proposal Template at Annex E. TFMU will maintain close collaboration with the potential implementing entity during the process of proposal development, enabling an iterative process of development to ensure that, to the maximum extent possible, the design of projects is consistent with the Fund Strategy; that its contribution to the indicators set out in the FRF is clear; and that all relevant stakeholders

are consulted during the development stage. In line with the template at Annex E, all Project Proposals will include the following elements:

- Executive Summary
- Contextual/situational and problem analysis
- Theory of Change and Intervention Logic
- Approach and methodology
- Project management and coordination mechanisms
- Coherence and consistency with national and international priorities
- Synergy with other related interventions
- Workplan
- Results framework
- Monitoring and evaluation plan
- Reporting plan
- Legal basis
- Risk register and risk management plan
- Budget and payment schedule

6.1.4. Project Assessment

The Project Assessment consists of two stages of review:

1. **TFMU Administrative Review**

Within 5 working days of receipt of the Project Proposal the TFMU will conduct an Administrative Review which ensures the administrative completeness of the submission, including the following:

- Consistency with the previously validated Concept Note.
- Correct use of the project format and templates.
- Inclusion of mandatory information in the Project Proposal Template.
- Compliance with the UNDG budget template, including details on the budget breakdown.
- External audit and evaluation procedures.
- Supporting Documents to ensure that all the required information is included in the package through the relevant supporting documents.

Following this review, and provided the above criteria are met the TFMU will submit the Project Proposal and Administrative Review Form (in format at Annex E) to the TWG.

2. **TWG Technical Assessment**

The TWG will carry out a Technical Assessment against the criteria set out in the Project Technical Assessment Template at Annex E, which is based on the LOTFA eligibility criteria and which covers the following elements:

- Technical quality of the proposal.
- Contribution to the FRF objectives
- Measurability in line with FRF indicators and including data availability and data quality
- Alignment with national frameworks and strategic priorities
- Coherence and synergy with existing and planned activities, both LOTFA-funded and through other mechanisms.

- Stakeholder consultation and ownership.

If the TWG does not recommend the submission of the project document to the Steering Committee, the TWG may instruct the TFMU to return the project document to the proposing implementing entity with guidance on the reasons for non-submission and advice on changes and adjustments the implementing entity may make to address the concerns or reservations of the TWG. The implementing entity may revise the Project Proposal in line with this advice and resubmit it to the TFMU for re-consideration by the TWG.

Following final assessment, the TWG, with the support of the TFMU, will prepare a Project Evaluation Form in line with the template at Annex E. summarising the findings of the Technical with either (a) recommendation for submission to the Steering Committee for approval, or (b) a determination of non-approval for submission to the Steering Committee for approval.

If the Project Proposal is recommended by the TWG for submission to the Steering Committee it will be submitted to the next scheduled Steering Committee meeting, or to an extraordinary meeting if and as determined by the co-Chairs of the Steering Committee.

6.1.5. Project Approval

The TFMU shall communicate the Project Proposal to the Steering Committee as part of the meeting materials, and 10 working days prior to the date of the meeting, in line with the preparation requirements and schedule set out in section 3.1.5. The submission to the Steering Committee will include:

- Complete documentation of the Project Proposal.
- TFMU Administrative Review Form.
- TWG Project Evaluation Form.

Drawing on the combined assessment documents the Steering Committee will consider Fund allocation. The decision of the Steering Committee will be taken in line with the decision-making mechanisms described in section 3.1.4, and consists of four options:

- Approval with no recommendations for adjustment.
- Approval with recommendations for adjustment.
- Non-approval with recommendations for amendment and possible reconsideration
- Non-approval

For approved projects with Steering Committee recommendations for adjustment, the TFMU will pass the recommendations to the implementing entity before requesting the transfer of funds to MPTFO. A second proposal is not required.

Steering Committee project approval decisions are recorded in the meeting minutes and consolidated by the TFMU in a fund allocation matrix. Immediately after the end of the Steering Committee meeting, the TFMU will communicate to the Administrative Agent the details of project funding approved so that the funds can be transferred in accordance with the procedures detailed in section 7.

6.1.6. Project Monitoring and Oversight

The TWG will monitor and oversee delivery of the project in line with the procedures set out in section 9.3; and will mandate adjustments, including to resource application within overall project funding envelope authorised by the Steering Committee, as required to optimise project effectiveness, efficiency, relevance, coherence, and value for money.

6.1.7. Lessons Learning and Best Practice

In order to cycle learning from project delivery into needs assessment and future project concept and proposal development, TFMU will oversee Lessons Learning at programmatic level. This means:

- Commissioning TFMU M&E Unit to produce consolidated Lessons Learned and Best Practice reports which integrate learning and best practice across projects in the LOTFA portfolio.
- Commissioning TFMU M&E Unit to facilitate programme-level Lessons Learned and Best Practice meetings.

6.2. Rapid Cycle

In exceptional cases of emergency need the TWG may approve the operation of Rapid Cycle project consideration, assessment, and approval. In such cases:

- The implementing entity submits a Project Proposal to the TFMU.
- The TFMU convenes the TWG to review the proposal within no more than 3 working days from submission; following which the TWG will complete a Technical Assessment Form.
- If the TWG approves the projects, it will communicate the Project Proposal documents and Technical Assessment Form to the Steering Committee co-chairs, who may convene an extraordinary meeting for the purpose of reaching a rapid decision on funding authorisation.

7. Transfer and Receipt of Funds

Following the approval by the Steering Committee and the signature of the programme documents by the duly authorised parties, UNDP instructs the Administrative Agent, through the TFMU, to transfer the funds allocated to the Recipient Organisation(s). The TFMU shall prepare a Funds Transfer Request (FTR) form for each project and budget allocation approved by the Steering Committee, which will be signed by the co-Chairs. The Administrative Agent ensures that the submitted documents are consistent with the applicable provisions of the SAA. The MPTFO will carry out transfers approved by the Steering Committee to implementing entities no later than 5 working days after the receipt of the FTR and supporting documents. Upon completion of the transfer, the representative of the RUNO and the TFMU will be notified through electronic mail.

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

8. Monitoring and Evaluation

Monitoring and Evaluation of LOTFA is not purely about accountability and reporting of results, but about continual monitoring of programme and project performance to inform adaptation in a dynamic and highly unpredictable implementation environment. This 'formative' approach to M&E is operationalised at three levels as set out below.

8.1. Fund Level Monitoring and Evaluation

8.1.1. Operationalising the Fund Results Framework

The TFMU coordinates donors and Government partners to develop and maintain a Fund Results Framework (FRF), approved and periodically reviewed by the Steering Committee. The FRF is the framework in which the Fund's impact and outcome objectives are set out, along with indicators for measuring progress in achieving those objectives and the sources of data which will feed those indicators.

The FRF is the 'scaffolding' used by the Steering Committee to discharge its responsibility for strategic performance management of the Fund. In line with the procedures set out in section 3.1.5, the TFMU will provide to the Steering Committee in advance of each Steering Committee meeting a summary of Fund strategic performance against the FRF. The Steering Committee will assess LOTFA's strategic performance against the FRF, identify shortcomings and weaknesses in performance, and determine actions to address them to ensure that Fund delivery is optimised to meet the targets set out in the Fund Results Framework.

Responsibility for data gathering, analysis and maintenance of the FRF rests with the TFMU. This means that the TFMU conducts documentary review and secondary and primary research to supply the data required to measure changes in the Fund's strategic results indicators. In order to do so the TFMU's M&E Unit will conduct commission studies, surveys, qualitative interviews, focus group discussions and other data capture work as required to generate the data required to feed the FRF indicators.

8.1.2. Fund Results Framework Review and Adjustment

In addition to using the FRF for performance monitoring, the Steering Committee will review the FRF for relevance and mandate adjustments to the FRF to ensure that it is the right framework for measuring the right things, at the right time and in the right way.

8.2. Programme Level Monitoring and Evaluation

The TWG, with the support of the TFMU, will develop the FRF for the approval of the Steering Committee. The TWG will use the FRF to oversee performance of the LOTFA programme, and as the benchmark against which to assess potential or proposed projects for funding, with (in line with the Technical Assessment Template in Annex E) consideration of how those projects may contribute to the achievement of the FRF outcomes. The TWG will adjust and update the FRF as required to ensure continued relevance and measurability.

8.3. Project Level Monitoring and Evaluation

Project-level M&E is the responsibility of Implementing Partners. The TFMU will:

- Support the TWG to ensure that every proposed project has in place a robust Results Framework in advance of submission to the Steering Committee for approval.
- Ensure that IPs manage the M&E of their projects in a professional, transparent, and competent way, escalating significant M&E issues and challenges to the TWG as risks.

8.4. TFMU Monitoring and Evaluation Functions

8.4.1. Organisational Structure

The TFMU's M&E functions are performed by the TFMU M&E Unit. This unit currently consists of two M&E Specialists, one Results Based Management Specialist and one Data Management Specialist. The TFMU Manager will regularly review this structure and level of resourcing to ensure it is able to discharge the functions set out below.

8.4.2. TFMU M&E Functions

Research

The TFMU M&E Unit will conduct research and analysis as requested by the Steering Committee and TWG to help Fund stakeholders understand the environment in which LOTFA seeks to deliver effect, including current and emerging issues in security, socio-political stability, social cohesion, state-society relations, human rights and other matters relevant to LOTFA's purpose and activities. The purpose of this work is to inform new thinking on LOTFA-funded programme and project delivery and to help mitigate strategic and political risks to the Fund and its performance.

The TFMU M&E Unit will conduct baseline, periodic and end line data gathering and analysis as required to enable the Steering Committee to assess Fund performance against the objectives set out in the Fund Results Framework. The TFMU M&E Unit is not responsible for conducting baseline, periodic or end line data gathering and analysis for project interventions, which is the responsibility of the project Implementing Partner.

Lessons Learning and Best Practice

The TFMU M&E Unit will:

- Require IPs to produce periodic Lessons Learned and Best Practice reports which detail lessons from experience gained, both positive and negative, in project delivery and the potential implications of that experience for future LOTFA programme design and delivery.

- At the request of the TWG produce consolidated programme-level Lessons Learned and Best Practice reports which integrate lessons and best practice from experience across the LOTFA portfolio and their potential implications for future LOTFA programme design and delivery.

Performance Verification and Reporting

Independently verify project results, risks and key lessons learned; and prepare and submit a 6-monthly Strategic Performance Report to the Steering Committee to enable the Steering Committee to execute its responsibility to monitor strategic Fund performance against the Fund Results Framework.

Oversight of and Support to Project Monitoring and Evaluation

The TFMU M&E Unit will oversee the delivery of M&E by IP project teams, ensuring that all IP monitoring, analysis and reporting are carried out to the required standards and timeframes. This is partly a compliance function, in which the TFMU M&E Unit exercises quality assurance oversight of IP M&E teams; and partly a supporting function, in which the TFMU M&E Unit will:

- Assists IPs in the design of project Results Frameworks, selection of data sources etc.
- Provide oversight to ensure project M&E is implemented in line with project M&E plans.
- Work with IPs to ensure data quality.
- Assist IP project teams with data visualisation and integration into LOTFA digital dashboards.
- Helps project teams test the assumptions underlying project design to refine delivery methodology and desired outputs and outcomes as knowledge deepens through project lifecycles.
- Provide technical support to IP M&E, including the use of M&E tools.

Where UNDP is selected by the Steering Committee as an Implementing Partner, project M&E will be (as for all IPs) under the authority and oversight of the TFMU M&E Unit in order to ensure accountability to the Steering Committee and avoid any potential conflict of interest. In practical terms this means that the TFMU M&E Unit will work closely with the UNDP Development Effectiveness Unit to institutionalise a collaborative approach to project M&E, including joint project site visits and harmonisation of reporting where required. Where differences of perspective on project performance arise between TFMU M&E Unit and UNDP as an IP, the TFMU has ultimate authority to direct IP M&E on behalf of the Steering Committee, as well as for results reporting to the Steering Committee and TWG.

8.5. Mid-Term and Final External Evaluations

The Steering Committee will commission mid-term and final External Evaluations of LOTFA, at the mid-point in the Fund's mandate period and prior to Fund closure. These are to include both summative evaluation for accountability purposes and formative evaluation to produce recommendations for improvement in Fund, Portfolio and project-level management and delivery.

The Terms of Reference for the External Evaluations will be designed by the TFMU, which will present a project document including workplan and a budget for approval by the approved by the Steering Committee. The costs of these evaluations will be charged to the Fund as direct costs.

9. Reporting

The responsibilities related to reporting are detailed in the Memorandum of Understanding (MOU) and Standard Administrative Agreements (SAA). All the implementing entities will carry out annual and final reports on activities and expenditures according to a common format designed for the Fund.

9.1. Annual and Final Reports

The implementing entities will present the following reports to the Trust Fund Management Unit for consolidation and further transmission to the Steering Committee:

- Annual narrative reports to be provided no more than three months (March 31st) after the end of the calendar year.
- Final narrative reports after the end of activities contained in the program-related approved document, including the final year of such activities, to be submitted no more than four months (April 30th) in the following year after the financial closure of the Fund.

Annual and final reports will exhibit results based on evidence. Annual and final narrative reports will comprise actual results in terms of outputs and outcomes and will provide conclusions and recommendations for the future. Moreover, the final report will assess how LOTFA has contributed to the impact on law and order in Afghanistan.

9.2. Strategic Reporting

The TFMU will provide a six-monthly Strategic Delivery Report to the Steering Committee. The Strategic Delivery Report will summarise the key monitoring data from programme M&E and will include:

- Narrative summary of progress against Fund Results Framework.
- Visualisations (graphs, charts, maps) of key Fund delivery data.

9.3. Project Progress Reporting

Project Implementing Partners will report to TFMU in line with the reporting requirements set out in individual Project Documents. Project reports will include data setting out progress against project results frameworks, for collation and summary in the month Portfolio Delivery Reports, and further summary as the dataset underpinning the six-monthly Fund Delivery Reports.

At the request of the Technical Working Group the TFMU team will organise ad hoc meetings between TWG members and Implementing Partner project managers and delivery teams to discuss recent data/findings and agree with the project managers on course corrections, next steps and necessary decisions to be taken.

9.4. Financial Reporting

The UN Agencies will present the following financial statements and reports to the Administrative Agent:

- Annual financial statements and reports to December 31st, regarding released resources by the Fund to them; these shall be provided no more than four months (April 30th) after the ending of the calendar year.
- Final certified financial statements and financial reports after the completion of activities contained in the program-related approved document, including the final year of such activities, to be submitted no more than six months (June 30th) in the following year after the financial closure of the project.

Based on these reports, the Administrative Agent will prepare consolidated narrative and financial reports, which will be submitted to each of the Fund's Contributors and to the Steering Committee as per the schedule established in the SAA.

10. Risk Management

10.1. Risk Management Strategy

The central framework for managing risks to the Fund and its performance is the LOTFA Risk Management Strategy. The Risk Management Strategy sets out the systems and tools required for robust risk management at all levels, including (a) risk management framework; (b) Risk Management Matrix for risk identification tracking; (c) institutional arrangements to operationalise risk management; and (d) a bespoke online Risk Information Management system.

ID	CATEGORY	DESCRIPTION	CONSEQUENCE	RISK				STATUS	MITIGATION	PROXIMITY	UPDATED AT	TREND
				IMPACT	LIKELIHOOD	SCORE	LEVEL					
			Justice institutions.									
11.0	Governance Risk	Composition of Steering Committee results in over-focus on MOIA	Other (non-security) LOTFA goals are deprioritised, limiting the Fund's contribution to end-to-end justice system development.	3	2	6	Moderate	Not Mitigated	TBC	Medium-term	27 January 2021	No Change
12.0	Governance Risk	Lack of governance involvement by wider UN system	Failure to leverage UN political leadership and UN agency expertise under the 'One UN' principle.	3	3	9	High	Being Managed	TBC	Medium-term	27 January 2021	No Change
13.0	Governance Risk	Infrequency in Steering Committee meetings	Slow pace of approval and loss of adaptiveness in programme delivery.	4	4	16	Critical	Being Managed	TBC	Medium-term	27 January 2021	No Change
14.0	Governance Risk	TWGs led by one sectoral or institutional component.	Uneven application of effort and resources across sector.	3	3	9	High	Not Mitigated	TBC	Long-term	27 January 2021	No Change

Example Risk Matrix

10.2. LOTFA Risk Management Model

Harnessing these tools, risk management is operationalised in the Fund at three levels.

10.2.1. Strategic Risk Management

Oversight of Fund-level risk and cross-cutting risk is the responsibility of the Steering Committee. The Risk Management Strategy sets out the mechanisms and processes by which the Steering Committee:

- Identifies strategic risks to the Fund and its performance.
- Analyses strategic risks, their underlying causes and potential consequences.
- Instructs the execution of mitigation action to avoid, transfer, accept or limit risks and the potential consequences of those risks materialising.
- Assigns responsibility for and ownership of risks and mitigation actions.
- Monitors the effect of mitigating actions in controlling strategic risk.

10.2.2. Programme-Level Risk Management

Management of risks to the LOTFA programme is the responsibility of the TWG, supported by the TFMU. The TWG:

- Reviews at each meeting the Risk Management Matrix prepared by the TFMU and containing risk descriptions and risk ratings against likelihood, impact and proximity.
- Agrees mitigating action to address programme-level risks and assigns responsibility for executing mitigating actions.
- Monitors the effect of mitigating actions in controlling programme-level risk, agreeing new actions where required.

Where residual risk remains Critical, the TWG escalates these strategic risks for consideration by the Steering Committee.

10.2.3. Project-Level Risk Management

The management of risks to delivery of project activities and goals is the responsibility of each project's Implementing Partner. The TFMU will ensure that every project is underpinned by a comprehensive risk register, and will monitor the IP's risk management processes to ensure that they are appropriate to and effective against the risks specific to the project intervention. Where critical or high operational risks exist and cannot be effectively mitigated by the IP, the TFMU will escalate them to the TWG for consideration at programme level.

10.3. Coordination of Risk Management

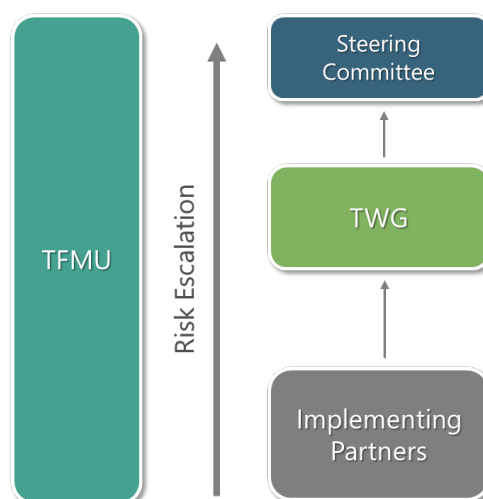
The TFMU has responsibility for coordinating all risk analysis and management for LOTFA. This has two components:

1. Support to Steering Committee and TWG risk management

- Maintain the Risk Management Information System (RMIS), which includes a database of current risks and a tracking tool for management of mitigating actions.
- Assign risk ratings through assessment of the likelihood, impact and proximity of each identified risk.
- Cascade programme-level risks from the RMIS into the Risk Management Matrix for consideration at every monthly TWG meeting.
- Collate critical and strategic risks into a risk summary for consideration by the Steering Committee at each 6-monthly meeting.
- Track the execution of actions determined by the TWG and Steering Committee for risk mitigation and control, updating the RMIS as risks are mitigated or subside, and as new risks are identified.

2. Oversight of project risk management

- Ensure that every LOTFA-funded project is supported by a robust risk register, and that IPs operate project risk management in a professional and transparent manner to reduce project problems and sustain optimal project delivery and performance.
- Support IPs in risk management, including through training of IP risk managers where required.
- Where residual project risks remain critical, escalate them to the TWG as programme-level risks incorporated in the monthly Risk Management Matrix.



11. Project Revisions

Fund procedures include three types of revision of projects: programmatic, budgetary and temporary revision.

- **Programmatic Revision:** includes any modification of the Results Framework or project intervention area. The corresponding request shall be justified either by recommendations of an external evaluation or beneficiaries.
- **Budget Revision:** If a revision is made to the project budget to (i) increase the budget costs; and/or (ii) to introduce variations between the different budget categories.
- **Temporary Revision:** in the event that additional time is needed for implementation, an extension of the project will be required.

Revision may be requested by Steering Committee and can be done based on the initiative of any of the partners (Government, Donors and UNDP).

In the event that an ongoing project requires changes in one or more of the categories described above, the implementing entity must submit a request for review by completing the required template (included as Template 4) and submit to the TFMU for processing.

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

The steps of the review process are as follows:

- Step 1: Application of the implementing entity;
- Step 2: Review of the TFMU;
- Step 3: TFMU obtains approval of the Steering Committee;
- Step 4: Signature of the Co-chair of the SC (unless delegated to the TFMU);
- Step 5: MPTFO: revision in the System - Atlas and Gateway.

If a temporary extension is for less than 6 months it may be approved by the TWG, which then will inform the Steering Committee and the Administrative Agent.

12. Fund Closure

Closure is an integral part of the life cycle of the Fund and covers both the operational closure and financial closure. The Fund closure requires that all projects financed by the Fund have been closed both operationally and financially.

12.1. Project Closure

For the closure of projects, implementing entities must follow the following steps:

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

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

12.2. Fund Closure

The closing of the Fund is carried out by the Administrative Agent, which will perform the following steps:

- Step 1. Verify that all projects have been financially closed;
- Step 2. Verify that all fund direct costs projects have been financially closed;
- Step 3. Verify that all interests have been received;
- Step 4. Refund to donors the balance of the account (including interest);
- Step 5. Issue the certified final report of the activities of the AA;
- Step 6. Closure of the Fund in the system.

13. Amendment to the Operations Manual

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

The Operations will be reviewed as part of the mid-term and final External Evaluations to ensure the relevance and appropriateness of procedures regarding the context. Extraordinarily, the SC may approve a substantive revision of the Operations Manual when circumstances require an adjustment of procedures, for example, if the TOR is revised and the changes affect the operation of the Fund.

14. Visibility

The MPTFO maintains the GATEWAY website (<http://mptf.undp.org>), a knowledge platform that is refreshed every two hours to provide up-to-date data on projects and financial information in real time, as well as on contributors' commitments and deposits from the MPTFO accounting system (ATLAS), approved project budgets, transfers to and expenditures reported by implementing entities, interest income and other expenses.

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

A LOTFA-Gateway at country-level will be established to allow for direct access to relevant documents related to LOTFA and its projects.

15. Annex A: Results Framework

16. Annex B: Workplan

17. Annex C: Budget

18. Annex D: Risk Management Matrix

19. Annex E: Project Templates

19.1. Project Concept

Project Concept Note Validation Form

Date of Validation:**Project Concept Title:**

Validation Criteria	Evaluator Comments
Alignment with LOTFA Strategy	
<ul style="list-style-type: none">▶ Is the Project Concept aligned with a Strategic Objective of the FRF? Specify which Strategic Objective.▶ Does the Project Concept have the potential to contribute directly to the achievement of the relevant FRF Strategic Objective?	
Alignment with Government Strategy	
<ul style="list-style-type: none">▶ Is the proposed project aligned with the strategy, objectives, goals and priorities of the relevant Government institutions?	
Problem Statement and Strategy	
<ul style="list-style-type: none">▶ Does the Project Concept articulate a clear need or challenge to be address?▶ Is there a strong justification for how the Project Concept proposes to address this need or challenge?▶ Are beneficiaries, partners and stakeholders identified, and are their needs, interests and concerns considered in the Project Concept?▶ Is the Project Concept likely to be endorsed, owned, and driven by Government counterparts? Does it meet a need or address a problem the Government has clearly articulated?▶ Is the Project Concept coherent or coordinated with existing and planned activities by other development partners or government actors?	
Delivery and Management	
<ul style="list-style-type: none">▶ Does the Implementing Partner (and its partners if applicable) have experience and resources in the field of proposed delivery?▶ Does this experience give confidence that the project can be delivered successfully?	
Sustainability	
<ul style="list-style-type: none">▶ Does the Project Concept have the potential to generate results which will be sustained to provide continued benefit after project exit?	
Risk Management	
<ul style="list-style-type: none">▶ What are the headline political, strategic and reputational risks to LOTFA and its stakeholders?▶ Are these manageable and controllable?	
Finance and Value for money	
<ul style="list-style-type: none">▶ Is the indicative funding requirement proposed appropriate to the results the Project Concepts may deliver?	

► Does the Project Concept represent the best way of delivering these results, or are their better or more efficient options?	
Comments	
Recommendation	
Request development of Project Proposal	Return to TFMU for amendment and reconsideration:
Non-approval	

19.2. Project Proposal

19.3. Project Document

19.4. Request for Project Review

Project Proposal Technical Evaluation Form

Date of Evaluation:

Evaluators:

Project Title:

Evaluation Criteria	Evaluator Comments	Score
Alignment with LOTFA Strategy		
<ul style="list-style-type: none">▶ Is the proposed project based on a Project Concept endorsed by the TWG?▶ Date of Project Concept endorsement by TWG.		
<ul style="list-style-type: none">▶ Is the project aligned with a Strategic Objective of the FRF?▶ Specify which Strategic Objective.▶ Does the project clearly demonstrate how it will contribute to the achievement of the FRF Strategic Objective?▶ What is the likelihood the project will make a measurable contribution to achieving the relevant FRF?		
Alignment with Government Strategy		
<ul style="list-style-type: none">▶ Is the proposed project aligned with the strategy, objectives, goals and priorities of the relevant Government institutions?▶ Does the proposed project have Government ownership?<ul style="list-style-type: none">▪ Has it been developed through a process of consultation with Government stakeholder?▪ Are the consulted stakeholders representative of institutional ownership?▪ Have the relevant institutional stakeholders committed the required resources to deliver the project?▪ Does the project have robust and inclusive political and policy leadership?		
Project Strategy, Design and Coherence		
<ul style="list-style-type: none">▶ Is the project based on robust and comprehensive needs analysis?▶ Does this provide a compelling evidence base to support the assumptions made in project design?		
<ul style="list-style-type: none">▶ Do the project's strategy, Theory of Change and proposed Results Framework present a logical and structured approach to address the needs and priorities identified?		
<ul style="list-style-type: none">▶ Has the proposed project identified how learning during implementation will be conducted and used to refine and improve strategy and design?		

<ul style="list-style-type: none"> ▶ What scope does the proposed project have for scaling-up based on evidence of results? 		
<ul style="list-style-type: none"> ▶ Are the proposed activities coordinated with existing and planned activities by other development partners or government actors? ▶ How will the project enhance or complement the work of other development partners or government counterparts working toward the same or compatible outcomes or goals? ▶ What potential exists for integration of effort and resources with other development partner or government actions? 		
Delivery and Management		
<ul style="list-style-type: none"> ▶ Is the proposed project supported by a detailed project plan that includes a clear project timeline, and delineation of delivery phases, key activities, key milestones, and key outputs/deliverables? 		
<ul style="list-style-type: none"> ▶ Is the proposed project supported by a detailed resource plan / profile for the duration of the project timeline together with an organogram for the proposed delivery team (if deemed appropriate)? 		
<ul style="list-style-type: none"> ▶ Does the project propose resourcing resilience in terms of either replacing (in the event of unforeseen circumstances) key personnel, or allocating additional resource, where necessary, for the successful delivery of the project? 		
Sustainability		
<ul style="list-style-type: none"> ▶ How does the project contribute to sustainable capacity development? ▶ Has the project identified ways to explore and secure potential sources of continued (government, development partner, private sector) funding after project exit? ▶ What degree of confidence do the evaluators have that the project benefits will be sustained, continue and improve after project exit? 		
Conflict, Gender and Human Rights		
<ul style="list-style-type: none"> ▶ Is the proposed project design based on robust conflict analysis? ▶ Has it identified the conflict risks, including exclusion, exacerbation of pre-existing dynamics, political affects, benefits distributed unevenly between conflict actors? ▶ How does the project propose to manage and address conflict risk? ▶ Does the project have a potential conflict mitigation affect? 		
<ul style="list-style-type: none"> ▶ Are gender considerations integrated in the analytical and operational approach of the project? ▶ How does the project propose to support gender equality objectives? ▶ What blockers to equality have been identified in the project design, and how will these be addressed? 		
<ul style="list-style-type: none"> ▶ Does the project design take into account and appropriately ,mitigate human rights risks which may arise from the project or occur in its delivery environment? 		

<ul style="list-style-type: none"> Does the proposed project include a strategy for managing, controlling and reporting human rights issues? Does the project have a potential to increase human rights compliance? 		
Risk Management		
<ul style="list-style-type: none"> Does the project have a clear risk management plan? Have the political, strategic, management, human rights, fiduciary and other risks been identified clearly? Does the project propose compelling strategies and tactics to manage and control risks to delivery? Does the project present risk to LOTFA stakeholders, including reputationally or politically? 		
Monitoring, Evaluation and Reporting		
<ul style="list-style-type: none"> Does the proposed Results Framework allow LOTFA to track the progress (input, output, outcome, impact) of the project's interventions over-time? Are proposed indicators measurable and realistic? Does the Results Framework link directly to the goals and indicators of the FRF to enable measurement of contribution to LOTFA Strategic Outcomes? 		
<ul style="list-style-type: none"> Does the proposed project include a clear M&E Plan to monitor and measure effect over time? Do the M&E resources proposed have the capability and expertise to oversee project results measurement and reporting? 		
<ul style="list-style-type: none"> Does the proposed reporting schedule and methodology enable clear and objective accountability to LOTFA? How will the Implementing Partner ensure adequate independence in the tracking, analysis and reporting of results? 		
Finance and Value for money		
<ul style="list-style-type: none"> Is the total budget within the fund amounts allocated? Does the project offer Value for Money to maximise results for the investment? Please consider: <ul style="list-style-type: none"> Economy – are unit input costs controlled and fair? Efficiency – does the proposed project include ways to use resources efficiently to increase outputs? Effectiveness – is this the most cost-effective way of delivering the proposed outcomes? Is approval of the project and release of funds contingent on achievement of specified performance and good governance targets, for example on human rights, anti-corruption and gender equality? 		
Comments		
Recommendation		

Submit to Steering Committee for Approval	Return to TFMU for amendment and reconsideration:
Non-approval	

20. Annex F: Meeting Agenda Templates

Steering Committee Agenda Template

No	Time	Description	Speaker /Facilitator	Information Notes	Steering Committee Consideration Points
1		Welcome and Opening Remarks	Co-Chairs		
2		Minutes of last meeting	Secretary	<ul style="list-style-type: none"> Progress report on instructions issued and decisions taken at previous meeting 	<ul style="list-style-type: none"> Update of instructions and decisions
Strategic Review					
3		Strategic Delivery Report	TFMU Head of M&E	<ul style="list-style-type: none"> Briefing on MTPF achievement against Fund Results Framework Proposed adjustment to Fund Results Framework (if any) Proposed adjustments to delivery of ongoing projects Proposed project extensions or terminations 	<ul style="list-style-type: none"> Strategic guidance on: <ul style="list-style-type: none"> Addressing performance challenges Strategic priorities Alignment with national strategy Alignment with international assistance Approval of proposed amendment to ongoing projects Approval of proposed project extensions or terminations
4		Strategic Resource Report	TFMU Manager	<ul style="list-style-type: none"> Current financial position Forecast including potential shortfalls Proposed adjustments to use of previously approved funding Resource mobilisation and fund-raising 	<ul style="list-style-type: none"> Approval for adjustment to use of previous-approved funding Decisions on resource mobilisation and fund-raising
5		Strategic Risk Report	TFMU Risk Manager	<ul style="list-style-type: none"> Briefing on strategic, critical and cross-cutting risks <ul style="list-style-type: none"> Risk causes and potential consequences Risk rating Proposed risk mitigation and control (including action ownership and timeline) 	<ul style="list-style-type: none"> Guidance on strategic risk management <ul style="list-style-type: none"> Risk rating Mitigations Risk ownership and mitigation action Timeline for mitigation action
Governance and Accountability					
		Human Rights Report	HRDDP Task Force	<ul style="list-style-type: none"> Human rights monitoring report <ul style="list-style-type: none"> Alleged violations (number, dates, location, types) Violations handling (investigation, prosecution, disciplinary proceedings etc.) Recommendations 	<ul style="list-style-type: none"> Strategic direction on human rights handling
		Accountability Report	TFMU Manager	<ul style="list-style-type: none"> Corruption monitoring report <ul style="list-style-type: none"> Alleged corruption issues Corruption handling (investigation, prosecution, disciplinary proceedings etc.) 	<ul style="list-style-type: none"> Strategic direction on addressing accountability and corruption

		Gender Sensitivity Report	TFMU Manager	<ul style="list-style-type: none"> ► Recommendations ► Gender sensitivity report <ul style="list-style-type: none"> ▪ MOIA progress against gender equality commitments for ANP ▪ Policing of women citizens – achievements and challenges ▪ Gender mainstreaming in the MPTFA project portfolio ► Recommendations 	<ul style="list-style-type: none"> ► Strategic direction on gender sensitivity and gender equality: <ul style="list-style-type: none"> ▪ Support to MOIA gender equality policy and action ▪ Support to ANP capability for equitable policing of women citizens ▪ Gender sensitivity in the MPTF project portfolio
Future Work					
6		Project Approvals	TFMU Manager	<ul style="list-style-type: none"> ► Presentation of projects and findings of Project Evaluation <ul style="list-style-type: none"> ▪ Purpose of action ▪ Proposed approach and method ▪ Contribution to Fund Results Framework outcomes ▪ Risks ▪ Proposed resources and budget ► Recommendation 	<ul style="list-style-type: none"> ► Approval decisions <ul style="list-style-type: none"> ▪ Approved without amendment ▪ Approved with amendment ▪ Return to TWG for redesign and resubmission ▪ Not approved
11		Fund Management	TFMU Manager	<ul style="list-style-type: none"> ► Proposed adjustments to TFMU Annual Plan (if any) ► Resource and budget implications 	Approval of TFMU Annual Plan/budget amendments
12		<i>Other matters</i>	<i>To be set for each meeting.</i>	<i>To be set for each meeting.</i>	<i>To be set for each meeting.</i>
Forward Planning					
13		Forecast of Business	TFMU Manager	<ul style="list-style-type: none"> ► Priorities and goals for the next 6 months 	Agreement, adjustment and approval to next 6 month's priorities and goals
14		AOB	Co-Chairs		
15		Date of Next Meeting	TFMU Manager		

Technical Working Group Meeting Agenda

No	Time	Description	Speaker/Facilitator	Information Notes	TWG Consideration Points
1		Welcome and Opening Remarks	Co-Chairs		
2		Minutes of last meeting	TFMU	<ul style="list-style-type: none"> Update report on matters considered and decisions taken at previous meeting 	<ul style="list-style-type: none"> Update of instructions and decisions
Performance and Risk					
3		Project Delivery Report	TFMU Head of M&E	<ul style="list-style-type: none"> Headline briefing on project progress against project Results Frameworks Contribution to desired outcomes of Fund Results Framework Proposed adjustments to delivery of ongoing projects (within approved budget) Proposed project extensions or terminations 	<ul style="list-style-type: none"> Project performance <ul style="list-style-type: none"> Addressing performance challenges Project activity prioritisation and focus Partnerships with other projects Approval of proposed amendment to ongoing projects (within approved budget) Submission of proposed project extensions or terminations to Steering Committee
4		Risk Management	TFMU Risk Manager	<ul style="list-style-type: none"> Review of Risk Management Matrix Risk causes and potential consequences Risk rating Proposed risk mitigation and control (including action ownership and timeline) 	<ul style="list-style-type: none"> Decisions on: <ul style="list-style-type: none"> Risk ratings Mitigations Risk ownership and mitigation action Timeline for mitigation action Escalation to Steering Committee of strategic, critical and cross-cutting risks
Governance and Accountability					
7		Human Rights	TFMU	<ul style="list-style-type: none"> Monthly human rights monitoring data <ul style="list-style-type: none"> Alleged violations (number, dates, location, types) Violations handling (investigation, prosecution, disciplinary proceedings etc.) Recommendations 	<ul style="list-style-type: none"> Decision on action to address human rights risks and concerns Escalation of strategic human rights risk to Steering Committee
		Accountability Report	TFMU Manager	<ul style="list-style-type: none"> Accountability report <ul style="list-style-type: none"> Alleged corruption issues Corruption handling (investigation, prosecution, disciplinary proceedings etc.) Recommendations 	<ul style="list-style-type: none"> Decision on action to address accountability and corruption risks and concerns Escalation of strategic accountability and corruption risks to Steering Committee
		Gender Sensitivity Report	TFMU Manager	<ul style="list-style-type: none"> Gender sensitivity and equality issues 	<ul style="list-style-type: none"> Decision on action to improve gender equality project outputs

				<ul style="list-style-type: none"> Women in policing issues (Tashkil, roles, blockers etc.) Policing of women citizens - challenges Gender mainstreaming in MPTFA projects <p>Recommendations</p>	Escalation of strategic gender sensitivity risks to Steering Committee
Future Work					
8		Needs assessment	TFMU M&E Manager	<ul style="list-style-type: none"> Briefing on any research and needs assessments previously commissioned by TWG Requirement for additional research and needs assessment 	<ul style="list-style-type: none"> Implications of needs assessment for future project planning, calls for proposals, request for concept notes Additional research or needs assessment requirements
		Project Concepts	TFMU	<ul style="list-style-type: none"> Presentation of Project Concepts developed 	<ul style="list-style-type: none"> Decision on validation of Project Concepts for development into Project Proposals
		Project Proposals	TFMU	<ul style="list-style-type: none"> Presentation of Project Proposals 	<ul style="list-style-type: none"> Decision on Project Proposal Evaluation <ul style="list-style-type: none"> Evaluation panel Timeline
9		Project Approval		<ul style="list-style-type: none"> Presentation of Project Proposal Evaluations 	<ul style="list-style-type: none"> Decision on submission to Steering Committee <ul style="list-style-type: none"> Approved for submission Return to TFMU for amendment and reconsideration Not approved
Forward Planning					
10		Forecast of business	TFMU	<ul style="list-style-type: none"> Priorities and goals for the next month 	Agreement, adjustment and approval to next month's priorities and goals
11		AOB	Co-Chairs		
12		Date of next meeting	TFMU		

21. Annex G: Meeting Minute Templates

Steering Committee Meeting Minutes

No	Agenda Item	Summary of Proceedings	Decisions and Instructions <i>[examples in template]</i>	Action Timelines	Owner(s) and
1	Strategic Delivery		<ul style="list-style-type: none"> ▶ <i>Strategic guidance on:</i> <ul style="list-style-type: none"> ▪ <i>Addressing performance challenges</i> ▪ <i>Strategic priorities</i> ▪ <i>Alignment with national strategy</i> ▪ <i>Alignment with international assistance</i> ▶ <i>Approval of proposed amendment to ongoing projects</i> ▶ <i>Approval of proposed project extensions or terminations</i> 		
2	Strategic Resourcing		<ul style="list-style-type: none"> ▶ <i>Approval of adjustment to use of committed funding</i> ▶ <i>Decisions on resource mobilisation and fund-raising</i> 		
3	Strategic Risk Management		<ul style="list-style-type: none"> ▶ <i>Strategic guidance on</i> <ul style="list-style-type: none"> ▪ <i>Risk rating</i> ▪ <i>Mitigations</i> ▪ <i>Risk ownership and mitigation action</i> ▶ <i>Timeline for mitigation action</i> 		
4	Project Approvals		<ul style="list-style-type: none"> ▶ <i>Approval decisions</i> <ul style="list-style-type: none"> ▪ <i>Approved without amendment</i> ▪ <i>Approved with amendment</i> ▪ <i>Redesign and reconsideration by TWG</i> ▪ <i>Not approved</i> 		
5	Good Governance <ul style="list-style-type: none"> ▶ Human Rights ▶ Accountability and Corruption ▶ Gender Equality 				
6	Fund Management		<ul style="list-style-type: none"> ▶ <i>Approval of TFMU Annual Plan/budget amendments</i> 		

7	<i>Other matters</i>			
8	<i>Other matters [add lines]</i>			
9	Forecast of Business		► Priorities and goals for coming 6 months	
10	AOB			
10	Date of Next Meeting			

Technical Working Group Meeting Minutes

No	Agenda Item	Summary of Proceedings	Decisions and Instructions <i>[examples in template]</i>	Action Owner(s) and Timelines
1	Programme Delivery		<ul style="list-style-type: none"> Project performance <ul style="list-style-type: none"> Addressing performance challenges Project activity prioritisation and focus Partnerships with other projects Approval of proposed amendment to ongoing projects (within approved budget) 	
2	Risk Management		<ul style="list-style-type: none"> Decisions on: <ul style="list-style-type: none"> Risk ratings Mitigations Risk ownership and mitigation action Timeline for mitigation action Escalation to Steering Committee of strategic, critical, and cross-cutting risks 	
5	Good Governance <ul style="list-style-type: none"> Human Rights Corruption Gender Equality 		<ul style="list-style-type: none"> Good governance handling decisions Escalation to Steering Committee of human rights, corruption and gender issues 	
6	Future Projects		<ul style="list-style-type: none"> Needs assessment and research Project planning, calls for proposals, request for concept notes Validation of Project Concepts proposed for development into Project Proposals Decision on Project Proposal Evaluations <ul style="list-style-type: none"> Approved for submission Return to TFMU for amendment and reconsideration Not approved 	
7	<i>Other matters</i>			
8	<i>Other matters</i>			
9	<i>Other matters</i>			
10	Forecast of Business		<ul style="list-style-type: none"> Priorities and goals for coming 6 months 	
11	AOB			

12	Date of Next Meeting			
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