

PROGRAMME DOCUMENT – TERMS OF REFERENCE

UNDG STEERING COMMITTEE FOR 'DELIVERING RESULTS TOGETHER' FUND

25 July 2014

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1. BACKGROUND AND RATIONALE

The 2012 *Quadrennial Comprehensive Review (QCPR)* of the UN operational activities for development recognized “the achievements and experience in the implementation of “Delivering as one” by a number of pilot programme countries on a voluntary basis as an important contribution for enhancing the coherence, relevance, effectiveness and efficiency of the United Nations development system in those countries”. The QCPR acknowledged that the Delivering as One approach will be introduced in all countries wishing to do so. The QCPR requested “the United Nations system, including the funds, programmes and specialized agencies, to support programme countries that have adopted the “Delivering as one” approach with an integrated package of support comprising standard operating procedures as well as guidance on “Delivering as one”.

1.1 The “Delivering as One” pilot phase was initiated by the UN Secretary-General in 2006 and was successfully concluded by the Independent Evaluation of Delivering as One and the issuance of QCPR Resolution in 2012. The intergovernmental recognition of the “Delivering as One” (DaO) model as a well-tested working modality and business model given in the 2012 QCPR and the introduction of the *Standard Operating Procedures for Countries Wishing to Adopt “Delivering as One” approach* in 2013 paved the way for the second generation of DaO.

1.2 The acceleration towards the achievement of MDGs and the post-2015 agenda on sustainable development call for more integrated policy, joined up UN responses (both locally and globally) and solutions to address complex development challenges. The DaO model in its second generation becomes more relevant because it helps the UN system increase the opportunities to fully access the range of mandates and capacities of different UN organizations, using and leveraging the

comparative advantages of each agency, to plan, manage and deliver on shared results.

1.3 Recognizing that “*pooled funding mechanisms are important tools in advancing “Delivering as one”*”, the QCPR Resolution called on “*Member States and United Nations funds and programmes, as appropriate, to contribute financially to assure the extension of these mechanisms in “Delivering as one” countries*”. In response to the QCPR request, the United Nations Development Group (UNDG) decided to establish a “Delivering Results Together” Fund 2013-2016 (DRT-F) at the global level to support the second DaO generation, building on the experience and lessons learned¹ from the Expanded “Delivering as One” Funding Window for Achievement of MDGs 2009-2012 (EFW) which provided support to the pilot DaO generation.

1.4 The Independent Evaluation found the DaO approach, especially One Voice and joint programming, provided greater coherence in advocacy and policy dialogue, and helped advance a unified UN position on specific policy and cross-cutting issues. The final evaluation of the EFW also highlighted the need for the UN in DaO countries to increase its engagement in upstream policy areas, especially in middle-income countries.

1.5 The recent intergovernmental discussions on the post-2015 development framework provide a new vision and direction to shift from an agenda focusing mainly on human progress in the poorest countries, towards one that focuses on transformative, inclusive and universal development results.

¹ The EFW review emphasized the importance of integrated UN programming and the value of upstream policy work where the focus would be on UN support to national programmes which would have to respond to UN technical and substantive standards and where the UN support would focus on enhancing or strengthening existing national capacities.

Against this background, the UN development system has identified key elements (universality, equality, integration, human rights and creation of a data revolution) integral to sustainable development in any context that the UN must embrace to be better fit for purpose in supporting member states to implement the post-2015 agenda. The operational implications for the UN's fitness for purpose under the "integration" element include, among others, (i) the ability to deliver coherent and strategic policy advice, backed by shared vision and analytics, as a UN system, and (ii) advancing the next generation of DaO. Policy coherence is identified as a must for greater impact and a key accelerator for making the UN system fit for purpose at the country-level.

1.6 In these circumstances, the DRT-F is directed to support transformative change at country level through support to *integrated and coherent approach to policy making and implementation* across the three dimensions of sustainable development. The close linkage between normative and operational aspects will be critical in the integrated approach. The UNDG's "Fit for Purpose" provides a critical framework to orient the work of the DRT-F in supporting programme countries to achieve sustainable development through One Funds support to deepen the relevance and impact of their normative - operational policy interventions.

2. OBJECTIVES AND GUIDING PRINCIPLES

2.1 Objectives

The overall objective of the DRT-F is to support DaO countries to achieve transformative, sustainable development results through funding the UN's integrated policy interventions² in One Programmes in alignment with national development goals and priorities.

By supporting only DaO countries, the DRT-F will promote the UN system's working together towards strengthening and deepening the normative-operational linkage³ for greater policy coherence⁴.

2.2 Key guiding principles

- The following are the key principles guiding the operation of the DRT-F:
- UN policy coherence and strategic One Voice on norms and standards;
- Integrated normative principles in operational development work for comprehensive and coherent policy support across key sectors;
- Support policy coherence in both low-income and middle-income countries which adopt DaO approach;
- Strengthened partnerships with governments, development partners, private sector and civil society ensuring successful resource mobilization at the country level (programme countries and UNCTs demonstrating ability to raise funds locally will receive funds from DRT-F);
- Catalytic funding for policy coherence will leverage change and thus increase the number of

² Integrated policy interventions (highlighting economic, social and environmental dimensions) support the achievement of policy coherence. Different UN agencies, under the coordination of Results Groups, will use their expertise and capacities, to develop and implement integrated policy interventions.

³ 2012 QCPR: "encourages the United Nations system to promote sustainable development outcomes through strengthening normative and operational linkages within the United Nations system and, in this regard, to direct particular efforts to supporting programme countries, at their request, in building national capacity for inclusive, equitable, participatory, transparent and accountable national development processes, in order to target and empower the poor and people in vulnerable situations".

⁴ "Policy coherence", in the DRT-F context, refers to the minimization of contradictions and tensions as well as duplication and fragmentation between different policies across economic, social, and environmental development dimensions.

UNCTs supporting normative work and policy coherence;

- Focus on planning, monitoring and delivering results together, underpinned by systematic results based management;
- Effective fund management based on the good practices and lessons learned from the EFW.

3. RESULTS CHAIN

3.1 Outcome

The DRT-F aims to *“influence greater policy coherence through strengthened integration of normative frameworks across development dimensions to achieve transformative changes in DaO countries.”*

Unlike the EFW, the DRT Fund will not support funding gaps of the whole One Programmes, but rather supports specific initiatives that directly contribute to coherent policy making around normative frameworks and implementation at the country level. At the outcome level, the DRT-F seeks to use its resources to strategically influence the achievement of greater policy coherence and support work on normative standards through supporting an enabling environment for the attainment of the desired impact.

In line with the UN system’s agenda to support countries to achieve sustainable development post 2015, the DRT-F will support select UNCTs to strengthen the relevance and impact of their policy interventions with the aim of contributing to sustainable development results.

DRT-F support will be geared towards clearly developed objectives that are grounded in a sound theory of change that capture the intended outcomes and impact of the normative work within the One Programme. The underlying assumptions of the DRT-F are that the policy interventions/activities proposed by UNCTs for DRT-F’s support are likely to have a development impact because the requisite conditions have been met or assessed and are addressed in the funding proposals and that the DRT-F can clearly contribute to the advance of the intended outcomes.

3.2 Outputs

The DRT-F’s attainment of the above intended outcome will be realized by the extent to which the following two inter-related outputs are achieved at the country level and collectively at the global level. The level of funding that would be mobilized for the DRT-F will directly impact the achievement of these outputs and their scope.

Output 1: UN One Programmes providing clearer and stronger integrated policy support to governments for the development and implementation of legislation, policies, regulations and development plans based on international norms and standards.

Normative work is defined by the UN Evaluation Group⁵ as “the support to the development of norms and standards in conventions, declarations, regulatory frameworks, agreements, guidelines, codes of practice and other standard setting instruments, at global, regional and national level. Normative work also includes the support to the implementation of these instruments at the policy level, i.e. their integration into legislation, policies and development plans, and to their implementation at the programme level”. This definition specifies three categories of normative work: (i) the development of norms and standards,

⁵ According to the UN Evaluation Group, this definition was approved by UNDG.

(ii) the support to governments and others to integrate the norms and standards into legislation, policies and development plans, and (iii) the support to governments and others to implement legislation, policies and development plans based on the international norms, standards, and conventions.” Categories two and three of above will be funded through the DRT-F.

The DRT-F targets its support to One Programmes which focus *inter alia* on normative work at policy level (i.e. *integrating* international norms and standards into legislation, policies, development plans and/or *implementing* policies, development plans based on international norms and standards), utilizing the complementary expertise and capacities of different UN agencies. It thereby draws the UNCTs’ attention and focus more to policy integration support in normative work when formulating country programmes⁶.

The DRT-F shall support initiatives that (i) address strategic normative policy priorities that are grounded in strong analysis and clearly articulated within One Programme priorities, and (ii) at the same time, raise awareness and commitment of government (and other stakeholders) in approaching such normative policy priorities in an integrated and coherent manner.

The *Study on lessons from UNCTs’ engaging in national policy dialogue*⁷ shows that UNCTs are better able to provide timely and well-coordinated input to the policy process when they have an agreed normative framework. Several factors which can help enable stronger integrated policy support to governments through agreed normative frameworks and integrated joint programming include:

- identify policy gaps and linkages to national and international normative goals;
- shared analysis indicating how policy gaps contribute to development challenges and how policy development and/or implementation could contribute to the achievement of national development objectives;
- clearly specified roles and responsibilities of UN agencies, including coordinating agencies, and partners and consistent with the UN agencies comparative advantages in delivering the policy related outputs and contributing to outcomes;
- clearly linked proposed policy engagements in ongoing work on specific policy issues;
- agreed normative frameworks and shared methods, tools for policy analysis and coordination structures; and
- adequate human and financial resources to achieve stated outcomes.

Ensuring that certain pre-conditions for effective policy support to governments are clearly articulated within One Programmes will provide the context for agreed normative frameworks and the delivery of coherent, strategic policy advice to government partners.

Output 2: Integrated results frameworks in One Programmes improved to capture and monitor joint results and common indicators of UNCT’s normative work in specific policy areas and across sectors.

A perennial challenge of the UN systems is the production of high quality joint results reporting based on quality data. It is often difficult when reporting on outcomes derived from normative work due to the challenge of finding reliable data that verifies the UN’s interventions in influencing and contributing to normative work.

A key assumption in the allocation of the DRT-F resources is the specific policy-related interventions/initiatives are featured in the One Programme and/or other joint programmatic

⁶ Which is mindful of the 5 programming principles in the 2010 guidance.

⁷<http://www.undg.org/docs/12331/UNCTs%20Engaging%20in%20National%20Policy%20Dialogue%20CBI%2019%2012%2011.pdf>

frameworks, particularly in the logical framework/theory of change. When reporting on and/or evaluating intended outcomes, experience shows that the development of a theory of change that clearly captures the programmatic logic, (and its underlying assumptions) is required to adequately report on the desired outcome of the intervention⁸.

Underpinning the post-2015 agenda is the need for strong, more transparent accountability frameworks anchored in reliable, accessible data, disaggregated to the lowest possible level with linkages from the global to national level and future alignment with post-2015 SDGs.

The DRT-F seeks to incentivize UNCT's to creating an enabling environment to permit the movement toward substantive results reporting through strengthened results management systems based on a strong logical framework/theory of change that promote multidimensional, cross-sectoral and integrated approaches to joint results reporting. This may be undertaken through the development of joint indicators and systems, and shared methods and tools for data collection, analysis, monitoring and reporting on normative policy work. The shift should also support documenting how operational activities contribute to development results.

4. COUNTRY ELIGIBILITY CRITERIA

4.1 Eligibility criteria

The eligibility criteria for the contribution from the DRT-F are defined on the basis of the above outputs, as well as the lessons learnt from the EFW. The countries' eligibility will be decided upon by the DRT-F Steering Committee on the basis of the following criteria.

4.1.1 Country status

Low-income (LICs) and middle-income countries (MICs)⁹, including countries in transition will be eligible.

Transitional Net Contributing Countries/Net Contributing Countries will not be eligible for the DRT-F support.

4.1.2 Adoption of DaO approach as supported by the Standard Operating Procedures, including the establishment of a fully functioning One UN Fund

To be considered eligible, countries should formally adopt the Delivering as One approach (on a voluntary basis)¹⁰. For new DaO countries, this would automatically imply the adoption of the UNDG Standard Operating Procedures (SOPs).

The DRT-F encourages the introduction of the SOPs from the beginning of the programming cycle. The DRT-F will however support countries at different stages of implementing DaO (including at the beginning of implementation), in synchrony with their programming cycles.

For the purposes of eligibility and the receipt of the DRT-F contributions, a One Fund should be established and fully functional. The requirements of a "fully functional" One Fund include¹¹:

- (i) A One Fund has been established with an active Steering Committee;

⁸ UNDG Handbook for Conducting Evaluations of Normative Work in the UN System, Nov 2013.

⁹ The country classification, as adopted by UNDP and UNFPA, and approved by the Executive Board in 2012, will be used for the purposes of the DRT-F. During the first annual review of the DRT-F, this approach will be reviewed and adjusted, if needed.

¹⁰ Refer to the *Standard Operating Procedures for Countries Wishing to Adopt the Delivering as One Approach* and the minimum requirements for DaO status for detail information on becoming a DaO country.

¹¹ For new DaO countries, only requirements (i) and (ii) should be satisfied in the initial funding request. Furthermore, new DaO countries are required to show actions taken and potential for mobilizing local resources for the One Fund.

- (ii) An agreed joint resource mobilization strategy that backs the financing of the One Fund. The strategy should include resource mobilization targets which are based on funding gaps identified in the Common Budgetary Framework. A mechanism to monitor implementation progress should be in place;
- (iii) The One Fund has mobilized and allocated resources during the preceding 12 months;
- (iv) The One Fund has available/committed resources (mobilized locally), at the time of requesting for funding from the DRT-F, covering at least 25% of the funding gaps identified in the annual Common Budgetary Framework;
- (v) Annual One Fund/One Programme report on delivery progress in preceding year is submitted timely¹².

The DRT-F aims at supporting UNCTs which actively engage in local fund raising. UNCTs are strongly encouraged to exercise concerted efforts in local resource mobilization.

4.1.3 Integration of normative programming principles into the One Programme

In relation to the results framework of the DRT Fund, countries' eligibility will also be defined on the integration of three normative programming principles, namely mainstreaming of human rights through human rights-based approach to programming, advancement of gender equality through gender-disaggregated results targeting, and promotion of environmental sustainability, into their One Programme.

The DRT-F Technical Sub Committee will undertake desk reviews of One Programmes submitted by the countries as part of their requests for funding to assess the integration of these principles. The assessment will be based on (i) the extent to which the three principles have been mainstreamed through One Programme outcomes and outputs, and/or (ii) existence of a stand-alone outcome/output in human rights, gender or environment.

Besides the three normative programming principles, the integration of other normative-operational linkages, including peacebuilding, rule of law, and international standards, treaties, regulations and norms is also encouraged. Although this will not constitute the absolute requirement for eligibility, it may be reviewed in the allocation criteria if the UNCTs request for funding for integrated policy interventions relevant to those normative-operational linkages.

4.2 Required supporting documents

The following key documents will be required as part of the countries' requests for funding:

- A formal request letter by the UN Resident Coordinator to the UNDG/ Regional UNDG Team for DRT-F's funding. The letter should include, among others, an explanation of how the programme will contribute to greater policy coherence through strengthened integration of normative frameworks across economic, social, and environmental dimensions and where this is evident in the design of the One Programme (i.e. which section(s)) in the One Programme;
- Finalized One Programme with an integrated Common Budgetary Framework and M&E Framework;
- Terms of Reference for the Steering Committee(s) which govern the One Programme and One Fund;
- Joint Resource Mobilization strategy, with annual updates on progress;

¹² Reporting timeframe is in line with the reporting requirements in SAA/MoU.

- Joint Work Plan (developed by Results Groups¹³) with consolidated annual Common Budgetary Framework;
- Confirmation on the functioning One Fund addressing all requirements listed under point 3.1.2 above. The UNCTs should work with the Administrative Agent of One Funds to obtain confirmation on the establishment of the One Fund, the mobilization and allocation of resources from the One Fund during the preceding 12 months, the available/committed resources in the One Fund at the time of preparing the funding request to the DRT-F, and the timeliness of the annual One Programme/One Fund report submission.

5. ALLOCATION CRITERIA AND FUNDING LEVEL

Funding request from eligible countries will be reviewed for allocation based on the following criteria and principles. Detailed application requirements will be provided in the Country Guidance.

5.1 Allocation criteria

DRT Fund will provide financial resources to leverage and complement other funding sources in support of any specific integrated policy interventions/initiatives contained in the One Programme/Joint Work Plan which are requested by the UNCT.

These policy interventions/initiatives should meet the following criteria:

- Be formulated and monitored by Results Groups, and involve at least 3 different UN agencies to achieve joint results, with specific roles and responsibilities identified for each agency based on respective technical capacity and resources;
- Address strategic normative policy priorities that are grounded in strong analysis and clearly articulated within One Programme priorities; support the government in developing and/or implementing legislation, policies, regulations and development plans based on international norms and standards in alignment with national priorities;
- Based on analysis of policy gaps (in order to achieve national development objectives), the UN system's capacities and comparative advantages in addressing these policy gaps, and rationale and opportunity for the UNCT to engage in such policy issues;
- Support the government and possibly other stakeholders to improve their awareness of, and desirably capacities in, integrating policy across economic, social, and environmental development dimensions;
- Link with other ongoing work on specific policy issues, desirably;
- Have at least 20% of the required budget covered/committed already¹⁴ (including from agencies' resources) to ensure the DRT-F is leveraged to achieve targeted results;
- Show potential for high impact and readiness for implementation;
- Can demonstrate results by reporting specifically on the DRT-F results framework indicators.

¹³ Refer to the *Standard Operating Procedures for Countries Wishing to Adopt Delivering as One approach* for definition and detail on Results Groups.

¹⁴ For example, if the total required budget for the policy interventions proposed by a UNCT is USD 1 million, the UNCT should show that they have at least USD 200,000 in their account or tangible donor commitments have been secured to finance these interventions.

Examples of policy interventions/initiatives to be supported by the DRT-F may include, but not limited to the following:

- joint UN support for development of poverty reduction policies which address human rights, access to justice, and gender equality in line with international conventions and legal instruments;
- joint UN support for formulation of national strategic development plans which target localized MDGs;
- joint UN support for improving national capacity in mainstreaming international conventions into national policies;
- joint UN research/analyses on contradictions/fragmentations among different policies affecting national development and recommendations on addressing these issues; and
- UN policy advisors to provide policy advice and analysis to national policy makers on normative issues; etc.

The UNCTs, supported by the Results Groups, should clearly indicate the specific integrated policy interventions/initiatives in the One Programme/Joint Work Plan that they request financial support from the DRT-F and explain how the above allocation criteria are met in their funding request. Further detailed required inputs will be elaborated in the Country Guidance.

5.2 Allocation amount

5.2.1 For initial funding request, the DRT-F will cover up to 50% of the funding gap identified for the proposed policy interventions/initiatives to be supported, taking into account the available (including committed) resources for these policy engagements. The remaining funding gap should be mobilized locally.

The funding gap and available (including committed) resources should be reflected in the common budgetary framework submitted by the UNCTs.

For example, if the total budget required for a policy interventions is USD 2 million and the available and/or committed financial resources that the UNCT has already mobilized is USD 400,000 (i.e. meeting the requirement of at least 20% of the required budget is mobilized), the funding gap is USD 1,600,000. The DRT-F will cover up to 50% of the funding gap identified, which is 50% of USD 1,600,000, equal to USD 800,000 (USD 1,600,000 x 50% = USD 800,000).

5.2.2 For subsequent funding requests, the DRT Fund's allocation will be based on performance (i.e. actual results and financial delivery rate):

- (i) Only UNCTs achieving $\geq 75\%$ of the results planned in the preceding funding request and $\geq 75\%$ financial delivery rate of the funding allocated from the DRT-F in preceding year will receive further allocation¹⁵
- (ii) The allocation amount will be: 50% of the funding gap identified by the UNCT for proposed policy interventions/initiatives multiplied by actual financial delivery rate of allocated fund in previous year.

For example, if the UNCT in the above example continues to request funding from the DRT-F in the following year, they will need to show that they have already accomplished at least 75% of the interventions planned in the previous year and disbursed at least 75% of the fund allocated from the DRT-F to be eligible for further allocation. In financial terms, it means that the UNCT have to disburse at least USD 600,000 if they receive USD 800,000 from the DRT-F in the preceding year (USD 800,000 x 75% = USD 600,000).

Assuming that the UNCT achieve 75% of the planned results and disburse USD 640,000 out of the USD 800,000 receiving from the DRT-F in the preceding year, the financial delivery rate is therefore 80%. In the subsequent year, the UNCT request for the DRT-F support for policy interventions which have an identified funding gap of USD 1,500,000. The allocation amount from the DRT-F in the subsequent year will be up to: $50\% \times \text{USD } 1,500,000$ (identified funding gap) $\times 80\%$ (actual financial delivery rate in preceding year) = USD 600,000

5.2.3 Maximum allocation

A 'ceiling' of a maximum USD 3.5 million for **low-income countries**, USD 2 million for **lower middle-income countries**, and USD 1 million for **upper middle-income countries** as an annual contribution from the DRT-F will be applied to all allocations. If the actual DRT-F allocation calculated as per the above formula is higher than the agreed maximum allocation, the maximum allocation will be made.

5.2.4 Minimum allocation

Depending on the allocation formula, should an actual DRT-F annual contribution to a country be calculated as less than USD 500,000, no allocation will be made to that country. A 'floor' of minimum USD 500,000 as a one-time annual contribution from the 'Delivering Results Together' Fund will be applied to all allocations. In exceptional cases, some discretion will be exercised by the DRT Fund Steering Committee to apply waivers on the minimum allocation amount.

In addition, in accordance with the UNDG policy on the application of thresholds on the establishment and management of One Funds, "the minimum size of individual transfers from the Administrative Agent to each participating UN organization will be USD 100,000 per individual transfer".

5.3 Allocation principles

The actual allocations will take into account the following principles:

- The number of eligible countries and the allocated amounts will depend on the available funding;
- The distribution of funding will primarily focus on eligible low-income countries i.e. 60% of total available resources will be allocated to the eligible low income-countries and 40% to eligible middle-income countries (this ratio can be reviewed if deemed necessary);
- If the available funding is limited, allocation priority will be given to the new DaO countries and countries starting to apply the DaO approach with the launch of their programming cycle; should further prioritization be required, Human Development Index (HDI) of countries will be used to set priority order for allocation (i.e. countries with lower HDI will be prioritized).
- In the event of limited resources (and the need to prioritize countries with access to limited sources of funding at the country level), reasonable discretion will be exercised by the DRT-F Steering Committee;
- Co-financing by programme countries' governments is strongly encouraged;
- To increase predictability of funding at the country level, multi-year country allocations will be available when there are multi-year contributions at the global level.

6. APPLICATION AND ALLOCATION PROCESS

6.1 Application process

6.1.1 The application process for the DRT-F support will start with the issuance of the call for requests for funding by the DRT-F Steering Committee. This request will be sent to the Regional UNDG

Teams for consideration and recommendation on the countries they consider meeting the above eligibility criteria. The Regional UNDG Teams are expected to send in their recommendations within 2 weeks from receiving the call for requests for funding from the DRT-F Steering Committee.

- 6.1.2 The UN Resident Coordinators from the countries recommended by their Regional UNDG Teams, on behalf of the UN Country Teams, will submit their country's request for funding to the DRT-F Steering Committee through its Secretariat. The request for funding will specify how the above eligibility and allocation criteria are addressed, as well as contain the required documentation as annexes.
- 6.1.3 Countries' requests for funding then will be reviewed by the DRT-F Technical Sub Committee on the eligibility of each country and notify the UN Resident Coordinator respectively.
- 6.1.4 Once the decision on eligibility of countries is made, specific countries' allocations will be defined. The Steering Committee will make the final decision on allocations to eligible countries.
- 6.1.5 The submission of requests for funding, as well as the Steering Committee's allocation decisions, will be processed for a 12-month implementation¹⁶ period, with the aim of contributing into annual planning processes at the country level.

6.2 Allocation process

- 6.2.1 The allocation process will start immediately after the approval by the DRT-F Steering Committee of the countries' allocations. At the time of the initial request for funding, the eligible country will receive a contribution calculated based on the agreed allocation formula; for subsequent years, the unfunded gap will change in relation to further resource mobilization efforts at the country level and this factor as well as country performance and the volume of the available resources at the global level will form an additional consideration.
- 6.2.2 Once the decision on the allocation amount is made by the DRT-F Steering Committee, the Secretariat will inform the respective UN Country Teams through the UN Resident Coordinators and the respective Administrative Agents will make the agreed transfers.

7. FUND MANAGEMENT AND OVERSIGHT

7.1 Contributions to the DRT-F will be encouraged both from donor partners and programme countries. The DRT-F's focus is multi-year, un-earmarked contributions. However, high-level thematic/sector-level earmarking will be considered in consultation with each potential donor.

7.2 The DRT-F is open to contributions from all UN Member States, intergovernmental organizations and other sources. In such contributions, however, the key principle should be applied, i.e. (i) donors would maintain their commitment to strengthened support for core/ assessed funding to the UN as a key pillar in the System's funding architecture while (ii) the DRT-F would explicitly focus on UN's work for greater policy coherence at country level through strengthened and deepened integration of specific normative frameworks across economic, social, and environmental dimensions. The DRT-F will link with and leverage other UNDG global trust funds (e.g. Human Rights Mainstreaming Trust Fund, UN Trust Fund to End Violence Against Women, UN Partnership to Promote the Rights of Persons with Disabilities Trust Fund, etc.) to support development work at country level.

¹⁶ There may be exceptional cases in which allocation is made in the middle of the year. The implementation period therefore will be shorter or longer than 12 months.

7.3 Funding contributions will be made on the basis of and in accordance with legal agreements signed between individual donors and, on behalf of the DRT-F Steering Committee, the UNDP MPTF Office as the DRT-F Fund Administrator.

7.4 All funding contributions will be pooled in a global account created by the DRT Fund Administrator. These will be disbursed based on the decisions and instructions by the DRT-F Steering Committee, and managed in accordance with the financial rules and regulations of UNDP performing the functions of the DRT Fund Administrator.

7.5 In addition to the support to be provided to One Programmes in DaO countries an agreed annual allocation of the available resources of the DRT-F will be used to cover the direct Secretariat costs of the UN DOCO to perform functions and tasks required and the costs of the final evaluation of the DRT-F as approved by the DRT-F Steering Committee.

7.6 Roles and responsibilities for the DRT-F are defined on the basis of the following key functions:

7.6.1 Oversight and management: Steering Committee

- The overall responsibility for the DRT-F will be vested in a global Steering Committee. The DRT-F Steering Committee will be responsible for overall leadership, strategic direction and decisions on eligibility, allocation and other management and oversight aspects of the 'Delivering Results Together' Fund.
- The Steering Committee composition consists of UN agencies at senior decision-making level, and DOCO as Secretariat. It is chaired by the Vice-Chair of the UNDG; this position rotates annually. The Administrative Agent will be an ex-officio member of the Steering Committee.

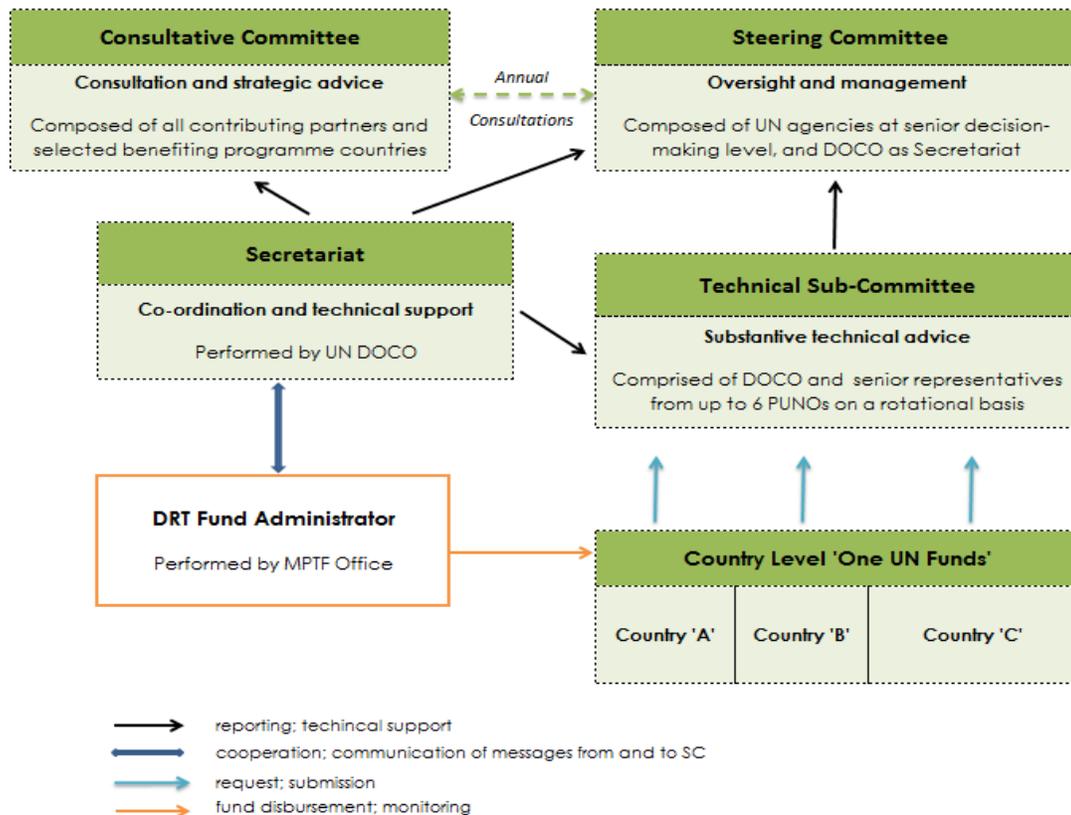
The key responsibilities of the DRT-F Steering Committee will include:

- Provide strategic direction to the DRT-F and ensure regular and annual monitoring of progress;
- Undertake and respond to annual reviews of the DRT-F arrangements;
- Agree and periodically review the allocation formula;
- Make final decision on the eligibility of countries submitting requests for funding;
- Review recommendations of the TSC on funding allocation and other fund management issues
- Approve the annual disbursement and release of funds to countries;
- Engage in dialogue with current and potential partners both for advice on the progress made by the DRT Fund and resource mobilization;
- Review and ensure complementarity between the DRT-F and similar UN system funding mechanisms¹⁷;
- Provide overall guidance to the Secretariat, the Technical Sub-Committee and the DRT-F Fund Administrator;
- Agree annual membership and rotation within the Technical Sub-Committee;
- Report to the UNDG on the progress in the implementation of the DRT-F and periodically brief the Advisory Group and seek its advice, as necessary.

The diagram below illustrates the DRT-F governance structure and decision making lines. The roles and responsibilities of the various governance bodies will be elaborated in separate detailed Terms of Reference:

¹⁷ Similar UN system funding mechanisms include other global multi-donor trust funds under UNDG governance such as Human Rights Mainstreaming Trust Funds, UN Trust Fund to End Violence Against Women, MDG Achievement Fund/SDG Fund, etc.

Figure 1: DRT-F Governance Structure



7.6.2 Substantive technical advice: Technical Sub-Committee

The Technical Sub-Committee (TSC) is a sub-committee of the DRT-F Steering Committee, established to provide advice and make recommendations on all areas related to the management of funds from the DRT-F. On a rotational basis, the TSC is comprised of senior representatives from up to six UN agencies which are among the agency members of the Steering Committee and the Secretariat (UN DOCO). One of the six senior representatives will serve as the TSC Chair. TSC members should possess requisite capacity and expertise on the normative principles.

The membership will at any given time consist of a mixture of UN Funds and Programmes and Specialized Agencies with representative participation across different duty stations. An annual rotation of three members will ensure both inclusivity and continuity. It is the responsibility of the TSC members to make themselves available to provide inputs as required, and to regularly communicate DRT-F progress to other participating organizations in their respective duty stations.

The Steering Committee will task the TSC to:

- meet regularly to discuss or review and agree on guidance to UN Country Teams on issues put forward by the Secretariat;
- review submissions vis-à-vis the eligibility and allocation criteria;
- prepare resource allocation recommendations for approval by the Steering Committee;
- assess alignment between the allocations and results of the DRT-F and other coherence funding mechanisms; and

- undertake any other relevant actions in support of the DRT-F governance and management as requested by the Steering Committee.

7.6.3 Consultation and strategic advice: Consultative Group

A Consultative Group composed of all contributing partners and a representative number of benefiting programme countries will be established. Annual joint Consultative Meetings will be held between the DRT-F Steering Committee, programme countries, donors/partners and relevant UN system representatives.

These meetings will be organized to discuss the DRT-F strategic direction, review disbursements made from the Fund, as well as the performance of the facility. Non-contributing partners interested in the functioning of the 'Delivering Results Together' Fund may be invited, if decided jointly by the DRT-F Steering Committee and DRT-F Consultative Group.

Pursuant to its counseling and advisory role, the DRT-F Consultative Group will:

- Have access to all Fund-related information and specifically country-level documentation, express opinions and consider views from relevant stakeholders not members of the DRT-F Consultative Group on the overall functioning of the DRT-F;
- Although not making decisions about the actual allocation of resources, consider financial aspects of the DRT-F, in particular the financial reporting, future financing requirements and allocation criteria;
- Based on the information about the development of activities carried out under the DRT-F provided by the Secretariat, monitor progress of implementation of the facility and make recommendations on its direction and functioning;
- Serve as a forum for consideration of issues that may impede the implementation of DRT-F;
- Engage in dialogue with other potential partners both for advice on the progress made by the DRT-F and resource mobilization.

7.6.4 Co-ordination and technical support: Secretariat

The operational coordination and technical support unit for the DRT-F will be the DRT-F Secretariat. The Secretariat functions will be performed by the UN Development Operations Coordination Office (UN DOCO) led by the UN DOCO Director.

The key responsibilities of the DRT-F Secretariat will include:

- Act as a liaison between the DRT-F Steering Committee, DRT-F Consultative Group, DRT-F Technical Sub Committee, UNDG and Advisory Group, Regional UNDG Teams, UN Resident Coordinators/UN Country Teams, and the DRT Fund Administrator;
- Facilitate the submission of countries' requests for funding to the DRT-F Steering Committee;
- Support country offices in the preparation of their requests for funding, and provide day to day guidance to UNCTs upon request;
- Support the work of the DRT-F Steering Committee and facilitate its decision making;
- Support the work of the DRT-F Consultative Group, including its interaction with the DRT-F Steering Committee;
- Support outreach and resource mobilization activities;
- Prepare annual and final consolidated narrative reports, including informal financial information as compiled through the Fund Administrator's website (Gateway), on the progress in accordance with the agreed results framework and the respective indicators;
- Compile country and fund level baseline data for inclusion in results framework, and facilitate annual progress reviews and reporting;

- Organize annual review meetings and preparation of information, data and reports to feed into discussions to enable the assessment of overall progress made against the agreed DRT-F indicators, funding situation, as well as in-depth assessment of selected country cases.

7.6.5 Administrative and financial management: Fund Administrator

The overall financial and administrative management of the DRT-F at the global level will be performed by the UNDP MPTF Office – DRT Fund Administrator.

The key responsibilities of the DRT Fund Administrator will include:

- Conclude the DRT Fund arrangement annexed to this letter with donors wishing to contribute to the DRT Fund;
- Receive the funds from the donors contributing to the DRT Fund (the “DRT Fund Contributions”) and record them in a separate MDTF1 ledger account;
- Hold the funds of the DRT Fund Contributions in the MDTF1 ledger account until such time that the DRT-F Steering Committee directs the Fund Administrator to disburse funds therefrom, in the amount and to the specific “One Fund” as shall be communicated by the DRT-F Steering Committee to the Fund Administrator.
- Prepare and distribute to the DRT-F Steering Committee, through the Secretariat, the annual and final ‘Source and Use of Funds’ statement for the DRT-F;
- Undertake the financial closure of the DRT-F;
- Notify the DRT-F Steering Committee and donors on the availability of the Consolidated Financial and Narrative Reports on the individual One Funds.

For the country level One Funds and in accordance with the UNDG standards applicable to pass-through funding modalities, the Administrative Agent functions will be performed by the designated UN agencies. Currently, these functions for all One Funds are performed by the UNDP MPTF Office. In case the UN Country Team decides that another UN agency is designated as an Administrative Agent, respective information should be sent for information to the DRT-F Steering Committee. The Administrative Agent will perform its functions in accordance with the AA protocol as approved by the UNDG.

7.6.6 Quality assurance

Quality assurance function will be embedded in the governance structure, with each of its main bodies being responsible for particular aspects of the required quality:

- The UN Country Teams, under the guidance of the Regional UNDG Teams, will be ultimately responsible for the quality of programmes, achievement of programmatic results and the respective reporting;
- The DRT-F Steering Committee, with the support of the TSC and Secretariat, will ensure all eligibility criteria are met and countries’ performance is monitored. This, among others, will be achieved through rigorous technical assessment of countries’ requests for funding by the TSC;
- The DRT-F Consultative Group will ensure the availability of funding in accordance with the signed legal agreements;
- The DRT Fund Administrator will ensure the quality of financial and administrative management of the DRT-F, as well as transparency and accessibility to the related information;
- The DRT-F Secretariat will ensure the quality of annual Fund-level reporting to the contributing donors.

7.7 The duration of the DRT-F is from 2014 to 2016. However, extensions of the Fund will be considered dependent on the availability of funding and expansion of donor base.

7.8 Through its governance structure, the DRT-F will be reviewed and, if so required amended. This funding facility, including the eligibility and allocation criteria and the governance mechanism shall be reviewed annually to identify bottlenecks and capitalization and allow for the necessary adjustments. Following consultations with the DRT-F Steering Committee and the main stakeholders as part of the DRT-F Consultative Group, the Chair of the Steering Committee may initiate a formal process to amend the DRT-F Programme Document.

8. MONITORING, EVALUATION, REPORTING AND CLOSURE

8.1 The DRT-F will not be the platform for monitoring, evaluation and/or reporting on the overall DaO initiative. The latter will be monitored on the global level through a DaO Monitoring and Evaluation Framework.

8.2 The monitoring and evaluation of the DRT-F will be based on the agreed indicators, as elaborated in the below Results Framework, and only for the countries benefiting from the DRT-F. It will feed into the overall DaO monitoring and evaluation as appropriate.

8.3 The monitoring and quality assessment will be undertaken by the DRT-F Steering Committee, with the support of the Technical Sub Committee and DRT-F Secretariat. The UNCTs receiving funding allocation from the DRT-F must submit data, information, and report timely and with good quality as required by the DRT-F Steering Committee for the purpose of monitoring and evaluation.

8.4 Annual review meetings will be undertaken under the leadership of the DRT-F Steering Committee and with the participation of both donor and programme countries. These will focus on overall progress made against the agreed DRT-F indicators, funding situation, in-depth assessment of selected country cases, and financial viability of the DRT-F. During the annual review meetings, any necessary corrective measures will be discussed and agreed upon.

8.5 A final evaluation of the DRT-F's impact will be undertaken before its closure. The evaluation will focus on assessing the contribution of the agreed outputs of the DRT-F towards the outcome and the respective indicators. The DRT-F evaluation will also include the assessment of the financial situation and recommend future direction.

8.6 The reporting system of the DRT-F will be focused on assessing the impact of the DRT-F's support as measured through the agreed indicators. An annual narrative report on the progress, including un-certified financial information as compiled through the Fund Administrator's website (Gateway), made through the DRT-F will be prepared by the DRT-F Secretariat, based on submissions from countries requesting funding from the DRT Fund and any case studies conducted (by the Technical Sub Committee and Secretariat) during the year, and submitted by the DRT-F Steering Committee to the contributing partners as the basis for the annual review meeting. The report will describe the progress against the agreed output indicators. The report will be prepared to cover the previous 12-month implementation period to feed into the eligibility and allocation decisions for the following year.

The data for the annual report will be collected through various sources:

- Brief report submitted by countries on the specific policy interventions supported by the DRT-F;
- One UN Country Results Reports;
- DaO Monitoring and Evaluation Framework (primarily focusing on compliance issues);
- Resident Coordinator Annual Reports;
- UN Coordination Survey;

- Financial information available through the UNDP MPTF Office GATEWAY;
- Case studies conducted by the DRT-F Technical Sub Committee and Secretariat; and

Collection and aggregation of data for the annual report will be undertaken by the DRT-F Secretariat for discussion by the DRT-F Steering Committee.

In addition, the DRT Fund Administrator will prepare and distribute to the DRT-F Steering Committee the annual and final 'Source and Use of Funds' statement for the DRT-F.

In line with UNDG policy, Administrative Agents for individual country-level One Funds will submit annual narrative and financial reports, in accordance with the timeline of the Memorandum of Understanding (MOU) reporting requirements.

8.7 The DRT-F will be subject to the external and internal audit requirements in accordance with the rules and regulations of the UN agency designated as the DRT Fund Administrator.

Activities carried out by the Participating UN Organizations with respect to the individual One Funds will be subject to internal and external audit as articulated in their applicable Financial Regulations and Rules. Closure of the DRT-F: Closure of the DRT-F shall comply with the Generic Arrangement for Donor Contributions which is the standard legal agreement for receiving contributions into the DRT-F. As outlined in section V of the DRT-F Arrangement:

The DRT-F Steering Committee will decide on the use of any unutilized balance of the DRT-F. Any balance remaining in the DRT-F Account and individual One Fund account at country level upon closure of the DRT-F will be used for a purpose mutually agreed upon or returned to the Donor(s) in proportion to their contribution to the Fund as agreed upon by the donors and the DRT-F Steering Committee.

ANNEX I: RESULTS FRAMEWORK

OUTCOME: The DRT-F influences greater policy coherence through strengthened integration of normative frameworks across development dimensions to achieve transformative changes in DaO countries.				
Indicator	Baseline	Target	Means of verification	Assumptions
1. Percentage of DaO countries supported by the DRT-F that clearly demonstrate UN policy interventions leading to <i>strengthened integration of normative frameworks and strengthened policy coherence across the three development dimensions</i>	N/A To be established after the initial application round	75%	<ul style="list-style-type: none"> - Brief reports submitted by countries (as mentioned under item 7.6 in main text) - One UN Country Result Reports - Case studies (when applicable) 	<ol style="list-style-type: none"> (1) One Programmes in DaO countries requesting support from the DRT-F have specific integrated policy engagements, and a logically sound results framework linking such specific policy engagements with wider policy coherence in the outputs/ outcomes. (2) The DRT-F has sufficient resource to support funding requests from DaO countries (i.e. the resource mobilized for the DRT-F will meet funding scenarios sketched out in Section 8 in the main text.). (3) The DRT-F funding catalyses local resource mobilization by the UNCTs. The UNCTs are successful in raising fund locally to adequately finance the policy interventions and the One Programme. (4) The data necessary for verifying indicators can be collected with acceptable transaction cost. (5) The DRT-F Secretariat is adequately resourced (human and financial capacity) to establish baseline data, undertake required monitoring/verification, analysis and case studies.
2. Percentage of supported DaO countries where at least 70% of UNCT members and 50% of selected relevant government counterparts agree that the specific policy interventions supported by DRT-F contribute to more coherent and integrated policy	N/A To be established after the initial application round	70%	<ul style="list-style-type: none"> - For UNCT members' response: UNDG Coordination Survey - For government counterparts' responses: short survey with selected relevant government counterparts in supported DaO countries - Case studies (when applicable) 	

OUTPUT 1: UN One Programmes providing clearer and stronger integrated policy support to governments for the development and implementation of legislation, policies, regulations and development plans based on international norms and standards.

Indicator	Baseline	Target	Means of verification	Assumptions
1. Percentage of One Programmes that request for funding from the DRT-F that have <i>at least</i> three outputs (under different outcomes) or one outcome supporting the integration of normative frameworks across economic, social, environmental dimensions at policy level	N/A To be established after the initial application round	Year 2014: 65% Year 2015: 75% Year 2016: 85%	- Submission requests from countries (including explanation on policy interventions) - One Programmes/Joint Work Plans	(1) UNCT has agreed normative framework and shared methods, tools for policy analysis and coordination structures. (2) There is a political environment that values integration across the dimensions and clear mandates from national counterparts to support integration across sectors and levels.
2. Percentage of supported DaO countries which have at least 50% of UNCT members and selected relevant government counterparts agree that the awareness and commitment of government counterparts (and other stakeholders) to integration of international norms and standards into policies and development plans have increased as a result of UN support	N/A To be established after the initial application round	Year 2014: 50% Year 2015: 70% Year 2016: 80%	- Brief country reports (mentioned under item 7.6 in the main text) - One UN Country Results Reports - UNDG Coordination Survey - Short survey with selected relevant government counterparts in supported DaO countries - Case studies (when applicable)	(3) The financial support from the DRT-F is a strong enough incentive for the UNCTs to direct focus and efforts to integrated policy support. (4) The policy interventions supported by the DRT-F have clear causal relationship with the national laws/regulations/policies.
3. Percentage of supported DaO countries that adopted new standards and/or enacted new laws or regulations or policies reflecting international norms and standards	N/A To be established after the initial application round	Year 2014: 40% Year 2015: 60% Year 2016: 80%	- Brief country reports (mentioned under item 7.6 in the main text) - One UN Country Results Reports - Short survey with selected relevant government counterparts in supported DaO countries - Case studies (when applicable)	(5) The One Programme has adequate financial resources to implement all activities relating to policy support.

OUTPUT 2: Integrated results frameworks in One Programmes improved to capture and monitor joint results and common indicators of UNCT's normative work in specific policy areas and across sectors.				
Indicator	Baseline	Target	Means of verification	Assumptions
1. Average # of joint results established in the results frameworks of One Programmes requesting DRT-F support that reflect UNCTs' support to governments in normative work across sectors	N/A To be established after the initial application round	Year 2014: 4 Year 2015: 6 Year 2016: 8	One Programmes/Joint Work Plans submitted by countries	(1) Policy-related outcomes and outputs are clearly articulated in One Programmes/Joint Work Plans. (2) The normative work is reflected in a logical results framework and/or theory of change in One Programmes/Joint Work Plans. (3) UNCTs demonstrate internal coherence through coordination of results planning, resources, skills and relationships.
2. Average # of new or modified methods/tools/instruments for joint data collection and analysis on policy engagements across DaO countries requesting support from the DRT-F	N/A To be established after the initial application round	Year 2014: 3 Year 2015: 5 Year 2016: 7	- Brief country reports (mentioned under item 7.6 in the main text) - RCAR - UN Coordination Survey	

ANNEX II: FUNDING REQUIREMENTS AND RESOURCE MOBILIZATION

The following are scenarios of funding requirements for each year of the DRT-F. They should be treated only as estimations for resource mobilization target setting and in no way as the actual allocations.

Year 2014

Qualifications (considering that the 2014 allocations need to be made at the beginning of the year, no new DaO countries would be ready to meet all eligibility criteria):

- Existing Delivering as One countries with LIC and MIC status;
- Countries with existing One Funds;
- Countries with existing One Funds having available/committed resources from local sources

Scenario 1 “lowest”: total required funding USD 15 million to meet establishment threshold for an MDTF and support about 10 LICs and MICs

- Existing DaO LICs and MICs;
- Countries with existing One Funds with commitments/deposits.

Year 2015

Qualifications:

- Delivering as One Countries considered for 2014;
- LICs and MICs launching their programming cycle (One Programme) in 2015;
- LICs and MICs with existing One Funds and commitments/deposits;
- For the sake of estimations, it is assumed that all countries launching their programming cycle would apply the DaO approach and all countries would have One Funds with commitments. In reality, this picture will be different, which will release some further funding for countries meeting eligibility criteria.

Scenario 1 “highest”: total required funding USD 49 million for about 10 LICs and 7MICs with maximum allocation amount each:

- DaO, including countries launching One Programmes, LICs and MICs;
- Countries with existing One Funds with commitments/deposits.

Scenario 2 “medium”: total required funding USD 31.5 million for about 8 LICs (with average allocation of USD 3 million each) and 5 MICs (with average allocation of USD 1.5 million each)

- DaO, including countries launching One Programmes, LICs and MICs;
- Countries with existing One Funds with commitments/deposits.

Scenario 3 “minimum”: total required funding USD 14 million for about 6 LICs (with average allocation of USD 2 million each) and 4 MICs (with minimum allocation amount each)

- Only new DaO LICs and MICs;
- Countries with existing One Funds with commitments/deposits.

Year 2016

Qualifications:

- Delivering as One Countries considered for 2014 and 2015;
- Countries launching their programming cycle (One Programme) in 2016;
- Countries with existing One Funds and commitments/deposits;
- LICs and LMICs;
- For the sake of estimations, it is assumed that all countries launching their programming cycle would apply the DaO approach and all countries would have One Funds with commitments. In

reality, this picture may be different, which will release some further funding for countries meeting eligibility criteria.

Scenario 1 “highest”: total required funding USD 80 million for about 16 LICs and 12 MICs with maximum allocation amount each

- DaO, including countries launching One Programmes, LICs and MICs;
- Countries with existing One Funds with commitments/deposits.

Scenario 2 “medium”: total required funding USD 48 million for about 12 LICs (with average allocation of USD 3 million each) and 8 MICs (with average allocation of USD 1.5 million each)

- DaO, including countries launching One Programmes, LICs and MICs with low HDI;
- Countries with existing One Funds with commitments/deposits.

Scenario 3 “minimum”: total required funding USD 18.5 million for about 8 LICs (with average allocation of USD 2 million each) and 5 MICs (with minimum allocation amount each)

- Only new DaO (not supported previously by the EFW) LICs and MICs;
- Countries with existing One Funds with commitments/deposits.

Mobilization of partnerships and resource mobilization at different levels:

Programme countries

In accordance with the SG funding report, in 2011, programme countries contributed some USD 1.2 billion in the form of non-core local resources for development-related activities in their own countries. With the growing number of countries moving into the middle-income country category, such contributions may rise in the future. Programme countries’ contributions to the One Funds in their own countries or at the global level through the ‘Delivering Results Together’ Fund will be encouraged.

Donor countries that already contributed to One Funds or the Expanded DaO Funding Window

As of March 2013, about USD 758 million was committed to country-level One Funds. About 24 governments and international agencies made contributions through One Funds, including through the Expanded DaO Funding Window. These successful partnerships will be further developed and nurtured.

Donor countries that support DaO, but did not contribute to One Funds

Involvement of partners, who support the DaO principles, but did not channel contributions through One Funds, is critically important. With the 2012 QCPR resolution, the launch of the second-generation of Delivering as One focusing on results, as well as the development of a comprehensive support package to the countries (SOPs), it is expected that Delivering as One will impact the way the UN is operating at the country level and lead to more active donor engagement at both country and global levels.

Private sector and Foundations

To varying degrees, UN agencies have more than 15 years of partnerships with the private sector and philanthropic foundations. However, the overall impact on UN resource mobilization is still limited. At the same time, the share of the private sector and foundations in the international development assistance is growing steadily. Considering that the DRT-F is seen as an innovative funding mechanism, partnerships development with these international actors will be pursued.

Accountability for resource mobilization will be shared between country and global levels, as well as between the UN, donor partners and programme countries. Resource Mobilization will be led by the DRT-F Steering Committee.