

# One Fund for the United Republic of Tanzania

## Terms of Reference<sup>1</sup>

### I. Introduction

1. UN Tanzania has been operating a One Fund (OF) since 2007 when the Government of Tanzania requested to be a pilot country for Delivering as One (DaO) reform. The fund has contributed to strengthened joint work planning and reporting, as well as formal and informal collaboration in implementation of delivering results together. It has further been pivotal in ensuring engagement by non-resident agencies in the UNDAP, allowing the government and national partners to benefit from their specific expertise.
2. In-country development partners have been supportive of the OF, and UN Tanzania will continue to work in close cooperation with current and potential new partners, to ensure that funding support to UN is channeled through the OF where possible. In order to improve communications and capturing of results achieved through the OF, the UN communication strategy will include a specific element on the OF
3. The OF conforms to the principles governing pooled and pass-through fund management modalities based on the United Nations Development Group (UNDG) Guidance Note on Establishing, Managing and Closing Multi-Donor Trust Funds, approved by UNDG October 2015.
4. The revised TOR is to reflect the support of the OF for the implementation of UNDAP II 2016-2022.

### II. Functions of OF for United Republic of Tanzania

5. The OF is supporting coherent resource mobilization as well as transparent allocation and disbursement of partner resources to facilitate delivery of common outcomes outlined in UNDAP II (2016-2022), channeling funds towards the highest priority needs based on agreed criteria, under the direction of the UN Resident Coordinator.
6. The specific objectives of the OF are to:
  - a) contribute to achievement of results agreed in UNDAP II in a coherent, efficient and sustainable way;
  - b) support implementation of UN normative agenda and strengthening of mainstreaming of the programming principles;
  - c) ensure strengthened partnership and common ownership of UNDAP II results with development partners;
  - d) provide a flexible mechanism for channeling resources to priority areas, where the UN has the comparative advantage and where multi-agency approach supports achievement of more sustainable results;
  - e) enhance ability to respond to emerging needs;

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<sup>1</sup> Approved by the Joint Steering Committee in May 2021 for the extended period of the One Fund till 30 June 2023

- f) support non-programmatic objectives, reform management, common innovations in business harmonization, and Communicating as One initiatives with added value to the strategic priorities;
  - g) strengthen joint planning, implementation, monitoring and reporting process;
7. Guiding principle is cooperation ahead of competition between agencies, proposals for funding should be vetted to ensure that they are of expected quality rather than compared against each other.
  8. Four funding windows have is established for provision of support to UNDAP II implementation:
    - a) Window 1: Un-earmarked contributions to UNDAP priorities - contributions allocated based on proposals submitted by Thematic Results Groups (TRGs) and vetted by One Fund Independent Review Committee (OIRC) (quality assurance to conform to agreed standards and criteria).
    - b) Window 2: Emerging needs – focused earmarked (not corresponding to sector) contributions allocated to agreed interventions based on proposals submitted by TRG and vetted by OIRC (quality assurance to confirm that they meet agreed standards and criteria)
    - c) Window 3: Outcome support - funds earmarked for one or more of the 12 UNDAP II outcomes allocated based on agreed performance criteria and funding requirements in Joint Work Plan.
    - d) Window 4: Joint non-programmatic initiatives – funds provided to support the common processes including support to the Office of the Resident Coordinator, joint communication initiatives, common planning/monitoring and reporting process; innovations within business harmonization; and strengthening of UNs normative role and mainstreaming of programming principles.
  9. In order to ensure focus on national priorities and allow the JSC the maximum flexibility for planning and funds allocation, the preference is for un-earmarked funding. Nevertheless, earmarked funding will be accepted at the Outcome level or for other joint programmatic or non-programmatic initiatives under funding window 2, 3 and 4.

### III. Programmatic Scope and Theory of Change

10. The OF is anchored in the UNDAP II Results framework, approved by the JSC, describing UN Tanzanians planned intervention 2016-2022 and measurable targets.
11. The formulation of UNDAP II was evidence-based and inclusive. Strategic prioritization for the UN Programme of Cooperation drew upon data from the country's needs and the UN's comparative advantage to act, with a particular focus on the most vulnerable and hard to reach populations. The process was participatory, with opportunities for Government, Civil Society, Media, Development Partners, the Private Sector and the General Public to contribute. Further, both the formulation and product were guided by the UN key programming principles, namely: Human Rights Based Approach; Gender Equality and Women's Empowerment; Environmental Sustainability; Culture and Development; Capacity Development; Results Based Management.
12. UNDAP II is composed by: twelve programmatic outcomes, with defined outputs, indicators and targets, grouped under four inter-related, mutually dependent themes; and two non-programmatic outcomes encompassing the areas of Business Harmonisation and Communications, Outreach, Advocacy and Partnerships. The UNDAP II themes will be forming the OF projects level in the fund architecture to ensure alignment with delegated leadership in country level. The thematic areas are: Inclusive Growth; Healthy Nations; Resilience; Democratic Governance, Human Rights and Gender Equality; Non-Programmatic.

13. The integrated planning, review and reporting schema for UNDAP II is centred upon rolling costed JWPs, running from July to the following June, in alignment with government's fiscal cycle, for each of the agreed Thematic Areas, with pre-defined indicators and annual targets. The JWPs the basis of biannual monitoring and reporting to assess progress towards UNDAP II results, according to Results Based Management principles.

#### IV. Governance Arrangements

##### Joint Steering Committee

14. The JSC, co-Chaired by the Permanent Secretary of the Ministry of Finance and Planning and the UN Resident Coordinator, will provide strategic guidance to the UNDAP II and strategic leadership of the OF including making decisions on available fund allocation (with documented process and rationale for these decisions) and monitoring of the overall agreed UNDAP implementation and its annual review.
15. The JSC ToR for UNDAP II, as approved by the JSC CO-Chairs, is in compliance with the UNDG Generic Terms of Reference for Steering Committees.
16. JSC members include: representation at Permanent Secretary Level of relevant Ministries/Departments/Agencies working with the UNCT as assigned by the Government co-chair (this includes representatives from the Revolutionary Government of Zanzibar); the four UN Thematic Results Groups Leads at UN Agency Representative/Country Director Level; Lead Development Partner (to be selected by DPs in Tanzania); the Administrative Agent member ex-officio. Other relevant Ministry representatives will be invited to attend a meeting if and as needed. Observers may be called depending on the agenda items. Decisions will be made on a consensus basis.
17. As where the JSC overall responsibility is outline in the JSC ToR, its specific responsibility in regards to the OF is as follows:
  - a) providing strategic guidance to the UNDAP II as well as monitoring and evaluation of overall agreed UNDAP II implementation including annual reviews;
  - b) providing strategic leadership of the OF on the basis of the UNDAP II;
  - c) making decisions on available fund allocation (with documented process and rationale for these decisions) in accordance with the agreed criteria and procedures outlined in this ToR;
  - d) request fund transfers to the Administrative Agent (signed off by UN member of the Steering Committee);
  - e) to review and approve their Terms of Reference and Rules of Procedures, based on the generic UNDG standard TOR, and update and/or modify them, as necessary, in case of compelling requirements.
  - f) to review and approve proposals for allocation submitted by UN Country Management Team (UNCMT), following recommendations for allocation by the OIRC; ensure their conformity with the requirements of the OF agreements (MoUs). To ensure the quality of proposals to receive funding from the OF;
  - g) to discuss the OF requirements and priorities concerning, inter alia: programme/project management, including consistent and common approaches to programme/project costing, cost recovery, implementation modalities, results-based reporting and impact assessment;

- h) to support information management including appropriate OF donor visibility;
- i) to ensure appropriate consultative processes take place with key stakeholders at the country level so as to avoid duplication or overlap between the OF and other funding mechanisms;
- j) to review and approve the periodic progress reports (programmatic and financial) consolidated by the Administrative Agent (AA) based on the progress reports submitted by the Participating UN Agencies (PUN). To ensure consistency in reporting between thematic areas; consolidated annual reports should include a section on the activity of the JSC.
- k) to review findings of the summary audit reports consolidated by the internal audit service of the Administrative Agent (AA). To highlight lessons learnt and periodically discuss follow up by PUNs on recommended actions that have OF wide impact;
- l) to agree on the scope and frequency of the independent “lessons-learned and review” of the OF commissioned by the JSC, in consultation with the HQ Fiduciary Management Oversight Group.
- m) to review the draft/final reports on lessons learnt, ensure the implementation of recommendations and identify critical issues for consideration by the HQs Fiduciary Management Oversight Group (to be brought up to the ASG Group, if/as required).
- n) commission mid-term and final independent evaluations on the overall performance of the OF;
- o) approve OF extensions and updates to the OF TOR, as required.
- p) develop and implement resource mobilization strategies to capitalize the Fund.
- q) approve direct costs related to fund operations supported by the Secretariat;

#### One Fund Secretariat

18. A focal point designated within the Office of the Resident Coordinator will be providing the OF secretariat.
19. The secretariat is responsible for the programmatic coordination and monitoring of the OF. Specific responsibilities includes:
  - a) to advise the JSC on strategic priorities, programmatic and financial allocations based on the input from the OIRC, TRGs and the AA;
  - b) to organize calls for proposals and appraisal processes;
  - c) to ensure the monitoring of the operational risks and OF performance;
  - d) to consolidate annual and final narrative reports provided by the PUNs and TRGs and share with the JSC for review as well as with AA for preparation of consolidated narrative and financial reports;
  - e) to facilitate collaboration and communication between PUNs to ensure programmes are implemented effectively.
  - f) to liaise with the AA on fund administration issues, including issues related to project/ fund extensions and project/fund closure.

As per the OF MOU/SAA, the costs of such support may be charged as direct costs to the OF with the approval of the JSC. The budget is agreed and approved annually by the JSC, and would normally not exceed 3%.

### The Administrative Agent

20. The Administrative Agent (AA) is the administrative interface between the donors contributing to the OF and the PUNs. UNDP serves as the AA for OF.
21. The Administrative Agent will conclude a Memorandum of Understanding (MOU) with the Participating UN Agency and Standard Administrative Arrangements (SAAs) with contributing partners. Receipt, administration, and disbursement of funds to the participating organizations according to the instructions of the JSC, financial reporting and consolidation. The Administrative Agent will disburse funds to the Secretariat for direct costs based on the decision of the Steering Committee. On an annual basis, the Administrative Agent will notify the Steering Committee of the amounts used for such purposes.
22. The Administrative Agent will be accountable for effective and impartial fiduciary management and financial reporting, and on behalf of the PUN, the Administrative Agent will:
  - (a) Receive contributions from donors that wish to provide financial support to the Fund;
  - (b) Administer such funds received, in accordance with this Memorandum of Understanding and the Administrative Arrangement including the provisions relating to winding up the Fund Account and related matters;
  - (c) Subject to availability of funds, disburse such funds to each of the Participating UN Organizations in accordance with decisions from the JSC, taking into account the budget set out in the approved programmatic document<sup>1</sup>.
  - (d) Consolidate financial statements and reports, based on submissions provided to the Administrative Agent by each Participating UN Organization, as set forth in the TOR; and submit the consolidated financial statements and reports and the consolidated narrative progress reports provided by the Resident Coordinator's Office to each donor that has contributed to the Fund Account, and to the JSC;
  - (e) Provide final reporting, including notification that the Fund has been operationally completed;
  - (f) Disburse funds to any Participating UN Organization for any additional costs of the tasks that the Steering Committee may decide to allocate in accordance with this TOR.
23. The UN Resident Coordinator's Office will be responsible for consolidating the annual and final narrative progress reports based on submissions provided by each Participating UN Organization, and provide these to the Administrative Agent for further submission to each donor that has contributed to the Fund.<sup>2</sup>The JSC may request any of the Participating UN Organizations, to perform additional tasks in support of the Fund not related to the Administrative Agent functions.
24. The AA is entitled to allocate an administrative fee of one percent (1%) of the amount contributed by each donor.

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<sup>1</sup> As used in this document, an approved programmatic document refers to an annual work plan or a programme/project document, etc., which is approved by the Steering Committee for fund allocation purposes.

<sup>2</sup> In the case of the One Funds the final narrative progress reports will be an annual narrative progress report covering the final year in which the One Fund is operational.

25. Where the AA is also a PUN a clear delineation, including distinct reporting lines and an accountability framework, will be established and maintained within the organization designated as the AA between its functions as an Administrative Agent and its functions as a Participating UN Organization.

#### The Participating UN Organisations

26. All UN signatories to the UNDAP II<sup>3</sup> and IOM, with established OF MoUs with the Administrative Agent who follows the planning process as described in paragraph 40 are eligible for OF funding.
27. The Representatives/Country Directors/Heads of the Participating UN Organizations (PUNs) will be responsible for:
- a) agreed UNDAP II implementation, effective utilization of the funds allocated from the OF and their organization's components of the UNDAP II;
  - b) providing in a timely manner and according to agreed quality standards relevant reports and statements defined in the MoU;
  - c) signing the OF Memorandum of Understanding with the Resident Coordinator, the PUN and UNDP;
  - d) maintaining standards of conduct that govern the performance of its staff, including the prohibition of corrupt practices in connection with the award and administration of contracts, grants, or other benefits, as set forth in their Staff Regulations and Rules and the Financial Regulations and Rules, including those regarding procurement.
28. The Participating UN Organizations assume full programmatic and financial accountability for the funds disbursed to them by the Administrative Agent. Each Participating 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 AA from the Fund/Programme Account. That separate ledger account will be administered by each PUN in accordance with its own regulations, rules, policies and procedures, including those relating to interest.
29. Each PUN will use the funds disbursed to it by the AA from the OF Account to carry out the activities for which it is responsible as set out in the approved programmatic document, as well as for its indirect costs. PUN will commence and continue to conduct operations for the OF activities only upon receipt of disbursements made by the AA. The PUN will not make any commitments above the amount disbursed against the approved programmatic document. If there is a need to exceed the amount disbursed, the PUN concerned will submit a supplementary budget request to the JSC showing the further financing that will be necessary. If no such further financing is available, the activities to be carried out under the approved programmatic document may be reduced or, if necessary, terminated by the PUN.
30. The PUN recognize that each of the donors signing an Standard Administrative Arrangement has reserved the right to discontinue future deposits of its contribution if there is: (i) failure to fulfil any obligations under the Standard Administrative Arrangement; (ii) if there are substantial revisions of the TOR/Joint Programme Document; or (iii) if there are credible allegations of improper use of the funds in accordance with the Memorandum of Understanding provided however that before doing so, the AA, the JSC and the donor will consult with a view to promptly resolving the matter.

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<sup>3</sup> FAO, IAEA, IFAD, ILO, ITC, OHCHR, UN Women, UN-Habitat, UNAIDS, UNCDF, UNCTAD, UNDP, UNEP, UNESCO, UNFPA, UNHCR, UNICEF, UNIDO, UNODC, UNV, WFP, WHO.

31. Indirect costs of the PUN recovered through programme support costs will be seven percent (7%). All other costs incurred by each PUN in carrying out the activities for which it is responsible under the Fund/Programme will be recovered as direct costs.

#### Thematic Results Groups

32. As where the Thematic Results Groups (TRGs) overall responsibility is outlined in the TRG ToR, its specific responsibility in regards to the OF is as follows:

- a) ensure effective coordination in developing Joint Work Plans, implementation, monitoring, reporting and evaluation,
- b) develop and submit OF project proposals in line with agreed template and timelines as communicated by the Secretariat.
- c) ensure UN Programming Principles are mainstreamed in UNDAP II implementation, monitoring, reporting and evaluation through the JWP,
- d) provide consolidated inputs to the Results Monitoring and Implementation support System (RMISS) for the JWP and UNDAP II annual report,
- e) review and provide updated inputs to UNDAP II M&E framework: baselines, indicators and targets for the relevant thematic area,

#### The UN Resident Coordinator

33. The UN Resident Coordinator will be responsible for:

- a) co-chairing the JSC and facilitate strategic guidance, leadership and decisions of the JSC;
- b) provide strategic guidance to the UNDAP II among the PUNs in consultation with the UNCMT;
- c) providing strategic leadership of the OF on the basis of the UNDAP II among PUN in consultation with the UNCMT;
- d) provide dispute resolution and final internal endorsement of OF allocations;
- e) recommending available fund allocation to the JSC for decisions together with other UN representatives to the JSC based on the agreed recommendation at the UNCMT meeting;
- f) taking leadership in mobilizing resources for the OF in collaboration with PUNs ;
- g) providing strategic focus to the consolidated reports prepared under the MOU, including analysis of progress and lessons to be learned for future agreed UNDAP II implementation;
- h) holding Country Directors/Representatives/Heads of the PUNs accountable for the implementation of those activities for which their agencies are responsible, for the achievement of the outputs and outcomes established by the UNDAP II, and the utilization of the funds allocated from the OF;
- i) being accountable for the overall management of the OF and the utilization of the funds in the OF Account.
- j) signing the Standard Administrative Arrangements with Donors and the AA and the Memorandum of Understanding with the PUNs and the AA; and
- k) maintaining standards of conduct that govern the performance of its staff, including the prohibition of corrupt practices in connection with the award and administration of contracts,

grants, or other benefits, as set forth in their Staff Regulations and Rules and the Financial Regulations and Rules, including those regarding procurement.

34. The Office of the Resident Coordinator (RCO) is responsible for support to the strategic leadership role of the Resident Coordinator for the OF. It will provide support in all the designated tasks for the Resident Coordinator under paragraph 33 above.

## **V. Fund Implementation**

### **Contributions to the OF**

35. Contributions to the OF may be accepted from governments of Member States of the United Nations, intergovernmental organizations, non-governmental organizations or the private sector. Acceptance of funds from the private sector will be guided by criteria stipulated in the UN system-wide guidelines for cooperation between the UN and the Business Community (the UN Secretary General's guidelines <http://www.un.org/partners/business/otherpages/guide.htm>).
36. Each donor will sign a Standard Administrative Arrangement with the Resident Coordinator and UNDP as AA, setting out the terms and conditions governing receipt and administration of and reporting on the contributions.
37. In order to ensure focus on national priorities and allow the JSC the maximum flexibility for planning and funds allocation, the preference is for un-earmarked funding. Nevertheless, earmarked funding will be accepted at the Outcome level or for other joint programmatic initiatives under funding window 3 and 4. Earmarking to a UN organization is not permitted.
38. Where feasible, donors will be encouraged to ensure that contributions are deposited in the OF by latest 1 July every year, in order to reduce delays in allocations to projects.
39. As the AA of the OF, UNDP will be responsible for receiving all donor contributions in the Tanzania OF Account established for this purpose. Subject to the availability of funds, the AA shall normally make each disbursement within three (3) to five (5) business days after receipt the instructions from the Resident Coordinator based on the fund allocation decisions of the JSC. The Resident Coordinator's instruction shall not be unreasonably delayed after the allocation decision by the JSC.

### **Eligibility for MDTF Funding**

40. All UN signatories to the UNDAP II and IOM, with established OF MoUs with the AA who follows the planning process below are eligible for OF funding:
- a) presentation of a detailed UNDAP II costed Joint Work Plan including:
    - o detailed sequencing of projects aligned to UNDAP II outputs, outcomes and monitoring framework;
    - o a clear division of labour among UN Agencies for various activities;
    - o clear performance targets for outputs that realistically enable progression to the delivery of the agreed UNDAP outcomes;
    - o demonstrated capacity of the UN to deliver the agreed UNDAP II JWP (i.e. indication of staff with primary responsibility for delivery of each project).
  - b) provision of bi-annual reporting in accordance with UNDAP II reporting processes and guidelines.

- c) measures to redress Implementing Partners deficiencies/obstacles for successful agreed UNDAP II implementation, as identified through the Harmonized Approach to Cash Transfer (HACT) micro-assessment where applied.

#### Allocation Decision Making

41. The OF II will combine a programmatic allocation process with a projectized allocation process whereas sectoral earmarked funds will be based on the Joint Work Plans submitted on an annual basis, and decided upon as described as 'Window 3' below. While allocations under the first, second and forth window will be based on project proposals submitted upon request by the Secretariat.
42. OF Independent Review Committee (OIRC), comprised of chairs of the PMT, OMT, two representatives from the programming principles task team (representing expertise on Human Rights and Gender) and a representative from R-UNDG will be appointed to review and assess proposal and performance based on the criteria for respective funding window as detailed in the ToR.
43. Dispute resolution and final internal endorsement rest with the UNRC.

#### **A: Allocation round for UNDAP Priorities (Window 1)**

44. Whereas funds have been provided un-earmarked, 10% will be made available for non-programmatic support such as communications, support to mainstreaming of programming principles and monitoring and reporting under the decision of the UNCMT, the remaining amount available separated equally among the four TRG. Each TRG to submit one proposal for funding allocation to respond to UNDAP II priorities within the thematic area, as per agreed template.
45. The funding proposal will be reviewed and approved by the OIRC ensuring that they meet the following criteria.
  - a) Quality of the proposal
    - ✓ Meeting the outline of the template
    - ✓ Defined relevant UNDAP II Outcome/s and output/s
    - ✓ Defined agency contribution
  - b) Integration of Programming principles
    - ✓ Explicit integration of a Rights-based approach with Human rights consideration and contribution to GEWE.
    - ✓ Environmental considerations integrated
    - ✓ Explicit integration of Results Based Management by reference to relevant outputs, outcomes and indicator under UNDAP II Results Framework.
  - c) Demonstration of jointness and complementarities across agencies
    - ✓ Minimum of three agencies working together
    - ✓ Defined complementarities and working modalities to deliver results together
    - ✓ Description of UNs comparative advantage for the intervention
  - d) Relevance of proposal
    - ✓ Relevance of intervention in view of Government strategic priorities referring to relevant national document.
    - ✓ Relevance of proposal for achievement of the Sustainable Development Goals

- ✓ Large enough allocation to have a meaningful impact on programme activities [note minimum transfer of USD 100,000 to individual agency]
- ✓ Demonstrated value for money, % of budget allocated for program implementation

**B: Allocation round for Emerging Needs (Window 2)**

46. Whereas funds have been provided earmarked for an emerging issue (topic) included under UNDAP II, but not identified as a standalone outcome, UNCMT to agree which TRG/s that are eligible to submit a proposal based on the earmarking. Eligible TRG/s to submit one proposal for funding allocation to respond to the topic earmarking, as per agreed template.
47. The funding proposal will be reviewed and approved by the OIRC ensuring that they meet the following criteria.
- a) Quality of the proposal
    - ✓ Meeting the outline of the template
    - ✓ Defined relevant UNDAP II Outcome/s and output/s
    - ✓ Defined agency contribution
  - b) Integration of Programming principles
    - ✓ Explicit integration of a Rights-based approach with Human rights consideration and contribution to GEWE.
    - ✓ Environmental considerations taken
    - ✓ Explicit integration of Results Based Management
  - c) Demonstration of jointness and complementarities across agencies
    - ✓ Minimum of three agencies working together
    - ✓ Defined complementarities and working modalities to deliver results together
    - ✓ Description of UNs comparative advantage for the intervention
  - d) Relevance of proposal
    - ✓ Relevance of intervention in view of Government strategic priorities referring to relevant national document.
    - ✓ Large enough allocation to have a meaningful impact on programme activities [note minimum transfer of USD 100,000 to individual agency]
    - ✓ Demonstrated value for money, % of budget allocated for program implementation

**C: Allocation round for Outcome earmarking (Funding window 3)**

48. Whereas funds have been provided earmarked for an UNDAP II outcome, funding proposals as outlined in the JWP document to be reviewed and graded by the OIRC against agreed criteria.

a) Initial allocation

Relevant Participant UN Agencies (PUNs) that have fully complied with the above eligibility criteria and supporting implementation of the applicable sector/s for earmarking, will qualify for an initial allocation of funds from the One UN Fund. The OIRC will conduct a desk review of all the relevant UNDAP II JWP and make a proposal for allocation of funds after application of the criteria for initial allocations of funds. Each agreed PUN is allocated a pro-rata of its annual funding gap for the thematic

area, PUN allocations of less than 100,000 will be dismissed and funds will be available for allocation among remaining PUNs .

The OIRC fund allocation recommendations will then be shared with UNCMT for endorsement and submission to JSC for approval.

b) Subsequent (Performance Based) Allocations

Performance based allocations will be undertaken once a year with the possibility of an additional allocation if new contributions are committed within 6 months after the yearly allocation has been approved in order to reduce delay in program delivery. In line with the requirements established by the OF MOU, each agreed PUN will report on progress made against outputs, financial expenditure, major achievements and constraints. They will be required to account for annual targets and the extent to which programming principles were mainstreamed. PUNs will also provide a narrative against the output statement and TRG lead will provide a narrative for the outcome.

The OICT will apply the criteria (below) and make recommendations on the fund allocation. The recommendations will be reviewed by the UNCMT, which once satisfied that the criterion have been properly applied, will present the recommendations to the JSC for a final decision.

Weighted performance criteria will be applied.

- ✓ Extent to which performance indicators relating to UN’s programming principles have been met - 60%
- ✓ Extent of cumulative financial delivery, - 40%

Performance scores will then be translated into entitlement scores, using the following conversion chart:

Performance Score	Entitlement
<40%	0%
50% - 59%	50%
60% - 69%	60%
70% - 79%	70%
80% - 89%	80%
90% - 100%	100%

Where the OF is less than 100% resourced to cover the funding gap, allocations to PUNs will be made by multiplying the performance entitlement percentage by the prorated allocation based on the funding gap.

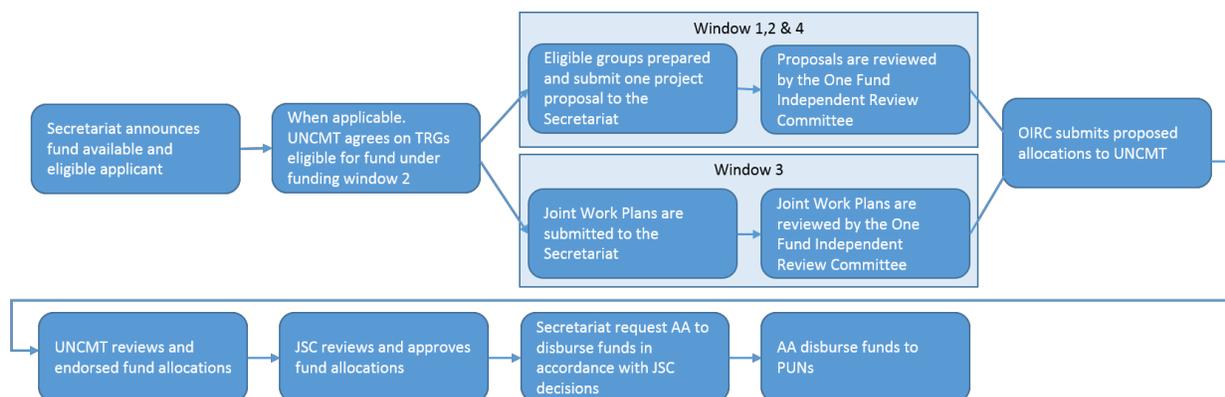
PUN allocations of less than 100,000 will be dismissed and funds will be available for allocation among remaining PUNs .

**D: Allocation round for funding window 4**

49. RCO, Operations Management Team, Programme Management Team and UN Communication Group are eligible to submit proposal/s as per agreed template for fund allocation to OIRC. The funding proposal will be reviewed and approved by the OIRC ensuring that they meet the following criteria.

- a) Quality of the proposal
  - ✓ Fit with the outline of the template
  - ✓ Defined agency contribution
- b) Value for Delivering as One reform
  - ✓ Support to enhanced inclusion of non-resident agencies
  - ✓ Potential for cost-efficiencies
  - ✓ Promotion of coherent approach
  - ✓ Leveraging of available resources
- c) Relevance of proposal
  - ✓ Relevance of intervention in view of UN guiding principles
  - ✓ Large enough allocation to have a meaningful impact [note minimum transfer of USD 100,000 to individual agency]

**Project Approval Cycle**



**VI. Risk Management**

50. A risk management strategy for the One Fund will be developed by the support of the OF Secretariat in collaboration with PUN, Government and Development partners. The risk management strategy will focus on risk related to the fund’s governance and strategy; and the funds programmes and operational risk emanating from the design and implementation. The objective of the risk management strategy will be to: 1) inform Fund portfolio management; and 2) protect the OF resources and reputation. The risk management strategy will be presented to the JSC no later than 31st October 2016.

51. The UNDAP II results framework considered risk and assumptions that will have an impact on delivery of the programmatic activities and their intended results.

#### **VI. Reporting**

52. The annual reporting requirements of the OF are outlined in the MOU and SAA.
53. Financial reporting takes place using the UNDG harmonized budget categories, including for expenditures against JSC approved use of direct costs.
54. TRGs provide annual (alignment to Government fiscal cycle, July to June), narrative progress report, as per UNDAP II planning, monitoring and reporting timelines, to the Secretariat no later than 31 October.
55. PUNs provide annual financial report as of 31 December to the AA no later than 30 April.
56. Secretariat consolidates narrative reports based on submissions by PUNOs and AA consolidates financial reports based on submissions by PUNs by 31 March. As per the Standard Operating Procedures, the Annual Country Results Report is the narrative report for OFs.
57. AA ensures that the consolidated narrative and financial report is submitted to donors by 31 May.
58. AA provides certified annual financial statement no later than 31 May after the end of the calendar year.

#### **VII. Monitoring and Evaluation**

59. Monitoring of the Fund will be undertaken in accordance with the UNDAP II narrative. At the mid and end of year, PUN will be required to produce an Output level narrative progress report explaining their results and contribution to UN Programming Principles, constraints/challenges and remedial action planned plus any lessons learned for integration in plans going forward. These reports will be collated and re-presented as a narrative at the Outcome level by the TRGs. Also under the Annual Review, agencies will be required to report on delivery against targets. Findings from the Annual Review will enable appropriate strategic, programmatic and operational adjustments, as necessary, for reflection in the JWPs. Plans should demonstrate that lessons of the previous year have been learnt, the problem and causality analysis remains valid and, where appropriate, strategy and/or actions have been amended. This should also include the identification of additional support needs or revision of assumptions made.
60. The UNDAP II Annual Report will encompass the entire range of UN interventions in Tanzania, including those related to the DaO reform agenda, business harmonization and communication. Agency specific reporting, as required from their respective governing bodies, will be based on the UNDAP annual report and reviews.
61. The PUNs and the donor(s) will hold consultations at least annually, as appropriate, to review the status of the OF. In addition, the PUNs and the donor(s) will discuss any substantive revisions to the OF, and promptly inform each other about any significant circumstances and major risks, which interfere or threaten to interfere with the successful achievement of the outcomes outlined in UNDAP II, financed in full or in part through contributions from the donor(s).
62. The monitoring and reporting system will itself be subject to periodic review and update during the lifetime of UNDAP II to ensure the information needs of all stakeholders (internal and external) continue to be met. Monitoring activities will be conducted legally, ethically and with due regard for

the welfare of those affected by its findings. Where possible, common approaches to field monitoring will be established and implemented, in conjunction with common Quality Assurance mechanisms under HACT.

63. A mid-term assessment of UNDAP II will be undertaken to enable the timely integration of lessons learnt in the current and successive programme cycle. An end-of-term assessment of results delivery will also be undertaken, created from a synthesis of agency specific evaluations, to ensure UN accountability commitments are met.
64. The JSC and/or PUN will recommend a joint evaluation if there is a need for a broad assessment of results at the level of the Fund/Programme or at the level of an outcome within the Fund/Programme. The joint evaluation report will be posted on the website of the UN in Tanzania [www.tz.one.un.org](http://www.tz.one.un.org) and the Administrative Agent [www.mptf.undp.org](http://www.mptf.undp.org).
65. In addition, the Participants recognize that the donor(s) may, separately or jointly with other partners, take the initiative to evaluate or review their cooperation with the AA and the PUNs, with a view to determining whether results are being or have been achieved and whether contributions have been used for their intended purposes. The AA and the PUNs will be informed about such initiatives, will be consulted on the scope and conduct of such evaluations or reviews and will be invited to join. The Participants will upon request assist in providing relevant information within the limits of their regulations, rules, policies and procedures. All costs will be borne by the respective donor, unless otherwise agreed. It is understood by the Participants that such evaluation or review will not constitute a financial, compliance or other audit of the Fund/Programme including any programmes, projects or activities funded under the Memorandum of Understanding.

#### **VIII. Audit**

66. The activities of the AA and each PUN in relation to the OF will be exclusively audited by their respective internal and external auditors in accordance with their own financial regulations and rules. The corresponding external and internal audit reports will be disclosed publicly unless the relevant policies and procedures of each of the relevant Participants provide otherwise.
67. The Internal Audit Services of the Participants involved in the OF may consider conducting joint internal audits thereof in accordance with the Framework for Joint Internal Audits of UN Joint Activities, including its risk-based approach and provisions for disclosure of internal audit reports related to the Fund. In doing so, the Internal Audit Services of the Participants will consult with the Steering Committee.
68. The costs of internal audit activities in relation to the OF will be borne by the Internal Audit Services of the UN organizations involved.
69. The part of the contribution transferred by a PUN to its implementing partners for activities towards the implementation of the UNDAP II will be audited as provided under that PUN's financial regulations and rules, as well as its policies and procedures. The disclosure of the corresponding audit reports will be made according to the policies and procedures of that PUN.

#### **IX. Public Disclosure**

70. Subject to the regulations, rules, policies and procedures of the PUN, each PUN Organization will take appropriate measures to publicize the OF and UNDAP II and to give due credit to the other PUNOs . Information given to the press, to the beneficiaries of the OF, all related publicity material, official notices, reports and publications, will highlight the results achieved and acknowledge the role of the Host Government, the donors, the PUNs , the AA, and any other relevant entities. In particular, the AA will include and ensure due recognition of the role of each PUN and national partner in all external communications relating to the OF.
71. The AA in consultation with the PUN will ensure that decisions regarding the review and approval of the OF as well as periodic reports on the progress of implementation of the UNDAP II are posted, where appropriate, for public information on the websites of the UN in Tanzania [www.tz.one.un.org](http://www.tz.one.un.org) and the Administrative Agent [www.mptf.undp.org](http://www.mptf.undp.org). Such reports and documents may include JSC approved programmes and programmes awaiting approval, fund level annual financial and progress reports and external evaluations, as appropriate.
72. The Participants are committed to principles of transparency with regard to the implementation of UNDAP II, consistent with their respective regulations, rules, policies and procedures. The donors, the AA, PUNs and the Host Government, if applicable, will endeavor to consult prior to publication or release of information regarded as sensitive.

#### **X. Modification and Expiration of the MDTF**

73. The OF for Tanzania is extended to 30 June 2023 and with any further extensions as approved by the JSC.
74. Further extension and closing of the OF to be undertaken in accordance with the UNDG Guidance on *Establishing, Managing and Closing Multi—Donor Trust Funds*, approved UNDG October 2015.
75. The operational closure of OF allocation in support of UNDAP II is 30 June 2023 and reporting to be undertaken as outlined in the MoU.