

## TERMS OF REFERENCE

Version 6.0 (2 December 2021)

A **multi-partner financing instrument** to support a sustainable, scalable, and well-governed **ecosystem** that expands shared capabilities — for using **data with ever greater insight, impact, and integrity**: to **anticipate, prevent, and respond to complex risks** across the humanitarian-development-peace nexus.

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## A. List of Acronyms

- AA: Administrative Agent
- ACLED: The Armed Conflict Location & Event Data Project
- AI: Artificial Intelligence
- API: Application Programming Interface
- CBPF: United Nations Country-based Pooled Funds
- CERF: United Nations Central Emergency Response Fund
- CRAF'd: The Complex Risk Analytics Fund
- DAC: OECD Development Assistance Committee
- DREF: IFRC Disaster Relief Emergency Fund
- EOSG: United Nations Executive Office of the Secretary-General
- FCAS/FCS: Fragile and crisis-affected settings/situations
- HACT: Harmonized Approach to Cash Transfers
- HDX: The Humanitarian Data Exchange (<https://data.humdata.org>)
- IFRC: International Federation of Red Cross and Red Crescent Societies
- MOU: Memorandum of Understanding
- MPTF: Multi-Partner Trust Fund
- MPTFO: United Nations Multi-Partner Trust Fund Office
- NGO: Non-governmental organization
- OECD: Organisation for Economic Co-operation and Development
- PBF: United Nations Peace Building Fund
- PUNO: Participating United Nations Organization
- NUNO: Non-United Nations Organization (in this document defined as non-profit NUNO)
- SAA: Standard Administrative Agreement
- TOR: Terms of Reference
- UN: United Nations
- UNSDG: United Nations Sustainable Development Group

## B. The Complex Risk Analytics Fund (CRAF'd)

### OUR VISION

Establishing a scalable, sustainable, and well-governed ecosystem that unlocks the full value of data for greater resilience and stronger support to people and planet – when and where it matters most.

### OUR MISSION

Expand shared capabilities of partners to use data for anticipation, prevention, and response to complex risks in fragile and crisis-affected settings.

### PROBLEM STATEMENT

The use of data and analytics to support engagement with complex risks in crisis-affected or fragile situations – including those arising from climate, social, political, economic, and demographic change – is sub-optimal. Gaps in data collection remain wide, many stakeholders lack technical expertise to generate insights from data, and too often, analytical work takes place in siloes. To the detriment of the world's most vulnerable populations, the result is lost potential: insights are sub-par or do not translate into effective action. Given over \$30 billion in annual international assistance to fragile and crisis-affected situations, the cost of this lost potential is massive – in lives and livelihoods. Given the interdependence of complex risks, no organization alone can unlock the full potential of data for better crisis anticipation, prevention, and response. Instead, we must learn to collaborate in ecosystems: that connect policymakers, implementers, funders, researchers, data providers, communities, and other stakeholders better.

### OUR APPROACH TO CHANGE

The Complex Risk Analytics Fund (hereinafter referred to as “CRAF'd” or the “Fund”) follows a holistic ecosystem approach for more effective action-focused data collaboration. With its investments, the Fund will close data gaps. Its support to knowledge, capacity, and standards initiatives will strengthen the quality of insights from data. And by supporting action frameworks – including those for anticipatory action, forecast-based action, or other forms of pre-arranged financing – CRAF'd will help translate data insights into more effective crisis action.

Equally important, by connecting a diverse set of stakeholders, CRAF'd will build the **connective tissue** that is needed to create more value from data. The result will be more effective international alignment of anticipation, prevention, and response to complex risks in fragile and crisis-affected settings. In this context, CRAF'd is expressly designed to complement investments from the associated World Bank-hosted **Global Data Facility**.

CRAF'd is set up as a **multi-partner trust fund (MPTF)**, so that partners can pool investments, optimize financial commitments, minimize risks, and cut transaction costs for critical data and analytics outputs.

### SHARED AGENDAS

CRAF'd amplifies agendas for more effective multilateral action in the face of crises and fragility, including:

- **2030 Agenda** for Sustainable Development and the Decade of Action
- Agendas for **peacebuilding** and **sustaining peace, pathways for peace**, and associated UN resolutions
- OECD DAC Recommendations on the **Humanitarian-Development-Peace Nexus**
- **Common Agenda** for inclusive, networked & effective multilateralism, outlined in the UN75 resolution
- Action Frameworks, including the **Anticipatory Action** agenda
- UN Secretary-General's **Data Strategy**, as well as similar national and multilateral strategies
- **Sendai Framework for Action**
- **Paris Agreement and Glasgow Accord**

## C. Investment Focus

CRAF'd offers **two windows** to fund shared investments in data (Window A), as well as analytics, knowledge, and capacity (Window B), for partners across the humanitarian-development-peace nexus.

### FUNDING WINDOW A (Priority)

Investment	Rationale and examples
Datasets	To <b>ensure that all stakeholders can sustainably access and leverage essential risk data as a common good</b> for the academic and public sector – including more real-time, high-resolution, and interoperable data.

### FUNDING WINDOW B

Investment	Rationale and examples
Analytics	<p>To <b>improve predictive, prescriptive, diagnostic analytical insights</b> for the benefit of all, for instance via research or design of ready-to-use risk models, indices, as well as innovation in methods for the analysis of social media, geospatial, video, audio, text, language, image, sensor, and other data.</p> <p>To <b>strengthen the translation of data insights into action</b>, for instance via <b>action frameworks</b> (including for anticipatory action approaches), as well as monitoring and evaluation initiatives.</p> <p>To <b>advance innovative use cases</b>, i.e., the application of data and analytics outputs to a specific geographic setting or thematic focus.</p>
Knowledge and Capacity Building	<p>To <b>accelerate the creation of knowledge, learning, and capacity</b>, for instance via events, conferences, dialogues, training, workshops, hackathons, or secondments across policy, science, and practice.</p> <p>To <b>promote the development and use of standards and guidelines</b>, for instance on the responsible use of data (fairness, transparency, privacy, etc.).</p> <p>While these initiatives foster the transfer and application of knowledge, including across digital divides, they will also <b>build a vital connective tissue</b> among all relevant stakeholders and help build effective institutional mechanisms that link better data and early warning signals to more effective policymaking, planning, and programming processes.</p>

**Initial** CRAF'd investments will focus on data and analytics capabilities that help everyone better anticipate, prevent, and respond to complex risks relating to **peace, climate, women, youth, migration, or displacement**. **Gradually**, the focus of CRAF'd will expand across the entire **humanitarian-development-peace nexus**.

## D. Introduction to Outcomes and Impact

- At the **output level**, CRAF'd investments will help close critical **risk data** gaps, deliver **analytics products** for better crisis early warning, anticipation, prevention, and response, and strengthen stakeholder **capacity**.
- As an **intermediate outcome**, these outputs will nurture a more sustainable, scalable, and well-governed **ecosystem** that generates actionable insights on complex risks.
- As a **long-term outcome**, CRAF'd-funded data and analytics outputs will also drive more evidence-based, coordinated, and effective policy, planning, and programming decisions, including resource allocations and investments in crisis-affected and fragile settings<sup>1</sup>.
- The ultimate **impact** is **greater resilience** and **stronger** – more timely, targeted, dignified, and effective – **support** to people and planet when and where it matters most.
- For more information, please refer to the **theory of change** and the **results framework**.

## E. Ecosystem Approach

The design of CRAF'd is grounded in ecosystem approaches that advance the principles and objectives of CRAF'd in support of relevant UN and multilateral agendas. Its investment will support an ecosystem of diverse partners<sup>2</sup> united by the common goal of better crisis anticipation, prevention, and response. The ecosystem partners share data and analytics capabilities based on agreed principles and quality standards (see below). With CRAF'd serving as the connective tissue, the ecosystem will unlock greater collective value than each partner could on their own.

### PRINCIPLES

To foster an ecosystem that is sustainable, scalable, and well-governed, CRAF'd partners will **collaborate based on principles** that underpin how data capabilities are used and shared:

1. Prioritize the interests of populations in vulnerable situations<sup>3</sup> to leave no-one behind in pursuit of the 2030 Agenda and share the conviction that this is only possible with a strong emphasis on broad stakeholder engagement, local capacity building, data/model validation, and expert analysis in the field.
2. Unite behind the notion that the CRAF'd ecosystem can only be sustainable if partners share risks, burdens, and benefits.
3. Commit to the responsible use of data, including principles of fairness, transparency, and privacy.
4. Provide open access<sup>4</sup> to outputs funded by CRAF'd using interoperable and open data standards<sup>5</sup>.
5. Incentivize data providers to not exclusively rely on financial support from CRAF'd.

### THE ROLE OF CRAF'D

CRAF'd is designed as a financing instrument to support a diverse ecosystem. While CRAF'd will fund data and analytics partners, it will not act as a data distributor. Such outputs are distributed by the partners who receive funding. To **promote better distribution of data**, CRAF'd-funded outputs may be clustered around (existing and new) **data hubs** in ways that unlock synergies within and across ecosystems. CRAF'd, including via its Secretariat Team, will support effective knowledge sharing and collaboration across ecosystem partners.

<sup>1</sup> E.g., by CERF, CBPF, PBF, DREF, or others.

<sup>2</sup> E.g., countries, governments, supranational unions, regional institutions, non-governmental organizations, foundations, academia, civil society, etc.

<sup>3</sup> That includes the disaggregation of data (e.g., by sex, disability, and age) where possible to make the interests of vulnerable people visible in the first place.

<sup>4</sup> The public and academic sector always must have unrestricted access. Licensing restrictions for the private sector (incl. contractors) are permissible. For projects involving personal data, open access data must be anonymized.

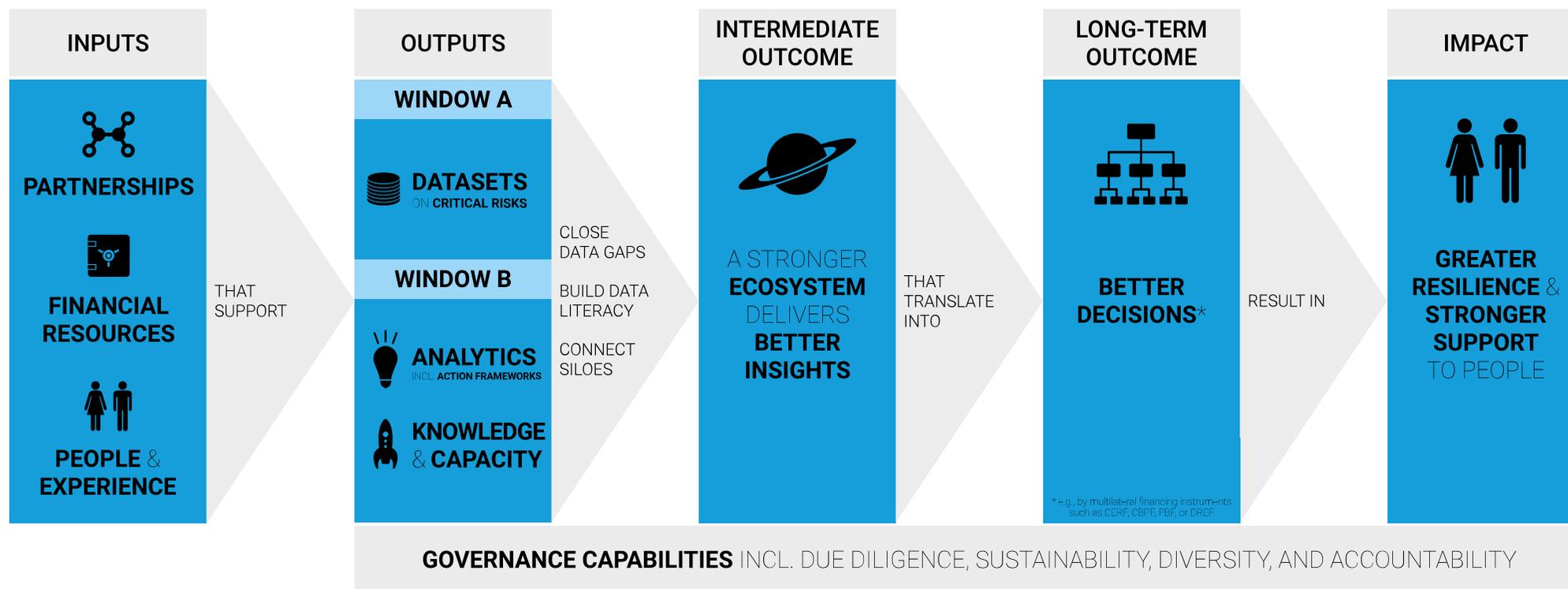
<sup>5</sup> Such as csv, xml, json, txt, and sql files – so that every partner is not restricted in their choice of the tools that they use for working with data.

## F. Theory of Change

The design of CRAF'd is grounded in a strong theory of change: CRAF'd investments in **outputs** like data and analytics help create a **scalable, sustainable, and well-governed ecosystem**. The ecosystem approach will enable **better insights** into complex risks in crisis-affected and fragile settings (**intermediate outcome**). Those insights are then leveraged for **better decisions**: Data and analytics outputs will inform evidence-based policymaking and guide operational planning and programming processes – including resource allocation decisions by major financing instruments (**long-term outcome**). In turn, these outcomes will drive **greater resilience and stronger support to people and planet in pursuit of the Agenda 2030**, when and where it matters most (**impact**).

The **assumption** behind CRAF'd investments is that humanitarian, development, and peace operations are less effective than they could be, in part because:

1. **Data gaps** and **lacking data literacy** impair the generation of earlier, faster, and more precise insights into complex risks.
2. Even when available, data-driven **insights often do not translate into action**.
3. **Work** on data and analytics often **takes place in siloes**, is not shared, or built from scratch.



## G. Results Framework<sup>6</sup>: Impact, Outcomes, and Outputs

### IMPACT: GREATER RESILIENCE AND STRONGER SUPPORT TO PEOPLE AND PLANET

#### Impact

#### Indicators

Delivering **greater resilience and stronger support to people and planet** when and where it matters most.

*“Greater/stronger” in this context can mean, for example: More timely support (e.g., shorter lead times), more targeted support (e.g., based on higher resolution data), more effective support (e.g., compared to baselines), more dignified support (e.g., as attested by beneficiaries).*

Initial indicators:

- Scale
  - number of people supported using action frameworks for crisis prevention, anticipation, and response<sup>7</sup>
- Quality (examples)
  - *better anticipation*: % yearly decrease in average funding decision lead time for major international financing instruments (e.g., days between crisis event and funding allocation from pooled fund instruments)
  - *better response*: % improvement in timeline of people’s recovery from crisis (e.g., days until return to normal food consumption compared to baseline)
  - *better prevention*: % improvement in local coping capacity or resilience indicators (e.g., from global open-source risk assessment for crises and disasters)

Given that outputs from the Complex Risk Analytics Fund have an influence on multiple outcomes, outputs and outcomes are presented separately below.

<sup>6</sup> The initial results framework will be further refined on the basis of an impact evaluation strategy that the CRAF'd Secretariat is tasked to develop.

<sup>7</sup> E.g., [anticipatory action](#), pre-arranged financing, or [forecast-based action](#) frameworks.

## LONG-TERM OUTCOME: BETTER DECISIONS

### Outcome

**Better** resource allocation and investment **decisions**, e.g., by CRAF'd partners and/or major multilateral financing instruments<sup>8</sup>.

*“Better” in this context can mean, for example: Data and analytics outputs funded by CRAF'd are used for decision making and can translate into action, incl. through action frameworks for anticipatory action, forecast-based action, or other forms of pre-arranged financing.*

### Indicators

Initial indicators (survey-based):

- % CRAF'd outputs (datasets and analytics) that stakeholders use for crisis anticipation, prevention, or response (disaggregated)
- % CRAF'd outputs (datasets and analytics) that lead to funding processes, allocations, or investments
- % CRAF'd partners and multilateral financing instruments<sup>9</sup> that report leveraging CRAF'd supported datasets and analytics in their funding decisions

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See next page for intermediate outcomes.

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<sup>8</sup> like CERF, CBPF, PBF, DREF, or others

<sup>9</sup> like CERF, CBPF, PBF, DREF, or others

## INTERMEDIATE OUTCOME: A STRONGER ECOSYSTEM THAT DELIVERS BETTER INSIGHTS

Outcome	Indicators
<p>Development of a <b>sustainable, well-governed, and scalable ecosystem</b>.</p> <p><i>For an ecosystem, sustainability, good governance, and scalability are crucial for success, so that the insights it enables can find their way into decision-making with impact.</i></p>	<p>Initial indicators for <u>scale</u>:</p> <ul style="list-style-type: none"> <li>• % yearly increase in organizations participating in the (CRAF'd-supported) ecosystem</li> <li>• % yearly increase in downloads of (CRAF'd-supported) outputs</li> </ul> <p>Initial indicators for <u>sustainability</u>:</p> <ul style="list-style-type: none"> <li>• % ecosystem stakeholders contributing datasets to the ecosystem during a year</li> <li>• % ecosystem stakeholders from fragile and crisis-affected situations</li> <li>• % ecosystem outputs<sup>10</sup> that are continuously available as requested<sup>11</sup></li> </ul> <p>Initial indicators for <u>good governance</u>, excl. diversity:</p> <ul style="list-style-type: none"> <li>• % ecosystem outputs in non-proprietary formats<sup>12</sup></li> <li>• % ecosystem outputs with open access</li> <li>• % ecosystem participants with policies for the responsible use of data</li> </ul> <p>Initial indicators for <u>diversity</u>:</p> <ul style="list-style-type: none"> <li>• % datasets that are disaggregated by sex, age, disability, etc. (at least one)</li> <li>• % datasets and analytics that allow comparison by sex, age, disability, etc. (at least one)</li> <li>• % participants by sex and geography (from fragile and crisis-affected situations) for conferences, workshops, and talks</li> <li>• % learning beneficiaries by sex and geography (from fragile and crisis-affected situations) for workshops and trainings</li> </ul>

<sup>10</sup> The CRAF'd Secretariat is tasked to publish a list of Essential Outputs every year – see glossary.

<sup>11</sup> Meaning following their regular, e.g., daily or monthly, update cycle.

<sup>12</sup> E.g., csv, json, xml, txt, sql (not dta, spss or similar proprietary file formats).

## OUTPUTS: DATA ON COMPEX RISKS, ANALYTICS, KNOWLEDGE AND CAPACITY

### Output Category

### Indicators

#### Funding Window A

Critical **datasets** on complex risks, including datasets and initiatives that enable monitoring and evaluation.

Initial indicators:

- # datasets supported
  - ... in total
  - ... with granularity at the sub-national level or below (spatial resolution)
  - ... with at least monthly granularity (temporal resolution)
  - ... with gender disaggregation and other diversity goals as a primary objective

#### Funding Window B

**Analytics** that drive critical insights for crisis anticipation, prevention, and response.

These could be, for example: Composite risk indices, AI models, diagnostic and predictive analytics methods, risk frameworks, action frameworks, specific use cases, monitoring and evaluation.

**Knowledge and Capacity** building, so that funded datasets and analytics are used widely.

These could be, for example: Conferences, workshops, talks, trainings, publications (scientific reports, best-practices, guidelines, etc.), media productions. These serve to promote the competent use of data.

Initial indicators for analytics:

- # analytics products supported
  - ... in total
  - ... for action frameworks, incl. for anticipatory action
  - ... with gender disaggregation and other diversity goals as a primary objective

Initial indicators for knowledge and capacity:

- # initiatives supported
  - ... in total
  - ... that promote action frameworks
  - ... with gender disaggregation and other diversity goals as a primary objective
- # people trained disaggregated by sex and geography (from fragile and crisis-affected situations)
- # publications (scientific reports, best-practices, guidelines, etc.)

## H. Internal Governance Indicators

To ensure the viability of CRAF'd outputs, outcomes, and impact, the Fund will also systematically track internal governance indicators.

Category	Indicators
<b>Management and financial capacity</b>	<p>Initial indicators:</p> <ul style="list-style-type: none"> <li>• % Non-UN recipient organizations passing fraud risk, fraud, and responsible use of data assessments</li> <li>• % project financial reporting compliant with the International Aid Transparency Initiative (IATI) standard</li> <li>• # days from application to disbursement of funds to recipients (average)</li> <li>• % increase in financial contributions to CRAF'd</li> <li>• % funds by financial contributor type<sup>13</sup></li> <li>• # financial contributors by type<sup>14</sup></li> <li>• % financial contributor attrition rate (contributors that completely stop funding)</li> <li>• # CRAF'd Advisory Forum meetings, including feedback on their effectiveness</li> <li>• % CRAF'd-funded projects compliant with open access principle</li> </ul>
<b>Diversity</b>	<p>Initial indicators:</p> <ul style="list-style-type: none"> <li>• % staff/representatives by sex and geography (from fragile and crisis-affected situations) across the CRAF'd Secretariat, Steering Committee, and Advisory Forum</li> </ul>

<sup>13</sup> E.g., private, public, foundations, corporations, governments, etc.

<sup>14</sup> E.g., private, public, foundations, corporations, governments, etc.

## I. Funding Allocation Process

CRAF'd has two funding windows. Annual allocation targets of CRAF'd will be calibrated in ways that ensure long-term sustainability of outputs with a special emphasis on Essential Outputs<sup>15</sup> in Window A. Support is possible for both, larger agendas as well as smaller prototype-like projects with potentially large impact but higher risk tolerance. The minimum funding threshold per transfer is USD 100,000 – with exceptions being possible.

### FUNDING WINDOW A: ESSENTIAL RISK DATA

Funding Window A represents the funding priority for CRAF'd<sup>16</sup>. Funding Window A is explicitly designed to ensure the sustainable provision of essential risk datasets – as a common good – for partners across the humanitarian-development-peace nexus.

### FUNDING WINDOW B: SHARED CAPABILITIES AND USE CASES

Funding Window B is designed to support the continuous expansion of ecosystem capabilities for using data and analytics to better anticipate, prevent, and respond to complex risks. It will fund:

- Analytics products (models, methods, indices, etc.), action frameworks, and innovative use cases.
- Knowledge and capacity building (conferences, trainings, hackathons, secondments / institutional exchange, etc.) – including the development and promotion of data use standards and guidelines.

For more information, please refer to the Investment Focus section at the beginning of this document.

### ALLOCATION TARGETS

- CRAF'd has a target of allocating **\$15 million to \$25 million annually** to ecosystem activities in a structured process that will prioritize Window A.
- CRAF'd financial contributors are **strongly encouraged to provide unearmarked funding** to ensure sustainability, scalability, and flexibility in resource allocation to shared datasets and capabilities.
- If, due to specific financial contributor constraints, unearmarked contributions are not possible, CRAF'd will enable earmarking to humanitarian, peace, or development purposes to ensure the availability of adequate funding.

### ALLOCATION PROCESS

The allocation process for CRAF'd will be guided by the following:

- Cyclical calls for proposals for Funding Windows A and B initiate the regular allocation process. The CRAF'd Secretariat will design the calls, in line with Steering Committee guidance (including based on Advisory Forum input).
- Each year, the calls for proposals will outline priorities in data, analytics, knowledge and capacity, as well as thematic and in geographic focus areas (see preliminary criteria in "Proposal Prioritization" below). Calls for proposals will specify which organizations can apply.
- Based on needs assessments, funding availability, and proposal review, the Steering Committee will take decisions on allocations – including multi-year allocations. When necessary, it will prioritize proposals for window A to ensure sustainability of the most critical shared Essential Outputs.
- The Steering Committee can approve allocations outside of the cyclical calls when necessary.

<sup>15</sup> See glossary for a definition.

<sup>16</sup> The Steering Committee will typically decide to address funding requirements for Funding Window A, before making decision on allocations via Funding Window B, to ensure the sustained availability of datasets classified as Essential Outputs.

## PROPOSAL PRIORITIZATION

For each funding window, proposals will be assessed against criteria, which include those outlined below in descending order of priority. The Fund's operations manual and guidelines will further specify such criteria, subject to regular review.

- **Commitment to CRAF'd principles** – Including the engagement of local partners in support of citizen-owned data, minority inclusion, and trust.
- **Impact and strategic relevance** – Preference will be given to projects that create multiplier effects and synergies across the ecosystem. Providing open access to outputs funded by CRAF'd is indispensable for capturing these multiplier effects. Synergies can be captured, e.g., by aligning proposals with the programming decisions of CRAF'd partners or collaborating with CRAF'd partners.
- **Sustainability** – Priority is given to projects that present a concept for the reliable long-term provision of their outputs, e.g., automatic monthly updates or similar release cycles that the international community can depend on.
- **Scalability** – Optimally, supported projects have the potential to be rolled out to larger contexts so that consistent data can be made across large geographic regions.
- **Innovation** – CRAF'd seeks to support innovative projects and new approaches to overcoming pernicious barriers and systemically embedded problems.
- **Cost effectiveness** – Applicants must demonstrate economical use of resources; financial and in-kind contributions from other parties should be noted.

## J. Governance

United Nations Multi-Partner Trust Funds (MPTFs) are a type of pooled funding modality under the United Nations Sustainable Development Group (UNSDG) governance mechanism. They are financial instruments designed to support international development initiatives and partnership platforms with a clearly defined programmatic purpose and a results framework.

MPTFs receive funds from a diverse set of financial contributors and enable a collective response from all stakeholders through shared financing and joint support towards agreed goals.

The CRAF'd governance framework provides for efficient and effective decision-making, strong oversight framework, streamlined allocation processes, and clear lines of accountability. The Fund's governance arrangement is built on and informed by the principles of inclusiveness, transparency, and accountability.

### CRAF'D STEERING COMMITTEE

The Steering Committee will govern the Fund – subject to UN regulations, rules, policies, and procedures – and provide strategic guidance for achieving its programmatic objectives. It is the decision-making body of the Fund. Steering Committee composition will reflect principles of ownership, inclusiveness, balanced representation, and effective decision-making.

#### COMPOSITION AND MEETINGS

The Steering Committee will consist of 10 representatives. It is co-chaired by a high-level UN representative and a high-level representative from financially contributing partners. Membership will include:

- 5 representatives from UN System entities (including the UN co-chair),
- 5 representatives from financially contributing partners (including the co-chair drawn from this group),
- MPTFO as the Administrative Agent and ex-officio member without the right to vote.

While maintaining the balance between UN System entities and financially contributing partners, the representation of additional stakeholders in the governance arrangements will be decided on a case-by-case basis by the Steering Committee.

Membership will rotate on a staggered basis within each stakeholder group, with a typical membership period of at least 2 years and the option to renew.

The Steering Committee meets on an ad-hoc basis, but at minimum twice a year. Extraordinary meetings can be convened if necessary. In-person meetings are typically held in partner capitals.

#### DECISION MAKING

- In meetings (virtual or in-person), two-thirds of the members of the Steering Committee must be present when decisions are made, i.e., 7 out of 10 representatives.
- Decisions can also be taken by email, including by non-objection, which means if nobody has an objection, a proposal is considered approved.
- The Steering Committee endeavours to reach agreement by consensus.<sup>17</sup>
- Taking into account the position put forward by the Steering Committee, the UN co-chair takes the final decision and instructs the Secretariat and Administrative Agent accordingly.<sup>18</sup>

<sup>17</sup> When consensus cannot be reached, a two-thirds majority of the members present or consulted is needed to put forward a position to the UN co-chair.

<sup>18</sup> after having consulted with the financially contributing partners' co-chair

The United Nations co-chair is to make sure that the decisions taken by the Steering Committee are in accordance with the relevant UN regulations, rules, policies, and procedures.

Parties subject to a potential conflict of interest in a discussion are required to declare the conflict of interest and leave the discussion.

### **THE STEERING COMMITTEE WILL BE RESPONSIBLE FOR THE FOLLOWING TASKS:**

- Provide general oversight and exercise overall accountability of the Fund.
- Approve the strategic direction of the Fund and its overall results framework.
- Approve the risk management strategy and review risk monitoring regularly.
- Approve projects and decide on funding allocations following an appraisal process organized by the Secretariat.
- Request fund transfers to the Administrative Agent (signed off by the UN co-chair).
- Review fund status and oversee the overall progress against the results framework through monitoring, reporting and evaluation.
- Review and approve the periodic progress reports consolidated by the AA and the Secretariat based on the reports submitted by the implementing organizations.
- Commission mid-term and final evaluations on the overall performance of the Fund.
- Approve direct costs related to fund operations supported by the Secretariat.
- Approve fund extensions and updates to the TOR as required.
- Approve the admission of NUNOs as direct recipients to the Fund.

To ensure maximum uptake of CRAF'd outputs across the UN System and its partners, the co-chairs of the Steering Committee will also regularly inform the advisory and management mechanisms for multilateral instruments across the humanitarian, development, and peace nexus<sup>19</sup>, as well as the Office of the Secretary-General's Envoy on Technology about CRAF'd results and solicit non-binding inputs on potential priorities for calls for proposals. The UN co-chair of the Steering Committee will regularly inform the Secretary-General's Data Governance Group.

### **CRAF'D SECRETARIAT TEAM**

Responsible for daily management of fund operations, the CRAF'd Secretariat team will provide technical and administrative support to the Steering Committee and act on all aspects of fund management. The Fund Secretariat will have dedicated staff, with a team lead regularly informing the co-chairs of the Steering Committee. The costs of the Fund Secretariat will be charged to the Fund as direct costs. The budget will be submitted to the Steering Committee for approval on an annual basis and the Steering Committee will adjust the unit staffing according to needs and budget availability. CRAF'd financial contributors and UN entities are encouraged to support the Secretariat with additional financial, human, or other resources<sup>20</sup> in accordance with UN staff regulations, rules, policies, and practice. Efficient management, resource optimization, cost effectiveness, value creation, synergies – in particular in cooperation between the financially contributing partners and the UN – and effective operational engagement are the guiding principles of Secretariat management, including for its location.

<sup>19</sup> E.g., Peacebuilding Fund Advisory Group, CERF Advisory Group, Global Pulse Innovation Advisory Group, etc.

<sup>20</sup> In addition to the direct cost for the CRAF'd Secretariat carried by the Fund.

The core responsibilities of the Fund Secretariat include:

## STRATEGY AND POLICY

- Draft advisory on strategic priorities, programmatic issues, and financial allocations to the Steering Committee.
- Draft and implement the Fund's resource mobilization strategy, upon Steering Committee's approval.
- Develop the fund risk-management strategy and monitor risks accordingly.
- Periodically review the TOR of the Fund and, where appropriate, recommending changes or revisions for the approval of the Steering Committee.
- With the support of the Administrative Agent and in accordance with signed legal agreements, develop an Operations Manual for the Fund and ensuring compliance with it.
- Lead the Fund's information management, including knowledge systematization, establishment of good practices and lessons learned, and dissemination of knowledge materials.

## PROGRAMME CYCLE MANAGEMENT

- Organize calls for proposals and appraisal processes and liaise with potential applicants to provide guidance on the submission of project proposals.
- Manage the due diligence of partners and maintaining records of partner performance.
- Review, analyse, and vet project proposals. This includes the consultation of technical experts, e.g., from the CRAF'd Advisory Forum, CRAF'd partners, the United Nations, academia, or the civil society on a per-needs basis.
- Provide recommendations to the Steering Committee on which projects to fund for each allocation and provide the Steering Committee with the necessary information for decision making.
- Support the monitoring and evaluation of projects implemented through the consolidation of progress reports and evaluation reports.
- Process project revision requests (e.g., follow-up and support on budget revision, reprogramming, no-cost extensions, etc.) as delegated by the Steering Committee.
- Consolidate narrative reports provided by the implementing organizations and share the consolidated narrative reports with the Steering Committee for review as well as with the Administrative Agent for preparation of consolidated narrative and financial reports.
- Organize selection process of NUNOs as direct recipients of the Fund and present a financial risk assessment (micro assessment of the Harmonized Approach to Cash Transfer ([HACT](#))) to the Steering Committee for approval.

## COMMUNICATION, ECOSYSTEM SUPPORT, COORDINATION AND ADMINISTRATION

- Manage and support communication, public information, and visibility of the Fund.
- Facilitate collaboration and communication between the ecosystem partners and stakeholders to foster synergies in data analytics, knowledge sharing, and capacity building, incl. via support to CRAF'd conferences and events.
- Plan and prepare meetings of the Steering Committee and the Review Committees and maintain records of decisions taken.
- Liaise with the Administrative Agent on fund administration issues, including issues related to project extensions and closure.

## CRAF'D ADVISORY FORUM

An independent CRAF'd Advisory Forum, convened at least annually, will provide non-binding strategic advice on funding opportunities for CRAF'd – both, in terms of relevance and feasibility, and considering quality standards, state-of-the-art research trends, innovation in data and data analytics, as well as ethical norms concerning data governance. Members will include policy and science experts. Members will be selected by the CRAF'd Steering Committee. In their selection, the Steering Committee will ensure that the Advisory Forum is diverse and inclusive, including gender and geographic representation.

## CRAF'D FINANCIAL CONTRIBUTORS

Contributions to the Fund will be accepted from governments of Member States of the United Nations. Potential contributions from other stakeholders are subject to Steering Committee approval after the Fund Secretariat has conducted due diligence and has presented it to the Administrative Agent for decision-making. The Administrative Agent will ensure that the planned contributions are in line with relevant United Nations policies.

Financial contributors can opt out of funding NUNOs through the direct access modality.

Financial contributors will be encouraged to provide multi-year contributions, which will be programmed by the Fund Steering Committee, supported by the Fund Secretariat. If, due to specific contributor constraints, unearmarked contributions are not possible, CRAF'd will enable earmarking to humanitarian, peace, or development activities to ensure the availability of adequate funding.

Contributions may be accepted in any fully convertible currency. Such contributions will be deposited into the bank account designated by the MPTFO. The value of a contribution payment, if made in a currency other than US dollars, will be determined by applying the bank's operational rate of exchange in effect on the date of payment.

CRAF'd recognizes that the long-term viability of the Fund – and the assets it supports – requires that partners, including contributors from high-income countries, provide resources that are commensurate with their abilities. Relevant benefits for anchor partners<sup>21</sup> may include:

1. Opportunities for partnership visibility, incl. branding and logo placements,
2. Engagement in governance and advisory mechanisms,
3. In-country hosting of CRAF'd events, conferences, forums, and Steering Committee meetings.

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<sup>21</sup> Anchor partners are contributors who make annual commitments of at least \$2 million. The concept and threshold is subject to regular Steering Committee review.

## IMPLEMENTING ORGANIZATIONS

The term 'implementing organizations' stands for the aggregate of Participating United Nations Organizations (PUNOs), Non-United Nations Organizations (NUNOs) funded through the Managing Agent, and NUNOs funded through the direct access modality.

### PARTICIPATING UNITED NATIONS ORGANIZATIONS

Resources will be allocated to participating United Nations organizations (PUNOs), who have signed an MOU with the Administrative Agent, after the Steering Committee has approved the proposals. Each participating United Nations organization will assume full programmatic and financial accountability for the funds disbursed to it by the Administrative Agent. These funds will be administered by each participating United Nations organization in accordance with its own regulations, rules, directives, and procedures. The indirect costs of the participating United Nations organizations recovered through programme support costs will be at 7% of the total budget submitted (with exceptions in line with UNSDG agreements, e.g., for WFP and UNHCR).

### NON-UNITED NATIONS ORGANIZATIONS

Resources can also be allocated to registered international and national NUNOs. Two modalities will be used within the Fund:

1. The first modality offers NUNOs access to the Fund through a Managing Agent. The Managing Agent is a Participating UN Organization (PUNO) that allows NUNOs to apply directly to call for proposals issued by the Fund and if retained, contracts the NUNO as a sub-grantee according to its own rules, regulations, and procedures. The Managing Agent is entitled to the same indirect cost rate of 7% as other Participating UN Organizations and assumes programmatic and financial accountability for the projects.
2. The second modality offers NUNOs direct access to the Fund. After a screening through the UN Partner Portal where possible, NUNOs that are assessed as low risk following a micro-assessment of the Harmonized Approach to Cash Transfers (HACT) methodology will be eligible to receive funds directly. In line with the Framework Agreement for Participation of Non-United Nations Organizations, each NUNO will assume full programmatic and financial accountability for the funds disbursed to it by the Administrative Agent. The indirect costs of the NUNO recovered through programme support costs will be harmonized at 7% of the total budget submitted. For this modality, the Fund Secretariat will develop criteria to select NUNOs that will be subject to a HACT micro-assessment following the standard UN HACT procedures. The Fund Secretariat will present the outcomes of the HACT assessments to the Steering Committee for decision making and the Steering Committee will need consensus to approve inclusion of the NUNO within the Fund. For the Managing Agent modality, the Steering Committee will establish a similar procedure in collaboration with the Managing Agent to determine which NUNOs are eligible to participate in call for proposals.

## ADMINISTRATIVE AGENT

The UN Multi-Partner Trust Fund Office (MPTFO) in New York will serve as administrative agent of the fund under the pass-through management modality. The pass-through modality implies that all financial and programmatic accountability for projects is passed on-to the participating UN organizations, the Managing Agent and non-governmental organizations (for the direct access modality) and does not lie with the Administrative Agent. The fund's administration services (carrying a cost of 1% of the total received contributions), will include:

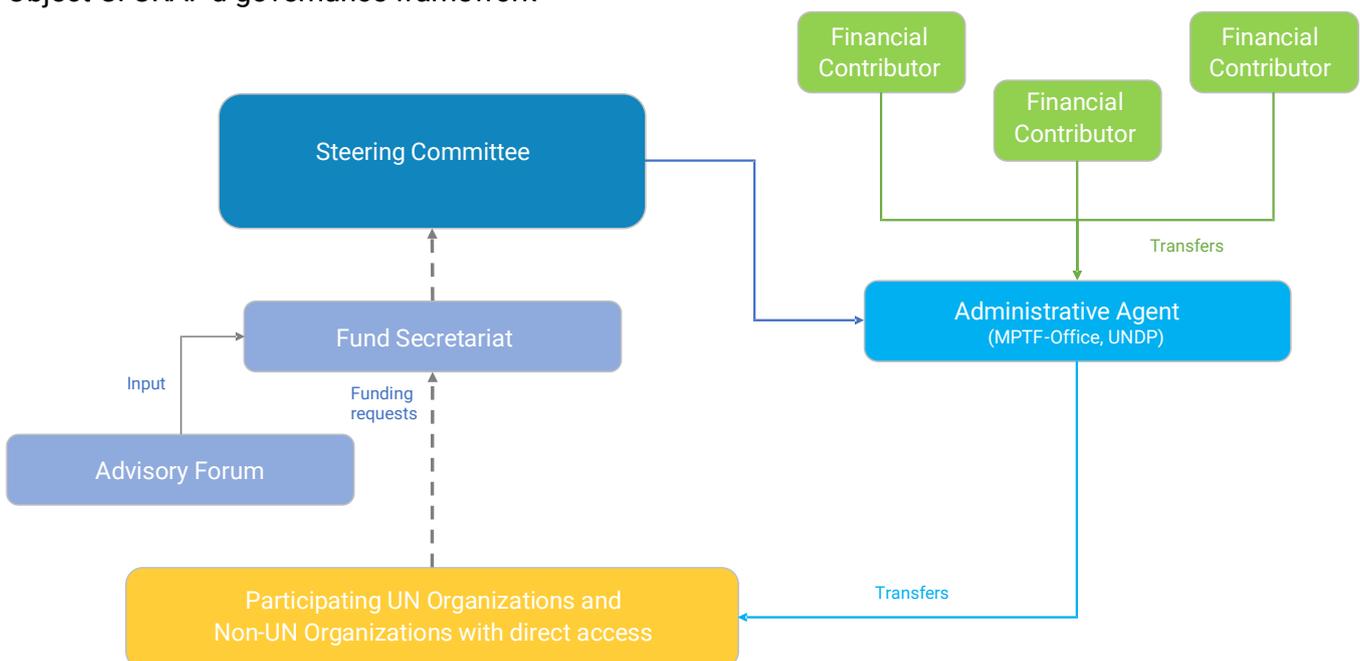
1. **Fund establishment:** Support to the Fund's design (TOR and Operations Manual), and development of legal instruments for the Fund (MOU, SAA, NUNO financing agreements); and
2. **Fund administration:** Receipt, administration, and release of funds to Participating UN Organizations and NUNOs operating through the direct access modality in accordance with decisions from the Steering Committee, and financial report consolidation.

**THE MPTFO WILL BE RESPONSIBLE FOR THE FOLLOWING FUNCTIONS:**

- Providing support to the design of the Fund.
- Signing a Memorandum of Understanding (MOU) with participating UN organizations.
- Signing Financing Agreements with NUNOs under the direct access modality.
- Signing Standard Administrative Agreements with partners that wish to financially contribute to the Fund.
- Receiving and managing funds, including those of the Fund's closure.
- Providing updated information to the Steering Committee regarding resource availability.
- Subject to the availability of resources, transferring funds to Participating UN Organizations and NUNOs operating through the direct access modality in accordance with the Steering Committee decisions.
- Ensure consolidation of statements and reports<sup>22</sup>, based on submissions provided by each Implementing Organization and provide these to each financial contributor as well as the Steering Committee.
- Provide final reporting, including notification that the Fund has been operationally completed.
- Releasing funds as direct costs for the running of the Fund Secretariat, based on Steering Committee decisions. The Administrative Agent will notify the Steering Committee annually about the amounts used as direct costs.
- Releasing funds for additional expenses that the Steering Committee decides to allocate.
- Providing tools for fund management to ensure transparency and accountability.

In addition, the MPTFO, through its online portal GATEWAY (<http://mptf.undp.org>), will provide real-time financial data generated directly from its accounting system, giving relevant stakeholders and the public the ability to track contributions, transfers, and expenditures.

**Object C: CRAF'd governance framework**



<sup>22</sup> The actual consolidation of narrative reports before submitting to the AA will be the responsibility of the Fund Secretariat.

## K. Risk Management

A Risk Management Strategy will be developed by the Fund Secretariat and reviewed regularly by the Steering Committee. Its purpose is providing guidance regarding the management of risks to support the achievement of the Fund's objectives. The strategy will articulate the shared understanding of risk tolerance and risk sharing between the partners, provide a holistic analysis of the risks related to the attainment of the Fund's objectives, and evaluate the possible trade-offs to achieve these.

In this context, while CRAF'd will fund data and analytics partners, it will not act as a data distributor. Such outputs are distributed by the partners who receive funding. Following that rationale, the associated risk and liabilities must be addressed in the individual risk mitigation strategy of each project.

The below risk matrix presents the principal risks identified at the initial start-up phase of the CRAF'd as well as a judgement on the level of risk and initial mitigation measures.

<b>Risk Category</b>	<b>Risk</b>	<b>Likelihood</b> (rare-unlikely-possible-likely-very likely)	<b>Impact</b> (insignificant-minor-moderate-major-extreme)	<b>Level</b> (low-medium-high-very high)	<b>Mitigation Strategies</b>
Strategic	Community / ecosystem partnership building takes more time than expected.	Unlikely	Moderate	Medium	Development of an outreach plan with the support of senior leadership.
Strategic	Initial project results fail to demonstrate impact on the ecosystem in a timely manner.	Possible	Moderate	Medium	Close monitoring of indicator reporting complemented by bilateral follow-up if needed.
Strategic	Fund fails to facilitate turning insight into tangible action	Possible	Moderate	Medium	Prioritization of risk data and analytics products, incl. action frameworks, that directly link to and are used for resource allocation decisions (e.g., by CERF and other multilateral pooled funds).
Organizational	Fund fails to scale up beyond window A activities.	Rare	Major	Low	Development of a resource mobilization strategy before the end of 2022. Joint fundraising with the World Bank in support of CRAF'd and the Global Data Facility.
Organizational	Governance and operations undermine effective delivery.	Unlikely	Moderate	Medium	Ensure adequate capacity in the Fund Secretariat and the use MPTF Office automated system to follow up on the allocation and project cycles.

Risk Category	Risk	Likelihood (rare-unlikely-possible-likely-very likely)	Impact (insignificant-minor-moderate-major-extreme)	Level (low-medium-high-very high)	Mitigation Strategies
Organizational	Currency volatility diminishes value of financial contributions	Possible	Minor	Medium	Fund projects only based on the contributions already received and converted to USD.
Regulatory	Many financial contributors opt-out of direct access modality for non-United Nations organizations (NUNOs).	Possible	Minor	Low	Use transfer modalities of Participating UN Organizations.
Regulatory	CRAF'd faces liability issues related to funded datasets (e.g., incorrect data or analytics products, unethical use of data)	Rare	Moderate	Low	Liability lies with the funded entities and data providers, as CRAF'd neither generates data, nor acts in the capacity of a data distributor. Furthermore, all projects must include a risk mitigation strategy and a data impact assessment.
Social and environmental	Technologies used by implementing organizations have negative societal or environmental effects.	Rare	Moderate	Low	Monitor potential controversies of data providers and other stake holders.

**PROJECT-SPECIFIC RISK MANAGEMENT**

Specific risk mitigation strategies will be developed by applicants for each project that is funded, as part of the submission of the proposal. Risks will be considered and provisions for the identification, monitoring, tolerances, and risk responses will be elaborated. While risks will be outlined specific to each project, as a criterion for consideration, each proposal is to explicitly address how the offering will materially improve the multilateral response to preventing crises in fragile and complex risk settings. Furthermore, projects must address risk mitigation strategies related to ethical data use and data privacy.

## L. Monitoring, Reporting, and Evaluation

Within 6 months of its full formation, the Fund Secretariat will develop monitoring, reporting, and evaluation procedures. Each funded project will include a mid-term monitoring initiative to determine if the current arrangement is effective / impactful, and a final monitoring or evaluation initiative to assess whether contributions have had their intended effect, to determine whether results are being or have been achieved, and whether contributions have been used for their intended purposes. The implementing organizations will be consulted on the scope and on the conduct of such monitoring initiatives. All implementing organizations are subject to monitoring and evaluation by the Fund.

The Fund Secretariat has the discretion to determine if monitoring will be performed externally or internally. It is understood by the implementing organizations that such monitoring initiatives will not constitute a financial, compliance, or other audit, including of any projects or activities funded under the MOU.

### REPORTING

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

#### NARRATIVE RESULTS REPORTING

The implementing organizations will present the following results reports to the Secretariat for consolidation and further transmission to the Administrative Agent:

1. Annual narrative reports to be provided no more than three months (March 31st) after the end of the calendar year;
2. Final narrative reports after the completion of activities contained in the program-related approved document, including the final year of such activities, to be submitted no later than four months (April 30th) after the end of the calendar year in which the operational closure of the activities in the approved programmatic document occurs.

The Fund Secretariat receives and reviews project-level reports and on the basis of these, publishes an annual overview report providing information on broad patterns and anonymized insights. It also reports on the results of Fund-financed projects, anonymized (if necessary) to protect individual and national confidentiality.

Annual and final reports will exhibit results based on evidence. Annual and final narrative reports will compare actual results against estimated results in terms of outputs and outcomes and they will explain the reasons of higher or lower performance. The final narrative report will also include an analysis of how the outputs and outcomes have contributed to the Fund's global impact.

#### FINANCIAL REPORT

Participating UN Organizations will present the following financial statements and reports to the Administrative Agent:

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

NUNOs will submit financial reports in line with the Managing Agent requirements or, under the direct access modality, in line with the requirements of the Administrative Agent.

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

## **EVALUATION**

The Fund's mandate to provide innovative solutions requires a comprehensive evaluation of its efforts. To this end, the Fund will make publicly available an evaluation, including self-assessment, and make publicly available a lessons-learned report after 2.5 years of activity. In addition, the Fund will make publicly available an evaluation of fund activity 6 months before the end of its initial 5-year mandate. Evaluation will follow the UN Evaluation Group norms and standards and will be carried out in line with the System Wide Evaluation Policy.

## **CHANGES TO TERMS OF REFERENCE**

The Steering Committee can decide whether there is a need to review the Terms of Reference of the Fund. Changes to this Terms of Reference can be made by the Steering Committee members through the decision-making process outlined above.

## M. Accountability and Transparency

These clauses are detailed in the legal instruments (MOU, SAA, NUNO financing agreement) that will govern the Fund.

### ACCOUNTABILITY

The participating UN agencies and NUNOs will implement projects in accordance with their own financial regulations, rules, and policies. The Administrative Agent and the UN Participating Organizations (and NUNOs using the direct access modality) will be audited according to their own financial rules and regulations, in line with the audit framework for multi-donor funds, as agreed by the Audit Internal Services of the UN implementing bodies and endorsed by UNSDG in September 2007.

### TRANSPARENCY

The Administrative Agent's website Gateway (<http://mptf.undp.org>) is a web-based service portal that provides real-time financial data issued directly from the UNDP accounting system. Once established, the Fund will have a separate page in the Gateway portal which will allow partners and the public to follow up on the Fund contributions, transfers and expenses, and access key documents and reports.

The Fund Secretariat and Administrative Agent will ensure that the Fund's operations are posted on the Gateway portal. Information shared with the media regarding beneficiaries of funding, official press releases, reports and publications will acknowledge the role of the Fund. In addition to Gateway, the Fund will maintain an online database with details of previously accepted or rejected project proposals. This is to help implementing organizations better understand the criteria for project selection and to increase real and perceived transparency of funding allocations.

## **N. Amendments, Duration, and Termination**

The Fund will be established for an initial duration of five years, with the intention of extending the Fund until at least 2030. The Steering Committee will have the authority to modify the Fund's duration or to close the Fund in agreement with the Administrative Agent.

Unless the Steering Committee members decide otherwise, after the Fund's closure, the contractual liabilities undertaken by the Fund under these terms of reference or any complementary agreements, including agreements signed with third parties before receiving the corresponding notice of closure, will not be affected by this closure.

The Steering Committee members and the contributors will strive to amicably solve any dispute related to the operations of this Fund, as defined in their respective legal agreements. If a dispute cannot be amicably resolved, Executive Heads of Organizations will resolve the matter through consultations.

The Steering Committee will be able to modify any of the provisions of these terms of reference in writing or establish complementary agreements.

## **O. Operations Manual**

Within six months of the successful recruitment of a Fund Manager / Secretariat Team Lead, the Administrative Agent and the Fund Secretariat will draft an Operations Manual. It will contain guidelines and procedures defined by the Fund Secretariat to facilitate and streamline fund management and interaction with partners.

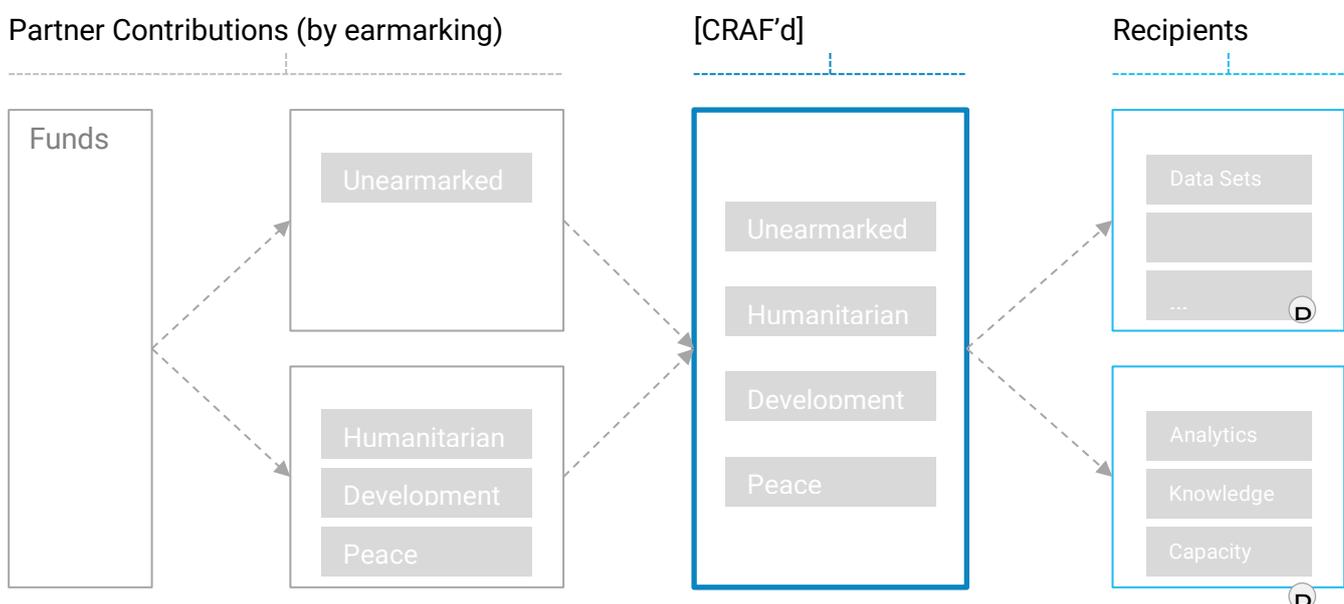
## P. Annex

### OVERVIEW OF FUND FLOWS (BY EARMARKING TYPE) FROM CONTRIBUTORS TO RECIPIENTS

The schematic chart below illustrates that CRAF'd will enable contributing partners to provide unearmarked or (where necessary due to partner constraints) earmarked funding to humanitarian-, development-, or peace- and stability-focused purposes.

The Secretariat Team, in collaboration with the Administrative Agent, will map outflows of any earmarked funds to activities marked as eligible in Window A and B to enable adequate reporting.

The Secretariat Team, in collaboration with the Administrative Agent, will also support the Steering Committee in calibrating its allocation decisions in line with [CRAF'd] funding priorities and constraints.



While we **strongly encouraged to provide unearmarked funding**, contributions to CRAF'd are eligible for ODA reporting should that be required. Below is a selection of relevant [OECD DAC purpose codes](#) that can be used for allocations from humanitarian, peace and security, or development budgets.

- **Humanitarian, Purpose Code 74020, Multi-hazard response preparedness** (“includes risk analysis and assessment, mitigation, preparedness, such as [...] training and capacity building aimed to increase the speed and effectiveness of lifesaving assistance delivered in the occurrence of crisis...”).
- **Humanitarian, Purpose Code 72050, Relief co-ordination and support services** (“includes activities to build an evidence base for humanitarian financing and operations, sharing this information and developing standards and guidelines for more effective response; funding for identifying innovative and scalable solutions...”).
- **Peace and security, Purpose Code 15220, Civilian peace-building, conflict prevention and resolution** (“includes support for civilian activities related to peace building, conflict prevention and resolution, including capacity building, monitoring, dialogue and information exchanges...”).
- **Development, Purpose Code 43060, Disaster Risk Reduction** (“includes risk assessments, [...] preparedness measures (e.g. early warning systems) normative prevention measures; also includes building local and national capacities and supporting the establishment of efficient and sustainable national structures...”).

- **Development, Purpose Code 15196, Government and civil society statistics and data** (“includes collection, production, management and dissemination of statistics and data, including [...] civil society surveys...”).

## Q. Glossary

- Complex Risks: Risks at the intersection of the humanitarian-development-peace nexus.
- Essential Outputs: A list that the CRAF'd Steering Committee, based on advice of the CRAF'd Advisory Forum, is tasked to develop each year containing the outputs (e.g., datasets – see our results framework for a further definition of outputs in this context) that stakeholders are heavily dependent on. Examples at the time of writing would be, for example The Armed Conflict Location & Event Data Project (ACLED) or the family of Indices for Risk Management (INFORM). The list of Essential Outputs is limited to outputs funded by CRAF'd.