

The UN Center of Expertise on Pooled Financing Services

Efficiency. Transparency. Accountability. Innovation.

Pooled Funds in Service of Joint Action and UN System Reform

Because success requires flexible, robust, transparent, and reliable financing, inter-agency pooled funds are critical for financing development, peace, climate and humanitarian action. Pooled financing advances joint efforts for achieving the 2030 Agenda for Sustainable Development. It also brings the United Nations together by strengthening coherence, reducing fragmentation, broadening donor participation, sharing risk across partners, and making it easier to tackle multi-dimensional challenges with comprehensive and innovative solutions.

To deliver high-quality development support, at scale, Member States and the UN System agreed on a Funding Compact in 2019 to raise the quality of funding with specific targets on inter-agency pooled funding. The Compact includes the goal to double the share of contributions to UN pooled funds by 2023,

"The indivisible and interconnected nature of the Sustainable Development Goals has reinforced the imperative for more flexible and predictable funding. While this involves bringing a better balance between core and non-core funding, it also underscores the need to enhance "core-like" resources, such as contributions to inter-agency pooled funds. Inter-agency pooled funds help strengthen coordination and collaboration across entities of the United Nations development system."

- António Guterres UN Secretary-General

which was endorsed by Quadrennial Comprehensive Policy Review of UN system operational activities (QCPR) for 2021-2024.

ABOUT

The UN Multi-Partner Trust Fund Office

The UN Multi-Partner Trust Fund Office (MPTF Office) has an established track record of developing well-designed and professionally managed UN pooled funds to respond to the growing need for agile financing mechanisms that facilitate a new generation of inter-agency and multi-partner collaboration.

The MPTF Office provides fund design and administration plus other professional services to UN entities, national governments, and non-governmental partners.

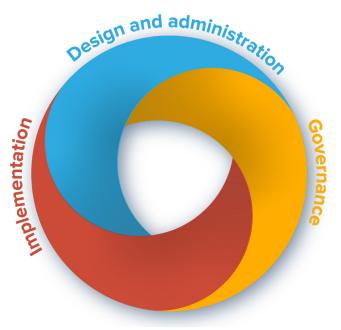
The MPTF Office provides integrated services throughout the life cycle of pooled funds, from design and inception to closure. Services are conducted separately from pooled fund management and implementation roles, ensuring there is a neutral

and professionally dedicated trustee function that is firewalled from all UN implementing entities.

MPTF Office operations are a touchstone for transparency as seen with Gateway (mptf.undp. org), the online platform for reporting on fund administration in real time and making information universally available and accessible.

As evidenced by its name, the work of the MPTF Office is focused on multi-partner collaboration. It draws an extensive network and coalitions of public and private contributors, UN and non-UN implementing partners into financing platforms. Its breadth of expertise in facilitating the seamless work of partners helps lead to collective outcomes that span the 2030 Agenda.

Distinct and Complimentary Functions in UN Pooled Funds



Design and administration—MPTF Office

A UN pooled fund is designed to support a clearly defined programmatic purpose and results framework through contributions received from more than one contributor. Financing is co-mingled, not earmarked to a specific UN organization and held by a UN fund administrator.

Governance (allocations and operations)—Steering Committee (comprised of Member States, UN entities, and other stakeholders

Decisions on project/programmatic allocations are made by a UNled governance mechanism, taking into account the programmatic purpose and results framework of the fund.

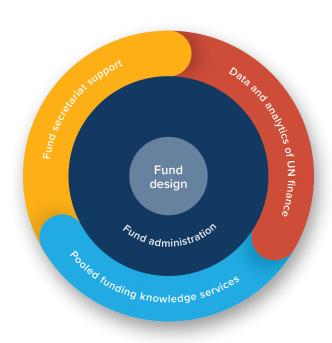
The work of the Steering Committee is supported by a Fund Secretariat and Fund Management Unit.

Implementation—multiple organizations (comprised of UN entities, governments, and NGOs)

The implementation of fund activities is (fully or largely) entrusted to UN organizations that assume programmatic and financial accountability for resources received.

UN MPTFO SERVICES

MPTF Office Pooled Funding Services Platform



Fund design

Assessment of feasibility and capitalization. Design of resultsbased management system, financing strategies and governance arrangements.

Fund administration

Assurance of the highest standard of transparency and compliance in monitoring and reporting. Financial services, such as treasury, quality assurance, disbursements, reporting and follow-up on closure. Transparent and capable trustee management of donor contributions.

Fund secretariat support

Support to Fund secretariat functions for start-up of new funds, and development of tools and templates to benefit Fund secretariats.

Data and analytics of UN finance

Data analytics on UN financing and on-demand analysis of available financing instruments.

Pooled funding knowledge services

Knowledge services and research on UN pooled funding.

Pooled funding: Basic concepts

Inter-agency pooled funds are co-mingled contributions to multi-entity funding mechanisms, not earmarked for specific UN entity. Funds are held by a UN fund administrator and allocations are made by UNled governance mechanism. Resources are transferred to participating entities using a passthrough modality. The two types of inter-agency pooled funds are multi-partner trust fund and stand alone joint programme.

Multi-partner trust fund (MPTF) is the most frequent typology of pooled fund. MPTFs can be global, regional or country-level and are established to support specific national, regional or global development results.

Stand-alone joint programme (JP) (using pass-through) typically involves two to five UN organizations that have agreed on a specific programmatic scope, budget, and deliverables. The MPTF Office has administered over 100 of them. Joint programmes can also be financed using parallel and consolidated funding modalities, but are not considered a pooled fund.

Pass-through is a fund management modality of inter-agency pooled funds that allows multiple UN entities to receive contributions from co-mingled donor resources through a fund administrator implementing resources following its operating policies and procedures. It allows partners (contributors and UN entities) to standardize and simplify legal agreements and reduce duplication and administrative overheads.

Country-level pooled fund (development) is often referred to as SDG country fund; this interagency pooled fund is used by a UN country team, under Resident Coordinator leadership, to consolidate and leverage financing towards country priority SDGs as per the UN Sustainable **Development Cooperation Framework** (UNSDCF).

Country-based pooled fund (humanitarian) is an instrument that allows donors to pool contributions into single, unearmarked funds to support local humanitarian action. These are administered by MPTFO or OCHA and

managed by OCHA under the leadership of the Humanitarian Coordinator and in close consultation with the humanitarian community.





Portfolio of funds: A few examples

The MPTF Office administers a broad portfolio of inter-agency pooled funds. Each is a multi-stakeholder partnership with a specific thematic and geographic focus designed to respond to a clear theory of change, fill existing financing gaps, and support collective action.

The MPTF Office administers three broad types of UN pooled financing mechanisms in terms of geographic scope: UN global and regional multi-partner trust funds (MPTFs), country-level MPTFs (covering both UN and national funds), and stand-alone UN joint programmes. Thematically, the MPTF Office portfolio is organized around major thematic clusters that cover key areas of UN action (humanitarian, peace and transition, development, and climate and environment). Some examples of funds in the portfolio are:



The **Peacebuilding Fund** supports countries
emerging from conflict. It
provisions activities that
contribute to post-conflict
stabilization and building
peaceful and inclusive
societies.



The **Joint SDG Fund** supports UN country teams to accelerate SDG achievement through strategic investments for integrated policy and financing.



The Central African
Forest Initiative supports
highly forested countries
in implementing the Paris
Agreement, fighting
poverty, and fulfilling the
post-2020 biodiversity
framework.



The **Spotlight Initiative** is a global, multi-year partnership between the European Union and UN to eliminate all forms of violence against women and girls.



The Global Fund for Coral Reefs is a blended finance instrument to mobilize action and resources to protect and restore coral reef ecosystems.



The Afghanistan
Humanitarian Fund
provides swift and
strategic humanitarian
action with funding
that targets critical
humanitarian needs,
enabling efficient
and rapid emergency
responses.



The Trust Fund for Sustaining Peace in Colombia supports government, international donor, and UN efforts to achieve concrete results in consolidating peace.

Since 2003, MPTF Office-administered funds have helped 140 countries address humanitarian, development and peace and climate challenges. Because crisis and development contexts are always changing and country priorities evolve, the MPTF Office has evolved with them, providing new tools to encourage greater partner engagement and ensuring the highest fiduciary standards. The ultimate goal of the MPTF Office is to provide trusted pooled funding services that improve collaboration and ensure better outcomes and results for the people we serve.



\$18.1B+

cumulative portfolio



\$1.7B & \$1.5B

in transfers

in deposits



100+

governments from the Global North and South have contributed financial resources



24

funds with private sector contributions



50+

participating UN entities



130+

programme countries directly benefitted



70%

of resources for least developed countries



97%

of transfers within five days

A UN system-wide service hosted by

Multi-Partner Trust Fund Office mptf.undp.org