

**United Republic of Tanzania**  
**SDG Acceleration**  
**Country-Level Fund**  
**MULTI-PARTNER TRUST FUND**

**Terms of Reference**

**Date: 28 December 2022**

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## Definitions

**Administrative Agent (AA):** the United Nations Multi-Partner Trust Office (MPTFO)<sup>1</sup>.

**Fund Secretariat:** This is comprised of UN Officials who provide technical and management support to the Fund; the functions are provided by the Resident Coordinator's Office with the Head of the Fund Secretariat directly reporting to the Resident Coordinator as a Co-chair of the Fund Steering Committee.

**Implementing Partners:** Organizations engaged by Participating UN Organizations (PUNOs) to implement projects. These could be NGOs, government entities, or others who work with (PUNOs) in the implementation of projects. PUNOs are accountable for the selection and engagement of implementing partners.

**Participating UN Organizations:** UN Organizations that receive funds directly from the fund account.

**UN INFO:** An online planning, monitoring and reporting platform that digitizes the UN Country Team's results frameworks, coordination surveys and Common Business Strategies.<sup>2</sup>

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<sup>1</sup> <https://mptf.undp.org/page/who-we-are>

<sup>2</sup> <https://workspace.uninfo.org/>

# 1. Introduction and background

- 1.1. The SDG Acceleration Fund is established in support of the implementation of the United Nations Sustainable Development Cooperation Framework (UNSDCF) for the United Republic of Tanzania for 2022-2027. The agreement to set up a new country-level multi-partner trust fund was captured in the UNSDCF document that was launched in Dar-es-Salaam, Tanzania in May 2022.
- 1.2. The SDG Acceleration Fund will serve as a key mechanism for joint resource mobilization: the total 2022-2027 funding requirements of the Cooperation Framework were estimated at USD1.85 billion<sup>3</sup>. Annual Funding Frameworks that are developed as part of Joint Work Plans (JWPs) provide more accurate financial resource requirements, projections of funding availability and funding gaps for each programme year of the UNSDCF.
- 1.3. Firmly anchored in the UNSDCF, the Fund will also further promote the UN's joint strategic prioritization, planning, programming and close coordination around priority SDG-based themes.
- 1.4. To facilitate the alignment with the UNSDCF cycle and to avoid additional transaction costs, the Fund will rely on the existing UNSDCF governance and coordination structures and processes. At the same time, the Fund will maintain the agility and capacity to respond to emerging opportunities and needs, which proved instrumental during the COVID-19 response.
- 1.5. The establishment and design of the Fund respond to the United Nations General Assembly Resolution 72/729 (2018) and the United Nations Funding Compact (2019), and build on the successful experience of the Tanzania One UN Fund.
- 1.6. The General Assembly Resolution 72/729 promotes the use of pooled funding mechanisms to ensure an impactful contribution at country level and shape the country-based programming, aligned with the Cooperation Framework. The UN Funding Compact contains a set of pledges made by the UN and Member States to raise the quality of funding and delivery of development assistance. The Compact includes specific targets on inter-agency pooled funding where 10% of earmarked resources from Member States are committed to development-related activities and channeled through inter-agency pooled funds. United Nations commitments include increased efficiency and effectiveness in using development-related inter-agency pooled funds.
- 1.7. Operational since 2007, the Tanzania One UN Fund mobilized and allocated over USD 294 million under three UN cooperation frameworks for Tanzania (UNDAF, UNDAP I, UNDAP II). Twenty UN entities, including non-resident agencies, have been participating in the One UN Fund.

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<sup>3</sup> UNSDCF Multi-Year Funding Framework (MYFF) as of March 2022; MYFF costing was done at Output level and rolled up to the Outcome level.

## 2. Functions of the Fund

- 2.1. As one of financial instruments for the UNSDCF overall and as the central mechanism for joint UN resource mobilization, the Fund will have the following key functions:
  - 2.1.1. **Coherence:** strengthen coordination promote the UN’s programmatic and policy coherence towards collective results and synergies focusing on the LNOB commitment and UN system-wide strategies, e.g. on Gender Equality and Empowerment of Women (GEWE), Youth and Disability Inclusion.
  - 2.1.2. **Strategic focus:** direct pooled resources to high-impact and transformative responses that address multiple priorities and promote SDG ‘accelerator’<sup>4</sup> and the nexus approaches.
  - 2.1.3. **Flexibility:** support the UN’s ability to respond to emerging priorities, needs and opportunities at scale (with a possibility to add new thematic areas of intervention, additional PUNOs, new processes, address underfunded areas, etc.).
  - 2.1.4. **Consolidation and coordination:** reduce fragmentation of resources and efforts, strengthen coordination and promote integration; expand the financial base and seek to engage non-traditional donors, smaller contributors, philanthropies and the private sector.
  - 2.1.5. **Effectiveness and accountability:** enhance effectiveness and accountability for results through robust results-based planning, management and performance-based payments.
  - 2.1.6. **Reduce political and fiduciary risks** faced by stakeholders through the concentration of resources and a result-based management system that is transparent and responsible.
  - 2.1.7. **Innovation:** promote new and diverse partnerships, including mixed funding modalities, non-state actors contributing to the Fund.
  - 2.1.8. **Reduce transaction costs** by using pre-approved single Standard Legal Agreements.

## 3. Programmatic Scope and Theory of Change

- 3.1. The Fund’s overall strategy is guided by the UN Development System reform and the drive to strengthen system-wide coherence and to advance integrated solutions for strategic transformative support to the country’s development priorities and SDG acceleration.
- 3.2. As a financing vehicle established in support of the United Nations Sustainable Development Cooperation Framework (UNSDCF) implementation, the Fund is firmly anchored in the UNSDCF, its scope, Theory of Change, Results and M&E Framework.
- 3.3. Driven by the 2030 Agenda for Sustainable Development, the SDGs and national priorities<sup>5</sup>, the UNSDCF for the URT for 2022-2027 seeks to impact on *the reduction of multidimensional poverty in Tanzania through a transformative, inclusive, sustainable economic transformation and growth.*
- 3.4. The four strategic areas and corresponding four Outcomes of the UNSDCF form the four **Fund Outcomes**. Priority themes within and across Outcomes define **Fund Projects**. These priority themes will be identified in consultation with funding partners and Government of URT, based on UNSDCF Joint Work

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<sup>4</sup> Defined in UN CCA for Tanzania (2021).

<sup>5</sup> 3rd National Five-Year Development Plan (FYDP III) and the 2021-2026 Zanzibar Development Plan (ZADEP).

Plans (JWPs). To ensure Fund agility to respond to emerging needs and opportunities, priority themes within the scope of the UNSDCF could be added as required.

- 3.5. To promote a holistic and whole-of-system approach to advance complex solutions, the Fund will establish an additional **Window on Cross-cutting issues**. The window will focus on joint policy and programming solutions (preferably as joint UN programmes) that cut across two or more Outcomes. Funding support to bolster UNCT coordination capacities to advance cross-cutting issues and joint processes related to UN's normative agenda, joint programme delivery and joint results-based management (RBM), common business operations, joint advocacy and communications will also be sought through this window.
- 3.6. The Fund follows and applies the **guiding principles** of the UNSDCF, namely: (1) Leave no one behind, (2) Human rights, (3) Gender equality, (4) Resilience, (5) Sustainability, and (6) Accountability.
- 3.7. **Fund impact:** contribute to the UNSDCF overall impact on the reduction of multidimensional poverty in Tanzania through transformative, inclusive, sustainable economic transformation and growth.
- 3.8. **Fund Outcomes:** contribute to the achievement of the UNSDCF Outcomes:
  - I. **People:** People in the United Republic of Tanzania, especially the most vulnerable, increasingly utilize quality gender transformative, inclusive and integrated basic education, health (with particular focus on RMNCAH, AIDS, TB, malaria, and epidemic prone diseases), nutrition, WASH and protection services.
  - II. **Prosperity:** People in the United Republic of Tanzania working in micro-, small and medium-sized enterprises (MSMEs) and small-scale agriculture, especially the most vulnerable, achieve increased, more sustainable productivity and incomes with more equitable access to productive resources.
  - III. **Planet:** People in the United Republic of Tanzania, especially the most vulnerable, contribute to, and benefit from more inclusive and gender-responsive management of natural resources, climate change resilience, disaster risk reduction (DRR) and increased use of efficient renewable energy.
  - IV. **Enabling Environment:** People in the United Republic of Tanzania, especially the most vulnerable, participate in and benefit from government institutions and systems that promote peace and justice and are gender responsive, inclusive, accountable and representative, and also comply with international human rights norms and standards.
- 3.9. **Fund outputs/projects:** will be defined for themes prioritized for and across UNSDCF outcomes. The selection of thematic areas for Fund projects will be based on the following criteria:
  - (a) strong relevance to key national priorities/needs and acceleration of SDGs,
  - (b) strong focus on the advancement of gender equality and the LNOB principle,
  - (c) addressing multi-strategic priorities/clear interlinkages with other critical development or humanitarian issues (i.e., supporting the 'accelerator'/nexus approach),
  - (d) results are shared by multiple UN Participating Organizations (at least three) and require integrated approaches,
  - (e) address underfunded areas and with a potential to catalyze further financing.
- 3.10. To facilitate attribution to the Fund's results, each project will have a set of indicators and targets clearly linking contribution towards relevant UNSDCF targets. Additionally, each project will have at least one

qualitative or quantitative indicator to measure expected catalytic changes<sup>6</sup> of the Fund-supported intervention.

- 3.11. As the Fund seeks to enhance UN's programmatic integration and policy coherence and to contribute to greater cost-efficiencies, these results will be also reviewed through annual review and final evaluation.
- 3.12. Key underlying assumptions for adequate capitalization of the Fund are as follows: The current One UN Fund donors continue funding support to the UN through the pooled fund mechanism; other previous and potential new donors among development partners are willing to contribute to the new pooled fund in line with the Funding Compact; greater UN's coherence promoted by the Fund attract new funding partners; non-traditional donors and smaller contributors are interested in pooling resources to address key development priorities at a scale, in partnership with the UN. All Participating UN Organizations embrace the new Fund and support the coordinated and synergy-seeking approach in line with the MAF 2021 provisions and the agreed UNCT Principles on Resource Mobilization for the UNSDCF (2022). Focusing the Fund on selected themes within the UNSDCF facilitates clear attribution of the Fund's contribution to broader UNSDCF results and helps to ensure that adequate resources are mobilized to collectively deliver on key UNSDCF priorities.
- 3.13. In terms of the resource mobilization strategy for the Fund, the preference is for un-earmarked funding. Earmarked funding will be accepted at the Outcome or Window-level. The Fund seeks to mobilize and disburse at least 10% of the UNSDCF total annual expenditure<sup>7</sup>.

## 4. Governance Arrangements

### Fund Operations

#### *Steering Committee*

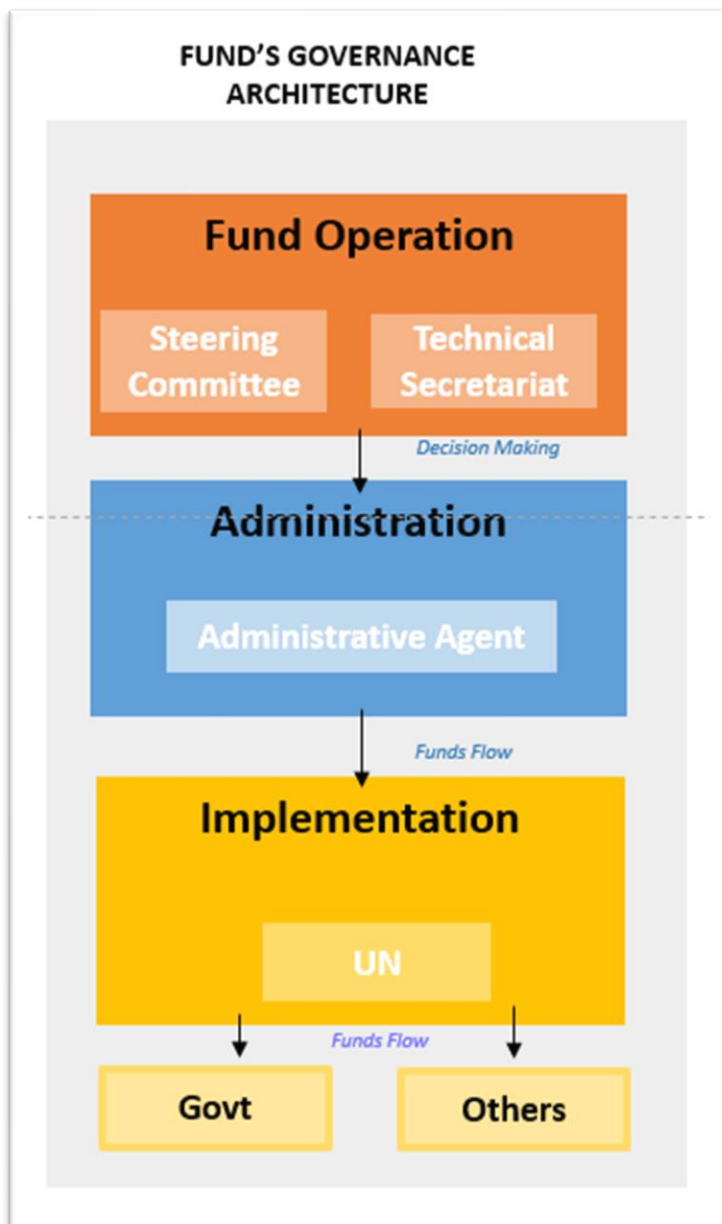
- 4.1. The UNSDCF Joint Steering Committee (JSC) is the body in charge of the strategic direction and high-level oversight of the entire UNSDCF implementation. As such, it provides strategic guidance and oversight of the Fund - based on the UNSDCF and in line with UNSDCF-related processes and decisions.
- 4.2. The JSC is co-chaired by the Permanent Secretary of the Ministry of Finance and Planning and the UN Resident Coordinator.
- 4.3. The JSC members include relevant Ministries/Departments/Agencies in the Mainland and Zanzibar working with the UNCT at Permanent Secretary Level and/or as assigned by the Government Co-chair. The four UNSDCF Outcome Groups and Emergency Response Group rotating Chairs and co-Chairs will be represented at the level of UN Agency Representative/Country Director. The Administrative Agent member is ex-officio on issues pertaining the Fund. A lead Development Partner or two DPs (to be selected by the DPG in Tanzania) can be invited to the JSC meetings as observers.

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<sup>6</sup> For reference and examples: UNSDG Guidance Note on Joint Programmes, October 2022

<sup>7</sup> in response to the UNSDG minimum target of 15% of development expenditure for joint activities (Ref: [2020 UN quadrennial comprehensive policy review](#) (QCP). The remaining 5% of the target will be sought through other funding sources (e.g., global and vertical funds, stand-alone joint programmes, etc).

4.4. With regard to the SDG Acceleration Fund oversight, the JSC will:



- 4.4.1. Review and endorse strategic directions of the Fund and the Fund's Terms of Reference.
- 4.4.2. Approve the Fund's extensions and other updates to the Fund TOR, as required. In case of departures from the generic TOR, the TOR of the SC should be referred for endorsement to the HQs Fiduciary Management Oversight Group,
- 4.4.3. Endorse the Fund's risk management strategy and periodically review risk monitoring,
- 4.4.4. Ensure conformity of the Fund's operations with requirements of these Terms of Reference (TOR) and Fund's standard agreements (MoUs, LoAs),
- 4.4.5. Endorse direct costs related to Fund operations, including the Secretariat costs,
- 4.4.6. Provide strategic guidance on programme formulation, commission mid-term and final independent evaluations on the overall performance of the Fund. Review the draft/final reports on lessons learned, ensure the implementation of recommendations and identify critical issues for consideration by the HQs Fiduciary Management Oversight,
- 4.4.7. Provide guidance for resource mobilization strategies to capitalize the Fund in line with the overall UNSDCF resource mobilization strategy,
- 4.4.8. Provide other guidance related to the structuring of the Fund and its procedures, as it deems necessary.

4.5. The JSC makes decisions by consensus. Decisions can be made electronically. In the case of non-consensus, the SC co-Chairs will decide<sup>8</sup>, based on consultation with SC members.

***The UN Resident Coordinator as Co-Chair of the Steering Committee***

4.6. The Resident Coordinator will provide governance and oversight of the Fund, by co-chairing the Steering Committee with the Permanent Secretary of the Ministry of Finance and Planning. As a co-chair of the

<sup>8</sup> From the MAF paragraph 2.1: In the absence of consensus within the UNCT regarding the strategic objectives in the UN Cooperation Framework or related allocation of UNCT-wide pooled funding the RC will take the final decision.



Steering Committee, the Resident Coordinator will:

- 4.6.1. Provide strategic leadership of the Fund, in coordination with the JSC Co-Chair and the other members of the JSC,
- 4.6.2. Ensure that the Fund aligns with UNSDCF, national development needs and priorities, and the 2030 Agenda,
- 4.6.3. Mobilize resources and partnerships for the Fund in coordination with the UNCT and other members of the JSC, based on the UNSDCF resource mobilization strategy,
- 4.6.4. Oversee the management of the Fund, in coordination with the JSC co-chair and the other members of the Steering Committee,
- 4.6.5. Sign all Fund Transfer Requests and other documents addressed to the Administrative Agent on behalf of the Fund,
- 4.6.6. Supervise the Secretariat of the Fund on behalf of the JSC and deploy best efforts to host the staff members comprising the Secretariat within the premises of the Resident Coordinator's Office, notwithstanding the fact that the Secretariat Support project will be under PUNO implementation.

#### ***Outcome Consultation Mechanism (Government -UN)***

4.7. The UNSDCF Outcome Consultation Mechanism is a standing coordination platform for the Government and the UN joint review and planning processes. Outcome-level technical consultations are held at Heads of Agency / Senior Government level biannually (mid-year and end of year). With regard to the SDG Acceleration Fund, the Outcome Consultation Mechanism will:

- 4.7.1. Periodically review the overall progress against the results framework for each Outcome; identify critical issues for consideration by the JSC;
- 4.7.2. Review drafts of periodic reports of the Fund consolidated by the Administrative Agent and the Secretariat based on the progress reports submitted by the PUNOs;
- 4.7.3. Advise the JSC on the scope and subsequently review draft reports of independent mid-term and final evaluations commissioned by the JSC;
- 4.7.4. Support the JSC in the Fund's risk monitoring; identify critical issues for consideration by the JSC;
- 4.7.5. Support the JSC and the Fund Secretariat in ensuring regular dialogues with Fund donors, including inviting funding partners to Outcome consultations;
- 4.7.6. Support resource mobilization efforts by the Fund Secretariat to capitalize the Fund;
- 4.7.7. Support the Fund Secretariat to ensure conformity of the Fund's Operations Manual with requirements of these Terms of Reference (TOR) and Fund's agreements (MoUs, LoAs),
- 4.7.8. Provide technical-level advice to the JSC on other matters pertaining to the Fund operations.

#### ***Fund Secretariat***

4.8. The Fund Secretariat provides technical and management support to the Resident Coordinator and Joint Steering Committee on matters pertaining to the Fund. The main functions of the Fund Secretariat are:

- 4.8.1. Advise the Resident Coordinator as a co-chair of the Joint Steering Committee on strategic priorities, programmatic and financial allocations (based on inputs from inter-agency working groups, as applicable),
  - 4.8.2. Provide secretarial, logistical and operational support to the Joint Steering Committee related to the Fund,
  - 4.8.3. Organize calls for proposals and appraisal processes,
  - 4.8.4. Review and clear formulation and structuring of proposals to the Fund for the general eligibility in line with respective calls for proposals and decisions/recommendations of the Outcome Groups/PCG; completeness of applications and conformity with the template; accuracy of submitted information, including on reported programmatic results and financial delivery of previously received Fund resources, against relevant UNINFO and other available records,
  - 4.8.5. Ensure that the Fund's projects have a Gender Marker; and that at least 15% or more of the resources are allocated to programmes where gender equality is a principal objective,
  - 4.8.6. Submit project proposals for technical and final reviews,
  - 4.8.7. Ensure the monitoring of operational risks and the Fund's performance,
  - 4.8.8. Consolidate annual and final narrative reports provided by Outcome Groups and/or Joint Programmes and share with the JSC for review as well as with the Administrative Agent for preparation of consolidated narrative reports,
  - 4.8.9. Liaise with the Administrative Agent on developing the Fund's Operations Manual, which will cover the Fund's administration issues, including submission of funds transfer requests and issues related to Fund/project extensions and Fund/project closure,
  - 4.8.10. Submit final project reports to the Administrative Agent for operational closure,
  - 4.8.11. Monitor financial closure, ensuring that projects are financially closed within 18 months from their operational closure,
  - 4.8.12. Develop the Fund's communication strategy and ensure proper visibility of all the fund partners, including contributors and participating organizations,
  - 4.8.13. Develop the Fund's resource mobilization strategy in line with the overall UNSDCF resource mobilization strategy.
- 4.9. The Secretariat functions will be provided by the Resident Coordinator Office (RCO) with the Head of the Fund Secretariat directly reporting to the Resident Coordinator as a Co-chair of the Fund Steering Committee. Administrative support to the Secretariat project will be managed by a Participating UN Organization.
- 4.10. As per the MDTF MOU/SAA, the costs of the Secretariat may be charged as direct costs to the Fund through a project approved separately from programmatic activities. The budget should not exceed 3% of the total resources of the fund, and is to be agreed annually. The costs will include expenses for consolidating reports, monitoring and evaluating the Fund and any operational needs of the Fund.

To ensure the Fund's alignment with the UNSDCF implementation and to avoid additional transaction costs, the Fund will rely on the existing UNSDCF structures and processes. To this end:

#### ***UNSDCF Outcome Groups***

4.11. Specific roles of the UNSDCF Outcome Groups with regard to the Fund are as follows:

- 4.11.1. Project identification and planning: based on relevant calls for proposals issued by the Fund Secretariat, timely agree on priority interventions (joint or individual) that will be submitted to the Fund by individual PUNOs; ensure that proposed interventions are based on the Joint Work Plan developed in consultation with relevant national partners; hold consultations on amounts to be requested by each proposing agency – based on the scope, expected contribution of proposed interventions towards common results and targets, and value-for-money considerations. Ensure representatives of the UNCT GE&HRCM are consulted during the project identification. Submit records of the deliberations and recommendations to the Fund Secretariat.
- 4.11.2. Coordination of approved projects: facilitate collaboration between PUNOs to promote integrated and coordinated implementation and monitoring.
- 4.11.3. Donor engagement: support the Outcome Consultation Mechanism and Secretariat in ensuring regular dialogues with donors; facilitate consultations, programmatic and operational engagement with donors during project implementation, as relevant.
- 4.11.4. Communications: with support from the UNCG, promote the visibility of the Fund, its donors, activities and results.
- 4.11.5. Reporting: with support from the UNCT M&EL group, provide timely and quality consolidated inputs on relevant Outcome results to the Fund’s periodic reports, reviews and evaluations and other ad hoc updates to donors, MPTFO, and others as may be required.

#### ***TZ: Programme Coordination Group (PCG)***

4.12. Specific responsibilities of the UNSDCF Programme Coordination Group (PCG) with regard to the Fund are two-fold:

##### ***4.12.1. Coordination for joint cross-cutting initiatives under the Cross-Cutting Window***

- Project identification and planning: based on relevant calls for proposals by the Fund Secretariat, timely agree on cross-cutting Joint Programmes or other joint activities that will be submitted to the Fund jointly by participating UN organizations. For Joint Programmes, ensure conformity with the UNSDG Guidance Note for Joint Programmes. Ensure that proposed interventions are based on Joint Work Plans developed in consultation with relevant national partners; hold consultations on amounts to be requested by each proposing agency – based on the scope, expected contribution of proposed interventions towards JP results and targets, and value-for-money considerations. Ensure representatives of the UNCT GE&HRCM and Outcome Leads are involved in project identification. Submit records of the deliberations and recommendations to the Fund Secretariat.
- Coordination: support lead PUNOs to facilitate integrated and coordinated implementation and monitoring.
- Donor engagement: support the Outcome Consultation Mechanism and Secretariat in ensuring regular dialogues with donors; facilitate consultations and close programmatic and operational engagement with donors during project implementation, as relevant.
- Communications: with support from the UNCG, promote the visibility of the Fund, its activities, partners and results.

- Reporting: With support from the UNCT M&EL group, provide timely and quality consolidated inputs on cross-cutting results to the Fund's periodic reports, reviews and evaluations and other ad hoc updates to donors, MPTFO and others as may be required.

#### 4.12.2. **Coordination of technical review of all proposals**

- The PCG leads technical reviews of all proposals submitted to the Fund. For such reviews, the PCG Chair involves four PCG representatives (on a rotational basis), Secretariats of the 4 UNSDCF Outcome Groups, two representatives of the UN M&EL Group, two representatives of the GEWE&HR Coordination Mechanism, a representative of the Fund's Secretariat and interested donors (up to three on a rotational basis).
- A technical review assesses technical quality of proposals against common criteria set below in the TOR section 'Technical Review'. For projects submitted for continued funding from the Fund, performance on earlier allocations will be taken into account for results-based payments. To this end, technical reviews will include appraisals of the PO's financial and programmatic delivery against set indicators.
- In case of the Rapid Response mode activation – per the government's request or Resident Coordinator's decision – the UNSDCF Emergency Coordination Group is responsible for leading technical reviews instead of the PCG.

## **Fund Administration**

### ***The Administrative Agent***

4.13. The Fund is administered by the UN MPTF Office under the pass-through management modality. The Fund's administration services, whose costs are 1% of received contributions, include:

4.13.1. The Fund's establishment: support to the Fund's design (Terms of Reference and Operation Manual), and development of legal instruments.

4.13.2. The Fund's administration: receipt, administration and release of funds to PUNOs in accordance with decisions from the Steering Committee, and financial report consolidation.

4.13.3. The Administrative Agent (MPTFO) is responsible for the following functions:

- Provide support to the design of the Fund,
- Sign a Memorandum of Understanding (MOU) with Participating Organizations,
- Sign SAAs with donors and receive contributions from donors that wish to provide financial support to the Fund/programme through the AA. It is noted that the AA cannot enter into any other agreements with donors that would impose responsibilities on the PUNOs without their prior written consent,
- Administer such funds received in accordance with its regulations, policies and procedures, as well as the relevant MOU, Fund Terms of Reference (TOR) and SAA, including the provisions relating to winding up the Fund account and related matters,
- Subject to availability of funds, disburse such funds to each of the PUNOs in accordance with Fund Transfer Requests signed by the UN Resident Coordinator/co-chair of the Fund, taking into account the budget set out in the approved Joint Work Plans (JWPs),

- Ensure consolidation of statements and reports<sup>9</sup>, based on submissions provided by each PO, as set forth in the TOR and provide these to each donor that has contributed to the Fund/programme account and to the JSC,
- Provide final reporting, including notification that the Fund has been operationally completed,
- Disburse funds to any PO for any additional costs of the task that the JSC may decide in accordance with the approved programmatic document,
- Provide tools for fund management to ensure transparency and accountability.

## Participating UN Organizations

4.14. Participating UN Organizations sign a Memorandum of Understanding with the MPTF Office.

4.15. Each Participating UN Organization shall assume full programmatic and financial accountability for the funds disbursed to it by the Administrative Agent. Such funds will be administered by each UN Agency, Fund and Programme in accordance with its own regulations, rules, directives and procedures. Each Participating Organization shall establish a separate ledger account for the receipt and administration of the funds disbursed to it by the Administrative Agent.

4.16. In addition, each Participating UN Organization (PUNO) will:

4.16.1. Provide narrative and financial reports through the Secretariat and Administrative Agent,

4.16.2. Guarantee a proper risk management in all Fund-supported projects and programmes,

4.16.3. Ensure programmatic safeguards in the design and implementation of activities in line with shared values, norms and standards of the UN system,

4.16.4. Advise the Secretariat and the AA of operational completion of all activities and ensure financial closure of projects within 18 months after operational closure,

4.16.5. Ensure visibility of the SDG Acceleration Fund when reporting individually on Fund-supported projects and results, and give due credit to relevant work by other PUNOs,

4.16.6. Engage in joint efforts to promote the Fund in line with the UNSDCF resource mobilization strategy,

4.16.7. Perform additional tasks regarding the Fund's operation as may be requested by the JSC.

4.17. Indirect costs of the Participating Organizations recovered through programme support costs will be 7%<sup>10</sup>. All other costs incurred by each Participating Organization in carrying out the activities for which it is responsible under the Fund will be recovered as direct costs.

## 5. Project Approval Cycle

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<sup>9</sup> The actual consolidation of narrative reports before submitting to the AA will normally be the responsibility of the Fund Secretariat (MDTFs), Convening Agent (Joint Programme), or RC Office (One UN Funds).

<sup>10</sup> Some UN Organizations' governing bodies have approved indirect support costs below 7%. In no cases shall indirect support costs exceed 7%.

## Regular cycle

### 5.1. *Project identification, design and submission*

- 5.11.1. Based on the Fund's priorities aligned with the CF, the Fund Secretariat develops a call to submit proposals for identified priority themes with the indication of available programmable resources and a clear and realistic timeline for proposal submission.
- 5.11.2. Prior to proposal development, PUNOs hold consultations within relevant Outcome Groups or the PCG to identify priority interventions (joint or individual) within the scope of the call and available funding range. This is to ensure that all proposals are:
  - mutually supportive and aligned to relevant strategy and priorities of the Outcome Group,
  - aligned with the agreed division of labour within the Group as per JWPs,
  - coordinated with other key activities within the sector, and
  - have realistic budgets.
- 5.11.3. Outcome Groups/PCG record their deliberations and decisions and transmit the minutes to the Fund Secretariat.
- 5.11.4. PUNOs submit their individual proposals per a common template within the established timeline to the Fund's Secretariat with a copy to relevant Group Secretariat.

### 5.2. *Review of Projects*

Two types of reviews of submitted proposals are conducted:

#### 5.2.1. *Secretariat Review*

The Secretariat will conduct an initial review of the project proposal to ensure the administrative completeness of the submission. This review validates the following:

- General eligibility under a particular call for proposals and recommendations of the Outcome Groups/PCG,
- Completeness of applications and conformity with the template,
- Accuracy of submitted information against relevant JWPs/UNINFO and other available records.

#### 5.2.2. *Technical Review*

##### a) **Regular cycle**

The PCG will lead programme-related quality control of proposals. The roles are described above in section 14.2.2. of the TOR. The review will ensure that the Fund's interventions are aligned to priorities of the UNSDCF and relevant national strategies, coordinated with existent and foreseen activities, and developed in consultation with relevant actors.

Criteria for the technical review to assess the quality of proposed projects include the following:

- Relevancy, coherence with other submissions to the Fund and coordination with other existing or foreseen activities within the sector by the UN and other partners,
- Technical quality, including expected measurable contribution to UNSDCF results, integration of the UNSDCF guiding principles, with focus on the LNOB commitment and UN system-wide strategies on GEWE, Youth and Disability Inclusion,
- Sustainability, engagement, national ownership and value for money,
- Delivering as One/Environment sustainability/Innovation.

For proposals submitted for continued funding from the Fund the review will also consider the following:

- Achievement of planned programmatic results,
- Financial delivery of received resources.

Overall, funding proposals for Joint Programmes will be given priority among other proposals.

Technical reviews conclude with a scorecard report for each submitted proposal and a recommendation with one of the following options: endorsement; endorsement with reservations; rejection. Scorecard reports with recommendations, made whenever possible by a consensus, are transmitted by the PCG Chair to the Fund Secretariat. Based on the technical review results, the Secretariat will apply agreed allocation formula.

## **b) Rapid cycle**

To facilitate critical initiatives of shorter-term nature, the review and approval cycle is shorter (with a target of maximum five days).

The UN Resident Coordinator requests the UNSDCF Emergency Coordination Group (ECG) Chair to lead a virtual review of project proposals within a period of 3 days. If there are no comments within this period, project proposals will be considered recommended due to non-objection. The ECG transmits recommended proposals via the Fund Secretariat to the UN Resident Coordinator as co-chair of the JSC for endorsement strictly on a no-objection basis

The fund transfer follows the same process as under the Regular cycle.

## **5.2. Project approval and funds transfer**

### ***Project approval***

5.2.1. Once the review process is finalised, the full review package with recommendations and proposed fund allocation is transmitted to the UNRC as a co-Chair of the JSC by the Fund Secretariat.

5.2.2. Final decisions will be recorded and shared electronically with all concerned parties by the Fund Secretariat.

## ***Funds transfer***

5.2.3. The Secretariat will prepare a fund transfer request (FTR) to be signed by the UN Resident Coordinator as co-chair of the JSC for each endorsed programme/project with an approved budget. The MPTFO will carry out transfers of approved projects to PUNOs no later than five (5) working days after the receipt of the FTR. Upon completion of the transfer, the representative of the PO and the Secretariat will be notified through electronic mail.

## **6. Risk management**

6.1. The Fund is also envisaged as a means for sharing the risk among partners – the host country, the United Nations and the contributors.

6.1.1. The Secretariat will develop a risk management strategy to facilitate the achievement of the Fund's objectives with consideration of key contextual, programmatic, and institutional risks it may encounter (*Annex B*). The Fund's risk management strategy will be observed by the Joint Steering Committee. In order to accelerate delivery and increase fund impact, and to ensure that fund operations 'do no harm' and are used for their intended purpose, the Fund's risk management strategy will reflect the Fund's main processes. Every programme approved by the Fund shall comply with the risk management strategy. However, the Fund risk management strategy is not a replacement of programme risk evaluation/management.

6.1.2. The Fund's risk management strategy will:

- Develop a shared understanding of risks faced by the Fund and the risk drivers,
- Determine risk treatment through measures of mitigation or adaptation,
- Establish the Fund's policies regarding identified risks,
- Establish information strategies and common messages about the risks.

## **7. Contributions**

7.1. In support of the overarching aim of the Fund, and to ensure maximum flexibility and adaptation to national priorities, a guiding principle for resource mobilization would be that donors are encouraged to contribute with multi-year and unearmarked resources for pooling in the Fund. Earmarking is generally discouraged, and donors are asked to contribute unearmarked funds to the degree possible. However, if this is not possible, earmarking at the outcome or window level may be accepted. To facilitate co-ownership of the Fund's results, funding partners will be consulted for priority theme identification within the scope of the UNSDCF. Earmarking at the PUNO level is not possible.

7.2. Funds should be provided in fully convertible currency and shall be deposited in the bank accounts designated by the MPTF Office as Administrative Agent. The value of a contribution-payment, if made in other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment.



- 7.3. Acceptance of funds from the private sector will be guided by criteria stipulated in the UN system-wide guidelines on cooperation between the UN and Business Community<sup>11</sup>. Funds from the private sector will be subject to the outcome of the applicable due diligence processes.

## 8. Accountability

Each Participating Organization shall assume full programmatic and financial accountability for the funds disbursed to it. Such funds will be administered by each organization in accordance with its own regulations, rules, directives and procedures. Each organization shall establish a separate ledger account for the receipt and administration of the funds disbursed to it by the Administrative Agent.

## 9. Reporting

Responsibilities related to reporting are described in detail in the Memorandum of Understanding. All Participating Organizations will submit annual and final reports on programme activities to the Secretariat (through Outcome Groups/PCG or ECG as relevant) in line with the approved format.

### 9.1. *Narrative reports*

- 9.1.1. For each project, the PUNO will submit the following reports to the respective Outcome Group Secretariats, or in the case of Joint Programmes to Lead PUNOs, for initial consolidation and further transmissions to the Secretariat for submission to the Administrative Agent:
- Annual narrative reports to be provided no more than three months (March 31st) after the end of the calendar year.
  - Final narrative reports after the end of activities contained in the programme-related approved document, including the final year of such activities, to be submitted no more than four months (April 30th) in the following year after the financial closure of the project.
- 9.1.2. 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 the analysis of how the outputs and outcomes have contributed to the Fund's overall impact.
- 9.1.3. Consolidated annual narrative reports should include a section on the activity of the Steering Committee.

### 9.2. *Financial Reports*

- 9.2.1. For each project, the PUNOs will submit the following financial statements and reports to the Administrative Agent:
- Annual financial statements and reports on December 31st regarding resources released to them by the Fund. These shall be provided no more than four months (April 30th) after the end of the calendar year.

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<sup>11</sup>The UN Secretary General's guidelines: <https://www.un.org/en/ethics/assets/pdfs/Guidelines-on-Cooperation-with-the-Business-Sector.pdf>

- Final certified financial statements and financial reports after the completion of activities contained in the programme-related approved document, including the final year of such activities, to be submitted no more than six months (June 30th) in the year following the financial closure of the project.
- 9.3. Based on these reports, the Administrative Agent will prepare consolidated narrative and financial reports which will be submitted to each of the Fund's Contributors and to the Steering Committee as per the schedule established in the Standard Administrative Agreement.

## **10. Monitoring and Evaluation**

- 10.1. Monitoring and evaluation of the Fund will be carried out in accordance with the national context, a results-based management method will be applied, with overall coordination by the UN system. The continuous monitoring and evaluation will be done by the Participating UN Organizations and coordinated by the Secretariat.
- 10.2. The Secretariat, with support from the UN ME&L Group, will monitor and evaluate the implementation of programmes against the programmatic framework of the Fund, consolidate all reporting submitted by PUNOs, and send consolidated reports to the Steering Committee.
- 10.3. The monitoring and evaluation system for the Fund will serve two functions: first, periodic assessment of project implementation and performance of projects (M&E of Project Performance), and second, evaluation of their results in terms of relevance, effectiveness and impact of the fund (M&E of the Fund impact).

## **11. Audit**

The Administrative Agent and the PUNOs will be audited according to their own financial rules and regulations, in line with the Framework for Joint Internal Audits of UN Joint Activities which has been agreed to by the Internal Audit Services of PUNOs and endorsed by the UNDG in 2014. The details are included in the Fund MOU.

## **12. Public Disclosure**

- 12.1. The MPTFO website, Gateway (<http://mptf.undp.org>), is a web-based service portal that provides real-time financial data issued directly on contributions in and out of the fund account, from the UNDP accounting system. The Fund will have a dedicated page on the Gateway which will allow partners and the public at large to follow-up on the Fund contributions, transfers and expenses, and access key documents and reports.
- 12.2. The Secretariat and the MPTFO will ensure that the Fund's operations are posted on the Gateway. Furthermore, in accordance with the Funding Compact, the Fund should specifically mention individual contributors in all results reporting.
- 12.3. Each PO will take appropriate measures to promote the Fund. Information shared with the media regarding beneficiaries of funding, official press releases, reports and publications will acknowledge the role of the Fund.

### 13. Amendments, Duration and Termination

- 13.1. The Joint Steering Committee will be able to modify any of the provisions of these terms of reference in writing as it deems necessary, including the extension.
- 13.2. The last date to transfer funds to Participating Organizations will be **30 June 2026** (*i.e., at most one year before the operational end date of the Fund*). Completion deadline of all operational activities will be **30 June 2027**. The dissemination deadline of the final narrative report will be **30 June 2028** (*i.e., six months after the end of the calendar year in which the operational closure of the Fund occurs*).
- 13.3. All PUNOs will provide certified final financial reports on financially closed projects by no later than five (5) months (May 31<sup>st</sup>) after the end of the calendar year in which the financial closure of the activities in the approved programmatic document occurs, or according to the period specified in the financial regulations and rules of the Participating Organization, whichever is earlier. The dissemination of the certified final financial statement ('Source and Use of Funds') is to be provided no later than seven months after the end of the calendar year in which the financial closing of the Fund occurs.
- 13.4. The Fund will terminate upon completion of all programmes funded through the Fund and after satisfying all commitments and liabilities. Notwithstanding the completion of the initiatives financed by the Fund, any unutilized balances will continue to be held in the fund account until all commitments and liabilities incurred in the implementation of the projects/programmes have been satisfied and project activities have been brought to an orderly conclusion. The Steering Committee will decide on the use of any unutilized balance of the Fund. Any balance remaining in the fund account, upon closure of the Fund, will be used for a purpose mutually agreed upon, or returned to the donor(s) in proportion to their contribution to the Fund as agreed upon by the donor(s) and the Steering Committee.

## **14. List of Acronyms**

AA: Administrative Agent

ECG: Emergency Coordination Group

FTR: Fund Transfer Request

GE&HRCM: Gender Equality and Human Rights Coordination Mechanism

GEWE: Gender Equality and Empowerment of Women

JSC: Joint Steering Committee

JWP: Joint Work Plan

LNOB: Leave No One Behind

LOA: Letter of Agreement

LoU: Letter of Understanding

MDTF: Multi Donor Trust Fund

MoU: Memorandum of Understanding

MPTFO: UN Multi-Partner Trust Fund Office

PCG: Programme Coordination Group

PUNO: Participating UN Organization

RBM: Results-Based Management

RC: Resident Coordinator

RCO: Resident Coordinator's Office

SAA: Standard Administrative Arrangement

TOC: Theory of Change

TOR: Terms of Reference

UNCT: United Nations Country Team

UNSDCF: United Nations Sustainable Development Cooperation Framework

UNSDG: United Nations Sustainable Development Group

## 15. ANNEXES

### Annex A: Results Matrix Template

- Results Framework of the UNSDCF for URT 2022-2027 (attached)

### Annex B:

#### Tanzania SDG Acceleration Fund Risk Matrix: major contextual, programmatic, and institutional risks

	Event	Category	Level	Likelihood	Consequences	Mitigating Measures
1	Insufficient capitalization of the Fund to address all the prioritized themes	Contextual	High	Possible	Moderate	Seeking additional sources of funding; reducing the number of priorities to be funded by the Fund; scaling down and sequencing interventions to match available resources
2	Low interest from Development Partners in the pooled funding mechanism	Contextual	High	Possible	Major	Regular engagement with DPs for awareness raising about the Funding Compact; country-level Fund's development results for greater UN coherence and resource integration; efforts to broaden donor base to include non-traditional donors, the private sector and smaller contributors
3	Insufficient results	Programmatic	Medium	Unlikely	Major	Continuous result monitoring and adjustments, as necessary, in project prioritization,

						selection criteria, project design or implementation modalities – all in full alignment with the UNSDCF
4	Insufficient capacity at the Secretariat to deliver full range of responsibilities	Institutional	High	Likely	Major	Securing dedicated HR capacities at the Secretariat through approval of up to 3% of the funds to the Secretariat; seeking additional financial/human resources to support the Secretariat
5	Inadequate reporting on project implementation at the local level	Institutional	High	Likely	Moderate	Capacity building of implementing partners on results-based financial and programmatic reporting
6	Low level of sustainability of initiatives supported by the Fund	Programmatic	High	Possible	Major	Selection criteria to include demonstrated level of national ownership, including through co-designing interventions and possibly government cost-sharing/or parallel financing; focus on catalytic results
7	Significant scale natural disaster or other emergency in the country requires UN's response	Contextual	High	Possible	Major	Activation of Rapid Response cycle; seeking emergency funding; reorienting project selection for emergency response within the overall scope of the Fund/UNSDCF; seeking repurposing of disbursed funds if needed