



Date: 25 September 2012

To: Mr. Luca Renda
Country Director
Lebanon

From: Bisrat Aklilu, 
Executive Coordinator

Subject: **Delegation of Authority: Administrative Agent functions for pass-through fund management of the Joint Programme “Towards Sustainable Solutions for Improved Living Conditions of Palestinian Refugees in Lebanon”**

1. This delegation of authority to you, in your capacity as **Country Director, Lebanon**, is to enable you to exercise the relevant Administrative Agent (AA) functions as described herein, for the **“Towards Sustainable Solutions for Improved Living Conditions of Palestinian Refugees in Lebanon”** (the “Joint Programme”) further to the principal AA functions outlined in the UNDG-approved “Protocol on the AA for MDTFs, JPs and One UN Funds”, the UNDP/MPTF Accountability Framework and the associated oversight arrangements detailed below.

I. Background

2. When UNDP is selected as the AA by Participating UN Organizations of Joint Programmes (JPs), using the pass-through fund management modality, the accountability for UNDP’s functions as AA has been delegated to the Executive Coordinator of the MPTF Office, reporting to the Assistant Administrator and Director of the Bureau of Management, in accordance with the policy note issued by the Administrator on 30 July 2010 *“UNDP’s Accountability when acting as Administrative Agent in MDTFs, One UN Funds and/or UN Joint Programmes using the pass-through fund management modality”* (“UNDP/MDTF Accountability Framework”, available at <http://mptf.undp.org/document/download/4552>), which is contained in the Programme and Operations Policies and Procedures (POPP) (<http://content.undp.org/go/userguide/finance/fin-mgmt-exec-mod/joint-prgm/pass-through-fund-management---undp-as-administrative-agent/?lang=en#top>).

3. Principal functions of the AA, under delegated authority, under a Joint Programme, include the following:

- Review copy of the Joint Programme document that will be signed by all the Participating UN Organizations and respective Government to ensure the fund management and reporting arrangements are consistent with the provision of the MOU and SAA

- Conclude the standard UNDG-approved Memorandum of Understanding (MOU) with two or more Participating UN Organizations;
- Conclude the UNDG-approved Standard Administrative Arrangements (SAAs) with donors;
- Notify the MPTF Office immediately on funds to be disbursed to Participating UN Organizations as per Joint Programme document duly signed by all the Participating UN Organizations and duly signed Fund Transfer Request(s);
- Report to the Joint Programme Steering Committee, Participating UN Organizations, and donors on the sources and uses of donor contributions received;
- Consolidate narrative and financial progress reports from Participating UN Organizations for submission to the Joint Programme Steering Committee and/or Participating UN Organizations for review and approval and submission thereafter to donors;

As UNDP is the appointed AA and also a Participating UN Organization, a clear delineation, including distinct reporting lines and accountability framework, will need to be established and maintained within the UNDP Country Office between its delegated functions as an AA and its functions as a Participating UN Organization. This delineation should in particular be maintained in JP Steering Committee meetings and communications with Participating UN Organizations (including UNDP).

II. Enabling Authority

4. While accountability for UNDP's Administrative Agent function rests with the Executive Coordinator of the MPTF Office, specific tasks related to the Administrative Agent role will be performed to the extent possible by UNDP Country Offices with explicit delegation from the Executive Coordinator MPTF Office. Such delegations shall include details regarding how the Executive Coordinator of the MPTF Office will provide oversight of the delegated functions.

III. Delegated Authority

5. To this end, I, in my capacity as Executive Coordinator of the MPTF Office, authorize you, in your capacity as **Country Director, Lebanon**, to undertake the AA functions specified in this document. Such delegation is personal to you as **Country Director, Lebanon**, and not by the virtue of your office. As specified below, while you may further delegate this authority, except as otherwise specified, to appropriate authorized staff of **Lebanon** Office, you remain ultimately accountable and responsible for any action taken by the person(s) to whom you further delegate. For purposes of communication and coordination, please provide the MPTF Office with relevant contact details of the staff to whom you have sub-delegated AA functions in this document.

6. As part of its retained functions and of its oversight role, the MPTF Office will maintain regular contact with you and the **Lebanon** Country Office and may undertake periodic monitoring field visits. Additional support provided by the MPTF Office includes advice and training to Country Offices in the establishment, ongoing administration and closure of the Joint Programme, interaction with donors and Participating UN Organizations at Headquarter level on other AA related issues that may arise as well as attendance in reviews and provision of advice/input on AA issues that arise in evaluations of the Joint Programme.

A. SIGNATURE OF LEGAL DOCUMENTS (and related documents)

7. Memorandum of Understanding (MOU)

- i. Utilizing the generic UNDG MOU template then current, you shall prepare a draft **“Towards Sustainable Solutions for Improved Living Conditions of Palestinian Refugees in Lebanon”** MOU for review by the MPTF Office. Any proposed modifications to the generic MOU should be highlighted and brought by you, without further delegation, to the attention of the Executive Coordinator for review and approval.
- ii. When the MOU is signed at the country level by country-level representatives of Participating UN Organizations, the authority to sign the final MOU, for and on behalf of the Executive Coordinator, MPTF Office representing UNDP as AA, is delegated to you.
- iii. You shall submit one original of the MOU to the MPTF Office and maintain appropriate files for all Participating UN Organizations that have signed the MOU along with other Participating UN Organization related information and records.

As part of its retained functions and of its oversight role, the MPTF Office will review the draft MOU prepared by you and provide comments and/or approval for signature (the latter in cases of deviation from the template only) no later than three working days after receipt of the MOU. When the final MOU is signed by the Participating UN Organizations at headquarters level, the MOU shall be signed by the Executive Coordinator, MPTF Office, on behalf of UNDP as AA. The MPTF Office shall post the signed MOU on the MPTF Office GATEWAY page for the Joint Programme (<http://mptf.undp.org/factsheet/fund/JLB00>).

8. Standard Administrative Arrangement (SAA)

- i. Utilizing the generic UNDG SAA template then current, you shall prepare a draft **“Towards Sustainable Solutions for Improved Living Conditions of Palestinian Refugees in Lebanon”** SAA for review by the MPTF Office. Any proposed modifications to the generic SAA should be highlighted and brought by you, without further delegation, to the attention of the Executive Coordinator for review and approval.
- ii. When the SAA is signed at the country level by country-level representatives of donors, the authority to sign the final SAA, for and on behalf of the Executive Coordinator, MPTF Office representing UNDP as AA, is delegated to you.
- iii. You shall submit one original of the SAA to the MPTF Office and maintain appropriate files for all donors that have signed the SAA along with other donor related information and records.

As part of its retained functions and of its oversight role, the MPTF Office will review the draft SAA prepared by you and provide comments and/or approval for signature (the latter in cases of deviation from the template only) no later than three working days after receipt of the SAA. When the final SAA is signed by donors at their capital or in New York, the SAA shall be signed by the Executive Coordinator, MPTF Office on behalf of UNDP as AA. The MPTF Office shall post a sample copy of the SAA on the MPTF Office GATEWAY page for the Joint Programme (<http://mptf.undp.org/factsheet/fund/JLB00>).

B. FINANCIAL MATTERS

9. Establishment of Accounts & Receipt of Donor Contributions

- i. Based on the donor contributions specified in the SAA, you shall notify the MPTF Office at the following email address: executivecoordinator.mptfo@undp.org and UNDP Treasury of the expected amount, and submit a copy of the SAA to UNDP Treasury at the following email address: mptfo.treasury@undp.org.
- ii. Following receipt of donor contributions as per the SAA, MPTF Office will transfer deposits from the main fund code to the relevant sub-fund(s) code(s) (based on donor earmarking decisions, if applicable).
- iii. As part of its retained functions and of its oversight role, the MPTF Office will:
 - 1) Take the required actions related to the establishment of a separate ledger account (fund and sub-fund accounts, as applicable), a separate budget department code and association of fund, sub-funds (if applicable), and/or donor and/or department codes.
 - 2) Follow up with UNDP Treasury for the (a) establishment of a pending item (receivable) in the total amount as per SAA, (b) receipt of donor contribution into the designated bank account in order to obtain the Deposit ID and confirmation of the posting of deposit to the relevant fund and department code, (c) ensuring any exchange gain/loss is posted to the fund and department code. The MPTF Office Treasury Associate in UNDP Treasury will acknowledge receipt of contribution to relevant donor and UNDP Country Office.

Thereafter, the MPTF Office will ensure that all new contributions are updated on the MPTF Office GATEWAY page for the Joint Programme.

10. Administrative Agent Fee

- i. The AA fee is apportioned as follows:
 - a. 30% Country Office
 - b. 70% MPTF Office/Central Services.

The MPTF Office will transfer 30% Country Office share to a separate AA project set up by the CO in ATLAS (under UNDP1 GL BU) and communicated to constance.chitanda@undp.org from Treasury with a copy to louise.moretta@undp.org, aamir.maqsood@undp.org, and jacqueline.carbajal@undp.org.

- ii. You shall ensure that all expenditures incurred by the UNDP Country Office for the AA function are charged to the AA Project in accordance with the annually approved AA budget.
- iii. You shall report the AA income in the annual progress report to the donors and other stakeholders.

- iv. You shall report the AA expenditure to the MPTF Office annually. The expenditure will need to be reported in the 2006 UNDG five (the 6th category, which is for “Indirect Costs” would not apply to AA fees) expense categories as under:

1. Supplies, commodities, equipment and transport
2. Personnel (staff, consultants, travel and training)
3. Training of counterparts
4. Contracts
5. Other Direct Costs

11. **Direct Costs**

- i. If permissible under the MOU and SAA, upon securing approval from the Joint Programme Steering Committee, the authority to charge the allowable Direct Costs to the Fund Account upfront from the donor contributions, calculated at an estimated rate based on anticipated expenditures: for management of direct costs contact the MPTF Office (mptf.corefinance@undp.org) with copy to the relevant portfolio managers.

12. **Joint Programme Documentation Review prior to Notification of Approval and Payment**

- i. The MPTF Office will make payments to Participating UN Organizations per the approved and signed Fund Transfer Request(s), and based on the *Joint Programme Document*, with the indicated budget that is signed and dated by the representatives of the Participating UN Organizations and the Joint Programme Steering Committee Chair (or equivalent decision making body, if applicable). You shall ensure that the signed minutes of the Steering Committee meeting, if any, are obtained and filed as verification of decisions taken regarding Joint Programme approval(s).
- ii. You shall review the **Joint Programme Budget** to ensure total budget amount is the same amount in the approved and signed the Joint Programme Document and that the percentage of indirect costs indicated in the cover page matches the percentage indicated as Agency Management Support percentage in Joint Programme Budget and that the rate is consistent with the permissible or approved support cost rate indicated in the MOU and/or SAA. Calculate the amount given as the indirect cost to ensure that it is accurate. The rate is calculated as a percentage of the Joint Programme budget sub-total (total of Joint Programme costs excluding Indirect Support Costs).
- iii. You and the MPTF Office will keep appropriate records of documentation for future audit purposes as well as fund transparency.

13. **Payments/disbursements of funds to Participating UN Organizations**

- i. The MPTF Office will set up the Joint Programme project(s) in ATLAS.
- ii. The MPTF Office will issue payments normally within three (3) to five (5) business days by way of a Payment Voucher to each Participating UN Organization, based on the approved and signed Fund Transfer Request(s) and the Joint Programme document duly signed by all the Participating UN Organizations. The MPTF Office will create one Payment Voucher for each Participating UN Organization, however in certain instances

more than one Payment Voucher will be created if the Joint Programme is funded in tranches.

- iii. The MPTF Office will issue the approval notification and the subsequent payment notification to the relevant Participating UN Organization. The e-mail payment notification will provide information relating to the payment including payment reference number and payment date.

C. PROGRESS REPORTS & UPDATES

14. Reporting by Participating UN Organizations to AA

You are authorized to receive from the Participating UN Organizations the following updates and reports for consolidation and submission to the Participating UN Organizations, Joint Programme Steering Committee, and donors based on procedures outlined in the MOU and SAA:

- a. **Annual Narrative Progress Reports:** The Joint Programme Narrative Progress Report is prepared by the lead Joint Programme Agency using the agreed upon format based on the UNDG progress report templates, available with the MPTF Office.
- b. **Final Narrative Report:** Once the Joint Programme is operationally and financially closed, prepared similar to the annual narrative report using the generic template available with the MPTF Office.

The MPTF Office will receive from the Participating Organizations through UNEX the following reports:

- a. **Annual Financial Statements and Reports:** As per MOU, prepared based on the UNDG agreed six expenditure categories, reflecting funds received, expenditure incurred, available funds and interest earned for the Joint Programme using the generic template available with the MPTF Office.
- b. **Final Certified Financial Statement and Report:** As per the MOU, prepared reflecting funds received, expenditure incurred, available funds and interest earned for the Joint Programme using generic template available with the MPTF Office.

15. Reporting by Administrative Agent

The MPTF Office will prepare the following statements for submission to the Joint Programme Steering Committee, donors and Participating UN Organizations via your office:

- a. **AA Certified Annual Financial Statement (Source and Use of Funds):** As per the SAA, the MPTF Office shall produce an annual Financial Statement reflecting contributions received by the Joint Programme using the pass-through funding modality, income interest earned by the Participating UN Organizations and the Joint Programme (if applicable), transfers made to Participating UN Organizations for approved Joint Programme, refunds from the Participating UN Organizations as well as Administrative Agent fees, direct costs and bank charges charged to the Joint

Programme. The annual year-end statement shall be certified by UNDP's Comptroller.

- b. **AA Certified Final Financial Statement (Sources and Use of Funds):** As per the SAA, the **MPTF Office** shall produce after the completion of all programme activities financed from the Joint Programme using the pass-through funding modality, a final Financial Statement reflecting contributions received by the Joint Programme, income interest earned by the Participating UN Organizations and the Joint Programme (if applicable), transfers made to Participating UN Organizations for approved Joint Programme, refunds from the Participating UN Organizations as well as Administrative Agent fees, direct costs and bank charges charged to the Joint Programme. The final Financial Statement shall be certified by UNDP's Comptroller.

You are authorized to include those reports in your Consolidated Annual and Final reports and submit them to the Joint Programme Steering Committee, donors and Participating UN Organizations.

- c. Based on the (a) Annual Financial Statements and Reports and (b) Final Certified Financial Statements and Reports submitted by the Participating UN Organizations, the MPTF Office will produce standard tables that will be sent to you. You are required to review those tables and add a narrative description of the tables.

You will be responsible for consolidation and submission of the narrative and financial reports to the Participating UN Organizations, Joint Programme Steering Committee, and donors based on procedures outlined in the MOU and SAA.

As part of its retained functions and of its oversight role, the MPTF Office will post the consolidated narrative and financial reports on the MPTF Office GATEWAY page for country-level Joint Programmes, as appropriate.

16. **Audit Trail and Transparency**

To ensure availability of required documentation on the Joint Programme for evaluation and audit purposes, you shall maintain appropriate records, paper and electronic files such as those listed below:


- a. List of Participating UN Organizations
- b. Table of Donor Pledges, Commitments and Deposits
- c. Consolidated Narrative Progress Reports
- d. Consolidated Financial Statements
- e. Other relevant information and communication from Participating UN Organizations relating to Joint Programme budgets and revisions thereof, contract commitments, disbursements, expenditure, etc.
- f. Programme Documents and Budget from Participating UN Organizations, Programme Document Checklist, Submission Form as applicable.
- g. Signed copy of the Steering Committee meetings

As part of its retained functions and of its oversight role, the MPTF Office will post and update the above mentioned documents, as appropriate, on the MPTF Office GATEWAY page for country-level Joint Programmes.

IV. Final Provisions

17. If any difficulty is experienced in interpreting or giving effect to this delegation of authority, I and the relevant officers of the MPTF Office are available for consultation and advice.
18. Exceptions to the provisions of this delegation of authority must not be made without prior approval from the Executive Coordinator, MPTF Office.
19. This delegation of authority will remain in effect as set forth herein until such time that your assignment as **Country Director** ends or this delegation of authority is amended or superseded. You are kindly requested to notify the MPTF Office of such changes.
20. This delegation of authority will enter into effect upon receipt of your confirmation, through your signature below, that you accept and will implement the provisions outlined above.

ACCEPT:

Signature:  _____

Name: WCA RENDA

Title: COUNTRY DIRECTOR

Date: 14/11/2012

ANNEX	SAMPLE DOCUMENTS
1.	UNDG approved “ Protocol on the Administrative Agent for Multi-Donor Trust Funds and Joint Programmes, and One UN Funds”
2.	UNDP’s accountability when acting as Administrative Agent in Multi-Donor Trust Funds and/or UN Joint Programmes using the pass-through fund management modality (UNDP/MDTF Accountability Framework)
3.	UNDG Generic Memorandum of Understanding (MOU)
4.	UNDG Generic Standard Administrative Arrangement (SAA)
5.	UNDG Generic MDTF Steering Committee Terms of Reference (TOR) [for information and guidance only]
6.	Generic MDTF Steering Committee Rules of Procedure (ROP) [for information and guidance only]
7.	Joint Programme Document
8.	Joint Programme Budget
9.	Joint Programme Summary template (<i>for posting on web</i>)
10.	Joint Programme Quarterly Progress Update
11.	Annual Narrative Progress Report (<i>preliminary template</i>)
12.	Annual Financial Statement and Report
13.	Final Narrative Report
14.	Certified Final Financial Statement and Report
15.	Administrative Agent Certified Annual Financial Statement
16.	Administrative Agent Certified Final Financial Statement
17.	Notification of Expected Deposits (generic mailbox: mdtfo.treasury@undp.org)
18.	Acknowledgment of Receipt of Donor Contribution
19.	Payment Voucher
20.	Notification of Payment to Participating UN Organization
21.	UNDG MDTF Fiduciary Management Oversight Framework
22.	UNEX /Reporting Portal Guidelines
23.	Fund Transfer Request Form

