**Frequently Asked Questions (FAQs) on Terms of Reference (ToR) and operations for a UNDP Project Board or Project Steering Committee**

**- December 2021 -**

**Note:** These FAQs seek to provide clarity on some of the commonly asked questions related to guidance and policies on the roles and responsibilities of project boards or project steering committees in a UNDP project. These FAQs should be consulted and used together with the latest UNDP Standard Terms of Reference (ToR) for a Development Project Board or Project Steering Committee; the relevant sections of the PPM related to [Provide Oversight](https://popp.undp.org/node/11371) and [Manage Change](https://popp.undp.org/node/11026) as they relate to these issues; and the latest annotated UNDP Project Document template(s) or other funding instrument used for a given donor.

**Q 1): What is the primary function of a Project Board or Project Steering Committee in a UNDP project?**

A 1): The Project Board or Project Steering Committee is the most senior, dedicated oversight body for a UNDP ‘Development Project’, which is defined in the PPM as an instrument where UNDP “Delivers outputs where UNDP has accountability for design, oversight and quality assurance of the entire project.” The two main (mandatory) roles of the Project Board or Project Steering Committee are as follows:

1. **High-level oversight of the project** (as explained in the [“Provide Oversight”](https://popp.undp.org/node/1856) section of the PPM). This is the primary function of the [Project Board or Project Steering Committee] and includes oversight of annual (and as-needed) assessments of any major risks to the programme or project, and related decisions/agreements on any management actions or remedial measures to address them effectively.
2. **Approval of key project execution decisions** (as explained in the [“Manage Change”](https://popp.undp.org/node/1931) section of the PPM). The [Project Board or Project Steering Committee] has an equally important, secondary role in approving certain adjustments above provided tolerance levels, including substantive programmatic revisions (major/minor amendments), budget revisions, requests for suspension or extension and other major changes.

Given that a board may only be meeting once or several times per year, it’s role and remit should be limited to high-level oversight and approval of key decisions. Routine oversight of project operations and recurring quality assurance should be undertaken by the UNDP entity playing the ‘project assurance’ role in the project structure while routine project execution decisions should be taken by the highest ranking person within the project management unit (compliant with specified tolerance).

**Q 2): How often must a Project Board or Project Steering Committee meet?**

A 2): The Project Board or Project Steering Committee must meet one time annually at a minimum. It can meet more often depending on the particular needs or exigencies of a given project. The frequency of project board meetings should be specified/set during the project design phase (under ProDoc template section VI) and indicated in the ToR.

**Q 3): Must every UNDP development project have its own dedicated board?**

A 3): No. All UNDP programmes and projects must be governed by a multi-stakeholder board or committee established to review performance based on monitoring and evaluation, and address implementation issues to ensure quality delivery of results. Multiple projects in a portfolio may use the same board/committee for oversight, and existing mechanisms may be used, as long as the required composition and oversight functions are met. Joint results group boards may also be used, as long as individual projects are reviewed.

**Q 4): What is the policy regarding UNDP’S role in a Project Board or Project Steering Committee?**

A 4): Irrespective of modality, a UNDP representative must always be represented in the Project Board or Project Steering Committee in either the project executive or development partner role. In NIM projects, UNDP will normally occupy the the role of development partner in the board. In DIM projects, a UNDP representative will always play the role of project executive. The level of representation by UNDP on the Board is determined on a case-by-case basis but typically for national projects the UNDP board member is either the Resident Representative, the Deputy Resident Representative or a senior programming officer.

**Q 5): How does a board make decisions? Do any board members have special rights on decision-making in case concensus cannot be reached?**

A 5): Unless otherwise specified, Project Board or Project Steering Committee decisions are made by consensus. In case a consensus cannot be reached within the board, a final decision shall rest with the UNDP representative on the Project Board or Project Steering Committee or a UNDP staff member with delegated authority as the programme manager. UNDP has this special right since the ultimate legal and fiduciary accountability for a UNDP project, irrespective of modality, rests with UNDP and UNDP must (in line with its obligations to donors and to the Executive Board) be able to ensure that no action is taken by any body in a UNDP project that contravenes UNDP rules and regulations.

**Q 6): Must UNDP always be the co-chair of a project board?**

A 6): No. It is not a requirement that UNDP participates in a board as a chair or co-chair in every project context. For projects under DIM, UNDP would normally chair the board since we are the project executive. In NIM cases, UNDP may co-chair the board with the senior counterpart for nationally implemented projects (typically from the same entity as the Implementing Partner) or UNDP could simply participate in the board as the development partner role. Irrespective of whether UNDP chairs the board or not, the right of UNDP to make a final decision in case a consensus cannot be reached within the board is mandatory and non-negotiable irrespective of a particular board structure.

**Q 6): Must a board be the highest decision-making body for a UNDP project? What if the donor stipulates that approval of a key decision is contigent on a separate donor-specific oversight or decision-making process or apparatus?**

A 6): It is the prerogative of a given donor, as a condition of a funding agreement for a given UNDP project, to stipulate that a certain donor-specific oversight or decision-making process or apparatus supercedes or must validate the decisions or approvals of a project board. Such special approvals or procedures vis-à-vis the project should be clearly elaborated in the project document section on “Governance and Management Arrangements” as well as the ToR for the Project Board based on the relevant funding agreement.

**Q 7): Which entities cannot sit on a UNDP Project Board or Project Steering Committee?**

A 7): Representatives from responsible parties or service providers to the project cannot sit on the Project Board or Project Steering Committee as a formal voting member; they can (if requested) attend board meetings as observers. Since the chief responsibility of the board is to provide high-level oversight of project implementation, to avoid any conflicts of interest it is not appropriate for representatives of third party entities engaged by the project to provide services – whether responsible parties or contractors/service providers – to concurrently sit on the board. Similarly, in cases where UNDP is awarding low-value grants, it would be inappropriate and a conflict of interest for an entity that intends to make itself eligible to receive a grant to also sit on the board ex-ante to receiving that grant (they could sit on the board ex-poste with the stipulation that they cannot receive any additional grants). If requested, representatives of responsible parties can attend board meetings (as observers) but can have no official role in board decision-making (this includes other UN entities serving as responsible parties in a UNDP project). The same principle applies to the project manager who in attending and presenting at board meetings does so in a non-voting capacity.

**Q 8): Must a donor always be represented on a UNDP Project Board or Project Steering Committee?**

A 8): No. It is not a requirement that a project board have a donor representative. In cases where having a donor representative is either infeasible or not standard as per the funding structure and agreement of the donor, UNDP represents the interests of the donor as per the terms of the contribution agreement for said project and/or other relevant legal obligations.

**Q 9):** **Are there limits to how many members a Project Board or Project Steering Committee can have?**

A 9): No. There are no aggregate limits on how many members a Project Board or Project Steering Committee can have. The Project Executive role of the Board is limited to two individuals. However, in the case of the Beneficiary Representative and Development Partner roles there are no mandatory caps on how many individuals can participate in those capacities. It should be noted that every Project Board or Project Steering Committee member must correspond to one of the three roles and be identifed accordingly in project documentation. Typically, for reasons of practicality and quorum, Project Boards or Project Steering Committees may consider no more than eight members.

**Q 10): Can board members be paid to sit on a board? Can they receive reimbursement for expenses related to Board attendance?**

A 10): [Project Board or Project Steering Committee] members cannot receive remuneration from project funds for their participation in the Board. However, it is allowable for board members to be reimbursed from project funds for certain reasonable, qualified expeses related to travel or lodging to attend board meetings.

**Q 11): Who typically plays the roles of Beneficiary Representative in a board?**

A 11): Often representatives from civil society, industry associations, community groups or other government entities benefiting from the project can fulfil this role. If the project has a specific geographic focus, often representatives from the government entities in the targeted area/region will play this role.

**Q 12): What is the difference between an official board member and an observer or non-voting member?**

A 12): An official board member participates as part of board meetings in a formal capacity in one of three categories and is expected to vote on all matters and decisions before the board (which will be recorded in board minutes). An observer is an individual who, if requested by the board, is permitted to attend and participate in meetings of the board and to receive all information provided to members of the board (including minutes of board meetings), but who is not permitted to formally vote on matters submitted for a vote and has no role in decision-making.

**Q 13): Is the project assurance role an official member of the board?**

A 13): No. A designated representative of UNDP playing the project assurance role is expected to attend all [Project Board or Project Steering Committee] meetings and support board processes as a non-voting representative to the board. While project assurance as a function can happen across various parts of he project cycle, at least one UNDP representative playing that function must, as part of their duties, specifically attend board meetings and provide board members with the required documentation required to perform their duties.

**Q14): What are the procedures for board members to formally accept and acknowledge the ToR of the board and their responsibilities within that body?**

A 14): Designated board members must sign or otherwise indicate written acceptance of the final ToR (via formal signature of the ToR, an exchange of letters or e-mail acknowledgment) for the [Project Board or Project Steering Committee] as a precondition for serving on the [Project Board or Project Steering Committee]. Please see Annex A for possible options to codify this acceptance (which preferably would be done at the appraise and approve stage but which could also be done early in implementation). The formal written acceptance of the ToR by all board members should will be documented and kept by UNDP.

**Q15): Can UNDP Project consider forming any other committees (e.g. Advisory Committee, Project Implementation Committee, etc.) if needed on the ground during implementation?**

A 15): Yes. UNDP can establish supplementary bodies or advisory groups to provide specific technical or operational support to the project. Such bodies are not officially part of the project board or core governance structure. They can either report to board or the project implementation unit. To the extent possible, these bodies and their reporting lines, should be reflected ​in the project orgnaization structure diagram. Information on the purpose and membership of these bodies should be listed in the Prodoc.

**Q16): Combined Delivery Report (CDR) would be discussed in the Project Board or Steering Committee meeting but there are NIM projects with government co-financing. Will the PB or PSC review and discuss expenditure report of the government contrinution?**

A 16): Co-financing activities that are included as project results should be clarified in the Project Document. The Project Board and UNDP shall assume an oversight and assurance role to further ensure the project, including the co-financed activities, remains consistent with UNDP policies and procedures.

**Q17) Who initiates composition of Board including identification/confirmation of the Board members?**

A 17): The composition and the institutions that should be represented in the Board is considered under the LPAC, prior to the sign off of the Project Document. After the signing of the ProDoc, the institutions represented will appoint the member that will sit on the Board who will then formally commit to the function via exchange of letters (see Q14).

**A18): Should the Project Board members disclosed any possible conflict of interest?**

A 18): Yes. The Project Board members must disclose any conflict of interest in performing the functions of a Project Board member and take all measures to avoid any real or perceived conflicts of interest. This disclosure must be documented and kept on record by UNDP.

**Optional Checklist**

| **UNDP to indicate Yes or No and provide additional information:** | **Yes** | **No** | **Additional information**  (*please include a page reference in the PRODOC and/or a link to supporting documents*) |
| --- | --- | --- | --- |
| **Role of the Board** | | | |
| The [Project Board or Project Steering Committee] is clearly referred to in all documents as either ‘[Project Board or Project Steering Committee]’ or ‘Project Steering Committee’, including in the project organization diagram of the Prodoc |  |  |  |
| The mandatory responsibilities of the [Project Board or Project Steering Committee] (as indicated in this guidance) are clearly stipulated in a ToR for the board |  |  |  |
| Any additional responsibilities of the [Project Board or Project Steering Committee] are clearly elaborated in a ToR for the board |  |  |  |
| If applicable, the existence of any higher-level bodies or mechanisms that the board reports to is clearly indicated in the project document section on “Governance and Management Arrangements” |  |  |  |
| If applicable, the existence of any advisory or technical committees or working groups that report to the board is clearly indicated in the project document section on “Governance and Management Arrangements” |  |  |  |
| **Board Composition** | | | |
| The composition of the [Project Board or Project Steering Committee] is clearly indicated following this guidance and Prodoc template, with all board members playing one of the three designated roles |  |  |  |
| A UNDP representative is represented in the [Project Board or Project Steering Committee] in either the project executive or development partner role  The UNDP staff position playing this role should be clearly indicated |  |  |  |
| Representatives of third party entities engaged by the project and receiving project funds – whether responsible parties or contractors/service providers – are not included as members of the board |  |  |  |
| There is a maximum of two project executive representative(s) of the board |  |  |  |
| The chair and/or co-chairs of the board are clearly identified |  |  |  |
| ***Standard board protocols*** | | | |
| A ToR and/or list of board guidelines/roles has been developed |  |  |  |
| The ToR specifies the requirement of the board to meet – at a minimum – once per year (with suggestion that the timing of the board meeting(s) is indicated if possible) |  |  |  |
| The ToR clearly indicates the rules for quorum and documentation/minuting of board decisions |  |  |  |
| The ToR makes clear the procedures for board decisions taken in between board meetings or on an ad-hoc basis |  |  |  |
| All board members have been presented with the ToR for the [Project Board or Project Steering Committee], including responsibilities, board logistics and expectations around disclosure/avoidance of conflicts of interest |  |  |  |
| **Support functions to the [Project Board or Project Steering Committee]** | | | |
| The UNDP person(s) playing the project assurance role are clearly indicated in the project organization structure and documentation |  |  |  |
| The specific UNDP person playing the project assurance role in the context of attending board meetings and supporting board functions is clearly indicated in the project organization structure and documentation |  |  |  |
| The role and expectations of the project manager (as a non-voting member of the board) supporting board functions are clearly indicated in the project organization structure and documentation |  |  |  |