Protocol on the Administrative Agent for
Multi Donor Trust Funds and Joint Programmes, and One UN Funds

This protocol is an understanding of the roles and responsibilities of the Administrative Agent (AA) for Multi Donor Trust Funds (MDTFs), Joint Programmes (JPs) and One UN Funds and is supplemented by those specified in the Standard Memorandum of Understanding (MOU) and Standard Administrative Agreement (SAA) and other documents. As the administrative interface between the donors contributing to the particular MDTFs/JPs/One UN Fund and the Participating UN Organizations, the AA will adhere to the AA duties and responsibilities specified in the UNDG MOU and SAA.

I Appointment of Administrative Agent; its Status, Duties and Fee

1. The UN Country Team members, in consultation with their Agencies, will decide on the AA for a particular MDTF/JP/ONE UN FUNDS. In the event that agreement cannot be reached at the country level, the UNDG Advisory Group meeting at ASG level will discuss and decide on the AA.

2. The Participating UN Organizations will appoint a UN Organization, which could be a participating UN organization, to serve as AA in connection with the MDTF/JP/ONE UN FUNDS, in accordance with the terms and conditions set out in the respective MOU. The AA will accept this appointment on the understanding that the Participating UN Organizations assume full programmatic and financial accountability for the funds disbursed to them by the AA. This appointment will continue until it expires, or is terminated in accordance with the relevant MOU.

3. On behalf of the Participating UN Organizations, the AA will:

   (a) Receive contributions from donors that wish to provide financial support to the MDTF/JP/ONE UN FUNDS through the AA;

   (b) Administer such funds received, in accordance with the relevant MOU including the provisions relating to winding up the MDTF/JP/ONE UN FUNDS Account and related matters;

   (c) Subject to availability of funds, disburse such funds to each of the Participating UN Organizations in accordance with instructions from the Steering Committee/Resident Coordinator (on behalf of the Steering Committee), taking into account the budget set out in the approved programmatic document/Joint Programme Documents, as amended in writing from time to time by the Steering Committee;

   (d) Consolidate statements and reports, based on submissions provided to the AA by each Participating UN Organization, as set forth in the Terms of Reference (TOR)/Joint Programme Document/ One UN Programme, and provide these to

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[1] The Participants to the Fund/Programme will decide what is the most appropriate coordination mechanism, for example a theme group, steering committee, management committee etc. For ease of reference, this mechanism is referred to as the “Steering Committee” in this document. The composition of the Steering Committee or other body will include all of the signatories to the MOU, representatives from the host government (if applicable) and may also include donors in accordance with the UNDG-approved Generic MDTF Steering Committee Terms of Reference, dated 20 September 2007.

Approved by UNDG ASG Group, 30 Oct. 2008
each donor that has contributed to the MDTF/JP/ONE UN FUNDS Account and to the Steering Committee/Resident Coordinator for One UN Funds;

(e) Provide final reporting, including notification that the MDTF/JP/ONE UN FUNDS has been operationally completed;

(f) Disburse funds to any Participating UN Organization for any additional costs of the task that the Steering Committee may decide in accordance with TOR/Joint Programme Document/One UN Programme.

4. The Steering Committee may request any of the Participating UN Organizations, to perform additional tasks in support of the MDTF/JP/ONE UN FUNDS not related to the AA functions and subject to the availability of funds. Costs for such tasks will be agreed in advance and with the approval of the Steering Committee be charged to the MDTF/JP/ONE UN FUNDS as direct costs.

5. The AA will be entitled to allocate an administrative fee of one percent (1%) of the amount contributed by each donor signing an Administrative Arrangement, to meet the AA’s costs of performing the AA’s functions described in the relevant MOU.

6. Where the AA is also a Participating UN Organization, a clear delineation, including distinct reporting lines and an accountability framework, will be established and maintained within the organization designated as the AA between its functions as an AA and its functions as a Participating UN Organization.

7. Any substantial (‘substantial’ would imply changes that are linked to the legal relationships described in the Memorandum of Understanding, the governance mechanisms, reporting arrangements or equivalent) modification to the MOU or SAA requires the prior written agreement of the Participating UN Organizations and the AA of the particular MDTF, and needs to be cleared by the UNDG Advisory Group through the UN Development Operations Coordination Office (DOCO).

8. The AA will interact with the donors on a bilateral basis for the signing of the SAA.

II Reporting

1. Each Participating UN Organization will provide the AA with the statements and reports prepared in accordance with its accounting and reporting procedures, as set forth in the MOU and SAA of the particular MDTF/JP/One UN Fund.

2. The AA will in turn provide the donors and the Steering Committee (in the case of One UN Funds, the AA will provide to the Resident Coordinator who will provide them to the donors and the Steering Committee) with the consolidated statements and reports, based on submissions received from each Participating UN Organization prepared in accordance with the schedule set forth in the applicable MOU and/or SAA of the particular MDTF/JP/One UN Fund.

3. This consolidation of reports by the AA will comprise of a synthesis of the individual reports submitted by each of the Participating UN Organizations along a format agreed upon with the Participating UN Organizations (and Resident Coordinators in case of One UN Funds) and donors. The AA’s Progress Report consolidation will be exclusively based on information and data contained in the individual progress reports and financial statements submitted by Participating UN Organizations and does not constitute an evaluation of the MDTF/JP/One UN Fund.

Approved by UNDG ASG Group, 30 Oct. 2008
Fund nor the performance of the Participating UN Organizations. The AA will submit the report it has consolidated to the Participating UN Organizations and the Steering Committee (Resident Coordinator for One UN Funds) for review and approval before submitting it to donors.

4. Since donors reserve the right to discontinue future contributions to MDTFs/JPs/ One UN Funds if reporting obligations are not met as per the signed SAA, the AA will notify the Steering Committee and work to ensure that delays in the submissions of narrative and financial reports by a Participating UN Organization will not jeopardize the integrity and future activities of the MDTF/JP/ One UN Fund. In case an agency consistently does not meet its reporting obligations, the specific case should be brought by the AA or the UN Chair/ Co-chair of the Steering Committee to the ASG group (Advisory Group of UNDG) for resolution.

III. **Role of the AA in support of the Steering Committee**

1. The Administrative Agent will be an ex-officio member of the Steering Committee.

IV. **Oversight and Accountability**

1. The AA will perform its duties and responsibilities for MDTFs/ Joint Programmes / One UN Funds following financial rules and procedures of the Participating Organization to which the AA belongs and in accordance with the agreed MOU and SAA.

2. The AA is accountable for effective and impartial fiduciary management of the UNDG MDTF/JP/One UN Funds according to UNDG agreed rules and procedures for MDTFs/JPs/One UN Funds.

3. The AA will be accountable to an appropriate unit within its own agency (preferably not the unit responsible for fund raising to avoid perception of conflict of interest) for the day to day management and performance of its activities.

4. The AA will also be accountable, as defined in the accountability table of the ‘Management and Accountability System of the UN Development and RC System, including the “functional firewall” for the RC System’ to the UNDG MDTF Oversight Committee established at the technical level and the ASG Group (Advisory Group of UNDG) which will both be supported by DOCO. The AA will report to the Oversight Committees, including the MDTF Fiduciary Management Oversight Group, in accordance with UNDG guidelines, including on fund allocation, disbursement and achievements, and challenges in acting as AA for MDTFs/JPs/ One UN Funds. The AA will bring any aberrations to the Oversight Committees.

5. In accordance with the MDTF Oversight Fiduciary Management Oversight Framework, the Fiduciary Management Oversight Group has been established as the first inter agency point of contact and reference at Headquarters on all fiduciary/legal/assurance issues regarding Multi-Donor Trust Funds. Queries and requests for guidance could be addressed to the Group by UNDG MDTFs Steering Committees, Resident Coordinators (in case of One UN Funds), Administrative Agents and Participating Agencies.

6. The AA or the Participating UN Organizations or Steering Committee or Resident Coordinator (in the case of One UN Funds) will bring any deviations from agreed rule and procedures of the Oversight Committees at either the ASG level or technical level in a timely manner. The AA will be invited by the UNDG ASG to report to UNDG Chair through Advisory Group of UNDG on progress on MDTF fiduciary management.