

UNDG PASS-THROUGH FUNDING MODALITY

Guidelines for Administrative Agent Reporting on Multi-Donor Trust Funds¹

BACKGROUND

As part of the UNDG Management and Accountability Framework, each Administrative Agent (AA) is to report on “fund allocation, disbursement, as well as achievements and challenges in acting as AA.”² The report should provide a solid understanding of the range and extent of the use of the MDTF instrument supported by the AA, describe the extent and significance of AA activities, identify achievements obtained and challenges being faced by the AA and in the use of the MDTF mechanism in the field, and highlight issues of policy or practice for which decisions or guidance are required. This understanding and identification of areas for decision or guidance should orient UNDG discussion to resolve issues and improve the further use of the mechanism.

In accordance with the Protocol on the Administrative Agent for Multi-Donor Trust Funds and Joint Programmes, and One Funds (AA Protocol), “the AA is accountable to the UNDG Fiduciary Management Oversight Group (FMOG) established at the technical level and the UNDG Advisory Group) 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, including One UN Funds”.

REPORTING LINES AND FREQUENCY

In line with the UNDG Management and Accountability Framework and the AA protocol, each UN Organization designated as Administrative Agent for an MDTF will submit their reports to the UNDG Fiduciary Management Oversight Group (FMOG, “MDTF oversight committee, technical”) and the UNDG Advisory Group, if so required, in accordance with the following:

The AA shall report annually on a scheduled basis – by end of June. The annual report shall follow the outline provided below, with such modifications as may be approved by the UNDG. The AA may include other information that it deems relevant, including suggestions to adjust the outline for future reports.

The AA Annual Report is to be submitted to the UNDG Fiduciary Management Oversight Group through DOCO and a dedicated FMOG meeting will be organized annually to review annual reports submitted by the AAs and provide feedback to AAs – by end July. The FMOG will promptly review the Annual Report or progress report, comment on each of the issues brought for guidance or decision, take such decisions as fall within its purview and forward to the UNDG Advisory Group with its recommendation on any points that require the guidance or decision of the UNDG Advisory Group,

An update on the review of AA reports, issues considered, advice provided, and follow-up actions agreed, will then be provided by the FMOG to the UNDG Advisory Group. The UNDG Advisory Group will consider the AA reports and the issues brought to its attention by the end of September and provide feedback to the AAs.

¹ Guidelines for AA reporting on Joint Programmes are scheduled to be issued in the course of 2012.

² UNDG Management and Accountability System, 27 August 2008.

In addition to formal scheduled reporting, the FMOG may request a verbal progress report from the AA with reasonable notice at any time. The AA may bring issues to the attention of the UNDG Advisory Group at any time, through the FMOG. The FMOG will promptly review such issues, providing decision or guidance when it is able to do so, and forwarding other issues to the UNDG Advisory Group with its recommendation.

OUTLINE OF AA REPORT

The annual AA report should contain the following key aspects. Additional focus areas can be suggested by Administrative Agents.

- I. Introduction
- II. Overall summary of annual and cumulative activity of the AA through the MDTF mechanism
 - Status of MDTF portfolio administered by AA
 - o *Growth of portfolio (number and value of funds; donors; PUNOs)*
 - o *Trends in portfolio development (differential development by category of funds)*
 - AA services delivered and achievements
 - o *Signature of SAAs and MOUs*
 - o *Contributions received (indicator of time lapsed for from contribution to GATEWAY)*
 - o *Transfers to agencies (indicator of % within 3 to 5 days; % over 10 days)*
 - o *Annual Reports prepared (indicator % on-time)*
 - o *Fund management services delivered*
 - Management results supporting administrative agent functions
 - o *Initiatives to improve transparency and accountability*
 - Financial analysis of administrative agent income and expenditure
 - o *Current situation*
 - o *Projection of future requirements for AA services, funding requirements and reserve*
- III. Oversight
 - Evaluations conducted which comment on role of AA or MDTF mechanism
 - Audits of AA or MDTFs which took place or are planned
- IV. Lessons Learnt and Knowledge Management
 - Initiatives to improve knowledge management and outreach
 - *Internal efforts to strengthen knowledge management*
 - *External efforts including training*
- V. Issues encountered which inhibit smooth utilization of the MDTF mechanism
 - o *Bottlenecks and policy concerns encountered by AA at the central level*
 - o *Issues identified through MDTF implementation at programme and country level*
- VI. Issues for guidance and decision
 - Update on issues raised during year and in previous Annual Report
 - Current issues for decision

Annexes (as appropriate to above)

RESULTS INDICATORS TO BE COVERED BY AA REPORT

- Performance indicators

Quantitative:

- Payment: target of all payments within 3-5 days of receipt of SC instructions with complete set of necessary documentation
 - o % < 6 working days
- Receipt of donor contribution promptly reflected
 - o % correctly reflected on the website of the AA within 10 working days
- Annual reports – timely MDTF reporting
 - o % of participating organization annual narrative reports received by 31 March
 - o % of participating organization annual financial reports received by 30 April
 - o % of MDTF Annual Reports issued by 31 May
- Annual report – AA to UNDG Fiduciary Management Oversight Group
 - o AA Annual Report submitted by 30 June

Qualitative

- MDTF setup promptly processed
 - o Client satisfaction indicator of prompt support and establishment of MDTF
- Annual reports – quality MDTF reporting
 - o narrative on stakeholders' confirming that annual reports meet their expectations