

# **SUDAN FINANCING PLATFORM MULTI-PARTNER TRUST FUND**

## **Terms of Reference**

*Revision 27 Nov 2019*

## Content

<b>1. Introduction .....</b>	<b>3</b>
<b>2. Rationale and MPTF's Functions .....</b>	<b>3</b>
<b>3. Theory of Change and Scope of the MPTF.....</b>	<b>3</b>
<b>4. MPTF Governance and Coordination.....</b>	<b>3</b>
<b>5. Contributions .....</b>	<b>6</b>
<b>6. Project Approval Process .....</b>	<b>6</b>
<b>7. Risk management .....</b>	<b>6</b>
<b>8. Monitoring, evaluation and report.....</b>	<b>6</b>
<b>9. Operations Manual .....</b>	<b>7</b>
<b>10. Amendments, duration and termination .....</b>	<b>7</b>

## 1. Introduction

The goal of these Terms of Reference is to allow the MPTF to function in a preparatory phase. The MPTF is set up as a multi-window, multi-partner trust fund in which Fund windows and joint projects may be defined at a later stage. These Terms of Reference are expected to be updated in 2020 at which point a full-fledged Terms of Reference should be available.

## 2. Rationale and MPTF's Functions

In May 2017, a financing strategy mission to Sudan was undertaken by OECD and MPTFO in collaboration with other United Nations partners. The mission team made a number of recommendations to develop a financing strategy and structure fit-for-purpose for the New Way of Working in Sudan.

The MPTF is designed to have the potential to support a range of initiatives (implemented over time) that advance the New Way of Working and/or a more coherent financing architecture across the humanitarian-development-peace aid architecture in Sudan.

## 3. Theory of Change and Scope of the MPTF

The MPTF will start by pooling contributions to support the operationalisation of a secretariat for the Sudan International Partners Forum. The Sudan International Partners Forum will be supported through an Enablers window which brings together support activities to enable the UN system and the international community to implement projects of direct assistance to beneficiaries within Sudan.

Before any projects, windows, or thematic areas are added to the MPTF, the theory of change and scope need to be clearly defined and agreed as per decision making mechanism in par 5.1.1.1. The MPTF will have the potential to support other initiatives that are designed to support initiatives of collective interest to the international community across the humanitarian-development- peace nexus in Sudan. This may include projects of direct assistance to beneficiaries within Sudan.

## 4. MPTF Governance and Coordination

### 5.1. MPTF's Coordination and Functioning

#### 5.1.1 MPTF Steering Committee

The MPTF Steering Committee provides strategic guidance and general supervision of the MPTF. It is co-chaired by the SIPF Co-Chairs including the UN Resident Coordinator, a donor and an international NGO. In addition, the MPTF Steering Committee comprises three United Nations agencies members of the SIPF Steering Committee, major donors to the MPTF and MPTFO as ex-officio member; adjusted as appropriate by the MPTF Steering Committee, in line with the principles of ownership, inclusions, balanced representation and manageable size for decision-making.

##### 5.1.1.1 Responsibilities

The MPTF Steering Committee meets when deemed necessary; it is responsible for the following tasks:

- Provide general oversight and exercising overall accountability of the MPTF;
- Approve the strategic direction of the MPTF and, as appropriate, an overall results framework;
- Approve MPTF risk management strategy and review risk monitoring regularly;
- Review and approve proposals submitted for funding (if applicable: after being cleared by the relevant thematic working groups), ensuring their conformity with the requirements of the MPTF Terms of Reference (TORs);
- Decide the allocation of funds;
- Request fund transfers to the Administrative Agent by a UN member of the MPTF Steering Committee);
- Review MPTF status and oversee the overall progress against, where appropriate, a results framework, through monitoring, reporting and evaluation;
- Review and approve the periodic progress reports consolidated by the Administrative Agent and the Technical Secretariat based on progress reports submitted by Implementing Entities;
- Commission mid-term and final independent evaluations on the overall performance of the MPTF;
- Approve direct costs related to MPTF operations supported by the Secretariat;
- Approve MPTF extensions and updates to the MPTF TORs, as required.

The MPTF Steering Committee aims to make its decisions by consensus. In the case of significant disagreement, the MPTF Steering Committee will decide with a double majority, a two-third majority among the Steering Committee members and a majority among the co-chairs<sup>1</sup>.

MPTF Steering Committee members will be required to declare conflicts of interest and abstain from voting where appropriate. The MPTF's internal rules, including the MPTF Operations Manual, will be drafted by the Technical Secretariat with validation from the MPTFO.

### **5.1.3 Technical Secretariat**

An MPTF Technical Secretariat will be appointed by the MPTF Steering Committee to support the operational functioning of the MPTF Fund. The Technical Secretariat providing technical and administrative support to the MPTF Steering Committee. Any additional support required to support the running of the MPTF can be reviewed and approved by the MPTF Steering Committee in line with needs and budget availability.

#### **5.1.2.1 Responsibilities**

The Secretariat main responsibilities are:

- Advise the MPTF Steering Committee on any strategic issues of concern, programmatic and financial allocations (based on the inputs of inter-agency working groups, if applicable)
- Provide logistical and operational support to the MPTF Steering Committee;
- Organize calls for proposals and appraisal processes;
- Ensure the monitoring of operational risks and MPTF performance;

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<sup>1</sup> Where the donor co-chair also has a donor seat in the Steering Committee, the donor will hold one vote for each position.

- Consolidate annual and final narrative reports provided by the Participating UN Organizations and share with the Steering Committee for review, and subsequently with Administrative Agent for preparation of consolidated narrative and financial reports;
- Facilitate collaboration and communication between Participating UN Organizations to promote effective program implementation.
- Liaise with the Administrative Agent on fund administration issues, including issues related to project/ fund extensions and project/fund closure.

## **5.2. MPTF Administration**

The MPTF is administered by the MPTFO under the pass-through management modality. The MPTF's administration services, whose costs are 1% of received contributions<sup>2</sup>, include:

- (i) The MPTF's setting up: support to the MPTF's design (Terms of Reference and Operation Manual), and development of legal instruments; and
- (ii) The MPTF's administration: receipt, administration and release of funds to implementing entities in accordance with decisions from the MPTF Steering Committee, and financial report consolidation.

The MPTFO is responsible for the following functions:

- Provide support to the design of the MPTF;
- Sign a Memorandum of Understanding (MOU) with UNS implementing entities;
- Sign a Memorandum of Agreement (MOA) with the Government of Sudan (if a decision is made to open a government implementation window to receive funding for the government);
- Sign Standard Administrative Agreements with donors that wish to contribute financially to the MPTF;
- Receive and manage funds including those of the MPTF's closure;
- Invest and reinvest MPTF resources according to investment policies, practices and procedures. Any profits will be added to the MPTF's resources and will not be credited to the contributions of a particular donor.
- Provide updated information to the MPTF Steering Committee regarding the regular resource availability;
- Subject to the availability of resources, transfer funds to implementing entities in accordance with MPTF Steering Committee decisions;
- Consolidate the narrative annual and final reports submitted by implementing entities and present the consolidated report to the MPTF Steering Committee for approval; and to each of the MPTF's contributors.
- Provide an MPTF final financial report, including notice of the MPTF closure;
- Release funds as direct costs for the running of the Secretariat, based on MPTF Steering Committee decisions. The Administrative Agent will annually notify the MPTF Steering Committee about the amounts used to that end.
- Release funds for additional expenses that the MPTF Steering Committee decide to allocate;
- Provide tools for fund management to ensure transparency and accountability.

## 5. Contributions

The MPTF's resources will include: donor contributions; any interests, payments, repayments or net profit for investments less any authorized release and incurred expenses in accordance with these Terms of Reference and decisions made by the MPTF's Steering Committee.

The MPTF's resources will be used to finance, or co-finance projects, programs and operations approved by the MPTF's Steering Committee. As a general rule, the contributions will be encouraged to provide unearmarked funding. Earmarking at the thematic window level will be allowed.

The MPTF receives contributions in fully convertible currency or any other currency that can be readily used. Such contributions will be deposited to the bank account designated by the MPTFO. The value of the contributions, if made in a currency other than US dollars will be determined by applying the UN operational exchange type in effect of the date of payment. Profit or loss due to currency exchange rate is registered in the MPTF's account set by the Administrative Agent and will be taken on by the MPTF.

## 6. Project Approval Process

In this preparatory phase, projects can only be developed based on a request from the Fund Steering Committee. Projects are then reviewed by the Technical Secretariat before being presented for approval to the MPTF Steering Committee. Approvals may be done electronically and on a no-objection basis.

### *Fund transfer*

The Secretariat shall prepare a fund transfer request for each program or project and budget allocation approved by the MPTF Steering Committee. The MPTFO will carry out transfers approved by the MPTF Steering Committee to implementing entities no later than five (5) working days after the request submittal. Upon completion of the transfer, the representative of the receiving organization and the MPTF Technical Secretariat will be notified through electronic mail.

## 7. Risk management

The final objective of a risk management strategy at the MPTF level is facilitating the achievement of program-related objectives of its interventions in the context of the risk in which it operates.

The Technical Secretariat will develop a risk management strategy as soon as a Theory of Change and a Project Approval Process is defined. This will need to be proportionate and appropriate for a Trust Fund that may have distinct windows for varied initiatives.

## 8. Monitoring, evaluation and report

### **Monitoring and evaluation:**

Monitoring and evaluation will be carried out in line with the procedures, rules and regulations of each Participating United Nations Organization, until or unless the MPTF Steering Committee approves another approach.

### **Report:**

The responsibilities related to reporting are gathered and detailed in the Memorandum of Understanding (section IV) and Standard Administrative Agreements (SAA) (section V).

All the implementing entities will carry out annual and final reports on activities and expenditures according to a format of the Multi-Partner Trust Fund Office.

## 9. Operations Manual

These Terms of Reference and operating details will be developed in depth by the MPTFO and the Fund's Technical Secretariat within three months of the post being appointed.

## 10. Amendments, duration and termination

The MPTF Steering Committee will be able to modify, by mutual agreement, any of the provisions of these terms of reference in writing or establish complementary agreements.

The MPTF is initially established till 31 December 2021.<sup>3</sup> The MPTF Steering Committee will have the authority to modify the MPTF's duration in agreement with MPTFO.

After the MPTF's closure the contractual liabilities undertaken by the MPTF under these terms of reference or any complementary agreements, including agreements signed with third parties, before receiving the corresponding notice of closure, will not be affected by this closure.

Any remaining balance in the MPTF account and separate account of implementing entities after the closure of the MPTF will be used for a purpose established by the MPTF Steering Committee and the Donors, or it will be reimbursed to the Donor(s) in proportion to their contribution to the MPTF, as decided by the Contributor and the MPTF Steering Committee.

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<sup>3</sup> The duration of Fund's operations do not include the closure periods of the same.