

## **Workstream II: Governance and Institutional Arrangements**

### **Background Note: Factsheets on selected existing funds**

#### **Introduction**

As provided in decision 1/CP.16 (paragraphs 102-111), Parties decided to establish a Green Climate Fund (GCF), to be designated as an operating entity of the financial mechanism of the Convention, with arrangements to be concluded between the COP and the GCF to ensure that it is accountable to and functions under the guidance of the COP. Parties further decided that the GCF shall be governed by a Board of 24 members with specific distribution among Parties, have an interim trustee with a clearly defined role, and be supported by an independent secretariat.

At its first meeting, the Transitional Committee (TC) to design the GCF established four workstreams to guide the design process. Under workstream II, governance and institutional arrangements, there are five main topics: legal issues for the GCF and its institutional components; the Board; the Secretariat; the Trustee; and complementarity and coherence with other finance flows.

The co-facilitators of workstream II determined that a background note that provides a brief summary of factual information on the governance and institutional Arrangements of a range of existing funds would be useful for the work of the TC. Under the guidance of the co-facilitators, the Technical Support Unit (TSU) compiled this factual information for the following funds: Adaptation Fund; African Water Facility (as an example of a regional fund); Climate Investment Funds; Global Environment Facility; Global Fund to Fight AIDS, Tuberculosis, and Malaria; International Development Association; Multilateral Fund for the implementation of the Montreal Protocol; and UN Multi-donor Trust Fund modality. The list of funds reviewed in this note is not intended to be complete or exhaustive but illustrative only.

A factsheet summarizes the governance and institutional arrangements of each of these funds. They do not assess the utility or lessons learned from various funds.

Information for these factsheets was sourced from the following websites:

[www.adaptation-fund.org](http://www.adaptation-fund.org)  
<http://www.africanwaterfacility.org>  
[www.climateinvestmentfunds.org](http://www.climateinvestmentfunds.org)  
[www.thegef.org](http://www.thegef.org)  
[www.theglobalfund.org](http://www.theglobalfund.org)  
[www.worldbank.org/ida](http://www.worldbank.org/ida)  
[www.multilateralfund.org](http://www.multilateralfund.org)  
<http://mdtf.undp.org>

## Factsheet I: Adaptation Fund

Subworkstream	Fund Characteristics
Scale	<ul style="list-style-type: none"> <li>• Number of countries with activities: 6 countries with projects under implementation</li> <li>• Expected capitalisation: approx \$300m over 2009-12</li> </ul>
Legal Issues	<ul style="list-style-type: none"> <li>• AF <i>Board</i> was established as the operating entity of the Adaptation Fund with the mandate to supervise and manage the Adaptation Fund under the authority and guidance of the CMP.</li> <li>• AFB has legal capacity as conferred by Federal Republic of Germany</li> <li>• AFB signs MOU with implementing partners (both MIE and NIE)</li> </ul>
Board	<ul style="list-style-type: none"> <li>• Board has rules of procedure.</li> <li>• The Board is composed of 16 members and 16 alternate members representing Parties, formally elected at a session of the CMP on the Adaptation Fund as follows (for both member and alternate): <ul style="list-style-type: none"> <li>○ Two representatives from each of the five UN regional groups;</li> <li>○ One representative of the small island developing states;</li> <li>○ One representative of the least developed country Parties;</li> <li>○ Two other representatives from Annex I Parties; and</li> <li>○ Two other representatives from non-Annex I parties.</li> </ul> </li> <li>• The members and alternates shall each serve for a term of two calendar years and shall be eligible to serve a maximum of two consecutive terms.</li> <li>• The Board shall elect the Chair and Vice-Chair one being from an Annex I party and the other being from a non-Annex I party. The term of office of the Chair and Vice-Chair shall be one calendar year. The office Chair and Vice-Chair shall alternate annually between a member from an Annex I Party and a member from a non-Annex I party</li> </ul> <p><i>Other Bodies</i></p> <ul style="list-style-type: none"> <li>• Accreditation Panel to ensure sound fiduciary oversight of MIEs and NIEs</li> <li>• Finance and Ethics committee.</li> <li>• Project and Programme Review committee</li> </ul>
Secretariat  <i>Size: 4</i>	<ul style="list-style-type: none"> <li>• In accordance with decision 1/CMP.3 of the third session of the CMP, the Global Environment Facility (GEF) provides secretariat services to the Adaptation Fund Board on an interim basis in order to support and facilitate its activities.</li> </ul>
Trustee (and Financial Oversight)	<ul style="list-style-type: none"> <li>• IBRD (multilateral trusteeship and innovative financing department) is the Interim Trustee.</li> <li>• This involves two core functions: 1) sales of CERs, and 2) management of the Adaptation Fund trust fund.</li> <li>• WB has developed guidelines for non-traditional donations to the AF.</li> <li>• The WB also manages the investment of trust fund balances, accounting and financial reporting for the AF Trust Fund.</li> </ul> <p><i>Oversight</i></p> <ul style="list-style-type: none"> <li>• The WB is accountable to the AF Board for the performance of its fiduciary responsibilities, in accordance with the Terms and Conditions of service agreed between the WB and the CMP.</li> </ul>

## Factsheet II: African Water Facility

Subworkstream	Fund Characteristics
Scale	<ul style="list-style-type: none"> <li>• Number of projects: 66 approved</li> <li>• Size of disbursed funds: 79 million Euros since 2004</li> </ul>
Legal Issues	<ul style="list-style-type: none"> <li>• The AWF was established in 2004 as a Special Fund under Article 8 of the Agreement Establishing the African Development Bank</li> <li>• The AWF Special Fund is administered in accordance with the provisions of the Instrument for the Establishment of the AWF Special Fund and, when applicable, the Agreement establishing the AfDB.</li> <li>• AfDB shall apply the same principles and criteria that are applicable to financing provided from its own ordinary resources.</li> <li>• Participation in the Water Fund shall be effected by submitting an Instrument of Participation and by acceding to the terms of this Instrument.</li> </ul>
Board	<ul style="list-style-type: none"> <li>• The Governing Council (GC) is responsible for determining the general policy direction of the AWF. In this regard, it approves the operational focus of the Fund and the proposed areas of intervention, and reviews the annual report of activities financed from the resources of the Fund.</li> <li>• The GC comprises 13 members: consisting of five (5) members from AMCOW, five (5) members from the Donors, one (1) member from the AfDB, one (1) member from the African Union, and one (1) member from UN Water Africa. The GC is responsible for appointment of a Chairperson who serves for a term of one year.</li> <li>• The GC meets once each year for one to two days and may also meet occasionally in extra-ordinary sessions. Observers represent potential donors, AMCOW technical advisory committees, African regional or national stakeholders, non-governmental organizations, representatives of civil society, etc. are normally invited to attend meetings</li> <li>• The Board of Directors of the Bank takes certain decisions, as provided in the Instrument, concerning the Water Fund. The Board is responsible for approving projects above Euro 2 million; and has delegated Management approval below Euro 2 million</li> <li>• The Board of Directors of the Bank, in consultation with the Governing Council, adopts operational procedures for the AWF.</li> </ul>
Secretariat <i>Size: N/A</i>	<ul style="list-style-type: none"> <li>• AfDB has assigned/appointed a person to serve as Director of the Water Fund, as well as an operational and administrative team to assist the Director. The Director serves as the administrative head of the Water Fund within the organisational structure of the Bank and performs such related functions as may be assigned by the Bank.</li> <li>• A Coordinator was assigned to strengthen the management of the Water Fund and assist the Director in performing his/her duties. The Coordinator reports to the Director, and is generally responsible for the direct management of the Facility including staff administration, and the accomplishment of the Facility's project and programming operations.</li> </ul>
Trustee (and Financial Oversight)	<ul style="list-style-type: none"> <li>• The African Development Bank is the Trustee for the Water Fund, and in this capacity shall, as legal owner, hold in trust the funds, assets and receipts which constitute the resources of the Water Fund, and manage and apply them for the purpose of, and in accordance with, the provisions of this Instrument.</li> <li>• AfDB administers the Water Fund through its own organisation, services, facilities, officers, staff and such other experts and consultants as necessary.</li> </ul> <p><i>Oversight</i></p> <ul style="list-style-type: none"> <li>• The Water Fund is subject to the internal and external audit procedures of the Bank, including an annual audit.</li> <li>• The Oversight Committee (OSC) ensures the proper administration of the African Water Facility Special Fund; and that the Bank adequately performs its Trustee functions.</li> </ul>

### Factsheet III: Climate Investment Funds (CIFs)

Subworkstream	Fund Characteristics
Scale	<ul style="list-style-type: none"> <li>• Number of countries with activities: 34</li> <li>• Size of pledged funds per year: \$6.4bn 2008-2012</li> </ul>
Legal Issues	<ul style="list-style-type: none"> <li>• The IBRD Board established both the Clean Technology Fund (CTF) and Strategic Climate Fund (SCF) Trust Funds to receive donor contributions. It holds in trust, as a legal owner and administrator, the funds, assets and receipts that constitute the Trust Funds, pursuant to the terms entered into with the contributors.</li> </ul>
Board	<ul style="list-style-type: none"> <li>• The CTF and the SCF are each governed by a separate 16-person Trust Fund Committee having equal representation from contributor and recipient countries. Fund windows are governed by 12-person Subcommittees with equal representation by contributor and recipient countries. Decisions of the Trust Fund Committees and Sub-Committee are made by consensus. <ul style="list-style-type: none"> <li>○ The CTF Trust Fund Committee oversees the Fund's operations, provides strategic direction, and also approves and oversees its programming and projects.</li> <li>○ The SCF Trust Fund Committee approves the establishment of its targeted programs and advises on strategic direction. SCF targeted programs include the Forest Investment Program (FIP), Pilot Program for Client Resilience (PPCR), and Scaling-up Renewable Energy Program for low income countries (SREP).</li> <li>○ The joint CTF-SCF Committee oversees CIF-wide policies and considerations of coherence</li> </ul> </li> <li>• "Active" observers from the UN, GEF, UNFCCC, civil society, and indigenous people and the private sector are invited to participate in meetings of the Trust Fund Committees and Sub-Committees.</li> </ul> <p><i>Other Bodies</i></p> <ul style="list-style-type: none"> <li>• The Multilateral Development Banks (MDBs) Committee facilitates collaboration, coordination and the exchange of information, knowledge, and documents, is delegated certain operational authorities, and disseminates experiences among partners.</li> </ul>
Secretariat  <i>Size: 19</i>	<ul style="list-style-type: none"> <li>• The CIF Administrative Unit is housed in the World Bank Group's Washington, DC offices. It is headed by a Program Manager.</li> <li>• Its role is focussed on: preparing all documentation required for review by the Trust Fund Committees; making recommendations on program criteria and priorities and the activity cycle for approval by the Trust Fund Committees; preparing an annual consolidated report on the Trust Funds' activities, performance, and lessons, including details of the Trust Funds' portfolio; managing a comprehensive database of the CTF and SCF's activities, knowledge management system, results measurements system and learning program; servicing the meetings of the Trust Fund Committees; facilitating meetings of the MDBs committee; managing partnerships and external relations, including the annual Partnership Forum; collaborating with the Trustee.</li> </ul>
Trustee (and Financial Oversight)	<ul style="list-style-type: none"> <li>• IBRD (multilateral trusteeship and innovative financing department) serves as Trustee of the CTF and SCF</li> <li>• The Trustee manages and invests funds and is accountable to the Trust Fund Committees for its performance.</li> <li>• Commitments and transfers of CIF resources to MDBs are made according to guidelines set by Committees.</li> </ul> <p><i>Oversight</i></p> <ul style="list-style-type: none"> <li>• Each MDB is responsible for the use of funds transferred by the Trustee in accordance with its own policies, guidelines and procedures and the decisions of the Trust Fund Committees. The Trustee requires periodic financial reports from the MDBs, as agreed to by the Trustee and the Trust Fund Committees.</li> <li>• Regular reports on the financial status of the Trust Funds are provided by the Trustee to the CTF and SCF Trust Fund Committees.</li> </ul>

## Factsheet IV: Global Environment Facility

Subworkstream	Fund Characteristics
Scale	<ul style="list-style-type: none"> <li>• Number of countries with activities: 135</li> <li>• Size of pledged funds per year: \$1.12 (Trust Fund), \$115m (LDCF and SCCF)</li> </ul>
Legal Issues	<ul style="list-style-type: none"> <li>• GEF has no legal identity per se. Instrument of the Restructured GEF provides high-level guidance to the Facility's operations</li> <li>• Instead the trustee enters into legal agreements with implementing partners.</li> </ul>
Board	<ul style="list-style-type: none"> <li>• The GEF Council is the main governing body of the GEF. It functions as an independent board of directors, with primary responsibility for developing, adopting, and evaluating GEF programs. <ul style="list-style-type: none"> <li>○ Council members representing 32 constituencies (16 from developing countries, 14 from developed countries, and two from countries with transitional economies) meet twice each year for three days and also conduct business by mail. Decisions requiring a formal vote by the Council are taken by a double-weighted majority (representing both a 60 percent majority of the total number of Participants and a 60 percent majority of the total contributions).</li> <li>○ Representatives of NGOs and CSOs participate as observers (with the right to intervene) in Council meetings.</li> </ul> </li> <li>• The Assembly is the governing body of the GEF in which representatives of all member countries participate. It meets every three to four years, and is responsible for reviewing and evaluating the GEF's general policies, the operation of the GEF, and its membership.</li> </ul> <p><i>Other Bodies</i></p> <ul style="list-style-type: none"> <li>• The Scientific and Technical Advisory Panel provides strategic scientific and technical advice to the GEF on its strategy, programs, and projects. The Panel consists of six members who are internationally recognized experts in the GEF's key areas of work, and are supported by a network of experts. The Science Panel is supported by a Secretariat, based at UNEP's regional office in Washington, DC</li> </ul>
Secretariat  <i>Size: 70</i>	<ul style="list-style-type: none"> <li>• The GEF Secretariat is based in Washington, D.C., and the CEO and Chairperson reports to the GEF Council and Assembly. The Secretariat reviews proposals from GEF Agencies, and the CEO recommends inclusion of proposals in the work program to the GEF Council. The Secretariat also monitors implementation at the portfolio-level, leads the work on knowledge management, and makes certain that operational strategies and policies are implemented.</li> <li>• The Secretariat is functionally independent.</li> </ul>
Trustee (and Financial Oversight)	<ul style="list-style-type: none"> <li>• IBRD (multilateral trusteeship and innovative financing department) serves as the GEF Trustee. As the GEF Trustee, IBRD is accountable to the GEF Council for the performance of its fiduciary responsibilities. It administers the GEF Trust Fund in accordance with the applicable provisions of the Instrument and decisions of the GEF Council.</li> <li>• Together with the GEF Secretariat, it mobilizes resources for the Fund. The Trustee manages the Fund, including the investment of its liquid assets, the disbursement of funds to the Implementing Agencies as well as the financial reports regarding the investment and use of the Fund's resources.</li> </ul> <p><i>Oversight</i></p> <ul style="list-style-type: none"> <li>• The GEF Evaluation Office has the central role of ensuring the independent evaluation function within the GEF, setting minimum requirements for monitoring and evaluation, ensuring oversight of the quality of monitoring and evaluation (M&amp;E) systems on program and project levels, and sharing evaluative evidence within the GEF.</li> <li>• The office holds responsibility for undertaking independent evaluations that involve a set of projects from more than one Implementing or Executing Agency. These evaluations are typically on a strategic level, on focal areas, institutional or on cross-cutting themes.</li> </ul>

## Factsheet V: Global Fund to Fight AIDS, Tuberculosis, and Malaria

Subworkstream	Fund Characteristics
Scale	<ul style="list-style-type: none"> <li>• Number of countries with activities: 150</li> <li>• Size of disbursed funds per year: approx. \$2bn (\$21.5bn since 2002)</li> </ul>
Legal Issues	<ul style="list-style-type: none"> <li>• The Global Fund is a non-profit foundation, governed by Bylaws and the applicable provisions of Swiss law.</li> <li>• The Foundation is registered at the “Registre du Commerce” in Geneva and operates under the supervision of the Federal Supervisory Board for Foundations</li> </ul>
Board	<ul style="list-style-type: none"> <li>• The Global Fund's international Board includes representatives of donor and recipient governments, non-governmental organizations, the private sector (including businesses and foundations) and affected communities.</li> <li>• The Board meets at least twice annually and is responsible for overall governance of the organization, including approval of grants.</li> <li>• The Board appoints Board Members selected in accordance with Article 7.2;</li> <li>• Key international development partners also participate, including the World Health Organization (WHO), the Joint United Nations Programme on HIV/AIDS (UNAIDS), public-private partnerships (Roll Back Malaria, Stop TB, UNITAID) and the World Bank.</li> <li>• Foundation Board Members will serve on the Foundation Board for two years or such other term that the Foundation Board may determine. The Executive Director shall act in his or her capacity as chief executive officer of the Foundation and will serve the Foundation Board for the duration of his or her term.</li> </ul> <p><i>Other Bodies</i></p> <ul style="list-style-type: none"> <li>• Ethics Committee (EC) , Finance and Audit Committee (FAC), Policy and Strategy Committee (PSC), Portfolio Committee (PC), Affordable Medicines Facility Malaria Ad hoc Committee (AmFm), Market Dynamics and Commodities Ad hoc Committee (MDC)</li> </ul>
Secretariat  <i>Size: 560</i>	<ul style="list-style-type: none"> <li>• The Secretariat is headed by an Executive Director, who is selected by the Foundation Board. The Executive Director acts as the chief executive officer of the Foundation and serves for a term of four years.</li> <li>• Secretariat functions include: <ul style="list-style-type: none"> <li>○ organize the receipt and review of grant applications and negotiate and execute grant agreements; commission the Technical Review Panel and ensure the independence of the review process; coordinate the process for recommending members of the Technical Review Panel and other advisory group candidates to the Foundation Board; coordinate the preparation of issues papers and operational strategies for Foundation Board meetings; coordinate with relevant agencies; communicate the Foundation Board’s decisions to stakeholders; oversee the monitoring and evaluation process; organize and prepare for meetings of the Partnership Forum.</li> </ul> </li> </ul>
Trustee (and Financial Oversight)	<ul style="list-style-type: none"> <li>• IBRD (multilateral trusteeship and innovative financing department) serves as trustee of the Global Fund and takes its instructions from the decisions of the Board.</li> </ul> <p><i>Oversight</i></p> <ul style="list-style-type: none"> <li>• The Foundation Board will select an external, independent auditor to annually audit the accounts of the Foundation.</li> </ul>

## Factsheet VI: International Development Association (IDA)

Subworkstream	Fund Characteristics
Scale	<ul style="list-style-type: none"> <li>• Number of countries with activities: 79</li> <li>• Size of pledged funds per year: \$49.3bn over period 2011-2014</li> </ul>
Legal Issues	<ul style="list-style-type: none"> <li>• IDA possesses full legal personality and, in particular, the capacity to contract, acquire and dispose of immovable and movable property, and to institute legal proceedings.</li> <li>• IDA can enter into formal arrangements with the United Nations and may enter into such arrangements with other public international organizations having specialized responsibilities in related fields.</li> </ul>
Board	<ul style="list-style-type: none"> <li>• IDA is governed by a Board of Governors, Executive Directors, and a President.</li> <li>• Board of Governors: <ul style="list-style-type: none"> <li>○ All the powers of the Association are vested in the Board of Governors.</li> <li>○ Each Governor of the IBRD which is also a member of IDA is ex officio a Governor of IDA</li> <li>○ The Chairman of the Board of Governors of the IBRD is ex officio Chairman of the Board of Governors of IDA (except that if the Chairman of the Board of Governors of the IBRD represents a non-IDA state, then the IDA Governors shall select a Board of Governors from among them)</li> </ul> </li> <li>• Executive Directors: <ul style="list-style-type: none"> <li>○ The Executive Directors are responsible for the conduct of the general operations of IDA, and exercise all the powers given to them by the Board of Governors (other than certain non-delegable powers).</li> <li>○ The Executive Directors are composed ex officio of each Executive Director of the IBRD</li> <li>○ At the establishment of IDA, each original member had 500 votes plus one additional vote for each \$5,000 of its initial subscription. In 1970 this was realigned to ensure that: (i) relative overall contributions of donors to IDA are reflected (ii) Part II members subscribe at nominal cost; and (ii) voting rights of smaller members are protected. All the votes which a Director is entitled to cast shall be cast as a unit.</li> </ul> </li> <li>• The President: <ul style="list-style-type: none"> <li>○ The President of the IBRD is ex officio President of IDA The President is Chairman of the Executive Directors of IDA but can only vote in case of an equal division. He may participate in meetings of the Board of Governors but not vote.</li> <li>○ The President is chief of the operating staff of the IDA. Officers and staff of the Bank are appointed to serve concurrently as officers and staff of IDA.</li> </ul> </li> <li>• Except as otherwise specifically provided, all matters before the Association are decided by a majority of the votes cast</li> </ul>
Secretariat <i>Size: N/A</i>	<p>The staff of IBRD perform functions for both IBRD and IDA, but all staff compensation is paid directly by IBRD. Accordingly, a portion of IBRD's staff and associated administrative costs is allocated to IDA based on an agreed cost sharing ratio computed every year using various indicators. The methodology for computing this share ratio is approved by the Executive Directors for both institutions.</p>
Trustee (and Financial Oversight)	<ul style="list-style-type: none"> <li>• IDA funds are kept separate and apart from those of the IBRD. IDA cannot borrow from or lend to the IBRD, except that this does not preclude IDA from investing funds not needed in its financing operations in obligations of the IBRD.</li> </ul> <p><i>Oversight</i></p> <ul style="list-style-type: none"> <li>• The Association publishes an annual report containing an audited statement of its accounts</li> </ul>

## Factsheet VII: Multilateral Fund for the implementation of the Montreal Protocol

Subworkstream	Fund Characteristics
Scale	<ul style="list-style-type: none"> <li>• Number of countries with activities: 147</li> <li>• Size of pledged funds per year: (\$2.34bn 1991-2009)</li> </ul>
Legal Issues	<ul style="list-style-type: none"> <li>• It operates under the authority of the parties to the Protocol, which, every three years, decide its budget, with contributions based on the UN assessment scale.</li> <li>• Fund has no legal capacity and agreements are signed between the trustee and implementing agencies.</li> </ul>
Board	<ul style="list-style-type: none"> <li>• The Chair and Vice-chair of the Committee are taken, one each, from the two different groups and alternate each year between them.</li> <li>• Committee decisions are reached by a two-thirds majority vote representing individual majorities of each group – ensuring that neither donors nor recipients dominate the operations of the Fund. In fact no vote has ever been taken in the entire history of the Committee; it has always found it possible to operate by consensus.</li> <li>• Developing the Fund's policies and guidelines, such as criteria for project eligibility, and monitoring their implementation; drawing up the three-year plan and budget for the Fund, including the allocation of resources amongst the implementing agencies; approving country programmes and specific projects, or groups of projects; reporting on the Fund's performance to the meeting of the parties each year; and overseeing the Fund's administration.</li> </ul> <p><i>Other Bodies</i></p> <ul style="list-style-type: none"> <li>• The <i>Monitoring, Evaluation and Finance Sub-Committee</i> was responsible for reviewing the cycle of business planning and monitoring of approved projects,</li> <li>• <i>Sub-Committee on Project Review</i> considered and reviewed all projects and activities submitted to the Fund, produced recommendations for the Executive Committee, and followed up any outstanding policy issues thrown up in the process.</li> <li>• At the end of 2003 the Committee decided to abolish the two sub-committees as countries began to move toward total gas phase out.</li> </ul>
Secretariat  <i>Size: 30</i>	<ul style="list-style-type: none"> <li>• [Need information on legal capacity issues with UNEP]</li> <li>• Activities include: development of the three-year plan and budget and a system for fund disbursement; management of the business planning cycle of the Multilateral Fund; monitoring the expenditures and activities of the implementing agencies; preparation of policy papers and other documents; review and assessment of investment projects, country programmes and the business plans and work programmes of the implementing agencies; liaison between the Committee, governments and implementing agencies; and servicing meetings of the Executive Committee.</li> </ul>
Trustee (and Financial Oversight)	<ul style="list-style-type: none"> <li>• Barclays (under the guidance of UNEP)</li> </ul> <p><i>Oversight</i></p> <ul style="list-style-type: none"> <li>• The Secretariat also includes the monitoring and evaluation Function which was established by the Executive Committee in May 1997.</li> </ul>



## Factsheet VIII: UN Multi-donor Trust Fund (MDTF)

Subworkstream	Fund Characteristics
Scale	<ul style="list-style-type: none"> <li>• Number of countries with activities: 82</li> <li>• Size of disbursed funds per year: \$850m in 2010 (\$5bn under management)</li> </ul>
Legal Issues	<ul style="list-style-type: none"> <li>• UNDP as the Administrative Agent has the legal accountability as defined in supporting documents.</li> <li>• MOUs signed with UNDP and a) donors to receive funds, and b) with government specifying responsibilities and accountabilities</li> <li>• Fund Terms of Reference (ToR) describes the strategic priorities, architecture including governance structure, and Fund operating and resource allocation procedures, proposal development/ approval processes. Developed and reviewed by Technical Committee and Trustee/Administrative Agent. Approved by Steering Committee</li> </ul>
Board	<ul style="list-style-type: none"> <li>• The UNDG organizations have developed a generic MDTF architecture. <ul style="list-style-type: none"> <li>○ A policy body, comprising national authorities, the UN (and the World Bank where it is involved) and donors, as appropriate, that sets fund policy. Co-chaired by Gov't and UN with broad participatory membership, including, donors, CSO...etc .</li> </ul> <p>A Steering Committee or similar entity that makes funding decisions, comprising national authorities, Participating UN Organizations, and in some cases donors;</p> <p><i>Other Bodies</i></p> <ul style="list-style-type: none"> <li>• A Fiduciary Management Oversight Group (FMOG) at headquarters level, which provides oversight and guidance to individual MDTFs and JPs on financial accountability, fund management, and assurance issues of an inter-agency nature. When agreement cannot be reached at the country and/or Steering Committee level, issues may be raised to the FMOG for resolution. The FMOG reviews deviations from the standard MOU, SAA and SC Terms of Reference;</li> <li>• A UNDG Advisory Group at the Assistant Secretary-General level, which takes high-level policy and operational decisions relating to MDTFs. Fiduciary management matters that cannot be resolved at the FMOG level are referred on an exceptional basis to the Advisory Group. (See MDTF Steering Committee Generic Terms of Reference).</li> </ul> </li> </ul>
Secretariat <i>Size: 5-10 on average</i>	<ul style="list-style-type: none"> <li>• A technical secretariat that reviews programmes and projects submitted for funding, either by using the capacities of Participating UN Organizations grouped by sector or thematic cluster (e.g., employment, education, health, agriculture) or by establishing a stand-alone Steering Committee Support Office that will service the governance entities.</li> <li>• Also provides Analytical &amp; capacity assessment, Programme appraisal, Communications &amp; visibility, Administrative support to Board, Fund level monitoring, reporting, verification (MRV)</li> </ul>
Trustee (and Financial Oversight)	<ul style="list-style-type: none"> <li>• UNDP with a clearly defined role and liability, as agreed in a specific UNDG Protocol, acts as administrative agent.</li> <li>• Role defined as: Support Establishment of Fund; Receipt &amp; administration of contributions; Disburse funds following Steering Committee decisions/instructions; Consolidate statements and reports, based on submissions of implementing entities; Provides final reporting &amp; notification of operational closure; Disburse funds for additional task that Steering Committee may decide in accordance with ToR.</li> </ul> <p><i>Oversight</i></p> <ul style="list-style-type: none"> <li>• The Internal Audit Services (IASs) of various UN agencies that are the sole auditing entities of their respective organizations, have agreed on a Framework for auditing of MDTFs. The framework, which was approved by the UNDG in September 2007, is designed to facilitate periodic summary reporting of the management of risks, the status of internal controls and recommendations made by the IASs of UN organizations participating in MDTFs.</li> </ul>