Guidelines for Joint Development Account Projects

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Introduction

Background

The Development Account (DA) funds technical cooperation projects that benefit developing countries within the individual strategic priorities of the respective implementing entities. Project proposals are initiated by entities that are members of the Executive Committee on Economic and Social Affairs (EC-ESA).

The Department of Economic and Social Affairs (DESA) is designated as the Programme Manager of DA. Ten UN entities[1] have been involved in the implementation of over 127 DA projects since the establishment of the Account by the General Assembly in 1997 to date. DA guidelines pertaining to the preparation of concept papers, project documents, progress and terminal reports were gradually put in place and made available on the DA website, which is managed by DESA.[2]

Since the biennium 2000-2001, the Regional Commissions have gained experiences through the planning and implementation of joint DA projects. The advantages of joint DA projects are many. Resources are pooled together, initiatives are coordinated, lessons learned are better disseminated, and opportunities for sustaining projects are maximized. Through DA projects, the UN embraces the spirit of "delivering as one." On the other hand, varying priorities of the partner organizations may lead to compromises, particularly in terms of resource use and themes addressed. In some cases, these compromises can dilute the focus and the impact of the project. The effectiveness of partnerships depends on the extent to which common/ interregional priorities of partners are identified, based on concrete situation analyses of the respective regions.

Objective

The guidelines aim to provide a general framework for a harmonized approach to planning and implementing joint DA projects. While the emphasis is on joint DA projects, most of the information can be useful for any DA project. The guidelines are intended to supplement the existing DA guidelines issued by DESA.

Potential users

The guidelines can be used by all DA project managers, mainly targeting DA focal points in the regional commissions and managers of joint DA projects, where one Regional Commission (the lead entity) holds the primary financial and administrative responsibility, and various partners (implementing entities) implement specific activities and add value to the overall project outcomes.

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[1] UNCTAD, UNEP, UNODC, UN-HABITAT, DESA, ECA, ECE, ECLAC, ESCAP and ESCWA.
[2] The official DA website is: www.un.org/esa/devaccount/

The roles and responsibilities of different actors are spelled out throughout the guidelines. While these responsibilities have been defined in the regulatory documents of DA, the guidelines elaborate more on specific roles, based on the practice and experience of DA project managers and DA focal points in the regional commissions. As such, the roles and responsibilities stated in the guidelines are not necessarily binding, but aim at facilitating project planning and implementation.

Mandates

Understanding the broader regulatory context of DA is the first step towards planning a successful project. The General Assembly (GA) has adopted several resolutions, refining the scope and purpose of the DA.

Guidelines structure

The structure of the DA guidelines is based on an eleven-step planning and implementation process, divided in three parts as follows:

Planning joint DA projects

1. Launch the process
2. Select a topic
3. Define the problem
4. Get your proposals appraised & approved
5. Prepare the project document

Implementing joint DA projects

6. Manage project budget
7. Implement activities
8. Monitor implementation
9. Deal with revisions
10. Conclude the project

Evaluating joint DA projects

11. Evaluate project performance.

For each step, a primary "action-taker" is identified.[3]

The following key reference materials are presented to guide the users:

- The definitions of key DA glossary (Annex I);
- Frequently asked questions in managing joint DA projects (Annex II);
- List of key DA reference materials (Annex III); and
- Checklist for DA project managers (Annex IV).

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[3] For a list of action-takers please consult Annex 1

Part One: Planning joint DA projects

STEP 1: LAUNCH THE PROCESS

*Primary action-taker: **DA Focal Point***

1.1. Setting the Stage

The good practice of holding joint discussions between Regional Commissions (usually Chiefs of Programme Planning) prior to the preparation of a new DA cycle (tranche) should be adopted. Such discussions will review and update the criteria guiding project formulation and the definition of an indicative budget figure for Regional Commissions to implement DA projects. Furthermore, the desirable proportion of resources to be devoted to develop inter-regional and regional projects should be mapped out during such discussions. This practice will make the planning process more participatory andtransparent .

1.2. Selecting a theme for each tranche

The DA Programme Manager, in consultation with EC-ESA, establishes a new substantive theme for each tranche of DA-funded projects. This theme is usually communicated to Regional Commissions in the middle of the even year, a month or so before the deadline for submission of proposals. The five Regional Commissions also usually identify preliminary technical cooperation (TC) outputs during the Strategic Framework exercise. This leaves limited time to concretize DA project proposals.

1.3. Asking for Proposals

The DA projects follow the biennial cycle of the regular work programme. At the initial stage, in August of the even years (e.g. 2008) the DA focal point (usually the Chief of Programme Planning) should send a circular to all Substantive Divisions, asking them to submit concept papers for consideration to be funded by the DA, during the following biennium (e.g. 2010-2011)

The DA focal point has the responsibility of reviewing, selecting and recommending proposals to be submitted to the DA Programme Manager (the USG of DESA).

STEP 1: LAUNCH THE PROCESS (In Brief)		
Action by Who	**What Action**	**When**
DA Programme Manager + EC-ESA	Establish new theme for Tranche	Mid of even year (e.g. Mid 2008 for 7th tranche projects)
DA focal point in implementing entity	Send circular to Substantive Divisions requesting the submission of concept papers for DA funding consideration, during the following biennium	August of even years (e.g. August 2008)

2.1 Aligning DA with the Work Programme

First and foremost, projects must be in line with the objective and one of the expected accomplishments of the respective subprogrammes.

Projects should not be perceived and implemented as "stand alone" activities. Rather, they should be part of the comprehensive programme of work, all directed towards meeting the expected accomplishments of the subprogrammes. The DA offers opportunities for multi-year and larger-scale projects, which are preferred over smaller activity-based projects, with a view to increasing impact. These multi-year projects can offer great opportunities for complementary normative and analytical work.

Clear linkages with the work programme can contribute to medium and long-term sustainability of the project's impact.

Some indications on whether a DA proposal is well linked to the work programme are the following:

(a) Project contributes to one of the expected accomplishments of subprogramme, as stated in Strategic Framework of the biennium;

(b) Project strengthens normative and analytical work of Regional Commission, by opening up opportunities to establish networks, collect data, and assess situations;

(c) Project addresses cross-border issues, in which the Regional Commission has established expertise, or on which significant analytical and normative work has been conducted;

(d) Project emphasizes inter-divisional cooperation, taking advantage of multidisciplinary expertise in Regional Commissions. In this case, early involvement of other Divisions at <u>the managerial level</u> is important, to ensure that contributions can be expected from many different actors.

(e) Project addresses issues highlighted in recent CCA/UNDAF conducted by UN agencies in countries in the region.

2.2 Aligning with Technical Cooperation Strategy

DA projects are part of technical cooperation. Hence, they should be aligned with the technical cooperation strategies developed by the respective Regional Commissions.

Given the limited size of DA projects, compared with other development initiatives and the private sector, it is important to focus on the comparative advantages of Regional Commissions and concentrate on "niche" areas.

Additionally, a possible approach would be selecting some countries to act as "laboratories" for the region, where innovative ideas can be tested. The lessons learned could then be extrapolated to other countries and even regions.

2.3 Meeting the DA Criteria

In accordance with the criteria established by the General Assembly, proposed DA projects should:

(a) Aim at building national capacities;

(b) Utilize the technical, human and other resources available in developing countries;

(c) Lead to multiplier effects;

(d) Promote economic and technical cooperation among developing countries at the regional or interregional levels;

(e) Result in durable, self-sustaining initiatives; and

(f) Be in line with the selected theme for the biennium.

It is expected that the projects be implemented using the existing resources of the implementing entities, without the payment of overhead costs and with limited use of external consultants.[4]

STEP 2: SELECT A TOPIC (IN BRIEF)		
Action by who	**Taking into Consideration**	**When**
Concerned Substantive Division in Lead Entity	• Technical Cooperation Strategy • Key objectives and expected accomplishments of the respective subprogrammes • Align with DA criteria	Mid even year (e.g. mid 2008 for 2010-2011 projects)

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[4] This constraint has been criticized by some project managers who have to "juggle" between the regular programme work load and requirements of managing a DA project.

3.1 Conducting a Situation Analysis and involving partners

A situation analysis consists of various research tools, all aiming at an in-depth understanding of the problem:[5]

(a) Identification of stakeholders in all regions concerned (needs, interests, potentials and weaknesses);

(b) Problem identification and analysis;

(c) Identification of potential objectives; and

(d) Identification and assessment of potential intervention strategies.

Participatory approach is the key to the success of any project and is probably the single most important element in planning joint DA projects.

Participation refers to the involvement of stakeholders at all stages of the project cycle, including identification of specific problems and situation analyses. The stakeholders of a project are those people who affect or who are affected by the outcome of a project, positively or negatively.[6]

Why is participation important?

- It addresses needs of target group
- It empowers the target group
- It ensures project success and sustainability
- It generates social learning and invention

Using a participatory planning process[7]

Participatory planning should be done throughout the entire process of developing the concept paper and it usually includes conducting situation analyses of:

(a) The needs and interests of stakeholders;

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[5] A situation analysis is undertaken as part of the planning process of the regular programme of regional commissions. A similar approach should be adopted for the DA planning process if they are to be well linked to analytical and normative work.

[6] UNESCAP Intranet, Section 3 on the Project Cycle, available at:
http://intranet/pmd/03_ppmg/pmd_ppmg_rg_s3.asp#S3_32C, ESCAP, Bangkok.

[7] Adapted from the UNESCAP Intranet, Section 3 on the Project Cycle, available at:
http://intranet/pmd/03_ppmg/pmd_ppmg_rg_s3.asp#S3_32C, ESCAP, Bangkok.

(b) The problem conditions you are trying to improve;

(c) The potential objectives the project might want to achieve, based on the problems; and

(d) The identification of alternative project approaches.

The analysis of stakeholders, their needs and interests, is an important part of the situation analysis and should involve three groups of people:

(a) Intra-divisionally: To define the institutional interests and needs of staff members within the Division.

(b) Inter-divisionally: To define the institutional interests and needs of staff members within other Divisions, with whom you might wish to partner.

(c) With other stakeholders: To define the interests, needs and capacity of other potential partners (including UN agencies, government counterparts, and civil society). This should be done at the global, regional and country levels, as appropriate.[8]

The DA does not provide funds in advance for implementing participatory situation analyses and project planning exercises. In designing major projects with other stakeholders, RPTC (Section 22) funds could, in theory, be utilized to ensure the use of a participatory approach.

3.2   Additional Considerations for Planning at the country level

The question often arises whether Regional Commissions should focus more on country-level, in-depth analysis or whether this is ultimately the role of country-based agencies and organizations. Each project should identify a preferred approach and clearly explain the reason for such choice in the "*Analysis*" section of the project document. (See step 5)

Country-level interventions by the regional commissions are usually ad-hoc in nature, in the form of an advisory mission, an assessment, a workshop or a series of workshops, or a pilot project. Sometimes, the Regional Commissions are perceived to compete with other donors and UN agencies at the country level. The Regional Commissions can provide value added support to the national capacity building, especially in tackling transboundary and/or multidisciplinary development issues as well as development issues that are common interest to a several countries of the region.

It is essential for the Regional Commissions to establish strong partnerships at the country level. The staff members concerned should meet/consult with the Resident Coordinator or his/her representative to brief him/her on DA project, and involve them from the planning stage in national-level interventions.

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[8] As most countries will have different line agencies (ministries and departments) addressing the issue at hand, it is important to identify the right stakeholders. For that, try using information from other projects, civil society and partners.

Project managers should also familiarize themselves with existing CCAs and UNDAFs before undertaking activities in specific Member States.

3.3　Additional Considerations for Planning Interregional Projects

When planning a joint DA project, DA project managers should take into account the following:

(a) Keeping the goal clear and realistic is the key to success;

(b) Potential partners should be identified and engaged at the early stage. This will ensure more relevant, pragmatic and focused interregional projects;

(c) The designation of the lead role in a DA project should be guided by the assessment of the specific comparative advantages, areas of specialization/ expertise and availability of "critical mass" in each implementing entity to perform the duties required (see Annex V for draft terms of reference (TOR) for the lead agency).

(d) The commitment of the lead and implementing entities in a project should be assured to last over the whole project's life cycle.

(e) A focal point in all participating entities for each DA project should be designated for the whole life of the project (see Annex V for draft TOR for the implementing entities). Ideally, project focal points should remain active during the whole project's life cycle planning, programming and implementation.

(f) The project work plan should identify common milestones. At the milestone point, project managers in each entity should plan a joint activity, meeting, launching event, depending on the nature of the milestone, in order to exchange notes and learn from each other. At the very least, project managers should plan project implementation review workshops.

3.4　Formulating the Concept Paper and Budget

Once the preliminary work under Steps 2 and 3 has been done, a concept paper should be developed, following the format available at: http://www.un.org/esa/devaccount/ concept%20paper%20guidelines.html.

For budget planning, DA project managers should take into account the following general guidelines:

(a) Preference should be given to expenditures for capacity-building activities, like workshops, fellowships, seminars (Object Class 621);

(b) Travel of Staff (Object Class 608) is increasingly scrutinized throughout the UN system. It should be kept to the minimum necessary. Instead, video- and teleconferences for coordination with other implementing agencies are encouraged;

(c) General Temporary Assistance (Object Class 602) should not be viewed as project personnel funds. DA projects are meant to be implemented by regular staff members. GTA can be used for additional "secretarial" assistance during peak load periods, for example when organizing major workshops;

(d) Contractual services (Object Class 612) are distinct from Consultancies (Object Class 604). For more information please read: ST/AI/1999/7 - Administrative instruction: Consultants and individual contractors *Budgeting under Object Class 612 as subcontracting to outside entities through institutional contracts should be discouraged as it has become unviable due to the cumbersome and lengthy bidding process instituted all throughout the UN system after the Iraq Oil for food scandal;*

(e) Allocate around 2-5 % of the total programme resources for monitoring, self-assessment and analysis (Object class 604);

(f) Travel cost of experts should be charged to Object class 604;

(g) Videoconferencing, coffee breaks and printing costs should be budgeted under Operating expenses (Object Class 616)

(h) For seminars and workshops use (Object Class 621) to cover travel cost and DSA of participants.

For budget planning for joint DA projects, the following consideration should be taken into account:

(a) Costs vary in different duty stations. It is important that project managers take this into consideration when dividing budgets among various Regional Commissions;

(b) Travel costs also vary widely depending on means of transportation, distance covered and DSA of destination. It is suggested to check with each Regional Commission's Travel Unit for estimates before dividing travel funds;

(c) Planning regional or inter-regional workshops in the duty stations, whenever possible, reduces the travel cost for staff members and facilitates planning.

A list of frequently used object codes is provided in Annex VI.

STEP 3: SITUATION ANALYSIS; IDENTIFYING ISSUES AND INTERVENTIONS (IN BRIEF)		
Action by Who	**Actions Involved**	**When**
Concerned Substantive Division/DA Project manager in Lead Entity + Involve Intended Partners	• Identification of stakeholders in concerned regions • Problem identification and analysis; • Identification of potential objectives; • Identification and assessment of potential intervention strategies; • Formulating the concept paper and budget plan	Following the topic selection

STEP 4: APPRAISE & APPROVE PROJECTS

*Primary action-takers: **DA focal point/RCNYO/DESA***

4.1 Appraising Projects

Appraisal is the critical assessment of the *relevance*, technical *design* and *sustainability* of a project proposal, before a decision is made to propose the project to the Programme Manager (USG in DESA).

The various Regional Commissions conduct this appraisal differently. Normally the DA focal point (usually the Programme Planning Division) is the first to receive the proposals and conduct the initial screening. Some Regional Commissions have more elaborate in-house appraisal and approval systems that involve a formal Quality Assurance Team, which reviews the proposals, and a Project Committee, which makes a preliminary decision. The final decision on the submission of a proposal lies with the Executive Secretary.

4.2 Coordinating Submissions

Once project proposals are appraised and approved, the concept papers are submitted to DESA through the Regional Commissions New York Office (RCNYO).

RCNYO has been assigned a coordination role, with respect to concept papers submitted by the regional commissions. It plays an important role in facilitating coordination and consultations among RCs to define the viability of concept papers, to identify common

substantive areas for joint implementation and to explore the division of labor in terms of lead and implementing roles at this early planning stage.

The Regional Commissions should remain flexible, collaborative and prepared for more extensive consultations later on and for formulating partnerships.

4.3   Reviewing proposals

At this stage, the project proposals are reviewed by the DA Programme Manager (DESA) and a technical peer review committee ("Review Group"). Selections are made based on predefined criteria (Steps 1, 2 and 3) and within the indicative planning figure approved by the General Assembly for the next budget period. The DA Programme Manager, jointly with the Programme Planning and Budget Division (PPBD), then finalize the projects selected for review by the Advisory Committee on Administrative and Budgetary Questions (ACABQ), which is tasked to examine the Secretary-General's budget proposals and advise the General Assembly for its course of action.

Once the concept papers are cleared by the ACABQ, DESA signals to all the relevant entities to start drafting the project documents, subject to the GA approval of the programme budget.

STEP 4: APPRAISE & APPROVE PROJECTS (In Brief)		
Action by Who	**What Type of Action**	**When**
DA focal point in Entity/ Quality Assurance Team along with Project Committee	Initial screening of Concept Papers	August-November of even year preceding the intended biennium (e.g. August-November 2008 for 2010-2011 projects)
Executive Secretary	Final decision on submission	
RCNYO	Reviews submissions and identifies duplications and opportunities for streamlining concept papers	
DA Programme Manager (DESA) + Review Group	Review concept papers	
DESA + Programme Planning and Budget Division (PPBD)	Finalize selection of projects	
ACABQ	Final clearing for concept papers	
DESA	Notifies entities of selections made	

*Primary action-taker: **DA project manager***

5.1 Drafting a Project Document

As soon as ACABQ's observations and recommendations on the concept papers are made, the designated lead agency should engage in a preliminary consultation process with the implementing entities to develop full-fledged project documents for submission to DESA. Preliminary consultations should take place during the fourth quarter of the same year for submission to DESA by 31 December.

Videoconferences are recommended at this stage.

Elaborate instructions on developing a project document have been provided by DESA and are available at: http://www.un.org/esa/devaccount/prodoc%20guidelines.html

Part Two: Implementing joint DA projects

Part Two will address some of the main implementation challenges and propose a common approach, which should be taken by all Regional Commissions.

STEP 6: MANAGE PROJECT BUDGET

*Primary action-taker: **Substantive Division***

6.1 Receiving the First Allotment

After the General Assembly's programme budget approval, clearance of joint project documents by DESA should result in expediting the first allocation of resources to be issued by OPPBA to the lead entity at the beginning of the new biennium. The process of requesting and receiving the first allotment by the lead entity is as follows:

Requesting and Receiving the First Allotment			
Action	**Responsible Division/Office**	**Recipient**	**Time/date**
Send fax requesting first allotment	• Substantive Division in lead entity drafts the fax according to template • Office responsible for budgetary management (ORBM) in lead entity signs the fax and sends it	PPBD, OPPBA	Following the approval of the GA (December of odd year preceding the intended biennium, e.g. December 2009 for the 2010-2011 Biennium)
Receive fist allotment	PPBD	ORBM	Soon after sending the fax requesting allotment
Create account in IMIS, update IMIS with budget allocation and inform Substantive Division	ORBM	Substantive Division	Upon receiving the allotment (beginning of the Biennium)

6.2 Managing project budget as a lead entity

When managing project budget as a lead entity, there are two different approaches that the project manager can take to distribute project funds to partners. One is "Decentralized, hands-off approach", whereby the earmarked project funds are transferred, immediately after the issuance of the first allotment by PPBD. The other is "Centralized, keep control approach", whereby the amount required for a specific project activity is transferred for each implementation. In general, the first "Decentralized, hands-off approach" is preferred, two tables which provide information, including advantages and disadvantages, on both approaches, are presented in Annexes VII (a) and VII (b).

6.3 Managing project budget as an implementing entity

"Hands-off approach"

If the lead entity of a joint DA project decides to take "Decentralized, hands-off approach", the process for the implementing entity will be as follows:

(a) Lead agency receives the first allotment

(b) Lead agency sends Financial Authorization

(c) Your agency (ORBM) receives a Financial Authorization (shown in Annex 8)

(d) Your ORBM informs you that a Financial Authorization has been received

The implementing entity can either:

(e) Request your ORBM to create a "mirror OBMO", reflecting the exact allotment you have received. This is an easy way to manage your finances and bill the lead agency but doesn't offer you the ability to check your **balance,** as you spend. The reason is that the OBMO does not show your initial **allotment.**[9] You will have to keep a **separate spreadsheet,** on which you insert your allotment and record your expenditures, if you want to have the full picture

Or:

(f) Request your ORBM to create a "Special Account" or "temporary" project account in IMIS, linked to the Financial Authorization. This is a much more automated way to manage your finances. It gives you the possibility to check your **balance** at any given point, since you will be able to see both the allotment and the expenditures, which are occurred against this account. Of course, the "Special Account" will also be linked to the Financial Authorization.[10]

You should discuss these options with the ORBM and the finance office to explore what option would suit your organization best.

"Micro-manage, keep control approach"

If the lead entity of a joint DA project decides to take "Centralized, keep control approach", the procedure is straight forward as follows:

(a) The lead agency informs you that the first allotment has been received and that you can start planning your activities;

(b) You notify the lead agency of how much you need/when (by email);

(c) The lead agency raises an OBMO and issues a financial authorization exactly as in "Decentralized, hands-off approach" but only for the amount required for this activity;

(d) You repeat the above (a) to (c) every time you want to incur expenditures;

(e) You keep a separate spreadsheet where you record all your expenses, although the lead agency ends up doing a lot of the financial consolidation work at the end of the year/ biennium.

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[9] Balance at time t= Allotment in the beginning– Expenditures by time t

[10] For more information on how to set up this account, please consult with the Finance Division in your Regional Commission. **[DELETED BY ESCAP]**

*Action by: **Project manager/ Implementing entities***

Whether you are lead or implementing entity, it is now time to start implementing the activities in accordance with the approved project document including the project work plan. The following is a list of the most common project outputs and a few hints on how to better organize them.

7.1 Planning workshops

Workshops can be national, sub-regional/ regional or interregional. The selection of type of coverage depends on the project document, on resources available and on emerging needs.

Given the comparative advantages of regional commissions, regional interventions are usually preferred. However, experience has shown that many technical cooperation projects include country-specific interventions, hence require national workshops.

Planning effective workshops and seminars:

(a) Workshops/training courses generally need at least three months of preparatory time;

(b) Invitations should be sent out to the participants at least six weeks in advance;

(c) UN country teams can help in selecting national participants. It is also useful to develop participant criteria and application forms to ensure you get the type of participant best suited for the event;

(d) For training events, ask the facilitators for their session plans in advance. This will ensure that their training sessions are planned in advance, and in accordance with the project objectives;

(e) Workshops/training courses should ensure that participants have the opportunity to apply their new knowledge and skills after the event, for which regular follow-ups are needed to assess the application of transferred knowledge and skills; and

(f) Always evaluate your workshop/training course. Consult with the Programme Planning Division in your regional commission to obtain sample evaluation forms.

7.2 Publishing documents

Each Regional Commission has its own Publication Guidelines, which usually include in-house style, procedures for editing and printing, procedures for obtaining in-house clearances, and requirements for dissemination.

In general, DA project managers are encouraged to:

(a) Be selective in publishing background documents and studies for DA-related meetings, seminars and workshops;

(b) Allow sufficient time for internal clearance, including editing and printing; and

(c) Disseminate, where possible, to a wide audience beyond the network of participants developed under each project.

7.3   Procurement of goods & services

The DA mandates indicate that DA project resources should focus on capacity building and knowledge sharing activities. Guidelines issued by DESA clearly state that "Office equipment should only be purchased for country beneficiaries and only in very exceptional cases for equipment specific for the implementing entity."

If the need for procurement arises, project managers need to consult with their respective procurement offices at least three months in advance.

7.4   Hiring consultants

Consultants are hired through Special Service Agreements (SSAs) or Individual Contractor Agreements. An SSA contract should be issued for a consultant only when the Division requires technical expertise that does not exist within the Secretariat. For all other, more general needs, an Individual Contractor should be hired. For more information, please refer to the Administrative instruction: Consultants and individual contractors (ST/AI/1999/7).

7.5   Engaging local / national partners (Letters of Agreement)

The most common way of engaging and involving partners is by signing Letters of Agreement (LOAs).

Letters of Agreement (LOAs) are documents governing contractual obligations between two parties. Regional Commissions normally use LOAs when they wish to cooperate with a partner institution towards the achievement of a common objective.

LOAs are normally entered with non-profit organizations such as NGOs, universities, government agencies and IGOs. LOAs cannot transfer 'lump sum' payments and cannot include programme support costs incurred by the partner.

The choice of the partner institution must be clearly justified by the substantive office requesting approval. The DA project manager is ultimately responsible for the use of the funds under his/her purview.

For agreements with for-profit organizations and for agreements with an agreed lump sum fee, institutional contracts should be used.

7.6 Engaging UN partners / Regional Commissions

Field presence is often facilitated by partners. Country offices like UNDP offer administrative services to Regional Commissions, usually on a cost-recovery basis.

To ensure greater involvement of partners in implementing joint DA projects, it is recommended to hold <u>regular videoconferences</u>, at least twice a year. Also, partners should make use of the existing coordination mechanisms, for example the annual meetings of Chiefs of Programme Planning of Regional Commissions.

If despite these efforts, partners perceive or envisage their role as limited, the project manager should encourage them to disseminate results and outputs of the project in their own fora and networks. This will also offer the project greater visibility.

STEP 8: MONITOR IMPLEMENTATION

*Primary action-takers: **Project manager/ DA focal point***

8.1 Obtaining information (for the DA Focal Point)

Monitoring for results can be a challenging task. Most DA focal points usually rely on the established monitoring and evaluation procedures of their organization in the absence of DA specific monitoring requirements.

In order to obtain timely project information, DA focal points rely on informal meetings and consultations with project managers and on the annual progress reports.

On going field monitoring is equally important where challenges can be identified and if necessary different course of action/strategy adapted.

To ensure closer monitoring, the DA focal point may also wish to use the following several tools :

(a) Regular short meetings with the project manager;

(b) Independent record taking of travel, consultancy and other requests as they come to DA focal point for clearance;

(c) More effective and regular use of monitoring tools like IMDIS and Electronic Technical Cooperation (e-TC).

8.2   Measuring indicators (Project Manager)

Ideally, the project has a very good logical framework (log-frame) with "SMART" indicators. Obtaining information on these indicators requires advanced planning.

8.3   Reporting requirements

Reporting requirements for DA projects are stated on the DA website as follows:

"*The progress reports are part of the monitoring of the projects and will be used by the Programme Manager in the reporting to the General Assembly.*

The main purposes for progress reporting are to ensure:

- *Good management by providing regular, timely and relevant management information to ensure that projects' objectives are achieved in terms of time, cost and quality; and*

- *Self-reflection on progress made.*

Development Account projects are aiming at achieving a distinct development impact, all questions should be answered keeping this in mind

Substantive progress reports are due annually end of January and serve as the basis for the report to be submitted to the General Assembly in September and for updating the website, which is an integral part of the reporting to the GA."

More information is available at: [http://www.un.org/esa/ devaccount/i_guidelines.html](http://www.un.org/esa/devaccount/i_guidelines.html).

STEP 9: MANAGE REVISIONS

*Primary action-taker: **Project manager***

9.1   Project Document Revision

Sometimes in the course of implementing a DA project, it may be necessary to introduce changes in the project to take into account situations that may not have been foreseen during the planning stage. In these cases, substantive changes should be introduced to the project document.

DA allows project managers to adjust or alter <u>outputs</u>, <u>activities</u> and <u>indicators</u> of achievement without request for prior approval from the DA Programme Manager. In this regard, the project manager should inform the DA focal point in his/her Commission.

Approval from the DA Programme Manager is required when:

(a) There is a change in the project's implementing partners, resulting in revised division of work and/or budget;

(b) There is a change in the log-frame, excluding the number and/or type of activities, outputs and/or indicators;

(c) There is a change in the Division responsible for implementing the project, the target group of countries, or any other significant aspect of the project's design.

The procedure for obtaining the approval of the DA Programme Manager is as follows:

(a) Inform the DA focal point in your Commission;

(b) Revise the project document by reflecting the changes as "**bold**" for additional text and as "~~strikethrough~~" for deleted text, or using the "track changes" option in Word.

(c) Submit the revised project document to your DA focal point, with a draft letter to the DA Programme Manager seeking approval of the proposed changes, where necessary;

(d) Your DA focal point will process the revision for signature and forward it to the DA Programme Manager.

9.2 Redeployment Requests

In the DA context, redeployment is the transfer of funds between budget lines (object classes). The redeployment request can be initiated by one of the implementing entities. Sometimes, it can be the lead agency itself that is looking for additional funds under certain budget lines.

Redeployment requests have to be submitted by the DA focal point to DESA for substantive approval and then to PPBD for issuance of the revised allotment. Project managers and DA focal points play a vital role in minimizing the requests for redeployment, by exploring all alternative options, before submitting a redeployment request to DESA and PPBD.

In general, it is easier to transfer funds from (a) travel of staff (Object Class 608), (b) general temporary assistance (Object Class 602) and (c) consultancies (Object Class 604) to workshops, fellowships, seminars (Object Class 621)

The process for submitting a redeployment request is presented in Annex XIII.

10.1 Phase-out and sustainability

The limitation of the project's life to two bienniums was introduced to ensure timely implementation. Project managers are encouraged to spread out activities over the two bienniums evenly to incur expenditures in a linear way and to execute the planned activities efficiently.

Project managers are encouraged to prepare their work plans so that all activities are completed **at least two months** before official project completion.

Project managers are also encouraged to plan their phase-out approach early. At this stage, they should hand over project outputs and functions to the beneficiaries, for example:

(a) Website maintenance for e-networks to partner institutions;
(b) Guidelines on adopting and implementing policies to relevant line ministries;
(c) Management of community centers to local partners/ NGOs;
(d) Training materials developed to local/ regional training institutions.

10.2 Closure of projects

At this point, the project manager should start preparing for the closure of the project. The Programme Manager's instructions, as per sample in Annex IX, indicate that:

(a) Projects should be operationally and financially <u>closed by 31 December</u> of the last year of the project (the fourth year); and

(b) Exceptions can be made to allow for some activities to be carried over in the next year. In such case, special <u>approval should be sought</u> by 7 December of the final year of the project (the fourth year).

The Completion Report should be submitted by 31 March after the final year of the project is over (the fifth year). The Completion Report is drafted by the project manager and submitted to DESA within one month from project completion. For more detailed instructions, please see: http://www.un.org/esa/devaccount/final%20report%20guidelines.html

STEP 10: CONCLUDE THE PROJECT (In Brief)		
Action by	**What Action**	**When**
Project Managers	Hand over project outcomes to the beneficiaries Close finances and complete activities	Two months before the end of the project (end of the fourth year or second Biennium)
Project Managers	Write completion report	31 March following the closure of the project

Part Three: Evaluating Project Performance

STEP 11: EVALUATE PROJECT PERFORMANCE

Primary action-taker: DA focal point

Planning an evaluation

Evaluation is becoming increasingly important at the UN Secretariat. Although it has not been made mandatory, the practice has been established for DA projects to be evaluated by an external evaluator upon their completion. Funds for evaluation are allocated at the planning phase of the project. During the project planning phase, the purpose, scope, management arrangement and dissemination strategy for the evaluation should be developed. The ultimate responsibility for the evaluation lies with the project manager. However, the DA focal point has an important role to play, guiding and providing support to the project manager and the evaluator at all times.

Carrying out an evaluation requires good planning. Each Regional Commission has its own policy on how and when to carry out a project evaluation. General administrative tasks may include preparing the contract and making travel arrangements for the consultant(s). The main logistical arrangements are explained below:

EVALUATING THE PROJECT PERFORMANCE				
Action	**When**	**Responsibility**	**How**	**Comments/ Attachments**
Prepare TOR for evaluation	About 4 months before project completion	Project manager together with DA focal point		See Annex 4 for sample TOR. Preparing an evaluation workplan will also help
Select the evaluator	About 3 month before project completion	Project manager, together with DA focal point	Check available CVs – advertise	
Hire the evaluator	About 10 days before project completion	Project manager	Initiate Terms of Reference, SSA contract, plan evaluator's travel	Evaluator's work is independent from the project completion report. However, evaluation findings and recommendations can be included in the completion report if available

Follow-up to recommendations

One of the key issues relates to evaluation follow-up and the use of evaluation findings and recommendations. It is anticipated that systematic follow-up will lead to enhanced knowledge of good practices and the integration of such knowledge in future programme and project planning processes, including in the design of DA funded projects.

In general, the DA focal point plays an important role in ensuring that the evaluation findings are used. Following are some suggestions on how to use evaluation findings:

(a) **Management response**: The project manager should sign off on the evaluation, and in coordination with other key stakeholders, prepare a management response. The response can include comments regarding the relevance and usefulness of the results, but it may also include differences in opinion with the evaluation findings. It is expected that the evaluation report will include recommendations and the management should provide a response to each individual recommendation (accepting or rejecting it);

(b) **Accepted recommendations:** Follow-up actions should be identified for accepted recommendations. These actions should be clearly spelled out and include completion deadlines and responsible unit/officer. Examples of follow-up actions are: additional workshops, planning a second phase of a project, allocating additional staff to a certain activity and introducing new implementation modalities. It is the responsibility of the project manager to identify these follow-up actions;

(c) **Sharing evaluation findings:** The DA focal point is responsible for sharing the findings of the evaluation. All evaluation reports should be made available at least internally (within lead entity <u>and</u> between implementing partners). In addition, the DA Programme Manager should be informed about the evaluation and receive copies of the final evaluation. Finally, evaluation reports should to as large extent as possible be made publically available (e.g. dissemination to member States, donors, posted on IMDIS, posted on Internet);

(d) **Follow-up:** Identified follow-up actions should be implemented. This can be done by incorporating them into existing monitoring tools and processes and by adding them to the division's or team's work programme.

Definitions	

EC-ESA

EC-ESA provides collective guidance on policy issues related to the implementation of the DA. The EC-ESA working groups (clusters) are also the fora that conduct technical discussions on DA themes and can become a source of ready-to-use ideas to build a portfolio of multi-entity concept papers.

Regional Commissions

Regional Commissions formulate, implement and evaluate DA projects. They submit proposals, compete for DA funding and once selected, they are responsible for providing human and technical resources to implement projects and report on the outcomes.

RCNYO

RCNYO has played an important facilitatory role in helping regional commissions coordinate for the preparation and submission of joint project proposals.

DESA

The USG of DESA is the official Programme Manager of the DA. At the same time, several divisions in DESA are also DA project implementers.

PPBD

Together with DESA, PPBD has the responsibility of overseeing all budgetary aspects, such as budget allocations and redeployment requests, of DA projects.

DA Focal Point

DA focal point is the primary counterpart of DESA in the Regional Commissions. **It is usually the Chief of Programme Planning, but could be someone else, depending on the agency.**

[DA] Project Manager

The person ultimately responsible for the planning and implementation of a given DA project. This is usually a Professional staff member in a Substantive Division. It is usually also the person with the ultimate Financial Authority for project implementation, although this varies between different Regional Commission. In many cases, the DA project manager is a staff member at the P2 – P3 level while the Financial Authority lies with the Chief of the Division.

[DA] Programme Manager

The DA Programme Manager is the substantive administrator of the Development Account. Currently this function is held and performed by the Under-Secretary General of DESA. [The focal point in the office of the USG is Martin Kraus and

can be reached at: Kraus@un.org. Performing his duties for the year 2008 is Ms. Felicia Gordon who can be reached at: gordonf@un.org]

Substantive Division	The Division that carries out substantive assignments, i.e. normative and analytical work aligned with the priorities of the Regional Commission
Lead agency	The agency that is the primary recipient of DA Funds and ultimately responsible for the implementation of the DA project. The lead agency is also responsible for financial management and for reporting to the DA Programme Manager. *Also referred to as "lead entity"*
Implementing agency	An agency that is participating in a DA project, contributing human resources and receiving some funds for implementation of activities. *Also referred to as "implementing partner", "implementing entity", "partner"*
ORBM	Office Responsible for the Budgetary Management (ORBM) is the office in the regional commission that is responsible for allocating budgets for XB, RB. In some regional commissions this office can be the Programme Management Division. In others, it is the Finance Division.
Finance Office	The Finance Office or Division in each regional commission is the office responsible for accounts and financial services. This office could include the ORBM (see above), which is responsible for allocating budgets, or not.

Frequently Asked Questions

1. How much flexibility do we have to shift budgets between lines?

None at all. For any redeployment between budget lines an approval from PPBD is required.

2. Do I need permission to redeploy between object codes within the same object class?

There is no need to redeploy between object codes in the same object class. You can just charge the object code you need. Redeployment requests are performed between object classes. You can ask your Finance Division or the ORBM for more information.

3. What type of adjustments do we need to go back to DESA for?

Approval from the DESA Programme Manager is required when:

- There is a change in the project's implementing partners, resulting to revised division of work and/or budget; or
- There is a change in the log-frame, excluding the number and/or type of activities, outputs and/or indicators; or
- There is a change in the Division responsible for implementing the project, the target group of countries, or any other significant aspect of the project's design.

4. What is the real duration of DA projects?

DA projects can last for two biennia. On an exceptional basis, some projects have and can be allowed to carry activities into a third biennium. Special request for extension should be submitted by the lead implementing agency by the 7th of December of the year

5. What is the deadline for submitting our annual progress report?

Annual progress report and key reference materials, as well as official financial statements, should be submitted to DESA no later than 31 January.

6. If a project is scheduled to continue to the next biennium (as per project document) is it necessary to request a rephasal of the outstanding budget remaining at the end of a biennium?

No. If the original project duration (in the project document and hence IMIS) spans two biennia, the balance will automatically be transferred from the first to the second biennium.

7. Are evaluations necessary?

Evaluations carried out by external evaluators are greatly encouraged and are gradually becoming a requirement for certain projects in the Secretariat.

8. What if I have not reserved funds for an evaluator?

All new DA project proposals should include funds under "Consultancies" to cover the end evaluation. If such a provision has not been made, the project manager can look at other budget lines and ask for redeployment of funds, according to Step 4.14. If no funds are available , your DA focal point should get in touch with the DA Programme Manager.

List of Key Reference Materials

List of mandates:

A/RES/56/237	Development Account
A/RES/54/15	Development Account
A/RES/53/220 A	Development Account
A/RES/53/220 B	Development Account
A/RES/52/235	Development Account
A/RES/52/12B	Renewing the United Nations: A Programme for Reform.

List of Parliamentary Documents:

A/62/7 Add 6	ACABQ report on A/62/466 and A/62/123	24/10/2007
A/62/466	SG report on additional resources for the DA and impact in terms of aims and purposes	03/10/2007
A/62/123	Fifth Progress Report	12/07/2007
A/62/7 extract	ACABQ report on the 6th tranche (08 -09)	06/08/2007
Note to ACABQ	Note on the utilization of additional resources for the 5th tranche approved by the GA in its resolutions 60/246 and 61/252	30/04/2007
A/62/6 Sect 34 Supplementary financial information submitted to ACABQ	Fascicle for the 6th tranche (08/09)	26/03/2007
A/RES/61/252	Resolution by GA on A/61/282	13/03/2007
A/61/282	SG report on the identification of additional resources	22/08/2006
A/RES/60/246	GA resolution on the recosting of the 5th tranche (06-07)	01/02/2006
A/60/608	GA approved 5th tranche and decides to recost it	04/01/2006
Supplementary Information for ACABQ	Fourth Progress Report	31/05/2005
A/60/6 Sect 34	Fascicle for the 5th tranche (06/07)	29/04/2005
A/59/397	SG Report on the Review of the Regular Programme of Technical Cooperation and the Development Account	01/10/2004

A/RES/58/270	GA resolution approving the fourth tranche (04/05) and requesting the SG to present a comprehensive report addressing possible measures on how to improve the performance of the DA	19/03/2004
A/58/7/Add.5 (extract)	ACABQ report on the third Progress Report	23/10/2003
A/58/404	Third Progress Report	02/10/2003
A/58/7(SUPP)	ACABQ report on fourth tranche (2004/2005)	
E/AC.51/2003/L.5/Add.33	CPC report on the 4th tranche (04/05)	27/06/2003
A/58/6 (Sect. 35) Supplementary financial info for ACABQ	Fascicle for the fourth tranche (04/05)	01/04/2003
A/57/7/Add.5	ACABQ comments on the second progress report	16/10/2002
A/57/360	Second progress report	28/08/2002
A/RES/56/237	GA resolution on the first progress report	29/01/2002
A/55/913	First progress report	25/04/2001
A/56/6 Sect.33	Fascicle 3rd tranche (02/03)	20/04/2001
A/54/7/Add.8	ACABQ report on the second tranche fascicle	10/12/1999
A/C.5/54/37	Second tranche fascicle (00/01)	29/11/1999
A/RES/54/15	GA resolution providing details on the operation of the Account	19/11/1999
A/RES/53/220 B	GA resolution on the proposals for the first Tranche (98/99)	06/08/1999
A/53/374/Add.1	Fascicle of the first tranche (98/99) - Addendum 1	30/04/1999
A/53/945	Report of the SG on modalities for Operating the Account	06/05/1999
A/RES/53/220 A	GA resolution on the proposals for the First Tranche (98/99) of the Development Account	23/04/1999
A/C.5/53/40	Letter dated 27 November 1998 from the President of the GA addressed to the Chairman of the Fifth Committee.	27/11/1998
A/53/7/Add.4	ACABQ report on A/53/374	20/10/1998
A/53/7/Add.1	ACABQ report on A/52/1009	25/09/1998
A/53/374	Fascicle of the first tranche (98/99)	15/09/1998
A/52/1009	SG report addressing issues of sustainability of the Account, the modalities of its implementation and the specific purposes and associated performance criteria	11/08/1998
A/RES/52/235	GA resolution on the Development Account	17/07/1998

A/52/894	ACABQ report on A/52/848	08/05/1998
A/52/7/Add.10	ACABQ report on A/52/758	27/02/1998
A/RES/52/12B	GA Resolution establishing the Account in the programme budget 98/99	09/01/1998
A/52/848	SG note on the utilization of the Development Account	02/04/1998
A/52/758	SG note on reduction and refocusing of non-programme costs	22/12/1997
A/51/950/Add.5	SG report on creating a dividend for development	31/10/1997

List of other materials (all available upon request):

Evaluation of the DA project: "Capacity-Building of member states of ESCAP for managing globalization", 29 December 2005, ESCAP, Bangkok.

Evaluation of the DA project: "Capacity building in strategic planning and management of natural resources in Asia and the Pacific," November – December 2004, ESCAP, Bangkok.

Evaluation of the DA project: "Networking of Expertise on Foreign Direct Investment in the Member States of the ESCWA," 27 August 2006, ESCWA, Beirut.

Inputs for the preparation of guidelines on the implementation of joint DA projects, 2005, submitted to DESA by email from ECLAC, Santiago.

Official Inputs of ESCWA, ECLAC, ECE, and ESCAP to the questionnaire of D. Lindores: "Survey of Implementing Entity Contact Points Related to the General Assembly Request for a Review of the Impact of the Development Account" (material available upon request)

Development of DA Guidelines, Terms of Reference, 29 October 2007, ESCWA, Beirut.

ESCAP Technical Cooperation Strategy, 7 August 2003, ESCAP, Bangkok

ESCWA Technical Cooperation Strategy, 7 March 2005, ESCWA, Beirut

ESCAP Intranet, Section 3 on the Project Cycle, available at:
http://intranet/pmd/03_ppmg/pmd_ppmg_rg_s3.asp#S3_32C, ESCAP, Bangkok.

5th MCPP Presentation by ESCWA on Item 6(b) of the agenda on the Development Account, 26-28 September 2007, Geneva

Reports from the 3rd, 4th and 5th Meetings of Chiefs of Programme Planning of Regional Commissions (MCPP)

Checklist for project managers

Life of Project

Y(-3) Y(-2) Y (-1) Y(0) Y(1) Y(2) Y(3) Y(4) Y(5)
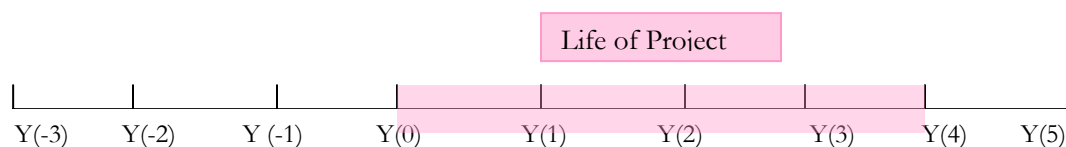
To Do	By
√ Review your analytical and normative work and identify theme/ topic (Steps 1 and 2 in guidelines)	Y (-3) *(e.g. 2007 for projects in biennium 2010-2011)*
√ Prepare your project proposal using the concept note format (Steps 2 and 3)	Y (-2) until August *(e.g. 2008 for projects in biennium 2010-2011)*
√ Follow checklist in 2.9 (Step 3)	Y (-2) until August
√ Submit your project proposal	Y (-2) August
√ Congratulations! Proposal was approved by the Review Group. Note that official GA Approval will come at the end of Y(-1)	Y (-2) November
√ Prepare a thorough Project Document (Step 5)	Y (-1) all year *(e.g. 2009 for projects in 2010-2011)*
√ Obtain official approval by GA	Y (-1) around 25 December
√ Start implementing project	Y (-1) around 25 December. *You should receive about 10% of allotment. The rest will come on January of Y(0)*
√ Implement project (Steps 6 to 9)	Y (0) – Y(4) *e.g. 2010-2013*
√ Prepare & conduct evaluation (Step 10 and Step 11)	Y(4) November

Terms of Reference for Development Account Lead Entity

A. General framework and background

The Development Account (DA) funds technical cooperation projects that benefit developing countries within the individual strategic priorities of the respective implementing entities. The lead entity is the primary recipient of DA Funds and ultimately responsible for the implementation of the DA project. These Terms of Reference are developed generically for the focal points in the lead entity[11] of DA projects implemented jointly between two ore more regional commissions and other partners.

[Project information] **Example**: *The project "Promoting sustainable strategies to develop and improve universal access to basic health care in the ESCAP and ESCWA regions" has the goal of building capacity at country level for developing plans to optimize investment in health for development and for promoting universal access to health services, including vulnerable groups such as women, through improved dialogue and cooperation among officials from the finance, planning and health sectors. The target countries under the project include Viet Nam, Mongolia, China in ESCAP, Yemen, Syria and Iraq in ESCWA. .*

[Project strategy information] **Example:** *The strategy involves analysis of national level experiences in each of the target countries, followed by multi-sectoral workshops of policy makers to develop country specific plans for implementing universal coverage. The national level workshops would be followed by a sub-regional workshop where these plans would be presented and experiences shared. The project is being implemented in collaboration with a wide range of partner organizations and agencies including the World Health Organization.*

B. Overall objective

The objective of the lead entity is to ensure smooth, harmonious, efficient and effective planning, reporting and implementation of the project activities, in cooperation with all other participating entities. The role of the lead entity is given to a single agency or regional commission, which will be responsible for overall management, budgetary and substantive supervision, implementation of at least an equal part of project activities as any other implementing entity, reporting to headquarters and resolving technical, procedural or substantive disagreements between implementing entities.

C. General Responsibilities

1. **The lead entity [ESCAP] will:**

    1.1. Be responsible for general planning, coordination and budgetary monitoring of the project;

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[11] As opposed to "implementing partners" (also referred to as *"implementing agency", "implementing entity", "partner"*) that carry out specific activities and add value to the overall project outcomes

1.2. Be committed to implement the project over the whole project's life cycle;

1.3. Identify a project manager from within existing capacities of the organization;

1.4. Identify potential partners, by assessing their specific comparative advantages and areas of specialization and engage them at the planning stage of DA projects;

1.5. Not be responsible for the performance of its partners during project implementation, but will be responsible for ensuring objectives of the projects are accomplished by seeking alternative partners if necessary;

1.6. Manage the project according to the rules and regulations of the UN system and respecting the guidance provided by the DA Programme Manager (DESA) and the DA focal point;

1.7. Organize videoconferences, joint meetings and launching events in cooperation with implementing partners to ensure close coordination. At the very least, lead agencies should plan at least two videoconferences per project year and one project implementation review workshop;

1.8. Propose a fair and realistic division of labor in terms of lead and implementing roles at an early planning stage;

1.9. Propose a fair and realistic distribution of budget between various partners, taking into account the different costs between UN duty stations and the assigned work load;

1.10. Arrange and coordinate the final project evaluation, to be conducted by an external evaluator upon project completion;

1.11. Share the findings of the evaluation at least internally (within lead entity and between implementing partners) and with the DA Programme Manager;

1.12. Share findings of the evaluation with wider stakeholders (e.g. member states, donors, posted on IMDIS, posted on Internet), where and if appropriate.

2. **The partner organization […] will:**

2.1. Be committed to implement the project over the whole project's life cycle;

2.2. Identify a project manager from within existing capacities of the organization;

2.3. Manage the project according to the rules and regulations of the UN system and respecting the guidance provided by the DA Programme Manager (DESA) and the lead entity;

2.4. Be responsible for carrying out all activities assigned during project planning or as revised during project implementation;

2.5. Respond promptly to requests for budgetary and substantive information from the leading entity, respecting deadlines as set by the leading entity;

2.6.   Show flexibility in redefining activities and adjusting budget allotments, as suggested by the leading entity, if suggestions are for the benefit of the overall project objective;

2.7.   Share problems, concerns and issues with the leading entity as soon as these arise.

D. Monitoring

The leading entity will provide annual reports to the DA Programme Manager, as indicated in the DA Guidelines and as updated in the DA website (www.un.org/esa/devaccount/)

At the end of the project the leading entity will provide the DA Programme Manager with a comprehensive terminal report, which will document the results of the project and analyze the potential for further activities.

E. Time Frame

The main tasks and obligations of the leading entity are as mentioned below:

Action	Taking into Consideration	When
Select a topic for the DA project	• Technical Cooperation Strategy • Skills and capacities of staff • Experience of potential implementing partners • Key objectives and expected accomplishments of the respective subprogrammes • Align with DA criteria	Mid even year (e.g. mid 2008 for 2010-2011 projects)
Conduct a situation analysis, identifying issues and interventions	• Identification of stakeholders in concerned regions • Problem identification and analysis • Identification of potential objectives • Identification and assessment of potential intervention strategies • Formulating the concept paper and budget plan to be submitted to ACABQ	Following the topic selection

Prepare project document, as soon as ACABQ's observations and recommendations on the concept papers are made	• Engage in a preliminary consultation process with the implementing entities to develop a full-fledged project document for submission to DESA • Organize videoconference planning project	Preliminary consultations should take place during the fourth quarter of the same year for submission to DESA by 31 December.
Implement project and manage the project budget	• According to DA guidelines and general responsibilities spelled out in these Terms of Reference	After the General Assembly's programme budget approval
Monitor budgetary performance and spending of all partners	• According to DA guidelines and general responsibilities spelled out in these Terms of Reference	Quarterly, during project implementation
Arrange for the final evaluation of the project	• Consult with partners to find the best and most cost effective arrangement so that all components of project are evaluated in as many locations as possible	Upon project completion

E. Duration

The leading entity will have responsibility for carrying out its obligations from the early stages of project conception until the final completion of the project and the finalization of the project evaluation.

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Frequently Used Object Codes

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DESCRIPTION OF ACTIVITY	OBJECT CLASS TO BE USED	OBJECT CODE (if needed to differentiate further)	OBSERVATIONS / USE OF THE BUDGET LINE
General Temporary Assistance (GTA)	602: General Temporary Assistance		GTA should be used to respond to temporary assistance needs through the recruitment and/or extensions of staff members only, and are usually located with the UN Department implementing the project. GTA should not be used for the recruitment of consultants, national project staff, or UNVs.
International Consultants	604: Consultants and Expert Groups	0111 Consultants - Personal service fees	The GA requested to differentiate between international and national consultancies, thus 2 different object codes should be used
National Consultants	604: Consultants and Expert Groups	0140 National Project Staff & Consultants	
Travel of national and international consultants	604: Consultants and Expert Groups	2601 Consultants travel	
Expert Groups	604: Consultants and Expert Groups	2602 Travel of expert groups	Expert groups should be used if meetings are required to discuss policy issues/publications related to the project. Meetings/workshops/seminars related to training and capacity building should be charged to object group 621 (Fellowships, Grants and Contributions and workshops) in class 7202 (Seminars and workshops).
Travel of Staff	608: Travel of Staff		This line is for travel for UN Staff only for all types of travel (participation in Expert groups, workshops, providing advisory services. Travel of experts, consultants and participants to workshops should be budgeted under different classes/codes.
Contractual Services	612: Contractual Services		Contractual services might include translation services or institutional contracts for preparing publications or for example for NGOs that might organize a capacity building training activities, through subcontract or grant arrangements.
Operating expenses	616: Operating expenses		Should be used for postage, communications, printing of reports, etc.
Supplies, materials, furniture and	618: Supplies,& Materials & Furniture and		This line should be used for office equipment, office automation equipment, software and supplies. Office equipment should only be

DESCRIPTION OF ACTIVITY	OBJECT CLASS TO BE USED	OBJECT CODE (if needed to differentiate further)	OBSERVATIONS / USE OF THE BUDGET LINE
equipment	Equipment		purchased for country beneficiaries and only in very exceptional cases for equipment specific for the implementing entity.
Seminars and workshops	621: Fellowships, Grants and Contributions.	7202 Seminars and workshops	This object class/code should be used for capacity building/training activities other than expert group meetings, and include costs related to the travel/ DSA of participants, as well as rental of venue and local conference related expenditures. Grants and subcontracts which are issued to implementing partners to carry out training activities should not be charged to object here but to object class 612 (contractual services, see details above).
Study Tours	621: Fellowships, Grants and Contributions.	7203 Study Tours	This should be used for study tours. In the UN we have used the term fellowships sometimes too. But fellowships should only be used if the duration is more than six months and more.

"Hands-off approach" *(preferred)*			
Action	**Action by**	**Recipient**	**Additional information**
1. Request the transfer of funds to other partners	Project manager	ORBM	*Provide detailed budget breakdown, according to approved project document*
2. Create OBMO(s) for partners *(according to breakdown in approved project document)*	ORBM		
3. Print financial authorization(s) and fax to partner(s)	ORBM	Implementing partners	*See Annex 8 for sample Financial Authorization*
At the end of every quarter (optional):			
4. Encourage partners to send their list of expenditures for the last quarter (for your records)	Project manager	Implementing partners	*This can be any format, but preferably EXCEL*
At the end of every year:			
5. Around December, ask all partners to send you detailed list of expenditures	Project manager	Implementing partners	*This can be any format, but preferably EXCEL*
6. Attach consolidated list of expenditures to the Annual Progress Report to be sent to the DA Programme Manager (DESA)	Project manager	DESA/ PPBD	*Your Budget & Finance Office can help you by seeing what charges have been sent to your organization by partners, quoting that Financial Authorization*
At the end of the biennium *(optional)*:			
7. At the end of the biennium, liquidate all OBMOs issued for partners to see how much everyone has spent	- Project manager alerts ORBM - ORBM implements		*Usually DA projects go on for two biennia so this will have to be done once only during the life of the project, at the end of the 1st biennium.* *OBMO settlements often take some time, which make it difficult to determine budget balance. As a result, temporary liquidity shortages may occur (see 9 below)*
8. Verify with implementing partners whether there are any changes in their workplan, which would require redeployment of funds between budget lines. If so, see 3.14 Redeployment requests	- Project manager alerts ORBM - ORBM implements	Implementing partner	*As long as the project duration (in the project document and hence IMIS) is beyond the end of the biennium, there is no need to request a rephasal of outstanding balances. The rephrase batch will automatically pick it up and rephrase the balance to the new biennium.*
10. Issue OBMO for the new biennium to implementing partners reflecting only the balance, i.e. what they will need from now on according to their workplans			*Several OBMOs may be issued to implementing partners depending on liquidity situation of the project as a result of delays in OBMO liquidations.*

Advantages:

√ Less administrative work for project manager and for the finance division that clears requests and settles bills between Regional Commissions

√ Easier for implementing partner to plan and implement activities (funds are available through the Financial Authorization – no need to send requests every time there is an activity)

Disadvantages:

× Changes in input requirements cannot be accommodated as it is difficult to redeploy funds between partners and between budget lines (see 3.14) as the partners have already received their Financial Authorization and are reluctant to give up funds

× Funds are locked by the receiving agency and thus unavailable to others

"Micro-manage, keep control approach" *(not recommended)*			
Action	**Action by**	**Recipient**	**Additional information**
1. Inform implementing partners that they can start planning their activities	Project Manager	Implementing partners	
2. Send request for funds for the amount needed for specific activity	Implementing partner	Substantive Division	*Usually done by email. Information on the type of expenditures (Object class) is necessary*
3. Create a Financial Authorization for the specified amount/ activity <u>only</u>	- Project manager informs ORBM - ORBM creates Financial Authorization for specified amount and sends to partner	Implementing partner	
4. Repeat (1-3) as appropriate, ever time any partner is planning an activity			*Keep records of all expenditures you authorize (EXCEL)*
5. At the end of the year, retrieve information from your records and create a consolidated expenditure list to be attached to the Annual Progress Report	Project manager (has all the information needed)		*Assuming project manager has kept good records of all expenditures authorized*

Advantages:
√ Project manager remains in control of the budget for which he/she is responsible
√ Easier to make overall adjustments and redeploy funds between partners and between budget lines (see 3.13) based on patterns of expenditure

Disadvantages:
× Increased administrative work for project manager and for the finance division that clears requests and settles bills between Regional Commissions
× A good monitoring systems is required

Process for submitting a redeployment request

If you are the lead agency:			
Action	**Agency/ Division/ Authority**	**Recipient of Action**	**Additional information**
At the beginning of a biennium, check which partner needs additional funds and why	Project manager in lead agency	Implementing partners/ recipients of funds	Explore the underlying reasons for this need
Inform the DA focal point in your commission	Project manager in lead agency	DA focal point	With the help of your DA focal point, assess whether the need is legitimate
If the request is deemed realistic, check with all your other implementing partners to see if <u>they</u> have savings under the budget line in question	Project manager in lead agency	Implementing partners/ recipients of funds	
1.1. If you identify a partner willing to give up unused funds			
Arrange for an "internal" transfer of funds. An "internal" transfer of funds means that your ORBM will amend the OBMOs issued for the two implementing partners, taking funds from one and transferring them to the other.	Project manager in lead agency	Implementing partners/ recipients of funds	If as lead agency you are using Option B for financial management (see 3.2), then the "internal" transfer does not have to actually take place. However, you will need to get a written approval from both agencies that they are willing to engage in this "virtual" redeployment.
If this "internal" redeployment was successful, you don't need to proceed with the following			
1.2. If you don't identify any partner willing to give up unused funds			
Check with all implementing partners if they need any redeployment	Project manager in lead agency	All implementing partners	The fewer times you need to revert to PPBD the better, so make sure you have collected and aggregated every partner's requests, as long as they are realistic. Ask the implementing partners to write up a good explanatory note/paragraph on why they need this redeployment.
Draft a redeployment request	Project manager in lead agency	DA focal point first	Draft a fax to PPBD, including explanations and justifications, and send it to your DA focal point
DA focal point in your regional commission will check the redeployment	DA focal point in RC of lead	Project manager in lead agency	

request for accuracy and consistency with the project's objective	agency		
Once the redeployment request is "cleared" internally, by your DA focal point, then the **ORBM will sign the relevant fax** and send it to PPBD.	ORBM	PPBD	
PPBD may inform the DA Programme Manager (DESA), if the redeployment is not well justified.	PPBD	DA project manager in lead agency, DA focal point	The project manager and the DA focal point should be well informed and ready to answer any questions raised by the DA Programme Manager
As soon as the redeployment request is approved, a revised allotment is sent to the lead agency (ORBM).	PPBD	ORBM	
ORBM informs the project manager and enters the new information into IMIS	ORBM	DA project manager in lead agency	It is the project manager's responsibility to send the revised Financial Authorizations to the implementing entities, following the steps outlined in 4.2.

If you are the implementing agency:			
Plan ahead.	Project manager in the implementing agency		When negotiating on your budget, at the planning stage, think of what activities you want to implement, what are the current and future costs and whether you need any "contingency" funds. Share your thoughts with the project manager. If you are clear about your plan, there will be little need for redeployment.
Assuming you identify the need for a redeployment request, check your expenditures well.	Project manager in the implementing agency		Could it be that you have more funds than you think? Check with your finance office, if necessary.
Assess whether your need is real and legitimate, i.e. the activity that spurred the redeployment will add value to the project.	Project manager in the implementing agency		Check if you could use other budget lines to cover your needs (See Annex 7: Frequently Used Object Codes)
Inform the project manager at the lead agency in a clear and concise manner.	Project manager in the implementing agency	Project manager in the lead agency	Prepare a solid justification note/paragraph that may be used if the redeployment request makes it to PPBD.
Be flexible. If the project manager asks you to amend an activity consider it, but do not compromise	Project manager in implementing agency		

the quality of your outputs			
Be giving. If the project manager approaches you requesting you to give up some – potentially – unused funds, for the benefit of the overall project impact, consider it.	Project manager in implementing agency		No individual or agency is really "entitled" to the DA funds.
Be well organized.	Project manager in implementing agency		Keep records of your expenses, costs and needs

Closure of projects (DESA guidelines)

The following memo was sent to the DA focal points on 21 November 2007

United Nations - Nations Unies
TEL.: 1 (2 1 2) 9 6 3 . 5 9 5 8 • FAX: 1 (2 1 2) 9 6 3 . 1 0 1 0
D C2 - 2 3 2 0 , 2 U N PLAZA, NEW YORK, NY 1 0 0 1 7
OFFICE OF THE UNDER-SECRETARY-GENERAL
D E PARTMENT OF ECONOMIC AND SOCIAL AFFAIRS (DESA)

TO:
Development Account Focal Points

DATE: 21 November 2007

FROM/DE:
Nikolai Zaitsev, Chief of Office
Office of the Under-Secretary-General for
Economic and Social Affairs

SUBJECT/OBJET:
Development Account – Closure of 4th Tranche Projects

1. In line with the intergovernmental recommendation that Development Account projects should be completed within two biennia (A/60/7), all fourth tranche projects are expected to be closed by 31 December 2007.

2. The instructions of the Programme Manager of the Development Account (attached for your convenience) provide the programme and financial procedures to be followed with respect to the closure of these projects. On behalf of the Programme Manager of the Development Account, it is requested that the respective project managers review the outstanding project activities and ensure that obligations have been raised to cover all outstanding commitments. Implementing entities are also encouraged to utilize residual allotment balances available under these projects to carry out an external evaluation as long as this is initiated before the close of 2007.

3. On an exceptional basis, when it has not been possible to finalize the proposed activities under a fourth tranche project by 31 December 2007 due to unforeseen circumstances, consideration will be given to a short term extension of a limited number of projects to ensure the completion of outstanding activities. In order for this extension to be considered, a 2007 progress report must be submitted before 7 December 2007 with a cover memorandum providing details on:

(a) Reason for requested extension;
(b) Expected results of the execution of the remaining activities;

(c) Impact/effect if the project is not extended;
(d) Specific information on the activities to be executed (description, detailed budget and timeline.

4. In the limited instances when projects may be extended, an allotment for 2008 will be issued through the rephase batch programme. Any redeployment of funds required to carry out activities in 2008 would need to be approved by OPPBA following standard procedures.

5. Please do not hesitate to contact Martin Kraus (kraus@un.org) in the Office of the Under-Secretary-General for Economic and Social Affairs if further clarification is required on the closure of these projects.

Thank you for your cooperation.
List of DA Focal Points
DESA: Marie Oveissi, OIC, TCMS
ECA: Urbain Zadi, Director Office of Strategic Planning and Programme Management
ECE: Abdur Chowdhury, Chief, Technical Cooperation Unit
ECLAC: Mario Baez, Chief Programme Planning and Operations Division
ESCAP: Nanda Krairiksh, Chief, Programme Management Division
ESCWA: Mohamed Abdulrazzak, Chief, Programme Planning and Technical Cooperation Division
HABITAT: Antoine King, Director, Programme Support Division
UNCTAD: Manuela Tortora, Chief, Technical Cooperation Service, Maria-Sabina Yeterian-Parisi, Chief, Technical Cooperation Section
UNODC: Johan Weijers, Co-financing and Partnership Section;
UNEP: Jochem Zoetelief, Programme Coordination and Management Unit
CC: Katrina Nowlan, PPBD
Chulmin Kang, Accounts

Procedures for Implementing Entities on the Financial Closure of Development Account Projects of the Fourth Tranche

<u>Actions for Project Managers</u>

1. In preparation for the closure, project managers should take the following action:

• Finalize all contractual arrangements/purchase orders which may be required to financially complete the project, including printing of reports, consultancy services for project evaluation, etc.

• Review any outstanding project liabilities which exist and ensure that obligations are sufficiently raised in IMIS to meet these costs. Particularly, review financial authorizations issued to UNDP and/or other implementing entities to ascertain if charges are being submitted and recorded in a timely manner. For outstanding transactions, sufficient obligation balances should be retained, and follow up action initiated with the implementing office.

• While being mindful of the need to retain obligations to meet valid project liabilities, all unnecessary **residual** balances which remain (notably TVRQ balances) should be closed during this review process. Obligations remaining as at 31 December 2007 under the Development Account projects **must represent valid contractual liabilities entered into during the project implementation cycle. Funds should not be blocked to allow continuation of activities in 2008.**

• In the case of jointly implemented projects, all implementing agencies must submit to the lead agency a statement of expenditure against fourth tranche projects by 15 December (based on November closing figures). The Statement should include both disbursements and unliquidated obligations, which should then be recorded in the lead agency's accounts. The lead agency should liquidate the balance of any outstanding obligation up to the ULO amount reported by the implementing entity in the November statement. It is therefore expected that future expenditure reporting by the implementing entity would not exceed the ULO balance reflected in the November reporting.

2. It is important to ensure that the obligations retained as at 31 December 2007 are carefully monitored during 2008, as they will automatically lapse on 31 December 2008. All contractual arrangements should be completed, and invoices settled prior to the time.

3. Residual charges (either debit or credit) to operationally closed projects which may arise (largely a result of unforeseen by charges) should be accommodated by charging a current year Development Account project (similar to the existing process for residual charges under the Regular Programme of Technical Cooperation)

Actions for Accounts/Financial Services

4. As the fourth tranche projects are to be financially closed, residual allotment balances should not be rephased into 2008. Therefore, the IMIS project mission screen should be updated to reflect the project close date as 31 December 2007. This will ensure that the rephase allotment batch, which uses the project completion date as a criterion when generating new allotments, will not issue 2008 allotments. (Hence, it is expected that the rephase batch will issue 2008 allotments only for the fifth tranche projects, and those fourth tranche projects which have been exceptionally extended into 2008);

5. Likewise, with the operational close date of 31 December 2007, savings generated in 2006/2007 under fourth tranche closed projects will not be realloted.

6. In the case of fourth tranche projects which have been exceptionally approved for extension into 2008, the project close date should be set to December 2009 to allow the automated rephasing of allotment balances, as well as the reallotment of savings. Nevertheless, the procedures outlined, especially with respect to continued monitoring of obligations and outstanding liabilities, as well as inter-entity reporting, should be adhered to.

TOR for Evaluation

4.1   TOR for project evaluators

The following Terms of Reference example was developed by ESCWA and is provided as a sample. Each regional commission can follow its own evaluator format.

Consultancy for the evaluation of the Development Account Project on Promoting New Technologies for Employment and Poverty Alleviation in the ESCWA Member Countries

Terms of Reference

1. Duration:

1 – 30 November 2007. One work-month. To be submitted latest by 15 December 2007.

2. Assignment:

The Economic and Social Commission for Western Asia (ESCWA) implemented the Development Account project on "Promoting New Technologies for Employment and Poverty Alleviation in the ESCWA Member Countries." The project started in 2005 and was completed in August 2007. The project was implemented in two countries: Syrian Arab Republic and the Republic of Yemen.

With a view to assessing the results and impact of the above-mentioned project in the context of results-based management, the Information and Communication Technology Division (ICTD) seeks to hire a consultant to draft and complete a comprehensive final evaluation of the project on the two participating countries, financed by the Development Account, according to the principles outlined hereby.

3. Purpose of the evaluation:

The purpose of the evaluation is to understand why and the extent to which intended and unintended results were achieved, and their impact on stakeholders. Evaluation is a requirement of all ESCWA projects, as it responds to concerns of the member states about increasing the effectiveness, efficiency and impact of the development work of the United Nations.

4. Evaluation:

The consultant should seek to determine as objectively as possible the relevance, effectiveness and impact of the project, in light of its *goals*, *objectives* and *expected accomplishments*, as expressed in the project document log frame. The evaluation should focus on the expected and achieved accomplishments, examining the results chain, processes, contextual factors and causality, in order to understand achievements or the lack thereof.

The *indicators of achievement* (see project document log frame) can provide a reliable measure of the extent to which expected accomplishments have been achieved. The evaluation report should also aim at determining the relevance, impact, effectiveness, efficiency and sustainability of the intervention (Development Account project) and the extent to which the project met the criteria established by the Development Account: 1) <u>sustainability, 2) use of ICT, 3) effectiveness of established networks, 4) use of human and technical resources from developing countries, 5) quality of partnerships, 6) developmental impact on the country and 7) innovativeness of project idea</u>. Finally, the evaluation should provide evidence-based information that is credible, reliable and useful, enabling the timely incorporation of findings, recommendations and lessons into the decision- making processes of the ESCWA.

The following **principles** summarize the evaluation requirements:

Intentionality. ESCWA intends to use the evaluation findings, especially for the formulation of DA projects for the 7th tranche (to commence in September 2008); therefore timely implementation and cost-effectiveness are of high importance.

Impartiality and Transparency. There should be absence of bias in the process, methodological rigour, consideration and presentation of achievements and challenges. The views of the stakeholders must be taken into account. In the event that interested parties have different views, these are to be reflected in the evaluation analysis and reporting. Transparency and consultation with the major stakeholders are essential features in all stages of the evaluation process.

Independence. The evaluator must not have been directly responsible for the policy setting, design, or overall management of the subject of evaluation, nor expect to be in the near future.

Quality of Evaluation:

The evaluation report should employ design, planning and implementation processes that are inherently quality oriented, covering appropriate methodologies for data collection, analysis and interpretation.

The evaluation report must also present in a complete and balanced way the evidence, findings, conclusions and recommendations. It must be brief, to the point and easy to understand. It must also explain the methodology followed; highlight the methodological limitations of the evaluation, key concerns and evidence-based findings; provide dissident views and consequent conclusions; and conclude with recommendations and lessons learned.

The lessons learned can be derived from the substance of the implemented project, as well as from the processes followed. The section on lessons learned should include the type of activity/initiative, its objective, the results achieved, the strategy used, practicable solutions that can be proposed, potential implications of this experience and why it is considered innovative or a lesson learned.

The report must have an executive summary that encapsulates the essence of the information contained in the report, and facilitate dissemination and distillation of lessons.

Evaluation Ethics:

The evaluator (consultant) must have personal and professional integrity.

The evaluator must respect the right of institutions and individuals to provide information in confidence and ensure that sensitive data cannot be traced to its source. The evaluator must take care that those involved in evaluations have a chance to examine the statements attributed to them.

The evaluator must be sensitive to beliefs, manners and customs of the social and cultural environments in which he or she will work.

In light of the United Nations Universal Declaration of Human Rights, the evaluator must be sensitive to and address issues of discrimination and gender inequality.

In case the evaluation uncovers evidence of wrongdoing, such cases must be reported discreetly to the appropriate investigative body.

Also, the evaluator is not expected to evaluate the personal performance of individuals and must balance an evaluation of management functions with due consideration for this principle.

5. Responsibilities of the consultant:

Under the supervision of ICTD and in close cooperation with PPTCD, the consultant is tasked with the following:

a) Modalities of the evaluation:

Field mission to two ESCWA member countries, namely the Syrian Arab Republic and the Republic of Yemen, to meet with the project beneficiaries and assess the field impact of the project.

Conducting of necessary additional research, including interviewing of project focal points in the participating countries, to collect information and materials to be used in the evaluation.

b) Expected Output:

Two short country reports, (one for each country) evaluating the project's performance against its expected accomplishments in each of the two countries, as part of the overall evaluation report.

A final evaluation report on the project, to be submitted by 30 November 2007 (or one month after signing the contract). The report should similarly follow the principles outlined in part 4: "Principles of the evaluation." The report, in English, of no more than 15 pages (5 pages per country plus overall synthesis), will be submitted electronically and in hard copy, single spaced, Times New Roman size 11 on an easily readable format.

6. Responsibilities of ESCWA:

ESCWA is responsible for providing the consultant with all necessary information, related to the project, in a timely, thorough and transparent manner. The project document, annual evaluation reports, contact information of focal points and all other outputs of the project should be made available to the consultant upon commencement of his contract. Project staff should remain available for providing clarifications and facilitation of the work.

ESCWA is also responsible for following up on the outcomes of the evaluation. Project management should address the recommendations and care should be taken that the lessons learned are disseminated to all parties concerned. The evaluation findings and lessons drawn should be made accessible to target audiences in a user-friendly way.

6. Payment modalities:

The consultant will receive a lump-sum payment of USD 2,000 upfront, to enable travelling arrangements and 2,000 upon submission of the two country reports (expected outcome 1). The remaining USD 2,000 will be paid upon submission of the evaluation report (expected outcome 2).