
Botswana UN Country Fund

**Terms of Reference for the United Nations
Multi Donor Trust Fund**

I. Introduction

The UNCT in collaboration with the Government of Botswana has developed a Government of Botswana – United Nations Programme Operational Plan (GoB – UN POP), aimed at implementing the Country Programme in a “*DaO*” mode. This plan is the UN system’s approach at promoting a concerted effort to coherently deliver in cooperation with different stakeholders (GoB, Civil society organizations etc) on the Millennium Development Goals (MDGs), and the national priorities as outlined in the National Development Plan 10 and Vision 2016. The plan is intended to deliver on the five “UNDAF Outcomes” established to express the GoB country programme action with the support of the United Nations (UN) system over the five (5) year period as follows:-

- **Governance and Human Rights Promotion:** Effective and efficient delivery of Services for fulfillment of Human Rights.
- **Economic Diversification and Poverty Reduction:** A diversified economy whose growth is rapid, inclusive, sustainable and generates decent employment opportunities by 2016.
- **Health and HIV/AIDS:** Country capacity to address health and Human Immuno Virus (HIV) and Acquired Immune Deficiency Syndrome (AIDS) challenges towards achieving universal access to quality services is strengthened by 2016.
- **Environment and Climate Change:** By 2016 the rural poor, especially women, enjoy greater benefits from the environment and natural ecosystems.
- **Children, Youth and Women Empowerment:** Increased child, youth and women empowerment and participation at all levels.

The GoB – UN POP is for a period of five years (2010 – 2014) extending the UNDAF outputs into concrete programmes and activities to be implemented jointly or in mutual support to maximise the UN system’s value addition to the achievement of NDP 10, Vision 2016 and the MDGs. This operational plan involves fifteen participating UN Agencies and two agencies who will join the process at a later stage, pending their discussions on programme details with GoB within the outcomes defined in the UNDAF.

The UNDG Multi Donor Trust Fund (MDTF) is a multi-agency funding mechanism which will be designed to receive contributions from more than one donor. These Multi donor resources will be pooled together to fill the funding gap for programmes / projects implemented jointly by GoB and UNCT members in support of achievement of national priorities as outlined in the tenth National Development Plan (NDP 10) and Vision 2016, following on the elaborated United

Nations Development Assistance Framework (UNDAF) 2010-2016 and operationalised by the GoB – UN POP.

The Botswana MDTF aims to provide for a coherent and streamlined platform for resource mobilization, fund allocation and reporting of the programmatic priorities of the GoB - UN POP under the overall leadership UN Resource Coordinator (RC) on behalf of and in consultation with the UN Country Team (UNCT). The Botswana MDTF is consistent with the Paris Declaration on Aid Effectiveness, national ownership, alignment with national priorities, harmonization and coordination as well as the Delivering as One initiative and UN Secretary General's efforts to improve integration of UN political, development and humanitarian activities in the UN system through an increasing network of integrated UN field offices.

MDTFs are important funding mechanism to channel and leverage resources in an effective and coordinated way in support of UN system – wide development efforts. Its effectiveness lies in the facilitation of donor resources streamlining, transaction costs reduction, alignment of donor reporting and provision of a flexible, coordinated and predictable funding to support achievement of national priorities.

The MDTF would be established under the support and endorsement of the Government of Botswana for resource mobilization by the UN Resident Coordinator. It is established for the five – year plan period of the GoB- UN POP. The UN Resident Coordinator in collaboration with the UNCT, will be responsible for resources mobilization based on a strategy that will be developed and agreed upon by all participating Agencies.

II. Purpose of the Botswana MDTF

The MDTF is intended to facilitate the realization of the GoB – UN POP outcomes by channeling consistent and predictable funds towards the implementation of the GoB – UN POP, as per the UNCT and other stakeholders' priority needs, through a joint funding window. It is also intended to facilitate and streamline the provision of donor resources in support of the joint GOB- UN POP as well as to simplify narrative and financial reporting. It is a major vehicle for resources mobilization from donors to support existing funding gap of the GoB – UN POP.

The objectives of the Botswana – MDTF include:

- Enhance UN's capability to partner with the Government and development partners to support the national development plans and priorities through the GOB – UN POP implementation.
- Support the GOB – UN POP through ensuring greater programme cohesion, harmonization and effectiveness.
- Provide a coherent and streamlined platform for the mobilization of additional donor resources, fund allocation and reporting on the GOB – UN POP.
- Ensure that funding and implementation are undertaken with special attention to transparency and accountability as well as to prompt delivery and efficient utilization of resources.

III. Description of the MDTF Arrangements.

Contributions to the Botswana MDTF

Contributions to the Botswana MDTF may be accepted from governments of Member States of the United Nations or from intergovernmental or non-governmental organizations or from private sources. Acceptance of funds from the private sector will be guided by criteria stipulated in the UN system-wide guidelines on cooperation between the UN and Business community (the UN Secretary General's guidelines <http://www.un.org/partners/business/otherpages/guide.htm>).

In support of the objectives of the Botswana MDTF and to ensure maximum flexibility and adaptation to national priorities, a guiding principle for resource mobilization would be that donors are encouraged to contribute with multi-year unearmarked resources.

Contributions to the Botswana – MDTF may be accepted in fully convertible currency. Such contributions shall be deposited in the bank accounts designated by the Administrative Agent. The value of a contribution – payment, if made in other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment.

Eligibility for MDTF funding

Eligibility for funding will be subject to the signing of the Botswana MDTF standard Memorandum of Understanding (MOU) with the Administrative Agent (AA). Implementing partners will have access to the Botswana MDTF through Participating UN Organizations.

Allocation Decision Making

Funds in the Botswana MDTF will be allocated for the purpose of meeting the unfunded gap for the purpose of implementation of programmes and projects approved within the context of the five components (UNDAF Outcomes) guided by national priorities of GOB – UN POP. These projects/programmes are as described in the Results Matrices of the GoB – UN POP, whereas the details of project activities, including specific budgets and implementation partners will be set out in the relevant Joint Annual Work plans.

The GOB-UN POP outcome level results will form the basis for funding requests and allocations. The allocation decision making will be guided by an agreed criteria based on the following:-

- Programme Steering Committee (PSC) prioritization
- Quality of the funding proposal.
- Specific criteria by Government to address its needs.
- Performance based allocations.

A weighted assessment will be developed to guide the strength of the proposal for each criterion.

IV. Governance Arrangements

The governance arrangements of the Botswana – MDTF will build on the Government of Botswana’s aid coordination under leadership of the Programme Steering Committee (PSC).

Programme Steering Committee

The PSC will be responsible for the overall strategic oversight of the implementation of the programmes funded through the Botswana – MDTF and for approving allocations to programmes and Participating UN Organizations within the context of the national priorities as set in the GoB - UN POP. PSC meetings will be co-chaired by the Ministry of Finance and Development Planning and RC, and based on recommendations and inputs of the CCGs will make decisions on the allocation of the Botswana – MDTF resources in accordance with the allocation criteria.

The PSC will be responsible for approving all allocations of resources to Participating UN Organizations and ensuring that these allocations are consistent with the priorities set forth in the GoB – UN POP and are in line with national priorities. The PSC will decide on the allocation of funds based on recommendations from the CCGs (technical review and consultations). The PSC will ensure alignment and synergies to programmes of other development partners and donors. The final decision regarding allocation of funds will be made by consensus, allowing for dialogue between the Governments, the UN and other Implementing Partners (IPs) on the optimal allocation of resources.

The PSC will also be responsible for providing strategic orientation of the Botswana – MDTF on the basis of the GoB - UN POP and other national strategic plans as well as promoting and advocating a balanced approach in the allocation of resources to the respective GoB – UN POP programmatic priorities. The PSC will mobilize resources for the Botswana – MDTF.

Component Coordination Groups.

The five Component Coordination Groups (Governance and Human Rights Promotion, Economic Diversification and Poverty Reduction, Health and HIV/AIDS, Environment and Climate Change and Children, Youth and Women Empowerment) will technically review and provide PSC with recommendations on the allocation of the resources.

For earmarked contributions, which will be at a minimum, the applicable CCG’s will review and endorse the contribution and submit its recommendations to the PSC for final approval by Co-Chairs.

For unearmarked contributions an expanded UNCT meeting with high level MFDP representation will be convened, as and when such contributions become available. The expanded UNCT will review the priorities and needs of the GoB – UN POP and assign the contribution to one or more of these converting un-earmarked into earmarked contribution. The appropriate CCG will review and recommend allocation of the contribution in accordance with the above.

UN Resident Coordinator

Further to his/her capacity as the co-chair of the PSC, the RC will in consultation with the UNCT be responsible for:-

- Ensuring communication to Participating UN Organization, the Government and development partners of the PSC – approved resource allocations.
- Instructing the Administrative Agent to transfer the PSC – approved allocation of funds to Participating UN Organizations.
- Promoting synergies between the programmatic priorities of the GOB – UN POP to ensure coherence of the UN programmatic initiatives.

Programme Steering Committee

For all matters related to the Botswana – MDTF, CCGs and the UNCT will be supported by the Programme Steering Committee. The PSC will oversee Botswana – MDTF related processes. The committee will support the Administrative Agent in ensuring that the reporting requirements of the Botswana – MDTF as well as any periodic updates are met in a timely manner, and work closely with the Administrative Agent to maintain an appropriate level of information on the Administrative Agent's Botswana – MDTF website to ensure full transparency and accountability. The PSC will also support the UN Participating UN Organizations, where required on procedural aspects of the Botswana – MDTF and prepare and report on consultations with stakeholders regarding the fund.

Administrative Agent

In accordance with the UNDG Protocol on the Administrative Agent (AA), the responsibilities of the Administrative Agent {to be identified} will include the following:-

- Receipt, administration and management contributions from donors
- Disbursement of funds to the Participating UN Organizations, in accordance with instructions received from the RC in her capacity as the co-chair of the DPF
- Provision of support to the PSC in its reporting functions, as mutually agreed by the respective parties
- Provision of consolidated narrative and financial reports on the Botswana – MDTF Account to the PSC, UNCT, Donors and development partners, based on progress reports received from Participating UN Organizations, in accordance with the reporting schedule, which will be elaborated during the development of the Terms of Reference for the Botswana – MDTF.

In line with MOU between UN Participating Organizations and the Administrative Agent, and the UNDG Administrative Agent Protocol, a clear delineation including distinct reporting lines and an accountability framework, will be established and maintained within UNDP between its functions as an Administrative Agent and its functions as a Participating UN Organization.

The Administrative Agent will be entitled to allocate an administrative fee of one percent (1%) of the amount contributed by each donor, to meet the AA's costs of performing the AA's functions described in the MOU. This will be communicated to government.

V. Financial Viability

The MDTF in Botswana would be used to mobilize for the funding gap in implementation of the GoB – UN POP. The budget for the implementation of the plan is estimated at \$94 million. The UNCT under the direction of the UN Resident Coordinator will support the coherent resource mobilization, allocation and disbursement of donor resources.

The MDTF would be established to administer mainly un - earmarked commitments mobilized into a One Fund aimed at maximizing the effectiveness of UN system delivery in Botswana by pooling resources into a common fund for top national priorities as defined by the GoB – UN POP. The amount estimated for the One Fund is the total funding gap of the GoB- UN POP. The fund will be operational upon signing of the MOU until the end of plan period.