UNITED NATIONS   **NATIONS UNIES**

INTERNATIONAL RECONSTRUCTION FUND FACILITY FOR IRAQ:

UNDG IRAQ TRUST FUND STEERING COMMITTEE

TERMS OF REFERENCE
&
RULES OF PROCEDURE

1. Introduction

The UNDG Iraq Trust Fund Steering Committee (the "Steering Committee") is established to oversee and coordinate the operations of the UNDG Iraq Trust Fund (the "Fund") as stipulated in Annex 2 of the Terms of Reference of the International Reconstruction Fund Facility for Iraq (IRFFI), dated December 11, 2003. The IRFFI resulted from donors request to the United Nations Development Group (UNDG) and the World Bank to devise an appropriate funding facility that would enable them channel resources for the financing of priority reconstruction and rehabilitation activities in Iraq. The Terms of Reference of the IRFFI were presented at the Donor Conference in Madrid of October 2003 and subsequently finalised based on extensive consultations with the Iraqis and the donor community. In order to build on the respective strengths and comparative advantages of both the UN and the World Bank, the IRFFI comprises two trust funds: a UNDG Iraq Trust Fund ("the Fund"), administered by the United Nations Development Programme (the "Administrative Agent") on behalf of itself and Participating UN Organizations, and a World Bank Iraq Trust Fund, administered by the World Bank.

2. Structure and Composition

Membership:

To ensure and facilitate coordination of UN activities in Iraq, the Steering Committee includes heads of Participating UN Organisations which have assigned Heads for Iraq, and IOM. The Committee is chaired by the Deputy Special Representative of the Secretary General in Iraq (the "DSRSG") or his/her designate and would include the Executive Coordinator of the UNDG Iraq Trust Fund or his/her designate, as an ex-officio member.

The current members of the Steering Committee are:

DSRSG, Chair
Executive Coordinator, UNDG Iraq Trust Fund (ex-officio)

Heads of UN organizations, which have assigned Head/Representative for Iraq, and IOM:

ESCWA	UN-HABITAT
FAO	UNHCR
ILO	UNICEF
IOM	UNIDO
UNDP	UNIFEM
UNEP	UNOPS
UNESCO	WFP
UNFPA	WHO

Other UN Organizations such as ITU, UNODC and UNOHCHR do not currently have assigned Heads for Iraq in Amman

The Steering Committee will be supported by the Cluster Group who shall provide a peer review mechanism, inter-cluster coordination and screening of programme proposals as described in the Steering Committee's "Rules of Procedure" (Page 6-22). The Cluster Group is composed of Cluster Task Managers and one focal point from each of the five cross cutting themes. The Cluster Group members may sit in Steering Committee meetings as observers. The Cluster Task Managers will present final programme/project proposals to the Steering Committee. The members of The Cluster Group include:

Cluster		Cluster Task Manager
One:	Education and Culture	UNICEF
Two:	Health	WHO
Three:	Water and Sanitation	UNICEF
Four:	Infrastructure and Housing	UNDP
Five:	Agric, Water Res. & Environment	FAO
Six:	Food Security	WFP
Seven:	Mine Action	UNDP
Eight:	Refugees and IDPs	UNHCR
Nine:	Governance and Civil Society	UNDP
Ten:	Poverty Reduction and Human Dev.	UNDP
Eleven:	Support to Electoral Process	UNDPA

Cross Cutting Themes	Focal Point
Security	UNSECOORD
Human Rights	UN OHCHR
Gender	UNIFEM
Environment	UNEP
Employment Generation	ILO

Admission of observers:

Representatives of UN entities, who are not members of the Steering Committee, shall be invited to participate in Steering Committee meetings as observers, based primarily on two criteria:
- Involvement of the UN entity in programmes or projects financed or to be financed from the Fund; and
- Impact of programmes or projects financed from the Fund on the activities of the UN entity.

This shall include, *inter alia*, representatives of the Cluster Group, representatives from United Nations Secretariat Departments and non- resident UN organisations that do not have in country (Amman at present and later Baghdad) representation.

Decisions in this regard shall be made by the Chair, in consultation with other Steering Committee members, as appropriate.

Working Groups:

Working Groups shall be established by the Steering Committee on particular issues, as required. The activities of these groups shall be governed by the same rules and principles as those of the Steering Committee. Membership shall be determined on a case-by-case basis.

<u>Frequency of Meetings:</u>

The Steering Committee shall normally meet on a monthly basis in Baghdad (at present relocated to Amman, or as often as shall be determined by the DSRSG.

<u>Agenda:</u>

The agenda and supporting documentation shall be prepared and disseminated by the Steering Committee Support Office, in consultation with the Chair of Steering Committee and Cluster Task Managers. Any Cluster Group member or Cluster Task Manager may make requests for items to be included on the agenda.

<u>Quorum:</u>

A quorum of the Steering Committee shall consist of fifty percent plus one with a minimum of eight members in attendance.

3. Responsibilities

The primary responsibilities of the Steering Committee shall be:

- To review and approve the Terms of Reference and Rules of Procedures of the Steering Committee and update and/or modify them, as necessary.

- To ensure that the resources of the Fund are utilized for the purpose of meeting the costs of the UN areas of programme activities that would be carried out by the UN Country Team Clusters as contained in the Iraq Strategic Review Board approved "United Nations Strategy For Assistance To Iraq – 2004" subsequently endorsed by the Donors Committee, at its first meeting in Abu Dhabi, as the "Iraq Reconstruction and Rehabilitation Programme" and or additional priority programme of activities requested by the relevant Iraqi Authorities.

- To review and approve the criteria for the Cluster level allocation of available Fund resources as well as the subsequent approval of programme/project proposals and allocation of resources consistent with the provisions of the Rules of Procedure.

- To periodically review and confirm (where specific contributions have been earmarked by donors) as well as allocate (where contributions are un-earmarked) a time-based Planning Funding Figure to Clusters against which Clusters would in turn prepare and agree on intra-cluster prioritized Programme Outputs (along with an initial allocation of programme/project funding) that would enable Participating UN Organisations to prepare and submit programme/project proposals. All Programme Outputs would have to meet the critical test of being "deliverable within the approved time period", given the prevailing security situation and the Participating UN Organizations' delivery capacity.

- To review and approve programme/project proposals and funding requests submitted by Participating UN Organisations through Clusters, that have been approved by the appropriate Iraqi Line Ministry or comparable authorities and are consistent with funding earmarking or preferences specified in donor agreements, where appropriate.

- To discuss Fund requirements and priorities concerning, *inter alia*:
  - Programme/project management, including consistent and common approaches to programme/project costing, cost recovery, impact assessment (e.g. environmental impact), and implementation modalities.
  - Information management including appropriate donor visibility
  - Fund and other complementary resources requirements for carrying out readily implementable programme/project.

- To ensure conformity with Iraqi plans and priorities.

- To ensure coordination of Fund activities, avoid overlap and wherever possible ensure complementarity with activities of the World Bank Iraq Trust Fund.

- To review and approve the Fund's semi- annual and annual reports.

4. Decisions

The Steering Committee shall normally make decisions by consensus. However, where necessary, the DSRSG shall take final decisions on issues where the Steering Committee is unable to reach consensus. Decisions of the Steering Committee shall be duly minuted.

Decisions on programme/project proposals will only be taken upon completion of review by the appropriate Cluster and the Cluster Group as detailed in the Steering Committee's Rules of Procedure pages 7 and 8.

5. Steering Committee Support Office

UNDP as the Administrative Agent of the Participating UN Organisations, shall provide designated staff to support and facilitate the work of the Fund Steering Committee.

Under the supervision of the DSRSG and in close coordination with the Executive Coordinator, the UNDG ITF Steering Committee Support Office shall be responsible for, *inter alia*:

- Periodically reviewing the Rules of Procedures of the Steering Committee and in consultation with the Executive Coordinator, recommending changes or revisions to the Steering Committee.
- Reviewing proposals for allocation of funding to Clusters.
- Reviewing and analysing programme/project proposals received for funding through Cluster Task Managers from Participating UN Organisations.
- Ensuring inter-cluster consistency and providing guidance to Clusters and Participating UN Organizations on common methodology for programme/project costings, staffing and related salary scales, support costs, liability issues… etc.
- Facilitating the Cluster-level review of progress reports prepared by Participating UN Organizations.
- Calling and organising meetings of the Steering Committee.
- Developing and circulating meeting agendas and minutes.
- Documenting, communicating and ensuring follow-up of the Steering Committee's decisions.

6. Public Disclosure

The Steering Committee and the Executive Coordinator shall ensure that decisions regarding the review and approval of projects/programmes for UNDG Iraq Trust Fund funding as well as periodic reports on the progress of implementation of such projects/programmes, associated external evaluation and audit reports are posted for public information on the UNDG Iraq Trust Fund section of the IRFFI website. Such reports and documents may include, UNDG Iraq Trust Fund Steering Committee record of decisions, summary sheets of both approved and pipeline projects, fund level semi-annual financial and progress reports, summary of external audit reports and evaluation reports.

The Steering Committee and the Executive Coordinator shall take all reasonable steps to ensure the accuracy of such documents and that confidential materials are not posted on the website.

The Participating UN Organizations shall also take reasonable steps to ensure the accuracy of their postings on their respective websites regarding their operations and activities in Iraq which would be cross-linked to the UNDG Iraq Trust Fund section of the IRFFI website.

RULES of PROCEDURE

Review of Strategy

1. Steering Committee shall periodically review the "UN Strategy of Assistance For Iraq-2004" to reflect evolving socio-economic, political and security issues in Iraq and the UN's ongoing consultation with the Iraqi authorities, civil society and donors.

Strategic Allocation of Resources

2. Steering Committee shall periodically determine and update resource requirements to carry out the UN's Iraq Reconstruction and Rehabilitation Programme. On the basis of a "Funding Framework" that would be prepared by the Executive Coordinator (based on the IRFFI TOR Annex 2 II 2), the Steering Committee should review overall availability of contributions by donors regarding;

    a. Available un-earmarked voluntary contributions where the Cluster, project and executing Participating UN Organization(s) shall be approved by the Trust Fund Steering Committee;
    b. Contributions available for the purpose of financing a specific Cluster or sector of activity – for which the programme/project (s) concerned and executing Participating UN Organisation(s) shall be subsequently approved by the Trust Fund Steering Committee;
    c. Contributions for the purpose of financing a specific Participating UN Organisation – the programme/project (s) concerned shall then be y determined by the Participating UN Organisation, endorsed by the Cluster/Cluster Group and subsequently approved by the Trust Fund Steering Committee;
    d. Contributions for the purpose of financing a specific Participating UN Organisation in a specific Cluster or sector of activity – the programme/project (s) concerned shall then be determined by the Participating UN Organisation, endorsed by the Cluster/Cluster Group and subsequently approved by the Trust Fund Steering Committee.

3. Based on the Funding Framework, the Steering Committee shall, allocate or confirm a Planning Funding Figure to Clusters, including an appropriate allocation of un-earmarked funds.

4. The Cluster Task Managers, using the Planning Funding Figure as a guide, shall facilitate a prioritisation process within their Clusters. The Cluster shall determine a provisional allocation of programme/project funding, taking into account the following factors;

    ❑ already available bilateral or other funding for 2004,
    ❑ donor earmarking or preferences,
    ❑ programme/project implementability in 2004 given security situation and delivery capacity of the Participating UN Organization (s),
    ❑ degree of interagency collaboration, reflecting the Cluster principles of programme synergy, use of best practices and cost-effectiveness,
    ❑ other evaluation criteria contained in Annex 2, as appropriate, but with particular attention to B4 "..activities that are likely to impart positively the overall security situation at national and/or local levels", and B5 "activities that create significant employment opportunities…".

Project Submission and Approval Process

5. Participating UN Organizations prepare specific priority programme/project proposals utilising the standard format specified in Annex 3 that gives the programme/project objectives, expected outputs, cost, implementation plan etc. Participating UN Organisations shall obtain Line Ministry and Iraqi Strategic Review Board clearance according to the procedure indicated in Annex 1 (b). Cluster 11 Support to the Electoral Process will obtain clearance only from the Iraqi Electoral Commission.

6. The Cluster undertakes a critical technical review of the projects/programmes proposals prepared by the Participating UN Organizations within the framework of the overall Cluster Programme and prioritizes the projects/programmes proposals for UNDG ITF funding. Particularly focussing on:

   a. Implementability in 2004, given security situation and delivery capacity of the Participating UN Organization, and
   b. Degree of interagency cooperation in planning and implementation, reflecting the Cluster principle, and
   c. Employment creation.

7. Utilizing the standard Submission Form, the Cluster endorses priority project/programme of Participating UN Organization(s) and submits to SC Support Office for review and onward submission to the Cluster Group as appropriate. In the case of Cluster 11 the Submission Form and Programme Proposal will move straight to the Steering Committee for approval.

8. The Submission Form shall indicate for each project/programme, inter alia:

   a. How they reflect Iraqi priorities;
   b. Approval of appropriate Iraqi authorities;
   c. How they fit into the UN strategy – endorsement of the Cluster Task Manger; and
   d. Category of funding requested with reference to Funding Framework and Planning Funding Figure allocated to the Cluster.

9. The Steering Committee Support Office shall analyse and appraise the programme/project packages by Cluster and shall take into consideration Cluster assessment and recommendations. The Steering Committee Support Office shall assess submitted programme/project proposals for:

   ❑ Programme/project implementability in 2004, given security situation and delivery capacity of the Participating UN Organization
   ❑ Degree of interagency cooperation, reflecting the Cluster principle
   ❑ Employment creation opportunities
   ❑ Review of programme/project submission against guidelines (indicative list of questions contained in Annex 3 of programme/project format),
   ❑ Review of indirect/direct support cost proposals.

10. Projects that are found to meet the criteria for UNDG Steering Committee review will be forwarded to the Cluster Group by the Steering Committee Support Office. The Cluster Group shall subsequently undertake an inter-cluster peer review of programme/project proposals.

11. The Cluster Group shall forward priority programme/project proposals to the Steering Committee, through the Steering Committee Support Office, with its endorsement and recommendations five days before scheduled meeting.

12. The Steering Committee Support Office shall distribute to members of the Steering Committee two days prior to the date of the scheduled meeting, the submission forms and programme/project proposals, categorised by Cluster, with the Cluster Group's as well as its own recommendations to:

    a. Approve as requested,
    b. Approve with conditions

13. The UNDG Steering Committee shall review the programme/project proposals that will be presented by the appropriate Cluster Task Manager, along with the recommendations of the Cluster Group and the Steering Committee Support Office and take decisions to:

    a. Approve,
    b. Approve with conditions,
    c. Defer programme/project; or
    d. Return with comments for further consideration

14. The Chairman of the UNDG Steering Committee shall sign the Memorandum of Understanding with the Iraqi authorities attached at Annex 1(c) on behalf of the Participating UN Organisations. For Cluster 11 the MOU will be signed on the Iraqi side only be the Iraqi Electoral Commission.

Programme/Project Implementation

15. Based on the approval of the UNDG ITF Steering Committee, and the signature of the Memorandum of Understanding between the Iraqi authorities and the Chair of the Steering Committee, the Executive Coordinator shall transfers approved funds for programme/project implementation to the particular Participating UN Organisation (s), after ensuring consistency with the applicable provisions of the Letter of Agreement (LOA) entered between donors and UNDP, as the Administrative Agent of the Participating UN Organisations. Copy of the fund transfer advice shall be provided to heads of the concerned Participating UN Organisations in Amman/Baghdad. The advice shall indicate whether earmarked and/or unearmarked funds are utilised.

16. In line with the Memorandum of Understanding (MOU) between the Administrative Agent and Participating UN Organizations, the latter shall submit, on a semi-annual basis, financial and progress reports to the Executive Coordinator of the UNDG ITF.

17. Subsequently, in accordance with the LOA entered between Donors and the Administrative Agent, the Executive Coordinator shall in turn submit consolidated Fund level reporting to all Fund Donors. Standard UNDG financial and progress reporting formats, shall be utilised as indicated in Appendix B and Appendix C.

18. As required by the Chair, the Executive Coordinator shall update the Steering Committee on programme/project progress.

19. Subsequent Steering Committee approval of future allocation and/or approval of funding as per 3 and 13 of the Rules of Procedures shall be "performance based".

ANNEX 1

<div style="text-align:center">

Submission Form
To
UNDG Iraq Trust Fund Steering Committee

</div>

To be completed by the Support Office of the Steering Committee	
Meeting No:	Date of Meeting:
Item No:	Programme / project

(To be completed by the Participating UN Organisation and endorsed by Cluster Task Manager)

To: UNDG Iraq Trust Fund Steering Committee	Date of Submission:
From: Head of UN Participating Organisation	Contact: Telephone number, email
Through: Cluster Group/Cluster Task Manager ☐ Endorsement ☐ Comments	Contact: Telephone number, email
Proposed submission, if approved would result in: ☐ Continuation of existing programme/project ☐ New programme/project ☐ Other (explain)	Proposed submission resulted from: ☐ UN Agency initiative within UN Strategic Plan ☐ Additional request from Iraqi authorities ☐ Other (explain)
Programme/project Title:	
Amount of funds requested for Proposed Programme/project:	
Estimated number of beneficiaries: direct _____ indirect _____	
Request against specific earmarking or unearmarked:	
Amount of indirect costs requested: (%)	

1. Background

Provide brief and concise information on the background of the programme/project. Indicate how originated, refer to cluster programme, request endorsement or approval by relevant Iraqi authorities etc. If extension of existing programme/project provide information on original programme/project, such as number, programme amount, date of approval.

2. Purpose of Proposed Programme/Project

Detail key objectives, outputs and activities from programme/project cover sheet and attach detailed programme/project document in standard format (annex 3).

3. Evaluation of Proposals by the Cluster

Provide concise summary evaluation of proposal against:
❑ *Criteria in annex 2A:*

	General principles and selection criteria	
(a)	Must fall with the UN's mandate, and must address the Millennium Development Goals, directly or indirectly through a human rights-based approach,	Yes ☐ No ☐
(b)	Must be explicitly based on Iraq's national priorities and needs, as noted in the public domain, or in the absence of these, to the Needs Assessment,	Yes ☐ No ☐
(c)	Must promote and ensure national ownership,	Yes ☐ No ☐
(d)	Must be at an acceptable level of risk, within UN parameters,	Yes ☐ No ☐
(e)	Must fall within the areas of UN's comparative advantage,	Yes ☐ No ☐
(f)	The UN must be an appropriate system to deliver the intervention,	Yes ☐ No ☐
(g)	The UN response must be properly designed for and within the cluster setting, must be effective, coherent, context-sensitive, cost-efficient and the outcomes, sustainable,	Yes ☐ No ☐
(h)	Must avoid duplication of and significant overlap with the activities of other actors,	Yes ☐ No ☐
(i)	Must use strategic entry points that respond to immediate needs and yet facilitate longer-term improvements,	Yes ☐ No ☐
(j)	Must build on existing capacities, strengths and experience,	Yes ☐ No ☐
(k)	Must promote consultation, participation and partnerships,	Yes ☐ No ☐
(l)	Operational arrangements must explicitly address the questions of limited international access, at least for the foreseeable future, and coordinated cross-border support and communications, and	Yes ☐ No ☐
(m)	Minimum access must be maintained for UN national staff, to interlocutors and target beneficiaries.	Yes ☐ No ☐
If one or more of the above criteria is not met, please explain:		

❑ *Implementability*

	2004	*2005*	*2006*
Estimated commitments ($mill)	____	____	____
Estimated disbursements ($mill)	____	____	____

❑ *International Personnel in Iraq(both private contractors and NGOs)*

	2004	*2005*	*2006*
Estimated person months	____	____	____

❑ *Degree of interagency cooperation[1]:* *Appropriate* ☐ *Limited* ☐ None ☐

If "Limited" or "None", please explain:

❑ *Employment creation* Yes ☐ No ☐

Provide an estimate of how many short (under 1 month) and medium/long term (over 3 months) jobs will be created by the project:

	2004	*2005*	*2006*
Estimated short term	____	____	____
Estimated long term	____	____	____

If one or more of the above criteria is not met, please explain:

Does the project correspond to the list of 727 projects presented by the Iraqi authorities in Abu Dhabi?
☐ Yes   ☐ No

Does the project correspond to the list of 120 projects presented by the Iraqi authorities in Doha?
☐ Yes   ☐ No

If yes, please state title of the project and the responsible ministry:

If no, please state closest project from the priority list or why the project falls outside of the list of priority projects?

☐   Project cleared by the Iraqi Strategic Review Board on _____ (date)
☐   Project approved by Line Ministry _____ on _____ (date)

---

[1]Appropriate: UN Organizations in Cluster are involved in design and/or delivery
Limited: UN Organizations in Cluster are not adequately involved in design and/or delivery and need improvement

☐   Project not yet approved by ISRB and or Line Ministry _____

4. Review by Steering Committee Support Office

Check on Programme/Project Proposal Format Contents

❑ Cover sheet (first page)	Yes ☐	No ☐
❑ Logical Framework	Yes ☐	No ☐
❑ Programme/Project Justification	Yes ☐	No ☐
❑ Programme/Project Management Arrangements	Yes ☐	No ☐
❑ Risks and Assumptions	Yes ☐	No ☐
❑ Budget	Yes ☐	No ☐
❑ Progress Report (for supplementary funding only)	Yes ☐	No ☐
❑ Support Cost	Yes ☐	No ☐

Provide concise summary assessment against:

❑ *2004 Implementability*

> Elaborate

❑ *Interagency cooperation*

> Elaborate

❑ *Employment creation*

> Elaborate

❑ *Agency indirect support cost*

> Elaborate

To be completed by the Steering Committee Support Office

❑ *General evaluation criteria at annex 2.B.*

	General criteria for prioritising clusters	
(a)	Must be in line with Iraqi priorities.	Yes ☐ No ☐
(b)	Cluster is unable to meet high or urgent priority needs with existing level of funding.	Yes ☐ No ☐
(c)	Need to address high priority activities that have significant impact, and by nature must address seasonal or timing imperatives and considerations.	Yes ☐ No ☐
(d)	Supports activities that are likely to improve the overall security situation at national and local levels.	Yes ☐ No ☐
(e)	Activities that create significant employment opportunities and reduce the suffering of the people, especially among the most vulnerable groups.	Yes ☐ No ☐
(f)	As the improving security situation permits, activities that exploit the opportunities presented.	Yes ☐ No ☐
	Number of criteria met:	__ of 6

❑ *Overall review of programme submission*

Recommendations

> Elaborate

5. Review by Cluster Group

Provide comments on:

- ❑ *Inter-cluster coordination*
- ❑ *Best management and implementation practices*
- ❑ *Location specific synergy*

> Elaborate

To be completed by the Steering Committee Support Office

6. Decision of the UNDG ITF Steering Committee

☐   **Approved for a total budget of $.......**
☐   **Approved with modification/condition**
☐   **Deferred**

Reason/Comments

Elaborate

Jean-Marie Fakhouri, DSRSG
Chair of the UNDG ITF Steering Committee

………………………………………   ………………..
           Signature   **Date**

7. Follow up action taken by the Executive Coordinator of the UNDG ITF

☐   Project approved by Memorandum of Understanding with ISRB on _____ (date)
☐   Project consistent with earmarking provisions of the Letter of Agreement (if applicable)

Funding approved against:

☐   Un-earmarked contributions
☐   Specific cluster earmarking
☐   Specific earmarking to a Participating UN Organisation
☐   Specific earmarking to a Participating UN Organisation for a specific cluster

Bisrat Aklilu,
Executive Coordinator of the UNDG Iraq Trust Fund

………………………………………   ………………..
Signature   **Date**

Annex 1 (b)

ISRB approval process

Annex 1 (c)

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE UNITED NATIONS DEVELOPMENT GROUP
AND
THE IRAQI STRATEGIC REVIEW BOARD
AND
THE MINISTRY OF.. _____**

ANNEX 2

Evaluation Criteria*

Selection and Prioritisation Criteria

A.   The general principles and selection criteria that are applied to prioritising programmes within a cluster are:

(a)   Must fall with the UN's mandate, and must address the Millennium Development Goals, directly or indirectly through a human rights-based approach,

(b)   Must be explicitly based on Iraq's national priorities and needs, as noted in the public domain, or in the absence of these, to the Needs Assessment,

(c)   Must promote and ensure national ownership,

(d)   Must be at an acceptable level of risk, within UN parameters,

(e)   Must fall within the areas of UN's comparative advantage,

(f)   The UN must be an appropriate system to deliver the intervention,

(g)   The UN response must be properly designed for and within the cluster setting, must be effective, coherent, context-sensitive, cost-efficient and the outcomes, sustainable,

(h)   Must avoid duplication of and significant overlap with the activities of other actors,

(i)   Must use strategic entry points that respond to immediate needs and yet facilitate longer-term improvements,

(j)   Must build on existing capacities, strengths and experience,

(k)   Must promote consultation, participation and partnerships,

(l)   Operational arrangements must explicitly address the questions of limited international access, at least for the foreseeable future, and coordinated cross-border support and communications, and

(m)   Minimum access must be maintained for UN national staff, to interlocutors and target beneficiaries.

B.   The general criteria for prioritising clusters at any given time are:

1.   Must be in line with Iraqi priorities.

2.   Cluster is unable to meet high or urgent priority needs with existing level of funding.

3.   Need to address high priority activities that have significant impact, and by nature must address seasonal or timing imperatives and considerations.

4.   Supports activities that are likely to improve the overall security situation at national and local levels.

5.   Activities that create significant employment opportunities and reduce the suffering of the people, especially among the most vulnerable groups.

6.   As the improving security situation permits, activities that exploit the opportunities presented.

* As developed and distributed at the Abu Dhabi Donor Meeting

ANNEX 3

UNDG Iraq Trust Fund Programme/Project Proposal Format and Guidelines

Contents:

1. Cover sheet (first page of the programme/project document)
2. Logical Framework (Appendix A)
3. Programme/Project Justification
4. Programme/Project Management Arrangements
5. Risks and Assumptions
6. Programme/Project Budget (Appendix B)
7. Progress Report (Appendix C)

UNITED NATIONS DEVELOPMENT GROUP IRAQ TRUST FUND
PROJECT DOCUMENT COVER SHEET

Participating UN Organisation:	Cluster:
Programme/Project Manager **Name:** **Address:** **Telephone:** **E-mail:**	**Cluster Task Manager** **Name:** **Address:** **Telephone:** **E-mail:**
Programme/Project Title: **Programme/Project Number:**	**Programme/Project Location:**
Programme/Project Description: Sentence identifying issue/problem tackled and people affected	**Total Programme/Project Cost:** **UNDG ITF:** **Government Input:** **Other:** **Total:**
	Programme/Project Duration:

Development Goal and Key Immediate Objectives:

Outputs and Key Activities: Paragraph outlining essential details of the programme/project
Cluster R**eview Date**: _____ Cluster Group Review Date: _____ Steering Committee Approval Date: _____ ISRB Approval Date: _____

On behalf of:	*Signature*	*Date*	*Name/Title*
UN Participating Organisatio			
Chairman UNDG ITF SC			**Jean-Marie Fakhouri, DSRSG**

2. Logical framework

A logical framework is required for programmes/projects greater than $500,000. See Annex A for the format. For smaller programmes/projects, if a log frame is not used, a narrative statement including clearly stated objectives, outputs, activities, indicators and risks should be provided.

3. Programme/project Justification

The background to the programme/project, and the approach adopted should be explained.

Background

- What experience does the organisation have of working on this issue in Iraq or countries in similar circumstances?

Programme/project approach

An indicative list of issues/questions the programme/project description is expected to address:

- What problem(s) does the programme/project address? What specific assessments have been made and by whom?

- How do the proposed outputs and activities help solve these problems? How does the programme/project fit in with the UN Strategy for Assistance to Iraq? What would happen without the programme/project?

- What are the essential features of the programme/project 's operating environment including the problems and opportunities provided by evolving social, political, institutional and economic context in Iraq?

- Were any alternative approaches considered to the ones proposed? If so why were they rejected?

- What are the expected benefits?

- Who are the main beneficiaries, and how will they benefit? Are there other stakeholders who may gain or lose as a result of the programme/project? How will stakeholder participation be handled?

- Are the needs of particularly vulnerable or marginalised groups addressed? How?

- Will the beneficiaries of the programme/project participate in its development and delivery? How?

- Will men and women benefit from the programme/project? How will any gender inequalities be handled?

- Have environmental concerns been addressed including environmental impact/risk assessment where relevant?

Are there specific issues in relation to the security situation? How will they be handled?

- How does the programme/project relate to existing ministerial structures and how will it contribute to capacity building in ministries?

- What lessons have been learnt from previous experience in this area or type of programme/project?

4. Management arrangements

Give a brief description of programme/project implementation and monitoring arrangements to ensure the cost-effective and efficient attainment of the outputs identified in the logical framework, including:

- Programme/project implementation and supervision arrangements; indicate in-country and region based capacity of organisation including length of presence and staff; indicate names, track record and expertise of any implementing partners;
- Specific delivery mechanism chosen reflecting security conditions and in particular detailing proposed use of international staff in Iraq both from private contractors and NGOs

- Indicate line ministry counterpart and extent of cooperation;

- Indicate intra cluster cooperation and what goods/services other agencies are supplying or intend to supply including proposed utilisation of common services;

- Indicate the overall timeframe for the programme/project, work plan, and timetable for specific activities;

- Reliability of the costing of programme/project inputs and comparability with other UN organisations; arrangements for procuring and transporting programme/project inputs, to ensure local appropriateness and acceptability, as well as security and value-for-money under the circumstances;

- Systems for programme/project monitoring (including financial tracking and accounting audit), quality control (including lesson learning, and corrections), and impact assessment; methods for data collection and monitoring

5. Analysis of risks and assumptions

Key assumptions with regard to external factors that are outside programme/project control but nevertheless necessary to the achievement of programme/project outputs and purpose should be stated in the log frame.

- Refer to relevant aspects of most recent UNSECOORD assessment on security environment and measures taken by the Participating UN Organisation to protect personnel and assets

- Assess other main potential causes of failure, their likelihood of occurrence, and the seriousness of consequences that would be suffered;

- Options considered and the steps taken in programme/project design and implementation to address, and minimise or mitigate the potential risks;

- Any undertakings or agreements made with partners which impact on programme/project implementation; how observance of undertakings will be monitored; the implications of non-compliance.

6. Programme/Project Budget

See Appendix B for recommended format.

7. Progress Report

See Appendix C for Preliminary Outline

THE LOGICAL FRAMEWORK

UNDG ITF proposes to utilise the log frame below for programme/project   submissions because it:

- Has been used in the UN strategic planning process for Iraq
- It brings together in one place a clear, concise and accessible statement of all of the key components of programme/project s submitted;
- Indicates the logic of how the programme/project   is expected to work, separating out the various levels in the hierarchy of objectives, and helping to ensure that inputs, activities, outputs and objectives are not confused with each other;
- It provides a basis for monitoring and evaluation by identifying indicators of success and a means of quantitative or qualitative assessment, which will be essential for reporting on implementation to donors.

Objectives	Measurable indicators	Means of verification	Important assumptions
Development Objective *Wider problem the programme/project will help to resolve*	Quantitative ways of measuring or qualitative ways of judging timed achievement of goal	Cost-effective methods and sources to quantify or assess indicators	External factors necessary to sustain objectives in the long run
Immediate Objectives: *The immediate impact on the programme/project area or target group i.e. the change or benefit to be achieved by the programme/project*	Quantitative ways of measuring or qualitative ways of judging timed achievement of purpose	Cost-effective methods and sources to quantify or assess indicators	**(Immediate Objective to Development Objective)** External conditions necessary if achieved programme/project purpose is to contribute to reaching programme/project goal
OUTPUTS: *The specifically deliverable results expected from the programme/project to attain the objectives*	Quantitative ways of measuring or qualitative ways of judging timed production of outputs	Cost-effective methods and sources to quantify or assess indicators	**(Outputs to immediate objective)** Factors out of programme/project control which, if present, could restrict progress from outputs to achieving programme/project objectives
ACTIVITIES: *Tasks to be done to produce the outputs*	**INPUTS:** This is a summary of the programme/project budget (sub-budgets and total as in Annex B)	Financial report	**(Activity to output)** Factors out of programme/project control which, if present, could restrict progress from activities to achieving outputs

THE PROGRAMME/PROJECT BUDGET

The budget would utilise the Standard Format* agreed by UNDG Financial Policies Working Group with necessary modifications emanating from discussions and agreement with the World Bank on common financial reporting under the IRFFI.

Budgets could be presented in the following Atlas compatible format (still under discussion and to be finalized):

CATEGORY	ITEM	UNIT COST	NUMBER OF UNITS	TOTAL COST
1. Personnel • including staff and consultants				
2. Contracts • including companies, professional services, grants				
3. Training				
4. Transport				
5. Supplies and commodities				
6. Equipment				
7. Travel				
8. Miscellaneous				
9. Agency Management Support**				

  * The Standard Financial Report that has been reviewed with the UNDG Financial Policies Working Group and is presently under discussion with the World Bank

  ** The rate shall be within the UNDG agreed range of 5% to 9%, with overall expected average of 7%, of the total of categories 1-8. To the maximum extent possible such costs should be integrated into categories 1-7 if appropriately determined as "direct costs attributable to the programme/project" thereby reducing the overall indirect cost rates.

PRELIMINARY STANDARD PROGRESS REPORT OUTLINE *

Reporting UN Participating Organisation:
Country: Iraq

Programme/Project No. and Programme/Project Title:
Reporting Period:

I. PURPOSE

This section is a résumé of the Programme/project   as approved in programme/project   submission to the UNDG ITF Steering Committee. It includes:
- Main objectives and outcomes expected as per approved Project/Programme/project Document.
- Reference to how the programme/project   relates to the UN Assistance Strategy to Iraq and how it aims to support international and national development goals including the Millennium Development Goals and other goals as pertinent.
- A listing of the main international and national implementing partners involved.

II. RESOURCES

This section includes total approved budget and summary of resources available to the programme/project   from Iraq Trust Fund and non-Fund resources, identifying earmarking if applicable.

III. RESULTS

Information in this section includes:
- An assessment of the extent to which the programme/project   component/programme/project is progressing in relation to the outcomes and outputs expected for the year.
- Main activities undertaken and achievements.
- Implementation constraints, lessons learned from addressing these and knowledge gained from evaluations and studies that have taken place during the reporting period.
- Key partnerships and inter-agency collaboration: impact on results.
- Other highlights and cross cutting issues pertinent to the results being reported on.

IV. FUTURE WORK PLAN

Information in this section includes:
- Priority actions planned for the subsequent reporting period to overcome constraints, build on achievements and partnerships, and use the lessons learned during the previous period.
- Indication of major adjustments in the strategies, targets or key outcomes and outputs.
- Estimated Budget required (including any major funding shortfalls).

----
* To ensure overall consistency of Progress Reporting to Donors, this will be discussed with the World Bank to arrive at a degree of harmony, not necessarily uniformity