

# TERMS OF REFERENCE

## UN COVID-19 Response and Recovery Multi-Partner Trust Fund

3 April 2020

## I. UN COVID-19 RESPONSE AND RECOVERY MULTI-PARTNER TRUST FUND

1. **The United Nations (UN) COVID-19 Response and Recovery Multi-Partner Trust Fund** (COVID-19 MPTF or the Fund) is a UN inter-agency finance mechanism **launched by the UN Secretary-General to support low- and middle- income programme countries in overcoming the health and development crisis caused by the COVID-19 pandemic.** The Fund's assistance targets those most vulnerable to economic hardship and social disruption. These Terms of Reference (TOR) describe the key features of the Fund.
2. The United Nations Secretary-General launched a Call for Solidarity as the COVID-19 pandemic is spreading human suffering, infecting the global economy and upending people's lives. The Fund supports finance towards the three objectives of the [UN Secretary-General's Call for Solidarity](#), a plea for global action to stop the COVID-19 pandemic and the suffering it has caused. The Call's objectives include:
  - i. Tackle the health emergency;
  - ii. Focus on the social impact, and the economic response and recovery; and
  - iii. Help countries recover better.
3. The COVID-19 MPTF is established for a period of two years (until April 2022) to finance efforts to meet these three objectives through actions described in Section 2 of this terms of reference (TOR).
4. The Fund complements the [World Health Organization \(WHO\)'s Strategic Preparedness and Response Plan](#) and the [UN Office for the Coordination of Humanitarian Affairs \(OCHA\)'s Consolidated Global Humanitarian Appeal for COVID-19](#).
5. **The Fund's coverage extends to all low- and middle- income programme countries and, in particular, those populations not included in the Global Humanitarian Appeal,** helping to safeguard their progress towards the Sustainable Development Goals. It serves as an instrument UN Country Teams can leverage to support national governments and communities in meeting priorities and defining programming responses that assure their recovery and reach the poor and the vulnerable.
6. **The Fund's financial requirements are projected at US\$2 billion with US\$1 billion in the first nine months of operation,** noting that these requirements will be reviewed with the evolution of needs as a result of the pandemic.
7. The Fund aligns with the UN development system repositioning, offering a **cohesive UN response** to national governments through a common funding mechanism led by UN Resident Coordinators at the country level. It leverages the critical expertise and delivery capacities of UN entities, harnesses the resources of the public and private sectors, and offers whole-of-government and whole-of-society approaches to help close gaps in National Plans for Combating COVID-19 and the global and regional responses.
8. The UN COVID-19 MPTF ensures:
  - i. A coherent UN System response that **links the global vision to country action** and channels resources through a common funding mechanism built on specific UN Agency mandates, operational strengths, programmatic offers and existing procedures;
  - ii. **Innovation and rapid data-driven solutions** with a whole-of-government approach;
  - iii. **Rapid resource allocation** enabling effective and prompt response;

- iv. **Greater flexibility** – allowing actions that address needs of countries and governments across the humanitarian, recovery and development nexus
  - v. A **tested and successful model** that offers a transparent, accountable and cost-effective financial instrument with all fund information accessible on-line and in real-time;
  - vi. A **results-based management system** through which the Fund's contribution to the COVID-19 response can be monitored;
  - vii. **Mobilization of funding** from Member States, inter-governmental and non-governmental organizations, private companies, foundations and individuals;
  - viii. A **transparent and accountable pooling of resources that strengthens risk management** for all stakeholders; and
  - ix. Support for efforts in establishing a **global platform** that facilitates the work of the other partners and stakeholders in the fulfilment of the strategic objectives.
9. The UN COVID-19 Fund gives the Designate of the Secretary-General for the COVID-19 MPTF - under the direct oversight of the Deputy Secretary-General/UNSDG Chair and in consultation with the Fund's Advisory Committee (as further described below) - the ability to allocate funds to priority needs, encourage early donor contributions, and allow for rapid response to unforeseen demands.
  10. The UN COVID-19 MPTF builds on lessons learned from the [Ebola Response MPTF](#) (2014-2018), which programmed US\$166 million from 47 governments and the private sector across 16 UN Agencies (See [Final Report](#) and [Lessons Learned Exercise](#)) and the [Central Fund for Influenza Action](#) (2008-2012), which programmed US\$45 million across 14 UN Agencies. These Funds have demonstrated that a coordinated funding mechanism can strengthen the response to and recovery from infectious disease outbreaks.
  11. Operational procedures of the UN COVID-19 MPTF are streamlined to facilitate rapid fund allocation processes. The Fund is designed to offer fast and flexible finance to meet the shifting demands of this rapidly developing and multidimensional global crisis.

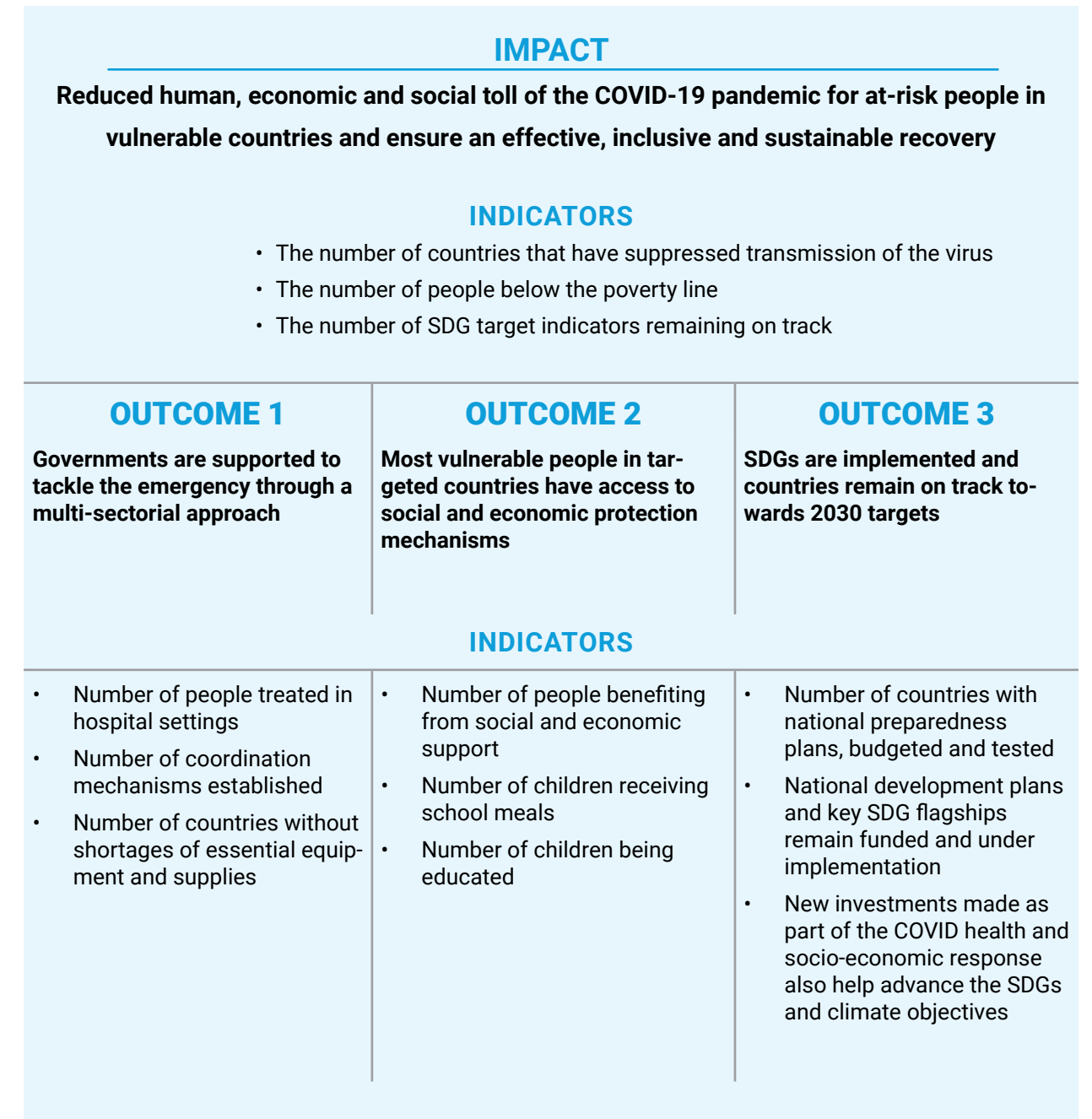
## II. FUND SCOPE AND THEORY OF CHANGE

12. The Fund seeks to *"Reduce human, economic and social suffering caused by the COVID-19 pandemic in the most vulnerable countries, and ensure an effective, inclusive and sustainable recovery"* in coordination with other funding mechanisms and political leadership. It will ensure strong interlinkages and synergies across humanitarian, recovery and development action, with a focus on country-specific challenges and opportunities.
13. The Fund's primary impact indicators are:
  - i. The number of countries that have suppressed transmission of the virus;
  - ii. The number of people below the poverty line; and
  - iii. The achievement of SDG target indicators remaining on track.
14. The Fund's strategy builds on the responsibility of **national governments as critical actors** in the response to COVID-19, and it helps them implement **National Plans for Combatting COVID-19** based on their particular needs and capacities. In full alignment with the 2030 Agenda, the Fund will offer fast and flexible finance with an emphasis on the cross-sectoral approaches needed to close gaps in **primarily national but also global and regional responses.**

15. The UN COVID-19 MPTF has multiple links to the **Sustainable Development Goals (SDGs)** adopted by United Nations Member States in 2015. It will directly support SDG 3 to ensure healthy lives and promote well-being for all at all ages. It will also support SDG 1 to end poverty, SDG 2 to end hunger, SDG 4 to ensure quality education, SDG 5 to achieve gender equality and empower all women and girls, SDG 8 to promote economic growth, SDG 9 to build resilient infrastructure and foster innovation as well as several others.
16. The Fund will establish three Windows aligned to the Report [“Shared responsibility, global solidarity: Responding to the socio-economic impacts of COVID-19”](#).
17. **Window 1: Enable Governments and Communities to suppress the transmission of the virus** will provide people in affected low- and middle-income countries with access to quality treatment and infection control and prevention measures through multi-sectorial aid. Funded activities will, inter alia:
- Support countries to fully implement their **National Plans for Combating COVID-19**, helping them to close critical gaps, for example, pertaining to limiting transmission, the acquisition of essential equipment and supplies, scaling up country preparedness and response operations, and the payment of salaries and incentives to their healthcare and social workforce; and
  - **Assist non-health ministries and government agencies** (such as ministries of education, agriculture, women’s empowerment, transport, interior, labour, social welfare, and public services), along with local governments, to maintain situation rooms and to provide critical services interrupted by COVID-19.
18. **Window 2: Mitigate the socio-economic impact and safeguard people and their livelihoods** will finance social protection mechanisms meant to help prevent people directly or indirectly affected by the COVID-19 pandemic from falling into or farther into poverty, mainly through social protection mechanisms. It aims to ensure that the burden of response and recovery are not disproportionately carried by the most vulnerable, and prevent that a legion of new poor is created; that existing multi-dimensional poverty deepens; and/or that humanitarian crises triggered by resource scarcity. Funded activities will, inter alia:
- Enhance **social protection mechanisms** through immediate impact measures; scale-up cash transfers, insurance, food security, asset creation, and safety nets; and relieve the disproportionate burden of COVID-19 on women and children;
  - Meet **children’s food and educational needs** through school meal programmes and access to learning;
  - Promote **digital innovations** that boost employment, support livelihoods, and improve the provision of social services in line with COVID-19 response measures.
19. **Window 3: Recover Better** to ensure the achievement of SDG targets by 2030 despite the current and possible future shocks. Funded activities will, inter alia:
- Strengthen and test **national preparedness** measures inclusive of integrated disease surveillance and response, community-based surveillance, maintenance of key services; healthcare and social worker workforce readiness, laboratory capacity; public procurement protocols and logistics; clear and targeted communications; and national plans that include dedicated budget lines for funding preparedness; cross-border collaboration,
  - Invest in **effective and innovative delivery of public services to achieve sustainable and inclusive economies** that leave no-one behind and safeguard country SDG programmes from COVID-19-related setbacks.
  - Ensure that new investments done as part of the response to COVID are helping advance the SDGs and climate commitments.

20. All UN COVID-19 MPTF funded initiatives – including through fiscal and monetary stimulus packages - will promote an inclusive and human rights-based approach to the provision of services and livelihood support, ensuring that COVID-19 responses fully incorporate human rights considerations. The funded initiatives need to address gender implications of COVID-19 and design tailored actions to avoid gender-based discrimination.

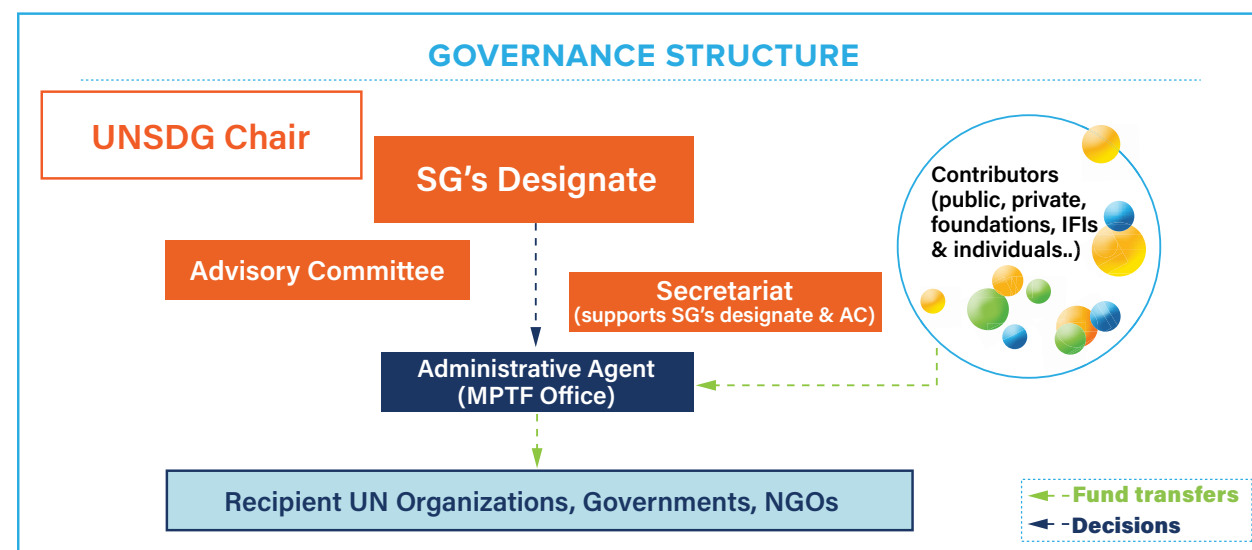
Figure 1: Logical Framework of the UN COVID-19 MPTF



### III. GOVERNANCE ARRANGEMENTS

21. The figure below presents the governance structure of the UN COVID-19 MPTF. The governance structure and arrangements provide for an efficient and effective decision-making and oversight framework, ensuring streamlined allocation processes and clear lines of accountability. The governance arrangements are built to ensure transparency and accountability. The management of the Fund comprises three levels:
- Fund Governance (the Designate of the Secretary-General for the COVID-19 MPTF, the Advisory Committee)
  - Fund Management (Secretariat, UN DCO with management and administrative support of the MPTF Office)
  - Fund Implementation (Recipient United Nations Organizations)

Figure 2: The UN COVID-19 MPTF Governance Architecture



#### Leadership

22. The Fund will operate under the overall leadership of the UN Secretary-General through his Designate of for the COVID-19 MPTF. The Secretary-General's designate will serve as the Chair of the Advisory Committee. Working under the direct guidance of the Deputy Secretary-General/UNSDG Chair, the Designate of the Secretary-General for the COVID-19 MPTF will have the following responsibilities:
- Oversight and strategic direction of the Fund and mobilization of its resources in accordance with the TOR;
  - Approval of programme/project proposals, after technical review undertaken by the Fund Secretariat, and funding decisions;
  - Reporting (twice a year) to the UNSDG on the activities of the Fund;
  - Receipt and review of the periodic and annual progress narrative and financial reports prepared by the Fund Secretariat and the Administrative Agent.

#### Advisory Committee

- The Advisory Committee will support the Designate of the Secretary-General for the COVID-19 MPTF in the timely allocation and disbursement of donor resources.
- The Advisory Committee will provide advice to the Designate of the Secretary-General for the COVID-19 MPTF in the management of the UN COVID-19 Fund. The Advisory Committee will also serve as a forum for discussing strategic issues and sharing information on funding coverage.
- The Advisory Committee will include UN Agencies, Funds and Programmes selected based on the substantive focus of the Fund, up to five representatives of contributing partners (selected by the Designate of the Secretary-General for the COVID-19 MPTF), representatives of selected affected countries, and the four ex-officio members WHO, OCHA, UN Development Coordination Office (DCO) and the MPTF Office. The Chair may invite other participants to Advisory Committee meetings.
- The Advisory Committee will meet monthly or more frequently as needed for urgency and the optimum fund performance, and it may be convened by video or teleconference.

#### Fund Secretariat

- The Chair of the Advisory Committee will be supported by a Fund Secretariat to ensure the day to day management of the Fund. The Fund Secretariat will provide technical and management support to the Designate of the Secretary-General for the COVID-19 MPTF; prepare the draft Fund strategy for approval by the Chair; assure the rapid delivery of funds and investment plans; manage calls for proposals; provide technical assessment of requests in line with the strategic priorities of the Fund and the evolving pandemic; monitor and report on the Fund's programmatic performance; and communicate requirements and results.
- The Fund Secretariat will be hosted by the UN DCO with management and administrative support of MPTF Office. The initial Fund Secretariat will be composed of a Head of Secretariat, a Technical Specialist, a Monitoring and Evaluation Officer, and an Operations Assistant. Inter-agency staff loans from UN entities will be encouraged.
- The costs of the Fund secretariat will be covered by the UN COVID-19 MPTF as direct costs.

#### Recipient Organizations

- The UN COVID-19 MPTF is designed to allocate resources to Recipient UN Organizations to undertake **single-agency or joint programmes** aligned with the Fund's objectives.
- Recipient UN Organizations sign a standard Memorandum of Understanding with the MPTF Office. Each Recipient UN Organization shall assume full programmatic and financial accountability for the funds disbursed to it by the Administrative Agent. Indirect costs of the Recipient UN Organizations will be up to 7%.
- Government entities and civil society organizations will access the Fund as implementing partners of Recipient UN Organizations.

## Administrative Agent

33. The UN COVID-19 MPTF is administered by the Multi-Partner Trust Fund Office (MPTF Office), acting as the Administrative Agent. The Multi-Partner Trust Fund Office is a UN facility, hosted by the UN Development Programme (UNDP).
34. This MPTF Office 1% fund administration fee covers all Administrative Agent costs throughout the fund life cycle from design, initiation, and implementation to fund closure.
35. Administrative Agent will be accountable for effective and impartial fiduciary management and financial reporting, and on behalf of United Nations, the Administrative Agent will:
  - i. Receive contributions from donors that wish to provide financial support to the Fund;
  - ii. Administer such funds received, in accordance with the Memorandum of Understanding to which the present TOR are attached as an Annex, and the Administrative Arrangement, including the provisions relating to winding up the Fund Account and related matters;
  - iii. Conclude a standard Memorandum of Understanding with each Recipient UN Organization wishing to support the implementation of activities for which they will receive funds from the Fund;
  - iv. Subject to availability of funds, disburse such funds to each of the Recipient Organizations in accordance with decisions from the Designate of the Secretary-General for the COVID-19 MPTF, taking into account the budget set out in the approved programmatic document;
  - v. Ensure consolidation of statements and reports, based on submissions provided by each Recipient Organization, as set forth in the TOR, and provide these to each donor, that has contributed to the Fund and to the Designate of the Secretary-General for the COVID-19 MPTF;
  - vi. Provide final reporting, including notification that the Fund has been operationally completed; and
  - vii. Disburse funds to any Recipient Organization for any additional costs of the tasks that the Designate of the Secretary-General for the COVID-19 MPTF may decide to allocate in accordance with this TOR.

## Contributors

36. Contributions to the UN COVID-19 MPTF may be accepted from governments, inter-governmental or non-governmental organizations, the private sector, philanthropic organizations and individuals. Prior to agreeing to accept a contribution from a non-State contributor, the Administrative Agent will conduct due diligence to ensure that these planned contributions are in line with the United Nations policies on the contributions from non-State actors. Due diligence process will include consultations with the Fund Secretariat and may include consultations with Recipient UN Organizations.
37. To contribute to the UN COVID-19 MPTF, a contributor needs to sign a Standard Administrative Arrangement (SAA). Contributors are encouraged to provide un-earmarked contributions. If due to specific donor preferences the un-earmarked contributions are not feasible, donors may earmark their contributions to a specific Fund Window or affected country, if required.
38. The Fund receives contributions in fully convertible currency or any other currency that can be readily used. Such contributions will be deposited to the bank account designated by the MPTF Office. The value of the contributions, if made in a currency other than US dollars will be determined by applying the United Nations operational exchange rate in effect of the date of payment. Profit or loss due to currency exchange rate is registered in the Fund's account set by the Administrative Agent and will be taken on by the Fund.

## IV. PROGRAMMATIC ARRANGEMENTS

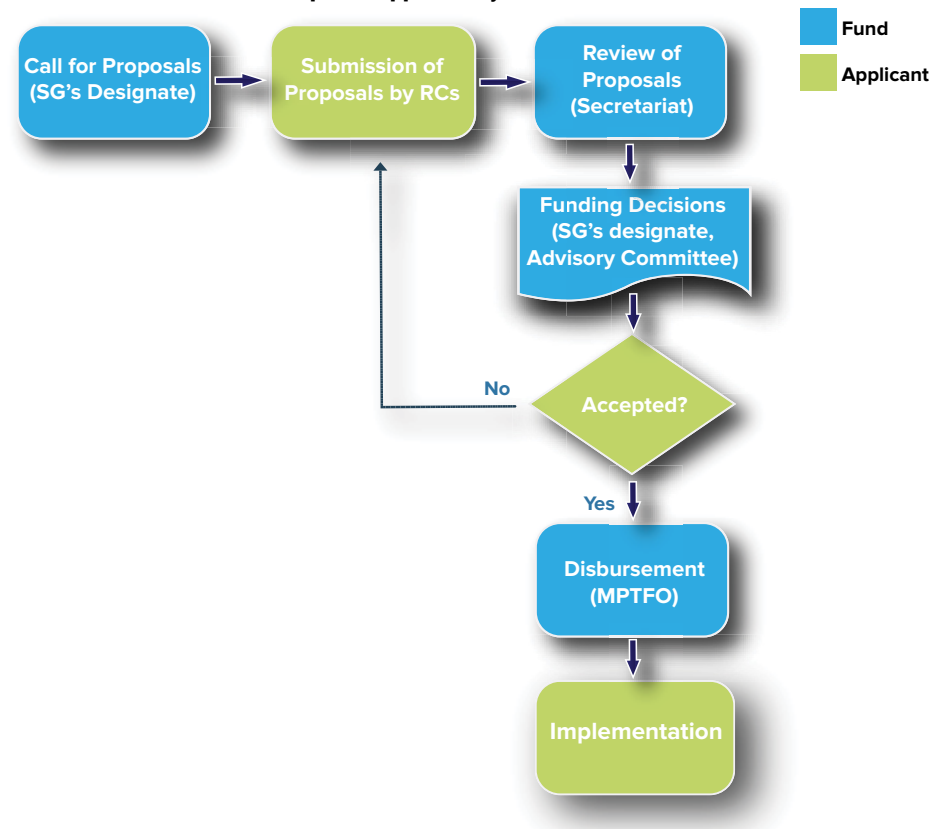
39. The Fund will maintain a focused approach to demonstrate the clear impact of its allocations. As indicated in paragraph 5, strong engagement from national governments is considered key to the success of the Fund. The Fund seeks to achieve substantial impacts, and therefore it encourages proposals at a commensurate scale.

### Initial Proposal Approval Cycle

40. **Step 1.** Within 10 days following the receipt of donor commitments, the Designate of the Secretary-General for the COVID-19 MPTF will launch a call for proposals outlining criteria for prioritization and conditions for programme/project proposals. The Recipient UN Organizations from a prioritized group of countries will be invited to submit programme/project proposals to the UN Resident Coordinators, as applicable.
41. **Step 2.** The UN Resident Coordinators analyses the proposed programmes/projects in consultation with the UN Country Team and submits prioritized programmes/projects in line with the requirements in the call for proposals, further called the country's submission. The UN Resident Coordinators can submit as soon as the country's submission is finalized and no immediate deadline for submission will be set.
42. **Step 3.** The Fund Secretariat reviews country submissions on a weekly basis and presents its review to the Designate of the Secretary-General for the COVID-19 MPTF and the Advisory Committee.
43. **Step 4.** The Advisory Committee reviews country submissions and provides written feedback to the Fund Secretariat within five days. The Designate of the Secretary-General for the COVID-19 MPTF then either approves the country submission, accepts only a part of the country submission, requests further review, or rejects it.
44. **Step 5a.** If a country submission, or a part of it, is accepted for funding, the disbursement process starts. Upon approval of a proposal, the Designate of the Secretary-General for the COVID-19 MPTF will advise the Administrative Agent to disburse the authorized amount to the Recipient UN Organizations. The request to transfer funds will be signed by the Designate of the Secretary-General for the COVID-19 MPTF [and include all relevant documentation] to enable a disbursement. The Administrative Agent will disburse the authorized amounts to a Recipient UN Organization within 72 hours of receiving all the required documentation and instructions from the Designate of the Secretary-General for COVID-19 MPTF.
45. **Step 5b.** If a country submission is rejected in its entirety, the Resident Coordinator can re-apply considering the feedback provided by the Designate of the Secretary-General for COVID-19 MPTF.
46. Where the country-based Multi-Partner Trust Funds, administered by the Administrative Agent, exist the in-country fund governance structures and management arrangement, led by the UN Resident Coordinators, could be used for proposal vetting, prioritization and monitoring.
47. Where deemed necessary for coherence and efficiency, the Designate of the Secretary-General for COVID-19 MPTF may request that funding from the UN COVID-19 Response and Recovery MPTF for the financing of programmatic activities in a country related to Windows 2 and 3 could be made available to the Recipient UN Organizations through the account of an existing country-based Multi-Partner Trust Fund, administered by the Administrative Agent, without additional fees related to Administrative Agent services. Such funding will be made available, following approval of the funding allocations

from the UN COVID-19 Response and Recovery Fund to the country in accordance with the decision of the Designate of the Secretary-General for the COVID-19 MPTF.

**Figure 3: The UN COVID-19 MPTF Proposal Approval Cycle**



### Proposal Approval Cycle for country earmarking

48. In case of the contributor's earmarking to a specific country, the UN Resident Coordinator will request the relevant Recipient UN Organizations to submit project/programme proposals. This process will be outside of the central allocation process for unearmarked contributions, described in Paragraphs 40-45. The Designate of the Secretary-General for the COVID-19 MPTF will review the country earmarked proposal to ensure it is aligned with the Fund scope and strategy and approve it for fund disbursement, in line with the earmarked funding received.

### Subsequent Proposal Approval Cycles

49. Upon decision of the Designate of the Secretary-General for the COVID-19 MPTF, all submissions to a call for proposals may be reviewed and prioritized at the same time and different timelines for review and approval may be defined.

### Reporting, Monitoring and Evaluation

50. The Administrative Agent will prepare consolidated narrative and financial progress reports (based on the narrative report consolidated by the Secretariat and the financial report consolidated by the Administrative Agent) and will provide the reports to each Trust Fund contributor, as well as to the Advisory Committee no later than five months (31 May) after the end of the calendar year.
51. The Administrative Agent will also provide the donors, the Advisory Committee and the Recipient UN Organizations with the following statements of activities:
  - Certified annual financial statement ("Source and Use of Funds" as defined by United Nations Sustainable Development Group (UNSDG) guidelines) to be provided no later than five months (31 May) after the end of the calendar year; and
  - Certified final financial statement ("Source and Use of Funds") to be provided no later than five months (31 May) after the end of the calendar year in which the financial closing of the Fund occurs.
52. Consolidated reports and related documents will be posted on the website of the Administrative Agent (<http://mptf.undp.org/factsheet/fund/COV00>).
53. Continuous monitoring will be conducted by the Secretariat of the UN COVID-19 MPTF. The information will be consolidated in a result-based management system.
54. The Fund Secretariat will provide regular narrative updates to Designate of the Secretary-General for the COVID-19 MPTF, the Advisory Committee and contributors based also on information received from the Recipient UN Organizations.
55. An annual meeting of all stakeholders will be held to review progress and to discuss significant changes in circumstances and major risks.
56. Evaluation will follow the UN Evaluation Group norms and standards and will be carried out in line with the System Wide Evaluation Policy. The evaluation system of the Fund will be at three levels (Fund, country and Recipient UN Organisation) to assure adequate learning and accountability. The Designate of the Secretary-General for the COVID-19 MPTF in consultation with the Advisory Committee will issue the management response to the evaluation at the Fund level. The cost of the evaluation will be covered from the contribution to the Fund.



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