

**SMALL GRANTS PROGRAMME (SGP)**

**STANDARD OPERATING PROCEDURES**  
**(SOP)**

**MANUAL**

## List of Acronyms

BU	Business Unit
CBA	Community-based Adaptation
CBO	Community-based Organization
CO	Country Office
COA	Chart of Account (Atlas)
COB	Country Operating Budget
CPMT	Central Programme Management Team
CPS	Country Programme Strategy
DOA	Delegation of Authority
ERP	Enterprise Resource Planning (Atlas)
FTA	Fixed-Term Appointments
GEF	Global Environment Facility
GLJE	General Ledger Journal Entry
ICF	Internal Control Framework
LOA	Letter of Agreement
MOA	Memorandum of Agreement
MOSS	Minimum Operating Security Standards
MOU	Memorandum of Understanding
NAO	(UNOPS) North America Office
NC	National Coordinator
NFP	National Focal Person
NGO	Non-governmental Organization
NHI	National Host Institution
NSC	National Steering Committee
OP	Operational Phase
PA	Programme Assistant
PO	Purchase Order (Atlas)
PRINCE2	Projects In Controlled Environments 2
REQ	Requisition (Atlas)
RR (Res. Rep.)	Resident Representative
SC	Service Contracts
SOP	Standard Operating Procedures

SGC	Small Grants Cluster (The UNOPS NAO SGP team)
SGP	GEF Small Grants Programme
SSA	Special Service Agreement
TOR	Terms of Reference
UN	United Nations
UNDP	United Nations Development Programme
UNDSS	United Nations Department of Safety and Security
UNOPS	United Nations Office for Project Services

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## **Chapter 1: Introduction – Background and Objectives – Why are we doing this?**

### **Background:**

Because of its overall success, the Global Environment Facility (GEF) Small Grants Programme (SGP) is developing as a global program with fast regional expansion. This results in constant pressure to increase cost-efficiency and implement effective new GEF policies. Therefore, it is inevitable and important that the SGP’s principle daily operations need to be regularly updated in this Standard Operating Procedure (SOP) Manual which is a “living document”. It is another simple fact that because of the constantly changing environment the “*status quo*” approach is not an option. Therefore, we all need to be able to adopt our skills to meet project and financial management requirements on all levels. Learning and improving is an “ongoing process” and everybody is responsible for this. It is important to keep in mind:

***The accurate financial management and accountability of the SGP country operations is the essential basis and foundation for a successful programme.***

### **Main Goal:**

This SOP Manual is intended to consolidate proven “best practices” and existing standard procedures in order to document them as reference document. It should constitute a “user-friendly” handbook for all SGP practitioners. This includes comprehensive “quick-fix” instructions wherever possible, highlighting Frequently Asked Questions (FAQ), illustrating the necessary steps in simple workflow charts and offering a direct linkage to the UNOPS-SGP document template platform for necessary actions. The last point shall prevent the potential usage of older, outdated template versions.

### **Priority Objective:**

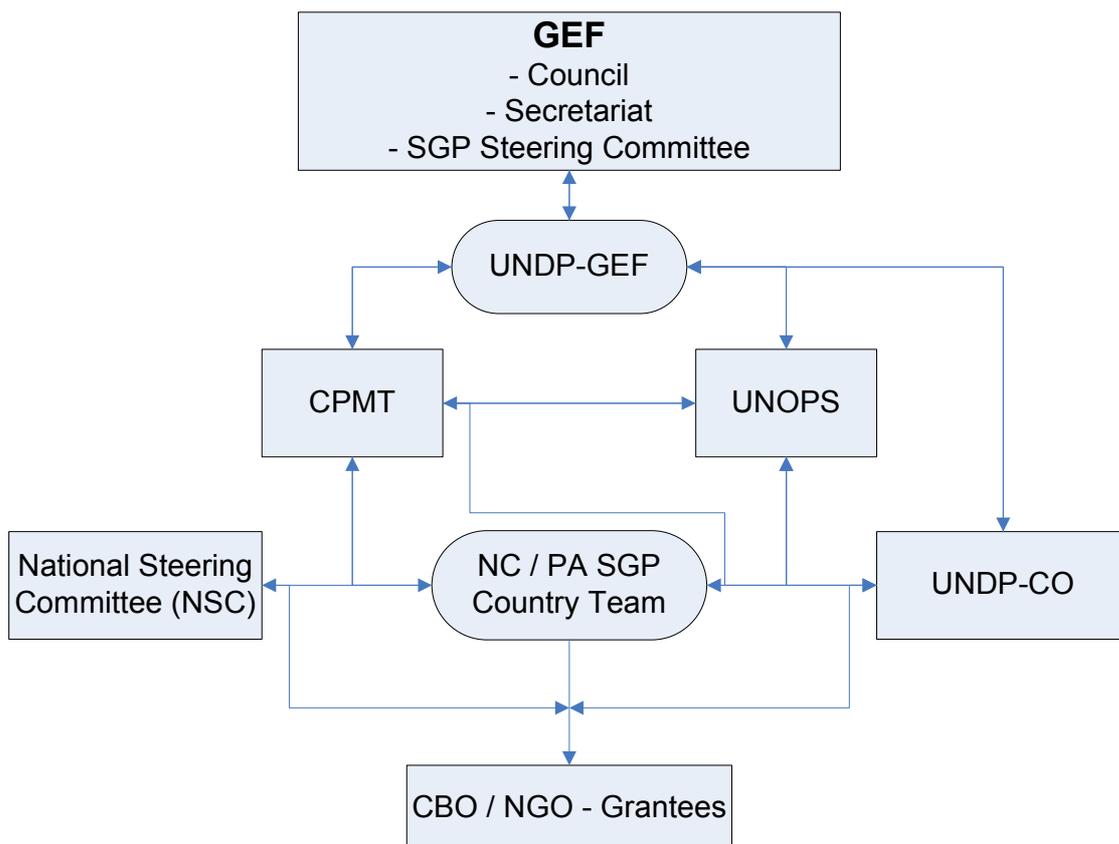
It shall result in a better understanding of the main applicable operational issues and roles of the different SGP partners involved. The purpose is to clarify and update existing procedures and workflows between the SGP Country Team [National Coordinator (NC), Programme Assistant (PA)], UNOPS and the UNDP-Country Offices

(CO), plus the Central Programme Management Team (CPMT) as the overall oversight body of the GEF-SGP on the global level.

***Exceptions to SOP policies should be justified through documentation including communication reflecting the endorsement of UNOPS/CPMT***

## **Chapter 2: Main SGP Structure / UNOPS Overview**

The below principle SGP operational structure shows the simplified reporting lines and links of the decentralized framework. It illustrates who each department will have most contact and communication with:



The SGP country team [National Coordinator (NC) / Programme Assistant (PA)] represents an important part in ensuring SGP success in each country – by fulfilling several very important functions in the decentralized framework.

***Working closely with all partners is the key.***

Quick Facts on UNOPS-SGP: Between 1992 and mid 2010, UNOPS has managed more than 12,800 GEF-SGP grants covering 124 countries across Africa, Asia, Europe, Latin America & Caribbean, and the Middle East/Arab States, and the project portfolio continues to grow. The UNOPS tailored service-package for the SGP aims to ensure that the program is executed in a timely and cost-efficient manner, providing a neutral financial oversight layer and systematic control framework integrated with UNDP. More directly, the North America Office (NAO) of UNOPS is providing the following programme execution services:

- Financial project management – budget administration, planning and reporting.
- HR/ Project personnel recruitments – recruitment of all 200 national and global (CPMT) personnel. This includes assessment of performance and contract issues.
- Procurement of Equipment & Services – standard subcontracting and provision of equipment purchases. This includes subcontracts with host-NGOs (National Host Institutions, NHI) in several countries.
- Provision of Legal Advice – standard and ad-hoc advice of legality concerns related to SGP contracts, agreements, and related aspects. This also includes guidance on ethical and proper conduct issues.
- Internal Oversight/Audit – provision of standardized internal audits following international audit standards. This also includes special review and investigating tasks (through financial database systems) whenever necessary.
- Operational Training & Trouble-shooting – provision of procedural guidelines and operational instructions in line with relevant Standard Operating Procedures (SOP) and financial database knowledge management. This includes the constant review of existing process standards with the aim to improve, streamline and systematize them in the interest of “best practices” and cost-effectiveness.

- Ad-hoc Support – Inputs and support to a variety of exercises conducted by the Central Programme Management Team (CPMT).

**This is the current UNOPS-NAO-SGP Team and their assigned Focal Areas and Regions:**

NAME / TITLE	PRACTICE / FOCAL AREA	REGION	EMAIL
<b>Philipp von Waechter</b> SGP Cluster Manager	Supervision & Guidance / Quality Assurance	South-East AFRICA / Pacific	PhilippVW@unops.org
<b>Markus Schnall</b> Assoc. Portfolio Manager	Legal / Sub-Programmes	ASIA	MarkusS@unops.org
<b>Kristoffer Kappy</b> Assoc. Portfolio Manager	Finance / Atlas		KristofferK@unops.org
<b>Sasha Logie</b> Assoc. Portfolio Manager	HR	EUROPE & CIS / ARAB STATES	SashaL@unops.org
<b>David Daepf</b> Assoc. Portfolio Manager	Procurement & Audit Supervision	LATIN AMERICA & CARIBBEAN	DavidDA@unops.org
<b>Edriss Riffat</b> Assoc. Portfolio Manager	Database Management & IT	West AFRICA	EdrissR@unops.org

## **Chapter 3: New Country Start-up Basics – NC Introduction Letter**

Welcome to the GEF Small Grants Programme (SGP) family. This chapter shall provide every new SGP personnel [National Coordinator (NC), Programme Assistant (PA)] and new participating country with some useful start-up guidance information for the initial stage. In addition to the basic SGP Operational Guidelines this brief introduction is part of the Standard Operating Procedure (SOP) Manual.

### **Priority Agenda:**

#### Relationship with the UNDP Country Office:

- It is very important to establish strong links with the UNDP-CO staff.
- This relationship will be based on a clear understanding of each side's role and responsibilities.
- The SGP Operational Guidelines and the SOP manual can assist for the main definitions and explanations.

Financial Management: The financial management of the SGP-programme is the foundation for a successful programme.

Establishing UNOPS email/intranet access & password: UNOPS HR will send a personalized email address and password to new personnel. This information should be retained and understood as imperative for operations. This includes Atlas access for each new personnel.

Forgotten Username and/or Password: The standard format for UNOPS usernames is usually the user's first name followed by the first letter of their last name. Use the forgotten password feature to retrieve lost or forgotten passwords.

Maintaining proper records: The new NC/PA must establish very clear accounting and monitoring systems to maintain proper records of all funds. This is needed for admin costs (processed by the UNDP-CO based on UNOPS authorization through Atlas Requisition<sup>1</sup>) as well as grant funds (processed by the UNDP-CO based on UNOPS authorizations through Atlas Purchase Orders<sup>2</sup>).

Atlas Project ID (SGP Country): As the Executing Agency for SGP, UNOPS has established in Atlas the project ...../SGP/OP4 (project-ID: .....) under UNOPS Business Unit. This Atlas project-ID identifies your country program in the accounts. The Atlas project ID needs to be used for all related expenditures of the SGP operations. For example the project description of Kenya is 'KEN/SGP/OP4' and the project-ID is '57277'.

<sup>1</sup> Atlas Requisition (REQ) is equivalent to 'pre-encumbrance' of amount to be firmly obligated (in Atlas PO) and processed (in Atlas Voucher) at later stage.

<sup>2</sup> Atlas Purchase Order (PO) is equivalent to "obligation" of amount.

**Atlas Access:** In order to carry out operational tasks in ATLAS (vendors, REQs, POs, Receipts, Reports, etc.) you will need to request access from [KristofferK@unops.org](mailto:KristofferK@unops.org). You will then receive a message from the UNOPS Atlas Security Team with a username and password. **PLEASE NOTE THIS USERNAME AND PASSWORD DOWN FOR SAFE-KEEPING.** If you forget your password, please click the “Forgotten Password” link on the Atlas login page to have a new temporary password sent to your UNOPS.ORG email account.

**Atlas Training:** While the (free) UNDP introduction training courses may vary in different countries we can only stress that it is very important to become proficient with the financial ERP system called Atlas. Atlas training can be accessed directly through the UNDP ON-DEMAND training website, indicated below with username and password.

Website: <http://ondemandweb.undp.org/ondemandproduction/ondemandwebportal/>  
Username: intra.portal  
Password: Intra4UNOPS (case-sensitive)

The purpose of this training is to understand and be able to create both Atlas POs and vendors. Detailed guidelines for the various Atlas tasks can be found in the links provided in Chapter 4 below.

#### **Start up Country Operating Budget (COB):**

1. The Country Operating Budget (COB) proposal is created in a template Excel sheet ([LINK – to the “COB Template – July 2010”](#)). The new NC shall complete the necessary cost details and estimated items required for the SGP office to be able to function for the period ending on 30 June of the next year. UNOPS will review the COB proposal and if acceptable proceed with the UNOPS Admin REQ authorization.
2. While there is no SGP wide cost breakdown as every country has specific cost conditions, UNOPS would like to provide the following overall advice and guidance on the admin set-up process so that the new NC would know on what basis the COB sheet will be reviewed:
  - It is critical to remain on very low budget, prepare cost comparisons (at least 3 price offers for items over US\$ 2,500 – maintain them properly documented), and “be creative” when reviewing various options. The following principle list of items is for the new SGP country programme set-up:
    - one desk and office chair for the NC [plus one for the PA if also recruited]
    - an appropriate number of shelves/filing cabinets,
    - table and chairs for a meeting area (only if it is not possible to share this equipment with the UNDP-CO/hosting institution),
    - one computer (desktop/laptop) for the NC [plus one for the PA if also recruited]
    - one digital camera (specifications are standardized for the entire programme),
    - one projector and set of webcam, headphone, microphone equipment (only if it is not possible to share this equipment with UNDP-CO/hosting institution)
    - one printer,

- one scanner (only if it is not possible to share this equipment with UNDP-CO/hosting institution),
- one photocopy machine (when it is not possible to share this equipment with UNDP-CO/hosting institution)

The Small Grants Programme (SGP) wants to use as much as possible of its funding for getting results through disbursing grants for specific grant projects. This is why the administrative costs shall be kept at lowest possible limit. In view of the effort to keep the admin budget low, UNOPS and CPMT would encourage every new SGP country to explore the possibilities of sharing most items with the UNDP-CO or the NGO as the hosting institution or to try to obtain some items from other sources on second-hand basis for no (or reduced) costs, provided that they are in good condition. Examples are usually some furniture items and other non-technical (IT) equipment items. Upon purchase or receipt of any new equipment it is important to immediately arrange for insurance coverage for theft and accidents, the premium will be covered and needs to be budgeted for in the COB (under ACTIVITY 10- Sundry, Account 74505).

#### **Orientation Visit / Start-up training by Senior NC:**

It has been practice to allow for a newly recruited National Coordinator to visit a senior experienced program in the region for a first hand experience, orientation and training. Based on cost and time consideration either a senior or experienced NC from the region will travel to visit the new NC to help establish the new country program or the newly recruited NC will visit an established SGP country. The latter is usually preferred. This activity normally takes place during the initial 3 months after the recruitment. The steps to be followed are:

- 1) Arrange with CPMT and the (mentor) senior NC of the region for suitable dates of the training visit.
- 2) Estimate related costs and request approval and travel authorization from UNOPS. These costs will be separate from the COB allocation.
- 3) Prepare training plan with the senior NC including contacting the different stakeholders etc.
- 4) Upon completion of the visit send a report to CPMT and UNOPS.

#### **SGP Office Premises – Hosting Arrangements:**

The SGP office can be housed at the UN(DP) premises, commercially leased premises or in a host-institution (National Host Institution - NHI). While the location of the office is generally discussed and recommendations are made at the time of the country appraisal start up mission, the case is reviewed and a final decision is made once the NC is recruited. The majority of SGP offices are located within UNDP premises. [LINK – to UNDP Hosting & Common Services MOU](#) (> Chapter 7 ...). If the SGP is to be housed in commercially leased premises the following criteria will guide in the choice of a suitable location:

- reasonable rent,
- adequate working space that doesn't require major remodeling,
- proximity to the UNDP CO,
- security of the town location and of the premises. This includes compliance with MOSS (Minimum Operating Security Standards)

- availability of reliable supply of electricity and, water, telephone lines, high-speed Internet, and of a conference room.

The lease agreement with the commercial contractor will be negotiated locally and the draft terms of the contract need to be cleared with the UNOPS legal section prior to signature by the UNDP RR on behalf of UNOPS and the leasing company or institution or individual. A sample draft lease agreement is herewith attached ([LINK - Model Lease Agreement UNOPS Legal](#)).

### **Security Training:**

Upon recruitment, all SGP personnel - international and national (Fixed-term, Service Contract or SSA contract holders) are required to complete the UN training course called "Basic security in the field". This is a non-negotiable requirement of all UN entities and their personnel. The UNDP COs usually has a CD-ROM that can be used to take the course. Otherwise the training is accessible at: [UNOPS Intranet](#). Upon completion the new SGP personnel should send a scanned copy (or fax) of the "Certificate of Completion" to the UNOPS SGP HR Focal Person Mr. Sasha Logie (E-mail: [SashaL@unops.org](mailto:SashaL@unops.org) )

### **Minimum Operating Security Standards (MOSS):**

MOSS is a fundamental policy requirement for all United Nations field operations. It was developed in response to threat and risks faced by United Nations personnel and operations to ensure that minimal essential security practices and procedures are established and equipment and physical resources are available to mitigate risk.

SGP country programmes are required to be in compliance with MOSS. All SGP office premises should be assessed for MOSS compliance by the local UNDSS (UN Department of Safety and Security) security advisor. If an office does not comply with MOSS, the NC must consult UNDSS on what upgrades are required. Upgrades should be purchased in accordance with the procurement guidelines in Chapter 6, and the NC must notify UNOPS of the required budget before any purchases are made. SGP offices hosted by UNDP COs or other UN entities may already be in MOSS compliant office premises.

The level of MOSS requirements is linked to the UNDSS security phase rating for a country or region. The security phase rating is not fixed and can increase or decrease in accordance with changing security conditions. Therefore, SGP personnel should be aware of any increases in a country security phase, as this may require an upgrade of security measures.

For more information, please refer to ([LINK – UNOPS Intranet Safety & Security](#)) and [UNDSS](#).

### **Local Transportation Practice:**

In most countries, the NC can fulfill all job obligations, including field project visits, with public or rented transportation (taxis, rental cars, buses, trains, air); these transportation costs are reimbursed by the administrative budget line for travel. The use of personal cars is a viable option of a program in those countries where UNDP CO policy allows this arrangement. Another option is to negotiate the use of one of the UNDP car pool vehicles for trips outside town and refund the cost of the use and driver DSA. In case the NC is extensively using a

personal car for official purposes, both fuel and usage costs are reimbursable. However, the use of the COB travel budget shall usually be used only for monitoring field trips. Some country programmes opt for subcontracting private car services as needed which may include vehicle, driver and petrol. Others have secured the donation of a vehicle from another donor or the UNDP CO.

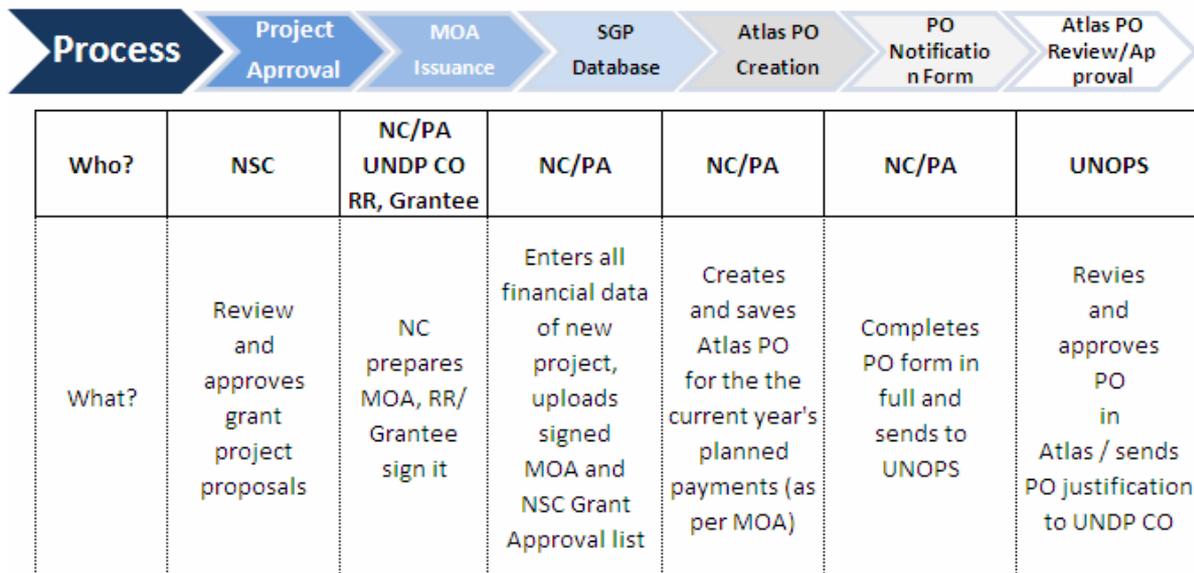
While planning and organizing travel, it is important to keep the costs as low as possible, while allowing for efficiency of the work and taking into account the security elements. It is often advisable to join other UNDP field visit teams traveling to the same regions and share the transportation costs. ([LINK – to Driving Safety Doc A!](#))

***As a basic requirement to launch grant making process, a Country Programme Strategy (CPS) needs to be reviewed and approved by CPMT.***

## Chapter 4: SGP FINANCE: Process & Basics – Grants / Administrative

### 4.1 GRANT PROCESS

#### Grant Process



#### 4.1.1 National Steering Committee (NSC) Approval

It is the NSC meeting (and its specific date) that determines the approval of a proposed SGP grant project. The output of this meeting is a properly formulated Grant Approval List and minutes of the meeting. The date of this meeting event serves as the “time-stamp” for the actual grant commitment. This needs to be understood in order to properly determine which grant allocation the commitment belongs to. Every fully (unconditionally) approved grant project constitutes a grant commitment that needs to be “charged” or deducted from an authorized grant allocation for the same SGP Operational Phase (OP).

***Each OP Year begins on 1 July and ends on 30 June.***

***For Example:*** A grant approved in an NSC Meeting that was held on 30 June 2009 will be counted against the OP4 Year 2 grant allocation. Whereas, a grant approved in an NSC Meeting that was held on 1 July 2009 will be counted against the OP4 Year 3 grant allocation.

Grant proposals that are approved by the NSC with conditions should remain the exception rather than the norm. Once the conditions for such cases are met, the grant proposal then becomes a fully approved project. However, it is the OP Year of that

initial/conditional approval that determines the appropriate allocation to deduct the full commitment from. It is recommended to set a realistic deadline for the conditions to be met within the same operational phase. Final approvals on conditional proposals must occur within the same operational phase; otherwise the amount will need to be deducted from or pipelined for the subsequent OP allocation.

### **Fungibility:**

In the event that the grant allocation of a given OP Year is not fully committed, the balance can still be committed in the following Year(s) within the same OP. However, the NSC Meeting commitment “time-stamp” will still be the determining factor for the purpose of database entry and MOA project numbering. While this may result in the appearance of an over-commitment in subsequent OP Year(s), the cumulative OP grant allocation shall not be exceeded.

***The total grant commitments shall NOT exceed the total grant allocation of a given operational phase.***

If the total grant allocation is not fully committed within the assigned operational phase, the uncommitted balance will return to the global budget.

### **NSC Meeting Output:**

The SGP country team [i.e. National Coordinator (NC) / Programme Assistant (PA)] should prepare the following before each NSC meeting:

- A proposed list of potential grantees;
- Clear project descriptions for each proposal;
- Proposed grant amount; and
- A budget breakdown in US Dollars (US\$) to be funded by GEF/SGP.

By the end of the NSC meeting the list of approved grantees needs to be updated in order to act as the NSC Meeting’s Grant Approval List. This list shall contain all critical information on each project grant approved during that meeting. The NSC participants shall immediately sign this Grant Approval List at the conclusion of the **same** meeting. This simple list should be in English. The full detailed NSC meeting minutes which capture several other SGP related issues may be finalized and signed at a later stage. The more elaborate NSC meeting minutes are not essential for the grant process.

The standard limit for grant commitment for a single beneficiary is US\$ 50,000 within (under) one SGP operational phase (i.e. OP3, OP4, OP5). It is important to keep a historical record on all SGP grantees, and present this at the NSC meeting. This will help to ensure that the total amount approved for a given grantee would not exceed this US\$ 50,000 limit.

**Planning grants** up to US\$ 5,000 can be approved by the NC of that country programme. Since the idea of the planning grant is to lead to a full-scale project grant, the

amount approved for the planning grant is counted as part of the US\$ 50,000 limit per beneficiary.

#### 4.1.2 Memorandum of Agreement (MOA) Issuance

The Memorandum of Agreement (MOA) represents the written legal and financial obligation between the grant beneficiary and UNOPS. ([LINK – to Chapter 7.1 – MOA as Legal Document](#))

The recommended payment schedule in the MOA shall present a total of three to five total payments. The first payment should usually not be more than 35% of the total grant amount. Exceptions to the 35% “rule” need to be justified and documented and should be communicated to CPMT/UNOPS prior to finalization of the MOA. Each payment needs to have a payment date (Month/Year format) and be in line with the grant project work plan. While it is always possible for the submission of progress and financial reports to be delayed by the grantee, **the NC should always agree with the grantee on realistic payment dates.** This will reduce the need for an MOA Amendment in the future.

#### **MOA Amendment:** ([LINK – “Basic MOA Amendment”](#))

MOA Amendments become necessary for the following finance-related reasons:

- The total amount of the MOA increases or decreases during the grant project cycle.
- The individual grant payment installments increase or decrease during the grant project cycle.
- The project work plan becomes altered for whatever reason and therefore alters the entire grant project’s duration and/or payment schedule.

**IMPORTANT NOTE!** – *It is absolutely necessary for the NC to receive the appropriate progress and financial reports from the grantee. However, the MOA does NOT require an amendment if the submission of these reports is delayed. The **grant project activities** are the deciding factor to determine if an MOA needs to be amended. Only actual delays of grant activities need to be reflected in changes of the MOA payment schedule and the grant project work plan. For more specific queries on MOA amendments the following MOA amendment guidance note can be consulted ([LINK – to the “Basic MOA Amendment”](#)).*

When an amendment to an MOA is issued, it is important to realize that each MOA is connected to various Purchase Orders (POs) in Atlas. Therefore, it is the responsibility of the National Coordinator to make the appropriate alterations in Atlas when an MOA amendment occurs. In case of related queries, it is advisable to contact the UNOPS-SGP Finance/ATLAS focal person for any necessary assistance.

**MOA Project Numbering System:**

It is absolutely important to properly assign each new grant project with a numbering sequence to serve as clear identification for that specific SGP grant project. It is even more important for the NC/PA to remain consistent in the manner in which s/he assigns these numbers to new grant projects. Please see the proper sequence below:

***Three-letter country code / the funding source (SGP) / the SGP operational phase / the allocation year of the OP / CORE or RAF or STAR / calendar year (reflecting date when NSC approved the project) / number project approved in that OP Year***

For example: The seventh grant project that was approved against the GEF Core allocation for the SGP in Albania, in an NSC meeting that was held on 17 March 2010 would have the following MOA project number:

***ALB/SGP/OP4/Y3/CORE/2010/07***

**SGP Database:**

Since July 2007, UNOPS made it mandatory for all new grant MOAs to properly have its financial data (including the planned disbursement dates and amounts) entered into the SGP Database ([LINK – the SGP Database](#)). In addition, the actual MOA (including any amendments) and the signed NSC Meeting Grant Approval List need to be uploaded to the appropriate database project entry ([LINK – “SGP Projects Database - Uploading Files – July 2010”](#)). The expected timeframe for any database entries (including the uploading of relevant documents) should be finalized within 14 days. The same is true for any changes regarding a particular grant project (i.e. NSC decision minutes/summary, MOA amendments, revised payment schedule, grant termination letter, etc.). UNOPS will not be permitted to authorize the release of the first payment of any newly signed MOA unless this is done. It is the duty of the NC/PA to ensure this before submitting any new grant PO notification/payment request to UNOPS.

In case of any problems in accessing the SGP Database, entering data or uploading documents it is advised to directly contact the designated CPMT Knowledge Manager / Database Facilitator.

**4.1.3 Atlas Purchase Order & UNOPS Notification****Atlas Vendor Creation:**

The approval of the grant beneficiary’s vendor profile in the Atlas system is necessary for the creation of a Purchase Order (PO) later on. Thus, in order to expedite the future payment process, the NC/PA should complete the appropriate vendor form ([LINK – as “Grantee Vendor Form”](#)) and create the actual vendor profile in Atlas, including banking information, ([LINK – Atlas Guide “How to create a Vendor in Atlas – July 2010”](#)) at the time of the grant project’s NSC approval. Then the form should be sent only to UNOPS for approval (within 48 hours) so this will not delay the Purchase Order creation. All new vendors need to be created in the UNOPS BU. The UNDP CO should not approve any

new vendors in this BU. Please note the importance of providing the correct and valid bank details in the form and actual Atlas profile, as this will avoid any future delays in the actual bank transfer process.

#### **Atlas Purchase Order Creation / Grant PO Notification:**

Once the grantee vendor profile is approved in Atlas, the NC/PA can now create the actual Purchase Order (PO) in the system ([LINK – Atlas Guide “How to create a Purchase Order in Atlas – July 2010”](#)). This should be done in parallel with the database entry. A PO serves as an obligation of Atlas funds (thereby automatically decreasing the available Atlas budget) that have been legally committed through an MOA. The PO can only contain grant payments for the current calendar year (according to the MOA payment schedule). **The NC/PA is responsible for not duplicating the same scheduled grant payments in multiple Atlas POs or Vouchers.** Non-compliance with this causes incorrect budgeting for future grant payments. The same applies to the SGP database. **All grant POs are to be created in US Dollars, in order to mirror the actual MOA.**

Once the PO is properly created in Atlas, the NC/PA needs to prepare the Grant Notification Form for submission to UNOPS ([LINK – “SGP Grant PO Notification Form – July 2010”](#)). It is important that this form is correctly and completely filled out. The text in this form shall not be altered without prior authorization from UNOPS. Only this PO notification form should then be sent to UNOPS via e-mail for review and approval.

***NEW! - All grant PO Notifications must always be copied to the designated UNOPS payment mailbox: [sgp.payments@unops.org](mailto:sgp.payments@unops.org). This will ensure systematic monitoring, timely review and processing of all incoming payment requests, usually within 2-3 days.***

#### **UNOPS Review and Approval:**

After receiving the Grant PO Notification, UNOPS will then review all of the following:

- All database entries in order to check if the necessary financial information is entered as per signed MOA;
- All necessary documents are uploaded in the database entry:
  - The MOA (and any amendments);
  - The signed NSC Meeting Grants Approval List;
- The Atlas Purchase Order(s);
- The UNOPS Grant Notification Form.

If all of the above is found to be correct, complete and satisfactory, UNOPS will approve the appropriate Purchase Orders in Atlas and send the signed grant PO notification to the respective UNDP CO, with copy to the NC/PA, for processing of the related grant disbursements at the local level.

In order to ensure the “cleanest” possible expenditure data in Atlas, the following helpful guides should be consulted to assist you:

- Atlas Project Information ([LINK – “SGC UNOPS Atlas Project Info Guide – July 2010”](#));
- Atlas Chart of Accounts (COA) ([LINK – “Atlas COA Guide – July 2010”](#));
- Atlas SGP Administrative ACTIVITY IDs and Accounts ([LINK – “SGP OP4 Admin Activity-Account Guide – July 2010”](#)).

#### **4.1.4 Disbursement at the Local Level**

Based on the above, the UNDP CO, or NC/PA, is authorized by UNOPS to create a receipt ([LINK to “How to create a Receipt in Atlas – July 2010”](#)) for every grant PO in Atlas and associate it with a voucher for each disbursement. As stipulated in Section 4.2 of the MOA, all grant vouchers will be manually converted to the local currency amount by the UNDP CO. The exchange rate to use for each grant payment corresponds to the month/year when the planned installment is cleared for disbursement to the grantee. As stated in the UNOPS PO notification, the NC certifies that the progress/financial reports submitted by the grantee are in line with the MOA. The NC submits the necessary supporting documents (invoice, reports, etc.) to the UNDP CO for release of the next grant installment. The NC/PA is responsible to update the SGP database financial data (“planned disbursement”) with the actual US Dollar equivalent payment from Atlas.

#### **4.1.5 Returning Funds to the Project Budget in Atlas (Grants or Admin)**

Should it be necessary to return funds (grant or administrative) to the Atlas project budget, please use the following steps as a guide to do so:

1. The vendor (private or grantee) should write a check to UNOPS or UNDP and request the UNDP CO to deposit the amount in Atlas crediting the exact same COA that was indicated in the initial disbursement voucher. This will “cancel out” the expenditure.
2. Once UNOPS is able to confirm the correct deposit in Atlas, the funds will be made available again via a new PO or Admin Requisition.

As stated in Section 5.4 of the MOA, *“All funds which remain unutilized after completion of grant activities shall be promptly returned by the local NGO to UNOPS...”*

Please consult Chapter 7 on the necessary legal steps that need to be followed in the event that a grantee is returning funds to UNOPS.

## **4.2 ADMINISTRATIVE PROCESS**

**Admin Process**



Who?	NC	UNOPS/CPMT	UNOPS	NC/PA	UNDP CO	NC/PA UNDP CO
What?	Proposes COB for OP Year using the COB template	UNOPS reviews based on standard criteria, for CPMT approval	Prepares two (2) Admin REQ per OP year based on approved COB	UPON vendor approval PO is copied from Admin REQ using the Sourcing Instruction	Approves PO based on Internal Control Framework (ICF)	NC/PA verifies due payment with docs and received PO; UNDP associates with voucher

**4.2.1 COB Proposal & Review**

The Country Operating Budget (COB) is meant to provide all administrative support to the SGP country programme ([LINK – “SGP COB Memo for OP4 Extension – July 2010”](#)). It is the responsibility of the NC to budget accordingly while providing the necessary justifications for each item using the COB template ([LINK – “COB Template – July 2010”](#)). These administrative expense justifications are supposed to support the breakdown of costs for the entire SGP OP Year by ACTIVITY in that country. The request also needs to relate to the local programme’s annual work plan drawn for that particular OP Year. The COB Proposal is reviewed by UNOPS and CPMT for final approval. The following aspects are considered during the review process:

- Prior year’s approved COB and actual expenditures;
- COB justification / country performance (grant commitment rate);
- Any country-specific situations;
- Overall requirement to match the admin budget limits outlined in the GEF/SGP Project Document.

Within the same OP Year, balances from the first 6 months (1<sup>st</sup> Admin REQ: July - December) will be carried over to the second six months (2<sup>nd</sup> Admin REQ: January - June). This will be done by UNOPS upon request.

The purchase of vehicles for new country programmes is not standard. Only the SGP Global Manager may approve the purchase of an SGP vehicle for exceptional cases and should NOT be included in the COB Proposal.

#### 4.2.2 **ATLAS Admin Requisition (REQ)**

The Administrative Requisition (admin REQ) in Atlas serves as a UNOPS authorization for the UNDP CO to process payments for the SGP country programme's various administrative expenses. The Admin REQ is based on the final approved COB for that particular SGP country, and the specified 6 month period.

While the COB is considered final, the Admin REQ includes an added element of flexibility to ensure limited ad-hoc adjustments within the total COB limit. If a balance exists under a specific COB ACTIVITY (which correlates to an admin REQ line) the NC/PA can choose to use this balance for another ACTIVITY. **However, the total amount of the final approved COB/Admin REQ for that particular period cannot be exceeded. All administrative Atlas disbursements must be reflected with the correct ACTIVITY ID and Atlas account.** This means that at the time of processing the admin related PO and voucher; the COA needs to correlate to the purpose of the payment – correcting the ACTIVITY ID/Atlas account if necessary. This is the responsibility of the NC/PA. Any deviation of more than 10-20% of the COB ACTIVITY limit – unless for exceptional emergency reasons - is strongly discouraged and will reflect lack of sufficient planning capacity ([LINK – How to source Admin REQ to a PO](#)).

***All administrative Atlas disbursements must be reflected with the correct ACTIVITY ID and Atlas account.***

#### 4.2.3 **Disbursement at the Local Level**

In order to expedite the payment process of administrative expenses after the UNDP CO receives the UNOPS authorized Admin REQ, the NC/PA should complete the appropriate vendor form ([LINK – “Admin Vendor Form – July 2010”](#)) and create the Atlas vendor profile, with banking information ([LINK – Atlas Guide “How to create a Vendor in Atlas – July 2010”](#)) well ahead of time for all admin service providers. The form should be sent only to UNOPS for approval (within 48 hours) so this will not delay the Purchase Order creation. All new vendors need to be created in the UNOPS BU. The UNDP CO should not approve any new vendors in this BU. It is critical to provide the correct and valid bank details in the vendor form and Atlas vendor profile, as this will avoid any future delays in the actual bank transfer process.

The Atlas user “buyer” profile permits the NC and the PA to source Requisition quantities/amounts to a new admin PO for UNDP CO approval. This action in Atlas “draws” the necessary funds from the already approved/authorized Admin REQ and reduces the available admin REQ amount accordingly ([LINK – “How to Create a PO in](#)

[Atlas for Admin Payments - July 2010](#)). The remaining quantity/amount is available for the next time when an admin payment needs to be made. The NC/PA then submits the necessary supporting documents (invoice, receipt, etc.) to the UNDP CO for release of the administrative payment to the vendor.

***In cases where an admin PO needs to be cancelled, for whatever reason, it is important to always answer “YES” when Atlas asks whether you want to return the available quantities to the original Requisition. Doing otherwise will promptly close the affected REQ line, making all previously available qty/amounts unavailable.***

#### **4.2.4 SGP Financial Management**

UNOPS has designed a simple but useful financial reporting tool to help SGP country personnel ensure the proper financial management of the approved COB ([LINK – “GEF-SGP Financial Report – July 2010”](#)). This tool is commonly referred to as the “4-in-1 Financial Report” because it helps to track four (4) expenditure lines (as part of SGP country budget):

- 1) Admin expenses of the current OP Year,
- 2) On-going grant commitments and disbursements for OP2,
- 3) On-going grant commitments and disbursements for OP3, and
- 4) On-going grant commitments and disbursements for OP4 (CORE and/or RAF).

Amounts entered in the admin section correspond to actual voucher payment dates by month (to be confirmed with UNDP CO) and must be recorded in US Dollars. The actual petty cash replenishment **MUST** be included in the table; however, since the Atlas expenditure does not reduce the Admin REQ this same amount should remain “untouched” on the Admin REQ.

Grant amount entries need to directly correspond and be accurate with the following:

- 1) CPMT grant allocation letter(s);
- 2) MOAs/Amendments;
- 3) SGP Database.

#### **4.2.5 Petty Cash**

Petty cash accounts are available for all country programmes ([LINK – “Petty Cash Guidelines”](#)). Petty cash is purely a tool at the disposal of the NC/PA for the “quick” utilization of admin funds against the COB. The used petty cash cannot be in excess of the amounts authorized in the Admin REQ. For the SGP, UNOPS Finance has authorized this for up to US\$ 100 per item and US\$ 1,000 in total per month. **This is not a cash advance or imprest account modality.**

The UNDP CO is responsible for the administration of this petty cash account as per the UNOPS authorization. The NC, or in some cases the PA, is the designated custodian of

this special account. The petty cash holder (custodian) must have a UNOPS contract/appointment. Whenever the custodian leaves the SGP post, the new petty cash holder needs to be formally identified and registered with UNOPS Finance.

***The petty cash custodian shall not utilize their own private bank account for petty cash transactions.***

The petty cash should only be utilized in exceptional circumstances if the normal payment process through ATLAS REQ-PO-VCH cannot be followed. The \$100 per item/\$1,000 per month limit always apply. Individual petty cash disbursements (replenishments) in Atlas need to be charged against the Atlas project COA (ACTIVITY ID & account) that applies to the actual admin activity/service ([LINK – “SGP OP4 Admin Activity-Account Guide – July 2010”](#)).

#### 4.3 Other Transactions

##### **General Ledger Journal Entry (GLJE):**

The GLJE is a type of Atlas transaction that is exclusively utilized for payments and adjustments that need to be made between/within UNOPS and UNDP. This type of transaction cannot be used to make payments to “outside vendors” (private suppliers and grantees). The most common use of the GLJE should be for the UNDP CO cost recovery that is based on services provided for a given calendar year (see cost recovery policy below). This can also be used to pay UNDP CO for other common services provided to the local SGP office (ie. UNDP CO hosting expenses). This type of transaction requires both UNDP and UNOPS approvals and should only be prepared once UNOPS recommends a COA to charge. The NC/PA will be requested to verify the charges prior to approval.

- **Standard cost recovery policy:** As stated in the standard UNOPS authorization, the UNDP CO can claim cost recovery in line with the Universal Price List (UPL) ([LINK – “2009 UPL”](#)) and the Memorandum of Understanding (MOU) on support for the country programme level between UNOPS and UNDP ([LINK – “Umbrella UNDP MoU Cost Recovery - 2003”](#)). All cost recovery charges need to be recorded and compiled via Atlas General Ledger Journal Entry (GLJE) at year-end. This GLJE needs to be approved by both UNDP CO and UNOPS in Atlas. The “list of cost recovery charges” needs to be first verified by the NC prior to its submission to UNOPS.

##### **Deposit:**

This type of Atlas transaction is commonly used to credit funds against any Atlas project budget. For example, if a vendor (private supplier or grantee) is returning funds, for whatever reason, a Deposit ID is created in Atlas by the UNDP CO crediting the exact same COA that was indicated in the initial disbursement voucher. While this type of transaction is created and approved by UNDP CO, it should be only carried out upon

written approval from UNOPS, indicating the recommended COA. Please see Chapter 4.1.5 for more details on the procedure for returning funds to an Atlas project budget.

#### **Ad-Hoc Requisitions:**

In cases where an expense needs to be authorized outside of the normal COB Admin REQ, UNOPS will create a separate Requisition in Atlas indicating the breakdown of the expenses and COA. A signed paper authorization will also be sent to the UNDP CO with copy to the NC/PA. This method is commonly used for the international travel of local staff and is approved by CPMT beforehand.

#### **4.4 Financial Oversight: The Role & Responsibility of UNOPS, the National Coordinator, the UNDP Country Office and CPMT**

The below oversight overview constitutes the principle Internal Control Framework (ICF) as it is integrated into Atlas. It is part of the checks and balances system for the execution of the GEF Small Grants Programme.

##### **4.4.1 UNOPS: The budget owner responsible for the overall financial execution**

- Fiduciary responsibility towards UNDP and GEF: systematic monitoring and control framework of financial transactions through ATLAS and UNOPS Financial Dashboard.
- Ensuring that the issued Memorandum of Agreement (MOA) is in compliance with specific SGP provisions.
- Ensuring that grant commitments and planned disbursements are correctly reflected in the SGP database as well as ATLAS and are in line with the valid SGP Project Document.
- Ensuring that the total SGP budget structure and allocated amounts are correctly reflected in ATLAS and are in line with the SGP Project Document.

##### **4.4.2 National Coordinator: The overall responsibility for all country related financial matters**

- **Grant Commitments:** The NC ensures that a grant commitment for a single beneficiary is within (under) US\$ 50,000 per SGP operational phase (ie. OP3, OP4, OP5).
- **Grant Disbursement Request:** By sending UNOPS the PO Notification, the NC is confirming that the grant project is “on track” and in line with the MOA provisions. This includes monitoring and ensuring that all grant POs remain valid (for the specific amount and period – no duplication).
- **Grant Release:** Prior to the release of every grant disbursement from an already authorized Atlas Purchase Order, the NC is responsible for the written certification of all Progress/Financial Reports (including invoices, receipts, etc.) being in line with the MOA and the approved grant proposal.

- **Administrative:** Continuous monitoring of all Atlas expenditures against the approved Admin REQ to ensure that the financial records are “clean” (correct COA, non-duplication of expenditures, etc.) and within the approved Admin REQ amounts. The NC must keep records showing supporting documentation (i.e. invoices, receipts, ticket stubs, etc.).

***All expenditures against the SGP country project(s) in Atlas must be correct, appropriately documented, and within the approved budget.***

#### **4.4.3 UNDP Country Office: Local administrator and supervisory body during payment cycle.**

- **Grant Payments:** Ensure that financial documentation is in line with the UNOPS authorization and the approved MOA.
- Ensure that there is no indication of misuse or mismanagement of funds before releasing payments.
- **Administrative Payments:** The approval of all POs for administrative expenses ONLY taken from the UNOPS-approved Admin REQ – no direct POs or Vouchers without written approval from UNOPS. ([LINK – “UNDP CO Atlas Guidance Memo from Darshak Shah 2004”](#))
- The review of supporting documentation for admin POs is done by the local UNDP CO in accordance with their procedures and oversight.
- The UNDP CO can only debit and/or credit expenditures against the UNOPS project budgets with explicit authorization from UNOPS.
- All financial activities under the XXX50 BU should be linked to a UNOPS authorization.
- The petty cash account is in line with UNDP CO financial rules and regulations.
- **Standard cost recovery policy:** As stated in the standard UNOPS authorization, the UNDP CO can claim cost recovery in line with the Universal Price List (UPL) ([LINK to the “2009UPL”](#)) and the Memorandum of Understanding (MOU) on support for the country programme level between UNOPS and UNDP ([LINK – “Umbrella UNDP MoU cost recovery - 2003”](#)). All cost recovery charges need to be recorded and compiled via Atlas General Ledger Journal Entry (GLJE) at year-end. This GLJE needs to be approved by both UNDP CO and UNOPS in Atlas. The “list of cost recovery charges” needs to be first verified by the NC prior to its submission to UNOPS.

***All expenditures against UNOPS budgets must be accompanied by an authorization from UNOPS first, to ensure proper payment methods and COA details.***

#### **4.4.4 CPMT: Responsible for overall financial implementation**

- The SGP global budget and the clearance of all its expenditures.
- The exceptional clearance of local SGP payments that are not in line with the approved COB.
- The financial approval of all Atlas budgets for the GEF/SGP.

#### **4.4.5 Audits/Internal Oversight**

UNOPS, in close consultation with its established new Internal Audit and Investigation Group (IAIG) is responsible for the supervision and quality assurance of SGP audits. This includes the provision of reasonable assurance on the proper execution and mitigation of risks to the UNDP and GEF based on international audit standards.

##### **Scope of Audits:**

This standard scope should envisage both compliance and management (functional) issues. Compliance issues will seek to provide assurance that the funds are disbursed as per SGP scope, objectives and procedures pertaining to applicable UNDP and UNOPS rules and regulations - by reviewing expenditure documentation. In addition, functional issues relating to the management of the programme will emphasize systemic deficiencies across the various countries. This shall provide UNOPS, UNDP and GEF valuable input in identifying areas which may need systemic intervention and improvements at the macro level. In summary, the following areas should be included in the audit scope:

- Management and implementation structure of the SGP (particularly where the GEF/SGP is implemented and hosted by a National Host Institution), which will include aspects relating to the work planning process, framework of authorities and reporting lines.
- Activities of the National Steering Committee (NSC), which will include aspects relating to the NSC terms of reference, role, formation, membership, as well as its activities relating to the identification, evaluation and selection of grant projects
- Activities selected for funding grant projects, including the following processes - (a) approval of grants, (b) underlying Memorandum of Agreement (MOA), (c) grant payments, (d) on-going activities (e) monitoring and evaluation, (f) grant project completion.
- Project reporting requirements, e.g., progress reports, and reports required before release of further grants.
- Financial operations, which will include aspects relating to conformity of expenditures with the purpose for which funds have been provided for, accuracy and completeness of financial supporting documents to support disbursements, nature and quality of the financial reporting system (including record

keeping/filing). For this purpose, the audit shall cover the statements of expenditure for the year and shall examine transaction details in Atlas.

- Administrative operations, if any, which will include aspects relating to procurement of goods and services, contracting of personnel, asset management, general administration and record keeping procedures.

### **Systematic Approach and Follow-Up ... ISSUE TRACKER**

The recommendations from each individual audit report will be entered into the 'Issue Tracker' system and those issues that have been assigned to you will appear when you login. (Please note that recommendations that have been assigned to other parties, such as UNOPS or CPMT, will not appear to you when you log in.) The system is designed to record your comments for each recommendation and to allow you to upload related documents to support your comments and/or confirm the specific action or correction taken. If necessary, please be encouraged to consult other necessary parties (NSC, UNDP-RR/CO, CPMT and/or UNOPS regional focal points) in order to ensure clear understanding, necessary clarifications and/or proper implementation of the assigned recommendations even before you start to record your comments and actions taken. Importantly, all the validations and clarifications that are made on the recommendations also need to be recorded in the system, so that the recommendations can be closed properly. This follow up to audit recommendations and the final closure of all recommendations is a requirement of UNOPS Internal Audit and Investigation Group (IAIG).

#### **4.4.6 Archiving Policy**

The NC/PA is responsible for the proper and correct archiving of all SGP related documentation. This is essential for both audit purposes and the retention of knowledge and lessons learnt.

Documents shall be archived in accordance with the below table. While it is advisable to maintain hard copy originals, it is also recommended to establish scanned versions (electronic archives) to be saved on CD ROM.

Project Closure. If a country programme closes, a permanent and cost effective location for permanent archives must be arranged by the NC. The UNDP CO or the GEF Operational Focal Person (within the National Government Ministry) are recommended. For practical and longer term retention purposes, CD ROM archiving is recommended if this proves cost effective. CD ROM copies should be shared with UNOPS and CPMT.

Type of Document	Retention period
1. Grant financial documentation: bills, receipts etc.	7 years
2. Grant financial reports (including NC verification stamp to release grant installments)	30 years
3. Grant progress reports (substantive)	30 years
4. Original signed MOAs	30 years
5. Other SGP publications, reports etc.	Depends on needs.
6. Outgoing correspondence, memos, faxes, working files, etc	1 year

#### 4.5 **Financial Monitoring / SGP Database**

##### 4.5.1 **SGP Database** - (LINK to the SGP Database: <http://sgp.undp.org/intranet>)

The SGP Database is established, among other things, to comprehensively capture all grant commitments for the SGP. It is the responsibility of the NC/PA that all grant project entries are complete and accurate. This will ensure accurate commitment reports can be generated.

In addition to properly inputting the new project's financial data (including the planned disbursement dates and amounts), the actual MOA (including any amendments) and the signed NSC Meeting Grant Approval List need to be uploaded ([LINK – “SGP Projects Database - Uploading Files”](#)). Changes to disbursement amounts or dates need to be swiftly updated in the database entry whenever an MOA amendment takes place.

##### 4.5.2 **ATLAS Expenditure Reports** - ([LINK – “Atlas Tools for Tracking Expenditures – July 2010”](#))

It is the NC/PA's responsibility to ensure that the proper Atlas accounts are used at all times. The NC/PA needs to review the ATLAS financial records on a regular basis in order to “catch” mistakes and to avoid unnecessary reconciliation exercises with the UNDP CO Finance and UNOPS. Please refer to the above linked document for some recommended tools that are available in Atlas for the purpose of tracking expenditures.

##### 4.5.3 **UNOPS Management Workspace** - ([LINK – “Guide to the UNOPS Management Workspace – July 2010”](#))

The UNOPS Management Workspace is a new tool developed on the UNOPS Intranet to help monitor the related Atlas project expenditures. NOTE: This tool mirrors Atlas data on

a 24 hour delay. Please refer to the above linked document to help you navigate through the most helpful areas of the workspace for the purpose of tracking expenditures in Atlas.

***Well structured financial monitoring is the key to maintain a clear overview.***

#### **4.6 Financial Management – DOs and DON'Ts**

##### **DO...**

- ... Review MOA payment history at the beginning of each year and **create new POs** for all remaining grant payments planned for the current year.
- ... **Ensure timely disbursement** of existing Purchase Orders in Atlas, within the current fiscal year.
- ... **Submit PO notification immediately** following the creation of timely POs in Atlas.
- ... **Plan ahead** on various UNOPS and UNDP CO financial deadlines (i.e. Year-end financial closings for both offices).

##### **DON'T (DO NOT)...**

- ... Use a cash advance modality.
- ... Create “direct admin POs” that are not sourced from the Admin REQ.
- ... Duplicate grant POs/payments in Atlas. “Double-accounting” wreaks havoc on the SGP Atlas budgets.
- ... Create POs in Atlas without first completing the previous steps (NSC approval, MOA signature, SGP Database entry).
- ... Exceed US\$ 50,000 per grantee per operational phase.
- ... Exceed your admin budget (COB).
- ... Exceed your cumulative grant allocation per operational phase.

*“Accountability, Compliance, Accountability ...”*

## **Chapter 5: SGP HR / Recruitment**

### **Introduction**

The Small Grants Programme (SGP) country team is composed of two staff positions; a National Coordinator (NC) and a Programme Assistant (PA). All SGP Country Team members are classified as UNOPS appointed national project personnel. Contracts are locally administered by the UNDP Country Offices (CO) on behalf of UNOPS and are subject to applicable HR rules and regulations.

### **SGP HR Basics**

#### **Reporting Lines**

The National Coordinator (NC) reports to CPMT on substantive and to UNOPS on all financial matters. The UNDP CO is authorized by UNOPS for all related administrative HR contract matters.

The Programme Assistant (PA) reports to the NC as direct supervisor. The NC is responsible and accountable for PA work and outputs. The UNDP CO is authorized by UNOPS for all administrative HR contract matters.

#### **Personnel Nationality**

The SGP country team personnel must be nationals of the country in which the programme is located.

#### **Contract Levels**

NC contracts are graded at the NO-B level or equivalent Service Contract Salary Band.

PA contracts are at the G5 level or equivalent Service Contract Salary Band.

#### **Contract Modality**

SGP country team personnel are either contracted under UNDP administered Fixed-Term Appointments (FTA) or Service Contracts (SC). Since 2006, all new personnel are recruited under SC.

Short term appointments are contracted locally under the UNDP administered Special Service Agreement

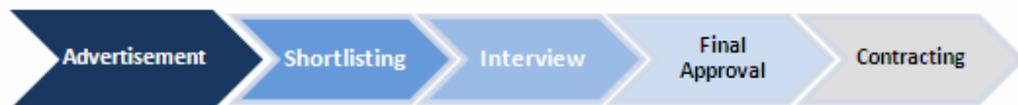
(SSA). Such appointments are subject to budgetary approval by UNOPS. UNOPS issued Individual Contractor Agreement (ICA) will be applied for CPMT, global or regional short term contracts.

**5.1 Recruitment Process**

(Refer to 5.5 for Consultancy/Short Term Contract Recruitment)

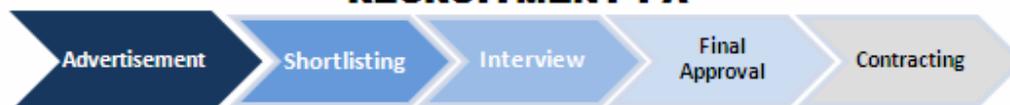
The recruitment process for the National Coordinator/Sub-regional Coordinator and Programme Assistant positions is done through a competitive and open selection process. Upon receipt of the UNOPS authorization and in line with UNOPS guidelines, the UNDP CO initiates the recruitment process liaising with the NC, UNOPS and CPMT where stipulated below.

**RECRUITMENT NC**



Who?	UNDP CO HR	UNDP CO HR / CPMT / UNOPS	Panel: UNDP CO HR, NSC members	CPMT (Global Manager) / UNOPS	UNOPS / UNDP CO
What?	Post vacancy announcement in national press	UNDP CO shortlists 3-5 applicants /shortlist reviewed by UNOPS and CPMT, for approval to conduct interviews	Interview panel to include standard questions sent by CPMT/UNOPS	Review/approve signed interview minutes (Global Manager's final decision)	UNDP CO issues contract upon receipt of UNOPS authorization

### RECRUITMENT PA



Who?	UNDP CO HR	NC	Panel: UNDP CO HR, NC	UNOPS / CPMT	UNOPS / UNDP CO
What?	Post vacancy announcement in national press	Shortlist 3-5 applicants	Interview short listed candidates	Review and approve signed interview minutes	UNDP CO issues contract upon receipt of UNOPS authorization

#### 5.1.1 Advertisement of Vacancy Announcement

SGP vacancy announcements are issued by UNDP CO HR through their standard process, usually in two editions of two national newspapers (1/4 page), over a period of two weeks. The UNDP CO is reimbursed for the related advertisement costs through an Atlas Requisition sent by UNOPS.

#### Advertisement Content

The SGP advertisements should be based on the specific TORs ([LINK – NC Newspaper Advert Guidelines](#)). They should include:

#### NC Advertisement

#### **Qualification and Skill Requirements.**

- Education:** Advanced university degree in environmental fields, Environmental Economics, Business Administration or similar field.
- Experience:** At least 5-8 years of relevant experience in development work, which should include programme management, preferably with an extended specialized experience in any of the GEF-SGP focal areas at the national level.
- Managerial skills:**
  - Excellent analytical and writing skills
  - Excellent teamwork and people management skills.
  - Excellent communication and interpersonal skills.
  - Good negotiation and problem-solving skills.
- Language requirements:** Fluency in the official national language and English.

**IT skills:** Proficiency in standard computer software (word-processing, excel, presentations, databases and internet)

**PA Advertisement**  
**Qualification and Skill Requirements.**

**Education:** University degree, preferably in Business Administration or an environmental science field.

**Experience:** At least 3-5 years of relevant experience in office management, including financial reporting;  
Previous working experience with a UN agency an asset.

**Skills:** Good communications and interpersonal skills essential;  
Excellent drafting and analytical skills required.  
Good knowledge of budget control and financial management.

**Language requirements:** Fluency in the official national language and English.

**IT skills:** Excellent knowledge of MS Office, database and Internet use. User knowledge of ATLAS is an asset.

**5.1.2 Review of Applications/Shortlist**

Between 3-5 applications should be short-listed based on the minimum TOR competencies (as outlined in above Qualifications and Skills Requirements). For NC recruitments, the CVs should be sent to CPMT/UNOPS for review and comments before proceeding to interview stage.

**5.1.3 Interview Process – National Coordinator (NC) / Programme Assistant (PA)**

**NC**  
The selection panel should be composed of UNDP-CO (incl. HR personnel), Civil Society representative, Government representative, and NSC representative. Interviews should include standard questions sent by CPMT/UNOPS and written exam provided by UNOPS. CPMT/UNOPS may request a follow up telephone interview.

**PA**

The selection panel should usually include the NC and UNDP-CO (incl. HR personnel).

**5.1.4 Recommendation/Final Selection**

Signed interview minutes including the score matrix (test/exam scores if applicable) with final panel recommendation should be sent to UNOPS/CPMT. The review and final

selection will be authorized by CPMT/UNOPS, in case of the NC by the SGP Global Manager.

### **5.1.5 Contracting of National Personnel**

The UNDP CO should liaise with the selected candidate to establish a possible contract start date, vendor details ([LINK ATLAS Vendor Form](#)), and a salary level. The salary level is based on the local UNDP salary scales. For SC salary assessment, in case no SC salary scale is established, the FT scale should be used as a guideline. UNOPS HR will review the UNDP CO salary recommendation and take a final decision. UNDP CO HR should further advise UNOPS on local terms of the contract by submitting a completed SGP Personnel Action Form ADD NEW FORM [Hyperlink] to UNOPS.

Upon finalization of all contractual details, UNOPS will send an official authorization letter to the UNDP CO to issue the respective contract. The authorization will include:

- Starting date,
- Duration
- ATLAS COA - in the form of ATLAS REQ/PO or ATLAS Payroll position ID.

The initial contract duration for new personnel is 12 months. Extension end dates are then aligned with the SGP operational year.

The UNDP CO HR sends the contract offer to the selected candidate, and a copy of the signed contract to the designated UNOPS-SGP HR Focal Person.

### **5.2 National Contract Administration**

Basic requirements prior to issuance of contract:

- Security certificate
- Medical clearance
- Ethical statement

The UNDP CO administers contracts on behalf of UNOPS – incl. monthly salary payments, leave requests and monitoring, etc. This should also include informing UNOPS of amended salary scales in a timely manner. The SGP country team personnel should follow UNDP country specific working conditions.

For Service Contracts administered through ATLAS HR Module, UNOPS shall always create ATLAS Position IDs.

Please refer to Section 4.3 for details of applying UNDP Cost Recovery Policy to local HR services

The SGP country team personnel should not and cannot be considered UNDP national core personnel. As per their terms and reference they are 100% dedicated to SGP and

are defined as “project-personnel”. The SGP personnel members can join UNDP CO events and exercises as long as this does not have any cost or hinder their responsibility for the SGP.

### **5.3 Health Insurance**

#### **Fixed Term (FT)**

FT holders are enrolled in the local UNDP CO Medical Insurance Plan (MIP). For details of particular insurance plan details or to make a claim, please refer to your UNDP CO HR or UNDP CO MIP focal person.

#### **Service Contracts (SC)**

SC holders should be enrolled in the local UNDP CO Van Breda Medical, Death & Disability insurance, unless the specific country offers a different local medical plan. For details of insurance plans or to make a claim, please refer to your UNDP CO HR focal person. Details of Van Breda insurance policies and claims forms can also be found at [the Van Breda website](#).

### **5.4 Salary Adjustments/Contract Renewal**

#### **Fixed Term**

FT Contract holders receive an automatic annual step increase subject to satisfactory performance and HR rules and regulations.

#### **Service Contracts**

SC holders receive salary adjustments in line with amended UNDP CO salary scales. If the UNDP-CO does not have a specific SC salary scale the FT salary scale should be used. It is the responsibility of the SC holder to inform the designated UNOPS HR Focal Person when their local UNDP CO salary scales are amended.

Contracts are renewed in line with the SGP operational annual cycle. UNOPS will authorize all contract extensions for a 1 July start date for all applicable cases. All contract renewals and salary adjustments are based on and subject to the annual standardized performance review process and UNOPS/CPMT approval.

### **5.5 Short-term Consultancy Contracts**

When specific circumstances require additional short term support or a special assignment, a short term consultancy contract can be issued. These can either be issued locally through the UNDP CO SSA (Special Services Agreement) for local country programme consultants or through the UNOPS' ICA (Individual Contractor Agreement) modality for regional, global and CPMT consultants.

#### **5.5.1 Budget Source: COB**

The costs for the additional support/consultant will usually be funded from the Country Operating Budget (COB). If such support has not been budgeted in the annual COB, the NC should ensure the following:

- 1) The required amount can be drawn from another COB ACTIVITY allocation without exceeding the COB limit.
- 2) This will not jeopardize the smooth operations of the SGP.

The NC should contact the respective UNOPS Manager prior to taking any specific action.

#### **5.5.2 Recruitment Process for short term personnel**

**SSA recruitment process should be in line with the local UNDP Country Office procedures.**

##### **ICA.**

It is always important to undertake an open/transparent and thorough recruitment process. The hiring manager should consult the UNOPS HR focal point before undertaking any ICA selection exercise.

For SSAs, UNOPS will issue an authorization to the UNDP CO to issue an SSA on UNOPS' behalf. For ICAs UNOPS will issue the contract directly.

#### **5.5.3 Monitoring / Extensions**

It is crucial that the requesting unit and supervisor of the specific consultant (CPMT / NC) monitor their consultant contracts. Any work which falls outside of the timeframe of the contract (either before contract starting date or after contract end date) cannot be paid for. Therefore, the SGP supervisor should inform the designated UNOPS-SGP HR focal person in a timely manner if and when a contract should be extended or amended to avoid any retro-active situations of already expired contracts.

#### **5.5.4 Payments**

For UNOPS issued ICA:

- a. The consultant payment request in line with the contract must be submitted to UNOPS through the provided Certificate of Payment (CoP) issued by UNOPS-HR.
- b. Prior to UNOPS processing the salary/fee payment the requestor/direct supervisor of the consultant (CPMT/NC) needs to certify that the provided work/service was completed satisfactorily in line with the contract.

For UNDP CO issued SSA:

- c. The consultant payment request in line with the contract should be submitted to the UNDP-CO through the provided Certificate of Payment (CoP) as issued by UNDP CO -HR.
- d. Prior to UNDP CO processing the salary/fee payment the requestor/direct supervisor of the consultant (NC) needs to certify that the provided work/service was completed satisfactorily in line with the contract.

### **5.6 Performance Review**

The NC performance evaluation (including the direct comment by the UNDP-RR) is reviewed by the CPMT/UNOPS regional team, resulting in a recommendation to the Global Manager for final ratification. This may have implications for contract renewal in cases of lack of performance. Copies of the finalized Performance Review & Assessment (PRA) form of all SGP personnel (national/global) will be filed with the designated UNOPS-SGP HR focal person.

The PA performance evaluation is done through the PRA at the country level, finalized by the NC and then submitted to UNDP CO and UNOPS.

### **5.7 HR Archiving & Documentation**

UNDP CO should maintain an HR File on all SGP staff whose contracts are administered by UNDP CO. UNOPS will maintain files for ICA contracted consultants.

### **5.8 Any Other Business:**

- The SGP personnel who are included in the National Host Institution (NHI) contracts are subject to the terms and conditions of the NHI HR rules and regulations, including benefits and insurance. They do not fall under Terms and Conditions of UNOPS project personnel contracts. UNOPS has neither influence nor liability for the NHI's internal HR policies. However, it is important to realize that the established SGP reporting lines are still applicable. In these cases, the generic PA/NC TORs are incorporated in the NHI contract.
- Additional SGP country team personnel (driver, messenger or receptionist) are also considered project personnel and remain within the approved SGP personnel list. Any new additional personnel recruitment will be charged to the COB. Additional staffing is subject to exceptional approval.
- In case of eligible and approved requests for reclassification of posts of existing personnel members (incumbent) the UNDP/UNOPS HR rules require that the post must be re-advertised and the formal recruitment process be newly undertaken and properly followed (including new short-listing and interviewing of suitable candidates).

## Chapter 6: SGP Procurement of Equipment / Services

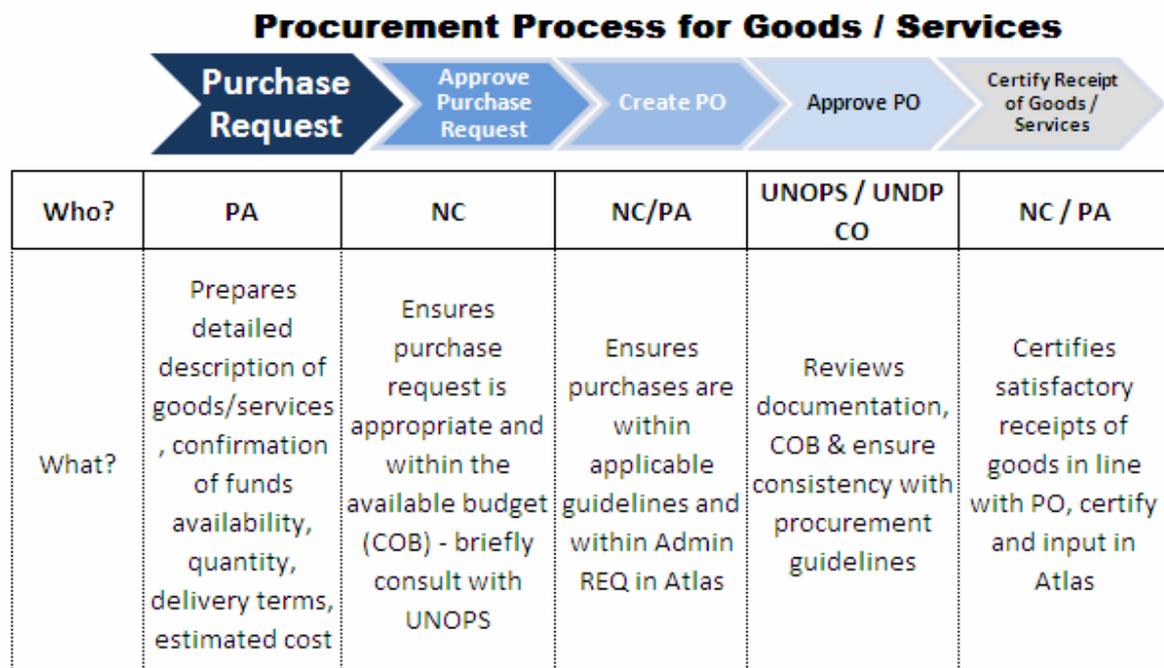
**Introduction:** Application of “**BEST VALUE FOR MONEY**” principle in procurement is the responsibility of all SGP personnel who are expected to observe the highest standard of ethics in the procurement process.

All procurement activities carried out should reflect fairness, integrity and transparency to achieve economy and effectiveness to the best interest of the SGP and UNOPS. Proper procurement planning will help in the preparation of a clear Country Operating Budget (COB) proposal.

The National Coordinator (NC) is responsible for the following essential components in procurement planning:

- needs assessment
- definition of requirement/specification (what type of item is needed?)
- cost estimation

All purchases of goods/services should be foreseen and included in the COB. A standard procurement process in line with UNOPS guidelines is summarized under section 6.1.1 below. The below Workflow chart illustrates the basic steps involved in the procurement process for both goods and services:



[LINK – UNOPS Procurement Manual](#)

**6.1 Equipment**

**6.1.1 Basic Competitive Bidding Principle**

The following ‘Procurement Process’ under the **competitive bidding** should be strictly followed and documented before creating a PO in ATLAS for purchases of **‘goods’** and/or **‘services’** under the COB:

1. Sourcing of Suppliers (knowing WHO supplies WHAT). Information from supplier catalogues, UNDP CO previous short lists, internet etc.
2. Follow suitable procurement methods based on local needs and situation. Either: competitive shopping or **Request For Quotation (RFQ)** or formal methods **Invitation To Bid (ITB)** and/or **Request For Proposal (RFP)** can be selected (described below in Table) with guidance from UNDP CO and/or UNOPS.
3. Follow standard [UNOPS formats](#) (available in UNOPS Intranet Document Library – [LINK](#)) as they are designed to fit specific requirements and contain UNOPS mandatory terms and conditions. The contents of the format should include deadlines, offer validity and payment terms.
4. Set criteria for selection of suppliers based on specification, conduct evaluation and recommend for selection to UNOPS/UNDP CO.
5. NC to confirm with selected supplier about the purchase of goods/services and transmit such confirmation.
6. Purchase order(s) to be issued by UNOPS/UNDP CO.

**6.1.2 Standard Local Purchase Orders (below \$ 2,500)**

REQUIREMENT	PROCUREMENT METHOD	WHO CAN DO WHAT?	
		Procurement Process	Approval
< US\$ 2,500	<u>Competitive shopping (Local Purchase Order)</u> Obtain price quotations, compare the quotations and select the supplier on lowest price basis. Written justification required if the lowest priced bid is not selected.	PA	NC

### 6.1.3 Special Purchases (over \$ 2,500 but below \$ 50,000)

REQUIREMENT	PROCUREMENT METHOD	WHO CAN DO WHAT?	
		Procurement Process	Approval
> US\$ 2,500 but below US\$ 50,000	<u>Request for Quotation</u> (RFQ). Communicate the requirements to suppliers with quotation conditions. Minimum 3 quotations should be obtained. The basis of selection is “ <i>lowest priced, most technically acceptable</i> ”	NC/PA	UNOPS
> US\$ 50,000	<u>Invitation To Bid</u> (ITB) or <u>Request For Proposal</u> (RFP) according to the complexity of requirement. Technical specifications/Statement of Work forms the basis of bidding documents.	NC/PA	UNOPS

- For specific procurement needs which could not be anticipated but can be accommodated within the COB, **flexibility in the Admin REQ** can be exercised. This is stated in chapter 4. SGP Finance – section [LINK – 4.2.2 ATLAS Admin REQ](#).
- Any ad-hoc procurement needs that cannot be accommodated in the COB **require** exceptional approval from CPMT/UNOPS.
- UNOPS procurement procedures should be used, unless agreed otherwise for exceptional cases. Example: If the funding for the acquisition of equipment is using co-financing contribution by other donors, not using the UNOPS executed SGP budget. However, it is strongly advised to always follow the UNOPS/UNDP procurement standards under any situation.
- All contracts pertaining to procurement of goods/services worth over US\$ 2,500 and up to US\$ 50,000 will be issued by UNOPS; or the UNDP CO will be authorized to issue the contract or Local Purchase Order on behalf of UNOPS. Before issuance of any such contract/Local Purchase Order by the UNDP CO, the confirmation/approval by UNOPS in addition to the established Admin REQ is mandatory. SGP personnel may opt to be guided by UNDP CO procedures and/or seek guidance from UNOPS regarding procurement exercises for values expected to be above \$2,500
- The standard internal audit exercise for UNOPS projects includes the audit of procurement activities. Properly filed documentation supporting the procurement cases are required to facilitate the project audit process.

As for all procurement undertaken on behalf of UNOPS, the individual involved remains personally responsible for his/her actions and financially liable for any mismanagement or undue action taken.

#### **6.1.4 Equipment Inventory**

The NC/PA is responsible for maintaining an equipment inventory database in the prescribed format ([LINK - ASSET \(EQUIPMENT\) INVENTORY DATABASE FORMAT](#)) which should be submitted to UNOPS upon request. Project assets should be assigned an ID number and bear the SGP Logo on it.

The inventory list should be reviewed and the status of working condition and life expectancy shall be up dated periodically.

#### **6.1.5 Relevant Issues : Insurance, Disposal of Assets, Vehicle management**

##### **Insurance:**

Upon purchase or receipt of any new equipment it is important to immediately arrange for insurance coverage for theft and accidents. The insurance premium will be covered and needs to be budgeted for in the COB (under ACTIVITY10- Sundry, Account 74505). For vehicles, minimum third-party liability insurance should be arranged locally. Vehicles normally are required to be insured locally against all risks, including damage, theft or fire for the vehicles, as well as injury and property damage to third parties (including passengers). The UN's worldwide coverage for vehicles is in addition to and not a substitute for the local coverage. The payment of annual vehicle insurance premium should be covered in the COB as described above. SGP vehicles are usually registered under the UNDP CO.

UNOPS guidelines on marine, cargo insurance will provide information related to Insurance under procurement of project assets and equipments. ([LINK – GLOBAL CARGO MARINE INSURANCE GUIDE](#))

##### **Transfer/Disposal of Assets:**

The disposal or transfer of any SGP equipment item is initiated by the NC and is undertaken in accordance with the terms of the applicable local UNDP procedure. Assets are written-off when it is established that they are missing, lost or damaged beyond repair. Obsolete or surplus assets may also be written-off when their current value is nil and/or it is established that they cannot be sold or donated. SGP assets may be redeployed to another project with the same UNOPS client (i.e. UNDP), whether that project is executed by UNOPS or not. Assets must be made available at the SGP country office for inspection when an audit is conducted.

The UNOPS guideline on repair, transfer and disposal of assets shall help SGP personnel in this subject matter ([LINK – GUIDELINES ON REPAIR, TRANSFER AND DISPOSAL OF ASSETS](#)).

### **Vehicle Management:**

Managing the SGP vehicle is crucial for successful operations and it is the responsibility of the NC. The vehicle is to be maintained as per the recommended service periods of the manufacturer and if possible by a registered service provider of the specific make of the vehicle. Maintenance is to be planned so as not to affect the operations of the SGP, and a written maintenance plan should be created. Monthly routine maintenance is also to be scheduled and conducted on the vehicle.

For the proper use of project vehicles, the following guideline shall be consulted: ([LINK VEHICLE MANAGEMENT](#)) & ([LINK GUIDELINE INSURANCE CLAIM FOR VEHICLES](#))

## **6.2 Services**

Similar to goods, the procurement of services requires a transparent competitive bidding process. The rules and regulations discussed in section 6.1 above apply to services as well. All contracts related to services over US\$ 2,500 will be issued directly by UNOPS or the UNDP CO will be authorized to issue them on behalf of UNOPS.

### **6.2.1 NHI Subcontracting**

As a result of the SGP appraisal mission, a decision will be taken if the National Host Institution (NHI) modality shall be applied as best hosting arrangement for the SGP in that particular country. If not yet undertaken prior to the appraisal, a competitive bidding process (RFP) should be undertaken to select a suitable NHI. In this case, the UNDP CO shall conduct this process in consultation with the recruited NC. The NC should ensure that all steps stated in the UNOPS procurement manual and the guidelines related to the Request For Proposal (RFP) process provided in section 6.1.1 and 6.1.2 above are strictly followed and documented. The results of the selection process should be submitted to CPMT/UNOPS for issuance of the NHI **subcontract for professional services** subsequent to the required UNOPS internal clearance based on valid pre-selection criteria (i.e. the NHI name must be indicated in the Project Document or similar official document).

### **Special attention shall be given to the following:**

- The NHI contract may range from provision of office space, admin support, recruitment of SGP related support personnel etc. based on the country needs.
- Every NHI will submit a detailed cost breakdown proposal (similar to COB) and Statement of Work/TOR for all provisional services for UNOPS review, and shall update this as and when required.
- The frequency of the reporting will be indicated in the sub-contract and reports will include both financial and overall progress.
- Payment disbursements are scheduled and processed upon approval by UNOPS on receipt of due invoice/reports (including receipts). The invoice issued by the NHI should correspond to the specific installment amount in the contract. Final payment will be released only upon receipt and acceptance of the final invoice and financial

report (including receipts) by UNOPS and upto the remaining amount under the contract.

**6.2.2 Contract for professional services**

The same contract model is also issued to various service providers of SGP on the global level. For example: SGP intranet/database IT support service provider.

**6.2.3 Small Contract for Services - Low value/basic services**

This simple low value contract is issued for small and straight forward outputs / non complex set of activities. For example: provision of publishing services for a specific SGP book/publication.

## **Chapter 7: SGP Legal Issues**

### **Introduction**

A programme as highly visible and subjected to perception as the SGP needs to seriously address all its legal and integrity aspects. Legal issues need to be covered in a comprehensive and rational manner. The SGP involves many contractual arrangements, sets of responsibilities (incl. liabilities) etc. that require a legally sound foundation, platform and support network. The most common legal documents in the SGP include the Memorandum of Agreement (in short: MOA), constituting the grant agreement as well as admin related Lease and Common Service Agreements. For those recurring arrangements UNOPS, in close consultation with its legal team, has established a set of templates. In addition, the UNOPS legal team is standing by to provide specific advice and clearances for exceptional cases.

### **7.1 Memorandum of Agreement (MOA) - A Legal Document**

As the SGP has evolved and has become more complex the frameworks for agreements with the grantees have been adapted to the changes, new requirements, audit recommendations and lessons learned.

One theme that is imperative for all MOA templates: The MOA is a contractual legal document – ITS LEGAL TEXT SHALL NOT BE CHANGED – while the NC/PA shall insert information as required and indicated. (Note: all MOA and MOA Amendment templates are available in English, French and Spanish). The UNOPS SGP MOA constitutes a grant agreement which is distinct from a contract for services (which usually follows a specific procurement process).

In preparing and finalizing the MOA the following items should be considered:

- The MOA templates provide a legal basis for the SGP grant agreements. The set-up is also designed to minimize the possibility of legal disputes as it should address the common scenarios under which legal disputes may otherwise arise.
- This Agreement can be used where either a Local NGO or a Local CBO is a grant recipient. The non-applicable term (i.e. NGO or CBO) should be deleted throughout the document.
- It is not permitted to change references from UNOPS to UNDP, because UNOPS has no general authority to sign a UNDP document.
- No logos should be added or inserted when finalizing the agreement, utilizing the UNOPS MOA format.
- MOA templates should be for SGP internal use only; any queries to this regard should be referred to UNOPS.
- The UNDP Resident Representative signs the agreement on behalf of UNOPS; this delegated authority is outlined in 7.1.2 (Signatory Principle) below. Except for the foregoing, the UNDP CO is not involved.

UNOPS has established three (legally cleared) different models of grant agreements (MOAs) specifically for the SGP, which are available in English, French or Spanish:

a) **Standard MOA Template (BASIC MODEL MOA: CORE ([LINKS – English, French, Spanish](#)) RAF ([English, French, Spanish](#))**

This version shall be used in case that either a Local NGO or a Local CBO is a direct grant recipient and it applies to any traditional arrangement. Once the NSC has approved a grant project, the SGP country team should use the standard MOA template and work with the grantee to finalize this document. The main items of concern are the following:

- The correct grantee name - the grantee name used needs to be the official name of the entity which is consistently applied throughout the project (especially if the name was translated from a local language)
- the grant project sequence number (also see Chapter 4.1.2),
- the NSC approval date,
- the start/end date,
- the total grant amount as approved by the NSC,
- the payment schedule.

The National Coordinator is expected to assist the grantees in case there is a lack of experience in dealing with legal documents.

b) **Intermediary MOA (Intermediary NGO MOA Version: CORE ([LINK – English](#)), RAF([LINK – English](#)), Legal variation mark up, CBO ([LINK – Spanish, French](#))**

There will be potential grantees that do not have the capacity to either engage in a legal contract, directly receive the funds, or simply lack the capacity (no accounting, language issues, etc.) to be a direct grantee. Oftentimes another (larger) NGO is willing to serve as an intermediary grantee by receiving the funds on behalf of the actual beneficiary. This arrangement can range from the intermediary NGO simply being a “pass-through entity” to the scenario that the intermediary NGO would be providing capacity building activities to the actual grantee. This capacity building component may vary depending on the specific needs of the CBO and the NGO’s own capacities. Amongst others, this can include translation support, basic accounting, assistance to become a registered legal entity.

While it is desirable to engage NGOs that can provide such assistance services for no or the lowest possible costs, the intermediary NGO may be approved to receive up to 10% of the grant total in order to cover its costs. This depends on the level of support extended to the actual beneficiary. This amount needs to be built into the total grant proposal to be reviewed/approved by the NSC.

The intermediary NGO should usually be a well established partner that has a track record with the SGP. The above linked intermediary NGO MOA template provides for such cases and serves as the legal basis for these types of arrangements.

The NC should use his/her judgment when considering this option and propose the specific arrangement to the NSC. The NSC then decides upon this set-up on a case-by-case basis.

c) **Legal Representative MOA** ([LINK FOLDER - Legal Representative MODEL MOA](#) ([LINK – English](#), [French](#), [Spanish](#)))

This version shall be used in the following cases in which the NGO/CBO:

- does not have the ability to directly accept the grant funds, or
- the intermediary NGO arrangement is not desired, possible or feasible.

For such scenario, one or more members of the NGO/CBO may establish a specific bank account in order to receive the funds on behalf of the beneficiary organization. The NGO/CBO member should be on the senior level. In order to mitigate potential risks it is advisable to engage more than one member in the establishment of a joint bank account. Furthermore, it is critical to ensure proven track record with the entity and the member(s) who will serve as the legal representative(s) of the NGO/CBO.

The UNDP CO has a particular role in the oversight of these arrangements as the risk level is higher than in traditional grant agreements. By and large this element of control can only be exercised on a local level.

Note: Knowledge Management Grants MOA – Principles to follow:

With respect to the Knowledge Management Grants for which SGP countries can utilize up to 5% of their grant allocations, the same MOA modality is to be used; even if the activities of the project are not traditional SGP grant activities.

For such endeavors the following principles should be adhered to at all times:

- the identification and selection process remains in line with established SGP standards
- the grant project includes an element of capacity building
- the party being engaged is an eligible SGP grantee, i.e. NGO or CBO
- the identification / selection process is made open to all local and national NGOs and CBOs as much as possible
- the selected entity provides a report on the utilization of the funds

In essence, these items follow the same procedure as a usual SGP grant-making process.

Furthermore, these types of activities – knowledge management (including M&E that creates case studies and lessons learned for dissemination), stakeholders' workshops, networking, policy advocacy – should be part of the overall Country Programme Strategy in meeting the objectives of capacity building and be in line with the country programme's project development and portfolio.

d) **MOA Amendment**

Through an amendment to the original MOA any item (duration, amount, activity, disbursement schedule) can be changed - except for the recipient entity.

If the recipient remains the same but the officially registered name changes, an amendment is not required. However, the grantee must send a letter informing UNOPS of the change of name, and provide a certified true copy of the legal documents effecting the change of name. (The ATLAS vendor profile needs to be updated accordingly.)

In case the banking information of a grantee changes, no amendment is necessary. However, the grantee must send a letter informing UNOPS of the change of banking information. Due to the fact that the original banking information is indicated in the MOA, clear records of communication with the grantee needs to be on file (ATLAS vendor profile needs to be updated accordingly).

It is essential that all relevant factors that lead to an amendment are clearly documented and communicated to the grantee. The most common cause for MOA amendments in the SGP are delayed grant activities. These would result in no-cost alterations of the payment schedule and/or the project end date. The timeline of grant project activities is a major factor in determining if an MOA needs to be amended. The late submission of progress and financial reports by grantees does not warrant an amendment as long as it does not result in a significant delay of activities. Actual delays of activities need to be reflected in amendments to the payment schedule and the grant project workplan. For more specific queries on MOA amendments the MOA Amendment Guidance Note can be consulted. ([LINK – MOA Amendment GUIDANCE NOTE LEGAL APPROVED DEC 06](#))

e) **Successful MOA / Grant Project Conclusion with less funds than awarded**

In some cases grant projects will require less funds than approved by the NSC and indicated in the MOA. Such scenario would result into the following steps:

- The grantee should submit a letter indicating that there will be no further claims under this project ([LINK – MOA LOWER AMOUNT TEMPLATE](#))
- relevant communication should be filed appropriately
- grantee expenditure reports and invoices need to match the amounts in the above mentioned letter.

f) **MOA Termination before completion due to Non-Performance by Grantee:**

The National Coordinator needs to make all efforts to solve problems and issues with grantees as they occur and avoid the termination of the grant project MOA. This includes withholding payments of funds until, in the opinion of the NC (and UNOPS), the situation has been corrected (see clause 6.2) of the MOA template.

As a last resort, an agreement can be legally terminated by taking the following steps:

- The NSC should be notified/consulted and agree with the termination,

- The case should be clearly documented - including written correspondence with the grantee (refer to clause 6.2 and 6.9 of the MOA),
- An official termination agreement should be drawn up and signed by the UNDP RR on behalf of UNOPS and the grantee ([LINK – MOA TERMINATION AGREEMENT TEMPLATE](#)); **in less severe cases, a simple termination notification letter, signed by the UNDP RR may be issued** ([LINK – TERMINATION LETTER – ONGOING – NON-PERFORMING GRANTEES](#)).
- Immediately upon termination, ensure that all relevant documents are filed, the SGP database is updated and any funds already disbursed are returned to the project budget. Should the funds still be available in authorized Purchase Orders these items should be cancelled in ATLAS. Please refer to Chapter 4.1.5 on steps to return funds to the project.

g) **MOA Termination of Expired / Incomplete Projects**

For projects that exceed the end date indicated in the MOA and it is determined that completion of the project is not to be expected in the near future, a termination notification letter, signed by the UNDP RR, should be issued to the respective grantee ([LINK – UNDP RR MOA TERMINATION LETTER – EXPIRED PROJECTS](#)).

## **7.2 Signatory Principle – Delegation of Authority (DoA)**

The NC or the PA has no Delegation of Authority to sign any contractual documents on behalf of the GEF/SGP or UNOPS.

Despite the absence of contract signature authority, the NC has the responsibility to certify financial statements (i.e. grantee reports, admin expenditures). This is in line with the reporting lines as specified in the National Coordinator's Job Description / Terms of Reference.

The UNDP Resident Representative / Resident Coordinator has the formal Delegation of Authority (DoA) to sign contractual agreements (incl. MOAs) on behalf of UNOPS. This is conform with the umbrella MOU between UNDP and UNOPS ([LINK – MoU between UNOPS UNDP MOU June09](#)) and reiterated through a specific UNOPS NAO letter regarding OP4 MOAs to all Resident Representatives / Resident Coordinators dated 11 October 2007 ([LINK – OP4 MOA DoA Letter to RR signing MOAs](#)).

Where the UNDP Resident Representative signs a contractual agreement (MOA) on behalf of UNOPS the contract/agreement should not refer to UNDP. Similarly, the contract should not be on UNDP letterhead as this gives the impression that it is a UNDP contract.

## **7.3 Lease Agreement / Common Premises MOU**

All SGP hosting arrangements are required to be based on contractual documents, be it with the UNDP CO (using the Country Office house/premises) or another hosting entity or landlord. For these mandatory arrangements there are two different types of legal frameworks:

- *Common Premises / UN House Memorandum of Understanding - MOU (with UNDP or other UN Agency)*  
The UNDP CO or UN Agency offering the UN house/premises would usually have a standard template of this MOU. In most cases the SGP will be one of many signatories to a hosting MOU related to the UN common premises. ([LINK – MOU on UNDP Common Premises](#)). However, in the absence of such a template it is to be established / negotiated between the UN partner agency and the National Coordinator. If a hosting arrangement with the UNDP CO is based on an MOU and the UNDP Resident Representative is signing the MOU on behalf of the UNDP, the MOU should be sent to UNOPS for review by its legal team and countersignature.
- *Lease Agreement (non-UN hosting)*  
A standardized Lease Agreement template has been developed ([LINK – Model Lease Agreement UNOPS Legal](#)) which should serve as a basis for the negotiations and the draft agreement with any commercial leasing entity or individuals. However, the terms can be modified in order to match the agreement with local conditions, customs, procedures and possible legal contexts.

In both cases the National Coordinator is required to negotiate the best possible terms, preview the draft agreement to ensure compliance with standard clauses and send this draft version to UNOPS for legal review and final advice/clearance. The UNOPS Legal Unit is standing by to assist on such matters.

Items to consider before entering into an agreement:

- Any Lease Agreement or MOU must be in English, French or Spanish.
- Only the UNDP RR/RC can sign the lease agreements on behalf of UNOPS
- UN Security standards must be adhered to – MOSS compliance
- The National Coordinator should always aim for the most cost-effective option and/or re-negotiate rental costs.

#### **7.4 Conflict of Interest / Ethical Conduct**

Non-compliance with the established UN ethical standards bears a great risk to the SGP. This is true on the local and the global programme level, for the individual and the organization as a whole. The success of the SGP relies heavily on its image and perception and much hard work and positive impact can potentially be tarnished when the overall reputation of the SGP is jeopardized.

##### Simple Definition - What is conflict of interest?

A 'conflict of interest' occurs when one's private interests – such as outside professional relationships or personal financial assets – interfere with the proper performance of one's professional functions or obligations as a United Nations official.

A conflict of interest can be:

- a) Actual: Private interests interfere with official responsibilities
- b) Apparent: People may reasonably think that private interests interfere with official responsibilities
- c) Potential: Private interests may interfere with one's official responsibilities.

*Example of potential conflict of interest: an NSC member associated or employed by a potential grantee participates in an NSC meeting in which this particular NGO's/CBOs proposal is reviewed.*

UNOPS has provided the related UN guidebook "Working together – Putting ethics to work" ([LINK](#)) to all SGP personnel and made the ([LINK – online training and test](#)) [[refer to item 9.3 for access instructions](#)] mandatory in order to raise the awareness to these standards. The completion of the online training is a requirement for every SGP personnel's contract extension. As certificate, the SGP personnel are advised to sign the related 'SGP – Ethical Conduct Statement' ([LINK – Ethical Conduct Statement Form Apr08](#)). Due to the importance of this subject it is required that a continuous discussion on potential conflict of interest situations and the UN ethical standards is initiated within the NSC. Sensitivity toward this subject is crucial. This should ensure that any arrangements involving potential conflict of interest exposure or unethical conduct are immediately detected and reported.

The ethical conduct as per UN standards includes Gender / Cultural Sensitivity which are inherent aspects of the everyday work in the international community. For more detailed background, the above mentioned UN guidebook "Working together – Putting ethics to work" is available.

### **7.5 Internal Control Framework (ICF) / ATLAS Rights**

An internal control framework is generally defined as all the policies, procedures, monitoring and communication activities, standards of behavior and other activities that combined:

- Safeguard assets from inappropriate use and loss from fraud and error;
- Help ensure the quality of internal and external reporting, through the maintenance of proper records and information flows and;
- Facilitate compliance with applicable laws, regulations and internal policies.

All financial activities and transactions in the SGP are subject to the established UNDP/UNOPS Internal Control Framework (ICF). The ICF is integrated in the ATLAS system – through the various ATLAS user/buyer/approver rights – and outside the system – through reporting lines, certifying and signature authorities.

Local financial activities (especially in ATLAS) are subject to the established ICF of the UNDP CO. The exact authority level details may vary depending on the capacities and local procedures of the UNDP CO but it is imperative that the NC/PA familiarize themselves with the local UNDP CO set-up. This will facilitate smooth day-to-day operations.

UNOPS is the budget owner of the GEF/SGP. This means that all items processed in the ISO XXX50 (UNOPS Business Unit for the specific country) are subject to UNOPS authorization and have to be linked to a communication from UNOPS that states that a specific amount of funds can be used for a specific purpose.

UNDP does not create or approve UNOPS requisitions. All purchase requisitions should be raised and approved by UNOPS personnel.

For the SGP this simply means that a UNDP CO can directly and immediately act upon a UNOPS authorization and draw from an item created in a UNOPS ATLAS Business Unit and that both agencies have access to the same tools and data.

There must be a reasonable segregation of duties to minimize the risk of fraud and to promptly detect fraud. Personnel should have only one Atlas profile, which is consistent with their role.

The NC/PA has ATLAS Buyer rights which allow the following actions:

- Create vendors
- Create Requisitions (REQs)
- Budget Check Requisitions (REQs)
- Create POs (including Sourcing from REQs)
- Budget Check POs
- Dispatch POs
- Create Receipts
- View Reports

Supporting documentation should be limited to critical information in support of transactions processed in ATLAS, enabling the designated Manager to make a decision regarding the approval of a given transaction. Such documentation should be maintained for audit purposes.

The electronic versions of documents are permissible as long as the authenticity can be ensured and any alteration can be prevented.

For more detailed information with respect to the UNOPS Internal Control Framework, reference is made to ([LINK – Internal Control Framework for UNOPS offices](#)).

## **7.6 Misappropriation/Misuse of Funds**

The first step to be taken in those cases is that UNOPS and CPMT are immediately and fully informed of the situation. In order to prevent any wrong accusations, it must be emphasized that it is critical to ensure that clear evidence of the deliberate and actual misappropriation is presented and, if possible, confirmed by another institution (usually the UNDP CO). Once the allegation is substantiated, the following actions should be considered:

- UNOPS/CPMT are fully appraised of the situation and provided with the relevant documentation
- All attempts to recover the funds should be made, in particular by involving the UNDP CO who will have more experience with such cases.
- A clear record on the case in question as well as the entity or individual involved should be kept in order to prevent future SGP engagements.

### **7.7 Use of UNOPS Logos**

If a country team intends to include the UNOPS logo on any external documentation (i.e. publications, presentations, reports, etc) the UNOPS focal point responsible for the respective SGP region should be contacted in advance. Each case will briefly have to be reviewed by the UNOPS Legal Council.

## Chapter 8: Communications: Some Practical Notes

### 8.1 Who is your Direct Contact Person? – UNOPS, CPMT, Regional Senior NC

**Regional Focal Person table**

<u>Region</u>	<u>CPMT Focal Person</u>	<u>UNOPS Focal Person</u>	<u>Senior NC</u>
<b>Asia - Pacific</b>	Sulan Chen/ Terence Hay-Edie	Philipp Von Waechter / Markus Schnall	Shireen Samarasuriya (Sri Lanka)
<b>Africa (East / South)</b>	Terence Hay-Edie	Philipp Von Waechter	Nehemiah K. Murusuri (Tanzania)
<b>Africa (West)</b>	Terence Hay-Edie	Edriss Riffat	Oumar Wane (Senegal), Oumar Kaba (Mali)
<b>Arab States</b>	Sulan Chen	Sasha Logie	Emad Adly (Egypt), Munir Al-Adgham (Jordan)
<b>Latin America &amp; Caribbean</b>	Ana Maria Curea	David Daepf	Raul Murguia (Mexico), Alberto Sanchez (Dom. Rep.)
<b>Europe &amp; CIS</b>	Sulan Chen	Sasha Logie	Vacant

- **Regional Senior NC:** In order to provide additional regional coordination and a more senior advisory level, each region has at least one designated Senior National Coordinator (SNC). The SNC is usually representing a more experienced SGP country. The SNC responsibilities are wider than the standard NC as reflected in their TOR/job description and their level is established within NO-C level.
- **Who to contact first?** The main intention is that the SNC is the first contact person for general queries from NCs within the same region. S/he should provide advice and support in particular to new NCs in the regional context. The SNC is also integrated in the regional team concept ([LINK - Regional Team TOR rev June 08](#)) which was originally established in 2006. S/he is crucial to summarize and communicate regional issues/concerns to CPMT/UNOPS.

*Utilize existing experiences and share knowledge on a regional basis.*

- **Regional group discussions among NC/PAs:** As already practiced in most regions on informal basis, it is encouraged and advised to establish discussion-groups (through e-mail) among all NCs/PAs. The main objective is to share good practices and solutions to common problems (example: How to resolve a Database uploading problem experienced by some countries in each region, but not by others ....).
- **Phone-conference for Exceptional Problems:** Whenever necessary in order to resolve specific complex issues, it is suggested that the SNC or SPA will send an advance email notice summarizing the issue and proposing an agreeable time leading to possible phone-conference with CPMT/UNOPS.

## 8.2 **E-mail “Best Practices”**

In view of the increasing (and often mailbox exceeding) volume of emails, the following ‘best practices’ are recommended in order to ensure better communications, email management (including electronic filing/archiving) and overall reduction of unnecessary email ‘congestion’.

**Subject-Header Line:** It is very simple (only takes 1-2 minutes) and leads to better email management. Every email header should include:

- What Country?
- What is the issue/problem (brief but informative).

**Examples:**

- ALBANIA OP3: Problem with Grantee XYZ
- KENYA-COMPACT: Grant Payment POs 1... - ...

- **“Urgent”:** The often over-used term ‘Urgent’ should be used only in serious cases, sparingly (rarely). In order to help CPMT/UNOPS prioritize, it shall be used with common sense, not excessively.
- **Do not copy/Reply to all:** As part of global e-mail network, it is understood that important events, awards but also personal news can and should be shared with all SGP countries and CPMT/UNOPS. However, it is not advised to copy everybody else on specific individual messages, if not relevant to others. The same applies to copy (CC field in email). Example: When one replies to a personal message by an individual SGP personnel (congratulating to “new born baby” or “grantee received award”) it should not be replied to all (i.e. SGP-Global/NC/PA e-mail group) but only to the originator of the email message individually. No more REPLY TO ALL.
- **Concise Email text:** In the interest of clarity and efficient time management, all communications should be concrete, brief, straight to the point - including necessary details (example: grantee names, voucher, PO numbers etc.). In case of a specific question, it is recommended to review available documents

(SOP manual, Operational Guidelines) and consult a resource person (regional SNC/SPA) first before sending email inquiry to UNOPS and/or CPMT.

- **Cordial professional language:** It is important that all communications shall be in a polite, transparent, respectful and professional fashion. Let's keep in mind: All SGP partners are working together with the same objective to achieve SGP impact and success.

*"We are all in the same boat".*

- **Global messages:** The purpose of circulated messages to the entire SGP mail group is to inform everybody on very important issues, news, updates and guidelines. It is critical for everybody to read and understand them to ensure best practices and knowledge sharing but also to prevent confusion at later stage.

*"Stay informed and updated on all global messages".*

### **8.3 Language**

- As vital characteristic feature of a global program, interregional communication among all SGP countries and regions is important. Therefore, English language communication skills are essential. This is stated in the NC/PA TOR as minimum requirement. It is recommended that this criterion is tested and its compliance confirmed before any new personnel is recruited. Intra-regional group communications can be held in Spanish and French.
- In order to assist non-English speaking SGP personnel the following free online translation tools are available:
  - [google](#)
  - [Altavista / Babelfish](#)

## **Chapter 9: Training Modules**

*Constant Learning is essential to remain competent.*

### **9.1 Basic Security Certificate (mandatory)**

Upon recruitment, all SGP personnel, international and national (Fixed-term, Service Contract or SSA contract holders), need to complete the UN training course called "Basic security in the field". This is a non-negotiable requirement of all UN entities and their personnel. The UNDP CO usually has a CD-ROM that can be used to take the course. Otherwise the training is accessible at: [www.unops.org/security](http://www.unops.org/security) . Upon completion, the new SGP personnel should send a scanned copy (or fax) of the "Certificate of Completion" to the UNOPS SGP HR Focal Person (E-mail: [SashaL@unops.org](mailto:SashaL@unops.org) )

### **9.2 ATLAS Training**

While the (free) UNDP introduction training courses may vary in different countries we can only stress that it is very important to get basic knowledge of the financial ERP system called Atlas. Atlas Training can be accessed directly through the UNDP ON-DEMAND training website, indicated below with username and password.

Website: <http://ondemandweb.undp.org/ondemandproduction/ondemandwebportal/>

Username: intra.portal

Password: Intra4UNOPS (case-sensitive)

The purpose of this training is to understand and be able to create both Atlas POs and vendors. Detailed guidelines for the various Atlas tasks can be found in the links provided in Chapter 4 below.

### **9.3 UN Ethics Online Course - Integrity Awareness (mandatory)**

UNOPS requests all SGP personnel to undertake the mandatory online training in order to raise the awareness to the UN ethical standards. Its completion is a requirement for SGP personnel contract extensions. The online training and test addresses the UN ethical conduct standards and awareness of integrity and potential conflict of interest exposure. It is available in English and French. Web-site: <http://integrity.unodc.org>. Click on the link 'Create a Guest Account' to establish a username and password. Please send UNOPS a copy of the final certificate.

As the online test will not automatically produce a printable certificate, the SGP personnel is advised to sign the related ([LINK – SGP – Ethical Conduct Statement Form](#)) and submit this to the UNOPS SGP HR Focal Person (E-mail: [SashaL@unops.org](mailto:SashaL@unops.org)).

### **9.4 Access to other Online Training: Prince2**

**PRINCE2** (PROjects IN CONTROLLED ENVIRONMENTs) is a process-based method for effective **project management** that is used by UNDP and UNOPS. Several SGP personnel have already undertaken the foundation training. For more information:

<http://www.prince2.com/>