unicef for every child

Guidance for Civil Society Organizations on Partnership with UNICEF

UNICEF
Division of Data, Analytics, Planning and Monitoring

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Acronyms

CBO	Community-Based Organization
CCCs	Core Commitments for Children
CFEI	Call For Expressions of Interest
CPD	Country Programme Document
CRC	Convention on the Rights of the Child
CSO	Civil Society Organization
CTM	Cash Transfer Modality
DCT	Direct Cash Transfer
DPA	Data Processing Agreement
DSA	Daily Subsistence Allowance
ESS	Environmental and Social Safeguards
FACE	Funding Authorization and Certificate of Expenditures
HACT	Harmonized Approach to Cash Transfers
GL	General Ledger
IASC	Inter-Agency Standing Committee
IATI	International Aid Transparency Initiative
ICE	Itemized Cost Estimate
INGO	International Non-Governmental Organization
MOU	Memorandum of Understanding
NGO	Non-Governmental Organization
OIAI	Office of Internal Audit and Investigations
PCA	Programme Cooperation Agreement
PD	Programme Document
PRC	Partnership Review Committee
PRP	Partner Reporting Portal (www.partnerreportingportal.org ↗)
PSEA	Protection from Sexual Exploitation and Abuse
RBM	Results-Based Management
SDG	Sustainable Development Goals
SoE	Statement of Expenditures
SPD	Simplified Programme Document
TOR	Terms of Reference
UNGM	UN Global Marketplace (www.ungm.org ↗)
UNICEF	United Nations Children's Fund
UNPP	UN Partner Portal (www.unpartnerportal.org ↗)
VAT	Value-Added Tax

Foreword

Overview

Every year, UNICEF partners with nearly 4,000 civil society organizations (CSOs) in countries all around the world to implement programmes and deliver results for children, women and communities.

This publication, *Guidance for Civil Society Organizations on Partnership with UNICEF*, has been developed to promote understanding of UNICEF's partnership principles, processes and practices among both current and prospective civil society partners. This publication is aligned with UNICEF's internal procedure that applies to all UNICEF offices when partnering with and transferring resources to CSOs. In the event of any unintentional misalignment between the guidance in this publication and the legal partnership agreement signed between UNICEF and a CSO partner, the latter prevails.

Purpose and intended users

The purpose of this publication is to promote a common understanding of UNICEF's civil society partnership requirements. It is hoped that by reducing the information asymmetry between UNICEF offices and CSOs, the publication will support the timely establishment of high-quality, results-focused partnerships that in turn deliver high quality, results-focused development and humanitarian programmes.

The primary audience of this publication is both current and prospective civil society partners. The content of the publication may be especially relevant to those CSO personnel who are focal points for developing or managing partnerships with UNICEF. This publication, which focuses on the general operationalization of civil society partnerships with UNICEF, is to be read in conjunction with other publications that provide technical guidance on collaboration in specific programme sectors. These publications are referenced within this handbook.

Feedback and suggestions

The content of this publication is aligned to the requirements of UNICEF's Procedure on Programme Implementation: Work Planning, Implementation Partnerships and Risk Management. As and when UNICEF's internal procedure is revised, this publication will be revised accordingly and published on UNICEF website. The publication may also be periodically revised to reflect user feedback and provide greater clarification. For any questions regarding clarity, processes, compliance, or issues during the partnership, please reach out to your respective UNICEF office.

CHAPTER 1 : INTRODUCTION TO UNICEF, CSOs AND ENGAGEMENT MODALITIES

1. Who is UNICEF?

UNICEF, the United Nations Children's Fund, works in countries all around the world to save children's lives, defend their rights and help them fulfil their potential from early childhood through adolescence. UNICEF is guided by the Convention on the Rights of the Child (CRC) ↗, an international treaty adopted in 1989 to protect the rights of children around the world.

At the global level, UNICEF's work is guided by its Strategic Plan. The current UNICEF Strategic Plan, 2022–2025 ↗ charts a course towards the attainment of the 2030 Sustainable Development Goals (SDGs) ↗. The overarching goal of the UNICEF Strategic Plan, 2022–2025 is to drive results for the most disadvantaged children and young people. It establishes five goal areas:

i. **Every child survives and thrives.**
ii. **Every child learns.**
iii. **Every child is protected from violence and exploitation.**
iv. **Every child lives in a safe and clean environment.**
v. **Every child has an equitable chance in life.**

These five goal areas span a child's life cycle, encompassing antenatal care through infancy, childhood and adolescence, giving priority to the most disadvantaged children. The UNICEF Strategic Plan recognizes partnership with civil society—along with partnerships with governments, other United Nations organizations, the private sector, communities and children themselves—as an important modality for the achievement of results for children.

At the country level, UNICEF and the Host Government sign a Country Programme Document (CPD), typically lasting five years. The CPD provides an overview of the most critical issues in realizing children's rights in the country, as well as the programme priorities. Partnerships developed between UNICEF and CSOs at the country level must contribute to addressing child rights issues and realizing programme priorities identified in the CPD. As such, the CPD may be a useful resource for CSOs looking to engage with UNICEF in particular countries. The UNICEF website contains a repository of all CPDs ↗ approved by the UNICEF Executive Board.

2. Who is civil society?

UNICEF partners with a wide range of CSOs in its work around the world. The term "civil society" refers to private, voluntary associations that are distinct from the public and for-profit sectors and designed to advance common interests and ideas. CSOs perform diverse functions, such as delivering basic social services, mobilizing popular support for specific causes and engaging governments in policy dialogue. UNICEF classifies CSOs into five main categories:

i. **International non-government organisation (INGO)**
ii. **National NGO** (could be working at national or sub-national level)
iii. **Community-based organisation**
iv. **Academic institution**
v. **Red Cross/Red Crescent National Society**[4]

TABLE 1.1: UNICEF CATEGORIZATION OF CSOs

TYPE	DEFINITION	KEY FEATURES	COMPARATIVE ADVANTAGE
INGO	An NGO that has offices in more than one country	• Generally, highly structured in terms of mandate, technical expertise and management systems • Comprising a headquarters office and varying networks of regional and/or country-based offices *Examples: Aga Khan Foundation, Save the Children International*	Combines international expertise and systems with a local presence
National NGO	An NGO that is established in only one country	• Varying mandates, structures and systems depending on the country context and specific organisation history • Structured according to areas of common interest and concern by citizens • National or subnational coverage or reach *Example: Afghan Women's Network*	Builds on home-grown social initiatives and local capacities
CBO	A grassroots organisation	• Small organisational and management structure • Grass-roots organization focused on improving the lives and well-being of a specific community • Local coverage or reach *Examples: women's village group, youth club*	Has the capacity to reach hard-to-reach and underserved populations
Academic Institution	Higher education institution	• Degree-conferring institution, dedicated to higher education and research • Varying range of organisational types, funding structures, and relationships to government and the private sector • May be established in one or more than one country *Examples: University of Oxford, University of Pretoria*	Combines academic knowledge, research and education
Red Cross/ Red Crescent National Society	A national society of Red Cross/ Red Cresent in a country	• The International Federation of Red Crescent Societies is made up of 192 Red Cross and Red Crescent Societies, often referred to as National Societies, present in nearly every country of the world, with roles that could differ country by country *Examples: Ukrainian Red Cross Society*	Capacity to respond in emergency under same global fundamental principles.

CSOs may be required to adhere to certain principles and mandates, such as women led, faith-based, serving persons with disabilities, or representing Indigenous peoples. These organizations can be categorized as international, national, or community-based, as outlined above.

3. What are the UNICEF implementation modalities for civil society engagement?

UNICEF has two main modalities for engaging civil society: **procurement modality and partnership modality**.

3.1 UNICEF uses the **procurement modality** where the primary purpose is to obtain goods or services that are available from the local market. When UNICEF uses the procurement modality, it unilaterally defines the Terms of Reference and follows a competitive bidding process that results in the award of a commercial contractual arrangement. UNICEF posts its procurement opportunities on the UN Global Marketplace (UNGM) ↗, and CSOs as well as private sector actors are invited to bid on procurement opportunities. Examples of programme interventions where UNICEF may engage CSOs through the procurement modality include research projects; distribution of supplies; operational/logistical support for the organization of events; design services; and large-scale construction projects. The procurement modality is not the primary focus of this guidance.

3.2 UNICEF uses the **partnership modality** for "voluntary and collaborative relationships, in which all participants agree to work together to achieve a common purpose or undertake a specific task and as mutually agreed, to share risks and responsibilities, resources and benefits." UNICEF posts partnership opportunities on the UN Partner Portal ↗. In contrast to the procurement modality, UNICEF does not unilaterally define the Terms of Reference when engaging CSOs via the partnership modality. Instead, once a CSO has been identified for a partnership opportunity, both UNICEF and the CSO contribute to planning and defining the expected results; pool resources; and collaborate and work towards achieving the commonly defined results. Thus, the mere fact that an entity is a CSO does not necessarily mean that partnership is always the right modality to pursue. Rather, it is the nature and substance of the relationship between UNICEF and a CSO that determines whether the most appropriate modality is procurement or partnership.

The rest of this publication focuses on the partnership modality.

4. What are UNICEF's guiding principles for the establishment of partnerships with CSOs?

Key guiding principles for the establishment of UNICEF partnerships with CSOs include:

4.1 **National capacity**: partnerships with CSOs strengthen capacities of national actors and communities to address development challenges in a sustainable manner.

4.2 **Accountability:** partnerships with CSOs outline the roles and responsibilities of UNICEF, the responsible CSO and other partners involved in the programme.

4.3 **Results-based management:** partnerships with CSOs are geared towards achieving results defined in the UNICEF country programme and humanitarian response, with due consideration to risks and opportunities in the programming environment.

4.4 **Complementarity**: partnerships with CSOs are based on the comparative strengths and advantages, and contribution of financial and non-financial resources from UNICEF and the CSO to achieve the jointly planned results.

4.5 **Cost-effectiveness:** partnerships with CSOs strive to minimize administrative and financial costs without compromising accountability or effectiveness.

5. Why partnerships are important?

Partnerships are critical to deliver results for children and to realize the rights of children. Since its inception, UNICEF has worked with a broad range of partners all over the world. Today, most UNICEF offices engage with CSOs in various ways on programme delivery, advocacy and coordination. Among the many reasons that UNICEF partners with CSOs are:

5.1 **Implementation of humanitarian and development programmes**: CSO partnerships extend the reach and effectiveness of UNICEF programmes across sectors and geographic areas. Working together, UNICEF and CSOs can jointly help to ensure the long-term sustainability of child-focused programmes and policy reforms within countries and communities.

5.2 **Advocacy for children’s rights and engagement in policy dialogue**: UNICEF convenes platforms for joint advocacy with like-minded CSO partners. In many countries, UNICEF partners with CSOs to actively promote children’s rights, engaging governments in policy dialogue and initiating public awareness campaigns on child-focused topics. These partnerships provide an effective tool for mobilizing political will at the national level and promoting social and behavioural change at the community level.

5.3 **Promotion of technical knowledge and innovative practices**: CSOs have local and technical knowledge and expertise, enabling them to develop innovative solutions for children. National NGOs and CBOs in particular often have deep knowledge of the local context, as they navigate access to different population groups. Through partnerships with UNICEF, these solutions can be replicated and taken to scale.

5.4 **Support to the development of an active civil society:** UNICEF believes that the existence of a well-functioning civil society focused on the rights and the development of children constitutes an end in itself.

5.5 **Global reach and convening power:** With a presence in 190 countries, UNICEF collaborates with CSOs to align global initiatives with national development strategies. Through these partnerships, UNICEF brings together stakeholders to address children's issues, advocating for policies and frameworks that protect children's rights and increase public awareness of these critical concerns.

5.6 **Technical expertise and capacity-building**: Through partnership with UNICEF, many CSOs have benefited from UNICEF’s technical expertise and have gained enhanced knowledge and technical skills; strengthened delivery approaches and organizational and management systems; and access to new technologies. At the same time, many CSOs expect UNICEF to further expand its contribution to capacity-building.

5.7 **Financial support and supplies**: Many civil society partners benefit from UNICEF financial support and UNICEF-procured supplies. Through Programme Cooperation Agreements (PCA), UNICEF provides financial resources and supplies needed for programme implementation and capacity-building, supplementing the CSO’s own financial and non-financial contributions to the partnership.

6. What is HACT framework and its requirements?

In its partnerships with CSOs, UNICEF applies the requirements of the Harmonized Approach to Cash Transfers (HACT) framework ↗. HACT is an inter-agency framework adopted by several UN agencies to obtain assurance that funds transferred to partners have been spent for their intended purpose, and results have been achieved as planned and/or reported by the partner. HACT assurance activities that are planned to take place over the course of programme implementation are discussed by UNICEF and the CSO during the Programme Document (PD) development phase and recorded in the signed PD.

The HACT framework includes an assessment known as the HACT micro -assessment, and three types of assurance activities: programmatic visits, spot checks and audits.

A HACT micro-assessment is an overall assessment of a CSO partner's finance, operations and programme management policies, procedures, systems and internal controls. HACT micro-assessments are conducted by external service providers engaged by UNICEF, and UNICEF typically commissions micro-assessments of CSO partners who have received or are expected to receive more or equal to $100,000. CSO partners who have been selected to undergo micro-assessment can prepare by reviewing the Micro Assessment Terms of Reference ↗ and Micro Assessment Questionnaire ↗. A HACT micro-assessment results in the assignment of a risk rating of low, medium, significant or high. The purpose of a HACT micro-assessment is not to "disqualify" or "exclude" CSOs from partnership with UNICEF. Instead, the purpose of a micro-assessment is to help identify areas for partner capacity development and determine the frequency of assurance activities necessary to support programme implementation. The findings of a HACT micro-assessment are valid for five years, after which time the CSO must undergo a new micro-assessment. As HACT is an inter-agency framework, a partner that has undergone micro-assessment via another UN agency who operates HACT framework in the last five years is exempt from undergoing additional micro-assessment by UNICEF. (See details in Chapter 2: HACT Micro Assessment).

The HACT framework requires that UNICEF conduct programmatic and financial assurance activities. Partners that have been micro-assessed as higher risk and/or receive greater amounts of resources from UNICEF are subjected to more assurance activities.

A HACT programmatic visit is planned to verify that activities are implemented, and results are achieved as planned and/or reported by the partner. The objective of a programmatic visit is to obtain evidence on the status of programme implementation, review progress, and troubleshoot challenges and constraints. Depending on the nature of the programme intervention, programmatic visits may include field monitoring, meetings with key stakeholders and direct observation of the completion of activities. The minimally required frequency for programmatic visits is determined by the amount of cash transferred by UNICEF to the partner in the year, and the partner's micro-assessment risk rating.

A HACT spot check is a review of a CSO's financial records to obtain reasonable assurance that amounts reported by the partner on the Funding Authorization and Certificate of Expenditures (FACE) ↗ form are accurate. Spot checks, which may be undertaken either by UNICEF staff or an external service provider, are performed in the office where the CSO keeps its financial records. Spot check findings may result in identification of issues requiring follow-up from UNICEF and the CSO such as the identification of ineligible expenditure and may trigger additional assurance activities. A minimum of one spot check is required for all CSO partners reporting more or equal to US$ 50,000 expenditure in a year.

A HACT audit is a systematic and independent examination of data, statements, records, operations and performance of a CSO partner carried out by an external service provider. Every year, UNICEF selects partners for audit using a risk-based approach to obtain reasonable assurance on the appropriate use of funds by CSO partners. CSO partners who have been selected to undergo audit can prepare by reviewing the Terms of Reference ↗. UNICEF may also perform a special audit when significant issues and concerns are identified during programmatic visits, spot checks or other times during the programme implementation cycle. (See more details in Chapter 5: Monitoring, Assurance and Reporting).

7. Why is localization important for UNICEF?

Localization is the transformation of humanitarian action to shift power and decision-making to local actors, including governments, organisations and communities affected by emergencies or experiencing development challenges, while strengthening international investment. Through the Grand Bargain process, UNICEF and other signatories committed to making humanitarian action as local as possible and as international as necessary, with the goal of reducing costs and increasing the reach of humanitarian action.

Localization entails delivering services to at-risk and crisis-affected populations with their participation as effectively and efficiently as possible, while pursuing a well-developed exit strategy that transfers activities into the hands of actors within the affected community. This involves strengthening existing local systems, networks and platforms to further engage local actors in humanitarian action that addresses the needs of children affected by crises. Local actors need to be included in strategic, operational and financial decisions that international actors make while providing services to the affected populations, including children.

8. How does UNICEF ensure Transparency?

UNICEF considers public access to information to be a key component of effective participation of all stakeholders, including the public, in the achievement of its mandate. UNICEF recognizes that there is a positive correlation between transparency, including through information sharing, and public trust in UNICEF supported development work and humanitarian response. Transparency is, therefore, another key global commitment that UNICEF is upholding through the International Aid Transparency Initiative (IATI) ↗ and beyond.

UNICEF publishes information on government, civil society and other implementing partners cash transfers to the public, while providing clear exclusion criteria in situations where publication of detailed information is not considered to be in the best interest of the specific target population. This data is accessible through the recently revamped UNICEF Transparency Portal (open.unicef.org) ↗

9. Accountability in programmes

UNICEF has an obligation for using its power and resources ethically and responsibly to integrate four key dimensions of people-centred accountability in our programmes and ways of working with partners.

Rights: Supporting and strengthening the capacities of rights-holders to exercise their rights, and of duty-bearers to more effectively, accountably and sustainably fulfil their obligations to rights-bearers, in line with the CRC and our mission and mandate.

Results: Efficiently and effectively manage and use resources to support rights-based programmes and services that contribute to longer-term, sustainable outcomes for children and other vulnerable groups, in ways that support gender equality, inclusion, disability rights and resilience.

Risks: Identifying, managing and mitigating risks of children and other vulnerable groups across the humanitarian, development and peace-building nexus, including safeguarding risks, environmental and social risks, and programmatic risks.

Relationships: Addressing imbalanced power dynamics that contribute to child rights violations and promoting more equitable relationships between duty bearers, rights holder, partners and other stakeholders.

10. UNICEF Partnership platforms

The table below presents platforms used by UNICEF partners.

TABLE 1.2: PLATFORMS USED BY UNICEF PARTNERS

SYSTEM	LINK TO THE PLATFORM	USER GUIDE
eTools-ePD	https://etools.unicef.org ↗	https://supportcso.unpartnerportal.org/hc/en-us/categories/360000359133-UNICEF ↗
UN Partner Portal (UNPP)	https://www.unpartnerportal.org ↗	UNPP Quick Guide: https://supportcso.unpartnerportal.org/hc/en-us/articles/360003892733-UNPP-Quick-Guides ↗ UNPP PSEA: https://supportcso.unpartnerportal.org/hc/en-us/sections/14883240182807-PSEA-Module-User-Guides-and-Resource-Materials ↗
Partner Reporting Portal (PRP)	https://www.partnerreportingportal.org ↗	https://prphelp.zendesk.com/hc/en-us ↗
Electronic Concept Note (eCN)	https://ecn.unicef.org ↗	https://supportcso.unpartnerportal.org/hc/en-us/articles/360011919014-UNICEF-Concept-Note-Template ↗

CHAPTER 2 : ENGAGEMENT, SELECTION AND LEGAL AGREEMENTS WITH CIVIL SOCIETY PARTNERS, INCLUDING ASSESSMENTS

This chapter details how UNICEF selects CSO partners for programme implementation and formalizes its relationships with them.

1. How are prospective CSO partners identified?

UNICEF periodically undertakes CSO mapping exercises as part of its situation analysis of children and women to identify CSOs working in particular thematic or geographical areas. However, given the diversity and fluidity of the civil society sector, UNICEF is aware that some CSOs, especially smaller national and local CSOs, may struggle to make themselves known to UNICEF and the UN.

UNICEF, along with other UN agencies, launched the UN Partner Portal (www.unpartnerportal.org ↗), an online platform that allows CSOs to create profiles and provide UNICEF and other UN agencies with key information about their organizations. Part of the registration process on UN Partner Portal includes the completion of a Partner Declaration, comprising the following declarations:

1.1 The Organization is a non-profit civil society organization.

1.2 The Organization is committed to the core values of the UN, including the Charter of the United Nations and the Universal Declaration of Human Rights ↗.

1.3 The Organization is committed to the principles of a) Equality b) Transparency c) Result Based Management (RBM) approach d) Responsibility and e) Complementarity, as endorsed by the Global Humanitarian Platform in July 2007.

1.4 The Organization will not discriminate against any person or group on the basis of race, colour, sex, sexual orientation, gender, gender identity, language, religion, political or other opinion, national, ethnic or social origin, property, health, disability, birth, age or other status.

1.5 The Organization ensures that all its employees, personnel, contractors and sub-contractors comply with the standards of conduct listed in Section 3 of the UN Secretary-General's Bulletin on Special Measures for Protection from Sexual Exploitation and Abuse ↗

1.6 The Organization and its Management are not included on the Consolidated United Nations Security Council Sanctions List ↗, and have not supported and do not support, directly or indirectly, individuals and entities sanctioned by the Security Council or otherwise engaged in activities prohibited by a Security Council resolution adopted under Chapter VII of the Charter of the United Nations.

1.7 The Organization and its Management are not involved in any of the following: a) fraud; b) corruption; c) conduct related to a criminal organisation; d) money laundering or terrorist financing; e) terrorist offences or offences linked to terrorist activities; f) sexual exploitation and abuse (SEA); g) child labour, forced labour, human trafficking; or h) irregularity (non-compliance with any legal or regulatory requirement applicable to the Organization or its Management).

1.8 The Organization and its Management have not been found guilty pursuant to a judgment or an administrative decision of grave professional misconduct.

1.9 The Organization and its Management are not: bankrupt, subject to insolvency or winding-up procedures, subject to the administration of assets by a liquidator or a court, in an arrangement with creditors, subject to a legal suspension of business activities, or in any analogous situation arising from a similar procedure provided for under applicable national law.

The Organization and its Management have not been the subject of a final judgment or a final administrative decision finding them in breach of their obligations relating to the payment of taxes or social security (including pension) contributions.

1.10 The Organization and its Management have not been the subject of a final judgment or a final administrative decision which found they created an entity in a different jurisdiction with the intent to circumvent fiscal, social or any other legal obligations in the jurisdiction of its registered office, central administration, or principal place of business (creating a shell company).

1.11 The Organization and its Management have not been the subject of a final judgment or a final administrative which found the Organization was created with the intent referred to being a shell company.

All non-profit CSOs able to make the Partner Declaration in good faith are encouraged to register and create profiles on the UN Partner Portal. The completion of an online profile on UN Partner Portal exempts the CSO from any other paper-based profiles, in line with UNICEF's commitment to UN harmonization and simplification of processes. The completion of a profile on UN Partner Portal makes a CSO eligible to apply for all partnership opportunities posted on the Portal but does not guarantee selection for any given partnership opportunity.

2. How are CSOs selected for partnership opportunities?

To identify which among the potentially thousands of CSOs it should partner, UNICEF relies on two approaches for selecting civil society partners: open selection and direct selection.

2.1 **Open Selection:** Under the open selection approach which is the default selection approach, UNICEF posts a partnership opportunity, also known as a Call For Expressions of Interest (CFEI), on the UN Partner Portal ↗, making it visible to all CSOs. Open selection is used when UNICEF offices wish to invite all interested CSOs to submit concept notes in response to a partnership opportunity. In general, open selection is UNICEF's preferred partner selection approach, as it enables a more transparent selection process, supports the identification of new partners or approaches, and provides a comparative analysis of different alternatives to achieve a desired result.

CSO partners are encouraged to regularly visit the UN Partner Portal to learn more about UNICEF partnership opportunities. CSO that are interested in a given partnership opportunity are encouraged to submit concept notes preferably by the application deadline and in accordance with the guidance provided for the partnership opportunity. UNICEF is committed to providing information or clarifications related to the partnership opportunity, which can be submitted through UN Partner Portal. All CSOs receive notification of the results, along with additional comments (where relevant) on their application. CSOs not selected for a given partnership opportunity are encouraged to continue exploring UNICEF partnership opportunities that may offer a better fit.

UNICEF encourages to use electronic concept note (eCN) on this link https://ecn.unicef.org ↗ to fill the concept note using online platform for better alignment with UNICEF digital partnership system. This allows better accessibility after selection and during programme document development phase.

Once concept note is completed and ready in https://ecn.unicef.org ↗, use the export feature to download and submit the PDF to UNICEF using UN Partner Portal. See, workflow diagram ↗ for more info on electronic concept note (eCN)

2.2 **Direct Selection**: Under the direct selection approach, UNICEF bilaterally reaches out to one or more CSOs via the UN Partner Portal ↗ to directly solicit their interest in partnership. While open selection is UNICEF's preferred partner selection approach, there are also situations where direct selection may be more appropriate, such as in cases where a CSO has been identified as the only available partner with the required technical expertise or geographical presence to implement a programme intervention. Direct selection may also be prompted if UNICEF receives an unsolicited concept note from a prospective CSO partner that aligns with UNICEF's programme strategy and resource availability. CSOs are invited to submit unsolicited concept notes to UNICEF via the UN Partner Portal ↗.

Regardless of whether UNICEF chooses an open selection or direct selection approach, the purpose is the same: to identify those CSO partners that provide the best comparative advantage in the joint development and implementation of a programme intervention. In selecting partners, UNICEF relies on selection criteria relevant to the programming context and results to be achieved. For open selection partnership opportunities, UNICEF offices publish the Call for Expression of Interest (CFEI) with relevant selection criteria with other details on UN Partner Portal for CSO applicants.

2.3 **Selection criteria include, but are not limited to:**

Access and security considerations: The ability to access and operate in given security conditions and/or hard-to-reach locations.

Clarity of activities and expected results: The application of the RBM approach to programming.

Resource contribution: The contribution of cash, intellectual property, human resources, supplies and/or equipment to supplement UNICEF resources.

Cost-effectiveness: The level of direct and indirect costs proposed by the partner to implement the activities.

Financial and technical capacity: The level of technical and financial contribution that the CSO partner brings is important for scale and quality of interventions. However, other factors, including longer-term sustainability of capacity and results, are equally important to consider.

Organisational capacity for PSEA: The ability to prevent and respond to SEA allegations and/or the inclusion of PSEA prevention and response activities.

Experience and success working with UNICEF or other UN entities: Relevant knowledge, skills, technical experience working with UNICEF or other United Nations entities; including understanding of UNICEF policies, procedures and programmes.

Innovative approach: The ability to achieve results with an approach that is different from traditional ways of working and that appears likely to result in greater effectiveness, efficiency and sustainability in delivering the expected results.

Local experience and presence: Prior experience with and presence in a given community and geographic area that demonstrates knowledge of the local context, engagement of children and communities, the trust of local communities and/or established consultation and feedback mechanisms to inform programme design and implementation.

Project management capacity: The ability to manage the envisioned intervention, which may be substantiated by experience managing budgets and staffing of similar size, or evidence from micro assessments and assurance activities.

Realistic timelines and plans: The ability to achieve programme outputs and deliver timely results, including the capacity for accelerated implementation during humanitarian crises.

Other specific criteria required to meet the needs of the country programme or humanitarian response (e.g., operationalization of the Inter-Agency Standing Committee (IASC) commitments to affected populations.

3. Partner's Contribution

A cooperation agreement between UNICEF and CSOs, in principle, is intended to amplify results for children, by pulling together resources and comparative advantages of UNICEF and its partners for programme implementation. It is distinctly different from specific set of tasks contracted to service providers by UNICEF.

If partner contribution (in cash or in kind) is expected, it should be indicated in the programme document (PD) as mentioned in Section 5 of the UNICEF PCA ↗. It is considered one of the factors that sets off the implementation modality from procurement. It facilitates the scale and joint ownership of interventions and results.

The PD should include any important financial and/or 'non-financial contributions' from both UNICEF and the partner. 'Non-financial contributions' are inputs other than cash or programme supplies which are directly used towards the achievement of the partnership's planned results. Community mobilization or local knowledge inputs by CBOs are important examples of non-financial contributions and should be incorporated within the programme document and estimated value of non-financial contributions is not required.

There is no globally set threshold for the type and level of contribution from CSOs. The extent and nature of contribution from CSOs should be determined based on context- including understanding of funding opportunities for both UNICEF and partners and agreed in a principled negotiation and partnership sprit.

Country specific local guidelines may be useful but sometimes selecting a partner mainly on locally defined threshold for financial contribution may result the negative impacts, including favouring larger organisations and overlooking other factors that are equally important for scaling up and sustaining results (e.g., localisation).

4. UNICEF's commitment to localization

In all situations, UNICEF has committed to using local knowledge, capacities, systems, structures and resources for its humanitarian, development and peacebuilding programming without propagating racism, discrimination or marginalization. It recognizes, respects and strengthens the role of local actors in the leadership and coordination of humanitarian action by investing in local actors' institutional and technical capacity. The goal is for local actors to address the needs of children affected by humanitarian crises and to pave the way for long-term, sustainable development.

In keeping with the principle of localization ↗, local partners are given due consideration in partner selection.

Strategic partner selection should be informed by the mapping of potential partners on the UN Partner Portal. The UN Partner Portal facilitates engagement between civil society partners and the United Nations, by allowing CSOs to use the portal to make themselves known to UN agencies, upload key documents and explain their areas of expertise and operational presence.

5. What are the risk assessments required for Civil Society Partners?

This section will discuss mandatory risks as well as other risks that depend on the programme context.

5.1 Mandatory risk assessments

TABLE 2.1 : MANDATORY RISKS ASSESSMENTS[1]

TYPE OF ASSESSMENT	DESCRIPTION OF ASSESSMENT	TIMING	APPLICABILITY
Due diligence verification	Conducted by UNICEF staff online in UN Partner Portal ↗	Prior to establishment of partnership	Required for all CSOs selected for partnership. Applicable for 5 years as well as whenever new information emerges during implementation that might pose a reputational risk
Protection from Sexual Exploitation and Abuse (PSEA) assessment	Conducted by UNICEF staff using the UN Common PSEA Tool online UN Partner Portal ↗ (PSEA module) which includes a review of the CSO's PSEA-related policy and systems	Prior to establishment of partnership	Required for all CSOs selected for partnership. Valid for 5 years when CSO has full capacity.
HACT micro-assessment	Conducted by third-party firm using the HACT micro-assessment questionnaire ↗ to assess a CSO's financial and programme management capacity	Prior to or after establishment of partnership, with "high risk assumed" until results are available.	Only required if partner receives ≥$100,000 in calendar year. Valid for 5 years, unless the office determines the need to reassess the CSO.

5.1.1 Due diligence verification

Due diligence verification is conducted on prospective civil society partners to ensure their alignment with United Nations core values.

Prospective civil society partners who have completed a partner self-declaration and organizational profile (see here: how to register profile in UN Partner Portal ↗) are eligible to undergo due diligence verification by UNICEF. They complete these documents online in the UN Partner Portal. They must confirm that the information they have provided about their organization to UNICEF and/or the United Nations is accurate to the best of their knowledge, and acknowledge that any misrepresentations, falsifications or material omissions, regardless of when they are discovered, may result in disqualification from or termination of the partnership.

UNICEF due diligence verification of civil society partners is conducted in the UN Partner Portal prior to formalizing partnerships and then again, every five years, as well as whenever new information emerges during implementation that might pose a reputational risk.

UNICEF and other United Nations agencies[1] utilizing the UN Partner Portal have agreed to recognize each other's due diligence verification results unless new information has emerged in the interim.

Due diligence verification of international NGO headquarters is undertaken in the UN Partner Portal by UNICEF or another United Nations agency at the headquarters level. If the headquarters of an international NGO identified for potential partnership has not already been verified in the UN Partner Portal, then the UNICEF office requests UNICEF HQ to undertake the due diligence verification and inform the office accordingly.

For CSOs that do not have Internet access and are unable to create profiles in the UN Partner Portal, the UNICEF office manually verifies them using the Partner Declaration and Due Diligence verification template ↗.

A prospective partner that has satisfactorily undergone due diligence verification meets UNICEF's minimal requirements for partnership. However, that does not mean that the partner is necessarily the best choice for any particular partnership opportunity. The UNICEF office should also review the suitability of any prospective partner with 'verified' status with respect to technical, financial and other strategic factors.

5.1.2 Protection from Sexual Exploitation and Abuse (PSEA) assessment and Sexual Exploitation and Abuse (SEA) risk management

A PSEA assessment is conducted for all prospective civil society partners before the partnership is established through a PCA and signed programme document, except in the case of a rapid-onset emergency (possible delay of the assessment by 3 months) or when the partner organisations do not have any contact with beneficiaries in any part of its work and operations.

1 IOM, UN Secretariat, UN Women, FAO, UNFPA, UNHCR, UNICEF, UNOPS, WFP, and WHO.

The PSEA assessment determines the CSO's capacities to prevent and respond to SEA. The level of SEA risks in partnering with a CSO, establishes corresponding risk mitigation measures and requirements for strengthening the CSO's capacity, as per the United Nations Protocol on Allegations of Sexual Exploitation and Abuse Involving Implementing Partners ↗.

The PSEA assessment is conducted in the PSEA module of the UN Partner Portal by the UNICEF office entering the partnership. Details on PSEA module available here ↗.

For CSOs rated as having a Low Capacity or Medium Capacity PSEA: CSOs are required to develop a capacity strengthening plan to address gaps in organisational capacity to prevent and respond to SEA. As the capacity strengthening plan is implemented, the partner must provide evidence of revised or new policies, procedures and systems, as specified in the action plan. New evidence is verified by UNICEF and triggers a revision of the Core Standard rating, and of the overall PSEA capacity rating where relevant. Reassessment is required until the partner demonstrates a full PSEA capacity, and then after every five years. As a lack of adequate PSEA capacities may be indicative of a lack of capacity to prevent and respond to other types of harm (i.e. safeguarding capacity more broadly), due consideration is given to address safeguarding capacity gaps under the umbrella of the PSEA assessment and capacity strengthening process (with inclusion of safeguarding in the PSEA capacity strengthening plan). UNICEF provides tailor made capacity-strengthening support to the partner to support the implementation of its specific PSEA action plan (that includes broader safeguarding), in addition to practical materials and resources, the readily available PSEA Toolkit and the UN Partner Portal PSEA Resource Library.

When a partner is PSEA assessed with 'low capacity', the Programme Document needs to include at least one PSEA programming output in the programme document. Ideally this minimum output should expand to other types of safeguarding harm. Safeguarding/PSEA programming activity may include **1.** Signature of Code of Conduct including PSEA; **2.** Training of personnel; **3.** Availability of complaint/reporting mechanisms **4.** Dissemination of information to individuals and communities on those mechanisms, and **5.** Establishment of a list of service providers for victim assistance.

For partners shared with other United Nations agencies that are already conducting PSEA assessments, a collaborative, harmonized approach to assessments and capacity building is taken in order to avoid duplication of efforts and reduce the work burden on shared partners. While subject to the provision that a PSEA assessment by other United Nations agencies, funds and programmes cover the six minimum criteria identified in the United Nations Protocol, all United Nations entities are supposed to accept the findings from each other's PSEA assessments. UNICEF and other United Nations agencies utilizing the UN Partner Portal recognize each other's PSEA assessment verification results, and CSOs that have been assessed by another United Nations agency are accepted as assessed by UNICEF unless new information has emerged since the time of the last verification, for instance SEA allegations.

SEA risk management with sub-contractors: secondary organizations of informal consortiums are recognized as sub-contractors of the lead organization. During the development of the programme document, the partner (or lead organization in an informal consortium) is to indicate which activities will be sub-contracted, and whether these activities involve contact with beneficiaries. If activities involving contact with beneficiaries are subcontracted, the following is implemented:

a. Documentation in the programme document of the fact that activities involving contact with beneficiaries will be sub-contracted, in the “other partners involved” field in the “strategy” section, as well as in the “risk” section of the programme document.

b. Inclusion of PSEA programming outputs and activities for preventing and responding to SEA aiming at having adequate PSEA systems in place. At a minimum, the set of activities must include: 1) Signature of Code of Conduct including PSEA; 2) Training of frontline staff; 3) Availability of complaint/reporting mechanisms; 4) Dissemination of information to beneficiaries on those mechanisms, and 5) Establishment of a list of service providers for victim assistance.

c. Other activities may include other safe programming considerations. UNICEF offices, lead organization and subcontractor(s) jointly determine opportunities for strengthening the subcontractor’s PSEA organizational systems beyond the scope of the activities included in the Programme Document (PD). PSEA programming activities are monitored during the programmatic assurance visit and through the submission of progress report.

d. UNICEF office and partner may jointly choose to conduct a PSEA assessment of the subcontractor, in lieu of the mandatory inclusion of above PSEA activities in the programme document (it may be jointly decided to include PSEA activities in the Programme Document in addition to undertaking of the PSEA assessment. The assessment is to be registered in the UN Partner Portal PSEA module of the sub-contracting organisation. If the sub-contractor (or secondary organization in an informal consortium)

e. Does not have full capacity (i.e., they are rated as low or moderate PSEA capacity), an action plan is developed, and the sub-contractor is reassessed within 6 months.

TABLE 2.2 : PSEA CAPACITY RATINGS AND ASSESSMENT VALIDITY PERIODS

PSEA CAPACITY RATING	TIME FRAME ACCORDING TO BUSINESS PROCEDURE/ UN IP PSEA CAPACITY ASSESSMENT	SUBMISSION MODALITY
Full Capacity (Low risk)	5 years	Assessment through UN Partner Portal
No contact with beneficiaries	2 years (the applicability of this rating is reviewed every two years)	UNICEF confirms with partner depending on their programme intervention.
Medium capacity (Moderate risk)	7 months from date PSEA assessment with possibility of extension of 3 months	Assessment through UN Partner Portal
Low capacity (High risk)	7 months from PSEA assessment with possibility of extension of 3 months	Assessment through UN Partner Portal
Low capacity assumed (LCA) (Emergency)	3 months	Undertake assessment within three months through UN Partner Portal

5.1.3 HACT Micro-assessments

A micro-assessment evaluates financial and supplies management capacity to determine its overall risk and assurance activities. The resulting risk rating is taken into consideration, together with other relevant information, such as cash transfer when determining assurance activities for the partner and when selecting the appropriate cash transfer modality.

Micro-assessments are undertaken for partners receiving more than $100,000 in a calendar year from UNICEF. If no micro-assessment is done, these partners are assumed to be high-risk until the assessment is finalized. The respective assessment is conducted by the UNICEF office at the country level for every type of CSO entering into a partnership.

Engaging with partners rated as high risk require appropriate mitigation measures and adequate assurance, such as audit, frequent spot-checks and programmatic visits; as well as the choice of appropriate cash transfer modality (e.g., reimbursement modality).

The results of a micro-assessment, regardless of rating, can be used to identify capacity development activities in areas related to the UNICEF programme, including procurement. However, UNICEF offices are not required to follow up on micro-assessment recommendations that do not pose significant risks for working with the implementing partner (low- and medium-rated recommendations).

Micro-assessments are valid for 5 years, unless the office determines the need to reassess the partner as a result of emerging operational and contextual risks.

The UNICEF office agrees with the implementing partner beforehand on the timing of the assessment. The office ensures that the external service provider conducting the assessment obtains and incorporates feedback on draft reports from the implementing partner on the micro-assessment, as part of its finalisation.

The Micro-assessment questionnaire (2023) ↗ is an inter-agency tool developed jointly by UN agencies (FAO, UNDP, UNFPA, UNICEF, UN Women and WHO), including those that do not apply the HACT framework. This common tool is expected to harmonize the process and potential for sharing and reduce the duplication of efforts by UN agencies as well as CSO.

5.2 Contextual assessments

In some situations, UNICEF may require additional assessments depending on the context and programme criticality to ensure effective implementation.

TABLE 2.3 : CONTEXTUAL ASSESSMENTS

TYPE OF ASSESSMENT	DESCRIPTION OF ASSESSMENT	TIMING	APPLICABILITY
Procurement assessment	Conducted by UNICEF staff using the Procurement Assessment ↗ template	Before finalizing the partnership or within 3 months of establishing the partnership in an emergency situation	Required if partner procures more than $10,000 of goods and supplies, and if the partner is neither micro-assessed nor EU/ ECHO-pre-qualified. The assessor suggests the validity which may be up to 5 years.
Logistic Assessment	Conducted by UNICEF staff using the Logistic Assessment ↗ template	Before finalizing the partnership or within 3 months of establishing the partnership in an emergency situation	Required when substantial logistics activities to be implemented by the partner
Construction assessment	Conducted by UNICEF staff to assess a CSO's capacity to implement construction works through communities; to subcontract small construction works; or to directly implement small construction works	Prior to establishment of partnership with construction activities	Required if partner undertakes construction activities

5.2.1 Procurement assessment

A procurement assessment is required when a partner is expected to procure more than $10,000. This assessment is necessary if a HACT Micro Assessment is not available. UNICEF also accepts similar assessments already conducted by EU and ECHO for the purpose of selecting a partner as a Humanitarian Procurement Centre or a Framework Partnership Agreement partner, according to the list of EU humanitarian partners ↗. The procurement assessment must be completed before finalizing the partnership, but in humanitarian situations, assessments can be completed within 3 months of program implementation.

5.2.2 Logistic assessment

If the intervention requires substantial logistics activities, as defined by UNICEF programme based on the volume, frequency, scale, and regularity of logistics required for the project to be implemented by the partner, UNICEF offices will conduct a logistics capacity assessment. UNICEF offices will conduct a logistics capacity assessment. In humanitarian situations, logistics assessments can be completed within 3 months of programme implementation.

5.2.3 Construction assessment

Partners are authorized to engage in construction projects valued up to USD 100,000 per CSO annually, provided the CSO demonstrates capacity and contributes financially or non-financially to the project. In such cases, the Special Conditions for Construction Works apply. UNICEF management retains the discretion to approve exceptions up to $500,000 per CSO annually, contingent upon compelling justifications and a risk mitigation strategy.

6. Partnership Agreements

A CSO selected for formal partnership must sign a partnership agreement with UNICEF. UNICEF has two types of partnership agreements with CSOs: Memoranda of Understanding (MOUs), and Programme Cooperation Agreements (PCAs). PCAs are accompanied by one or more PDs.

6.1 Memorandum of Understanding

An MoU is the agreement used when UNICEF and the CSO agree to establish a strategic or advocacy alliance or otherwise work together for a common purpose, without transfer of funds or supplies. Under an MoU-type partnership agreement, UNICEF and the CSO each uses its own resources, but coordinates efforts toward commonly agreed results. The MoU defines the scope of the partnership and outlines the roles and responsibilities of each partner in achieving the jointly planned results.

For information and templates related to non-financial collaborations with CSOs, a standard template is available and can be shared by the UNICEF office when engaging with a CSO using this partnership modality.

6.2 Programme Cooperation Agreement (PCA)

The PCA is the standard legal agreement ↗ for programme implementation with civil society partners where there is a transfer of UNICEF financial resources to the partner.

The duration of a PCA is the country programme cycle for country offices, and the UNICEF Strategic Plan period for regional offices and Headquarters divisions. PCAs are operationalized by either regular or simplified PDs.

PCA and partnership modality does not apply:

6.2.1 To obtain design services, operational or logistical support for events, evaluation, freight forwarding, maintenance of any kind, printing of any kind, translation, transportation or any other administrative services with no specific programmatic expertise required, and where such services are the primary purpose of the relationship.

6.2.2 For licensing, development, hosting, maintenance, transfer or decommissioning of any software, digital technology systems or deployment that uses software code, whether or not these are the primary purpose of the relationship, and even if they contribute to programme implementation. This includes websites, mobile apps, mapping tools, information management systems and any other digital product involving the use of software code. It does not include the production of digital content (e.g., text, videos, images) for programme implementation.

6.2.3 For construction works, except if permitted by UNICEF.

The reason for this prohibition is that the services listed above are specialised services that typically will not be provided by a partner whose primary expertise is in UNICEF's defined programme areas, are normally provisioned by the private sector and do not require programmatic expertise. Therefore, they should not be the primary purpose of a PCA, and in specific cases such as construction or ICT services, given the additional risks, they should not be included in a PCA without specific justification.

Where the PCA is signed with a partnership consortium, the UNICEF guidance on partnerships with civil society consortia ↗ applies.

Any changes to UNICEF's standard intellectual property clauses in Section 7 of the general terms and conditions for a PCA require written clearance from the UNICEF Legal Office. When cleared with the Legal Office, alternative intellectual property clauses for specific exceptional cases can be included in a programme document.

Data Processing Agreement (DPA) ↗ with the partner is signed as a supplemental agreement to a PD where the collection, storage, use or processing of personal data is part of the responsibilities of the partner as set out in Section 9.2 of the general terms and conditions to the PCA.

When a partnership programme intervention includes construction activities, the PCA must be complemented by the Special Conditions for Construction ↗ Works by Partners and attached to the PD.

Partner and UNICEF office cannot add, remove or change any clauses in the legal terms in the PCA without prior clearance by the Legal Office.

The PCA may be signed in Arabic, English, French, Portuguese, Russian or Spanish. It is at the discretion of UNICEF head of office to decide which of these official translations will be used by the office.

Cash and supplies cannot be committed or disbursed before the authorised officers of both parties have signed the relevant legal agreement with programme document and the related FACE ↗ and/or supply request form ↗.

Start-up Letter

During a humanitarian response, a Letter for Start-up Funding can exceptionally be used (in lieu of a PD) with PCA to transfer cash and programme supplies to a civil society partner for up to three months of implementation, while a simplified programme document is concluded, in line with UNICEF's Core Commitments for Children

The amount of cash that may be transferred via a start-up letter is capped at $10,000, $25,000 and $50,000 per partner for L1, L2 and L3 emergencies, respectively. The transfer of programme supplies is capped at what may be reasonably used during the first three months of response. Additional cash and programme supplies beyond what is allowed in the start-up letter may be subsequently transferred to a partner through the signing of a simplified programme document.

UNICEF-supported Child Friendly Space (CFS) in Badakhshan Province, Afghanistan 2022 | Source: Mark Naftalin © UNICEF

CHAPTER 3 : DEVELOPMENT AND FINALIZATION OF PROGRAMME DOCUMENT (PD)

All partnerships for programme implementation are pursued as a direct contribution to the results defined in the UNICEF Strategic Plan, country programmes and/or humanitarian response plans. They comprise expected results, activities, financial resources and requirements, indicators and other key information of a programme intervention. PDs are developed using the standard template ↗, which is annexed to and forms an integral part of the relevant signed legal agreement. The PD is co-developed in eTools ↗ (digital platform to develop, implement and manage partnership).

1. Types of the PDs

The PD typically follows a standard template. For simplified PDs, certain sections are optional. However, all sections must be completed for PDs operating in regular context.

TABLE 3.1 : PD TYPES

INTERVENTION TYPE	DURATION	BUDGET CEILING	OPTIONAL SECTIONS
Regular PD	Depending on programme and funding	No ceiling	All sections are mandatory to complete and apply during implementation
Simplified PD (SPD)	Depending on programme and funding	$100,000 (UNICEF contribution) cash + supplies	Gender, Equity & Sustainability and the Risk & Proposed Mitigation Measures, Partner non-financial contribution
Simplified PD Humanitarian (SPD-H)	24 Months	No ceiling	Gender, Equity & Sustainability and the Risk & Proposed Mitigation Measures, Partner non-financial contribution
Simplified PD Humanitarian for contingency (SPD-H)	24 months once activated	No ceiling	Gender, Equity & Sustainability and the Risk & Proposed Mitigation Measures, Partner non-financial contribution

1.1 **The regular PD** is used for all programme interventions that are not for humanitarian action, and where the UNICEF cash and supply contribution is greater than $100,000. All sections are required to complete for regular PD. Duration of the regular PD is depended on the programme context, availability of funding, nature of results to be achieved.

1.2 **The SPD** which is used for programme interventions with a UNICEF cash and supply value of up to $100,000 (optional sections of the template are the Gender, Equity & Sustainability and the Risk & Proposed Mitigation Measures, Partner non-financial contribution). Duration of the SPD is depended on the programme context, availability of funding, nature of results to be achieved.

1.3 **The SPD-H** is used in a humanitarian/ emergency response and is valid for up to 24 months with no limit of the budget (Cash & Supplies). Gender, Equity & Sustainability and the Risk & Proposed Mitigation Measures, Partner non-financial contribution sections are optional for SPD-H.

1.4 **The SPD-H is also used for contingency** interventions (standby partnership) which is a critical component of emergency preparedness strategy, enhancing the speed and effectiveness of a response to humanitarian crises. This strategic approach aligns with UNICEF's mandate to uphold the Core Commitments for Children in Humanitarian Action (CCCs).

1.4.1 The overarching objective of contingency planning with CSOs is to proactively prepare for the rapid and efficient response to potential future emergencies or humanitarian crises.

1.4.2 The contingency programme documents and related contingency activities are developed prior to the onset of an emergency, whether it arises suddenly or from a significant deterioration in the situation. When activated, their effective implementation is dependent on the needs, and on the availability of resources. This proactive approach ensures that UNICEF and its partners can provide a timely and effective humanitarian response that can be quickly activated upon the onset of an emergency. A contingency programme document outlines the activation protocol.

1.4.3 Validity of a contingency SPD-H can be established through consultation and agreement. It remains valid to activate as long as it is relevant and necessary given the humanitarian context, is supported by a valid PCA, the partner has up-to-date due diligence verification and meets other requirements as mentioned above in chapter 2.

2. PD development process

UNICEF offices and partners use a consultative process to develop and finalize the design of programme interventions together, ensuring mutual understanding and consensus on the expected strategies and results of the interventions.

UNICEF office and the partner jointly determine the contribution of financial and non-financial resources from each party to achieve the desired programme results, taking into consideration each party’s resources, as outlined in the budget and financial management guidance section.

UNICEF encourages the development of multi-year programme interventions when multi-year funding is available. Where multi-year funding sources are not currently available, but additional or longer-term funding may become available in the future, details are provided in the programme document about the unfunded portion and UNICEF informs the partner about the funding situation in advance. The PD clearly outlines which results and activities are supported by funding and those that are not. Both UNICEF and the partner should have a clear understanding of the prioritized activities based on the available funding for better resource planning. This prioritization can vary depending on the intervention's nature, as the available funding may be allocated to select activities (priorities) or cover all activities within a specific timeframe (limited duration).

The design and finalisation of programme interventions follows the four main steps described below:

STEP 1 : INITIAL DISCUSSION BETWEEN UNICEF PROGRAMME OFFICER AND THE PARTNER

UNICEF and the partner discuss the expected results of the partnership, overall strategy, activities and the intended contribution to higher-level results defined in the Strategic Plan, country programme document or humanitarian response plan.

UNICEF provides the partner with an overview of the partnership development process, including orientation on the required software platforms.

STEP 2 : DRAFTING/DESIGNING THE PD

UNICEF and the partner jointly work to design the programme intervention and prepare the required documentation in the eTools- ePD ↗ (UNICEF corporate platform). When UNICEF offices develop partnerships with civil society partners that do not have internet access, they use the offline template for both simplified and regular programme documents (available here ↗). Details of ePD step by step guide here ↗ and workflow is available here ↗.

The programme intervention should reflect all the key elements related to implementation and references applicable technical and humanitarian response standards (e.g., CCCs); security considerations, notably in high-threat contexts; UNICEF and donor visibility requirements; financial and programme management capacity assessments (as per the requirements of the HACT Framework); considerations of SEA risks; PSEA organisational capacity assessment and implementation of a PSEA action plan, when warranted by the PSEA capacity rating; and the inclusion of capacity development activities in the programme intervention, if appropriate

The PD budget is in accordance with the financial and budgetary considerations outlined below.

UNICEF offices and partners jointly determine the inclusion of PSEA programming outputs and activities for preventing and responding to SEA, based on the findings of the PSEA capacity assessment, and ideally based on a SEA risk assessment (which looks at determining levels of SEA risks linked to the PD activities themselves). It is highly recommended for these activities to be expanded to Safeguarding to improve prevention and response to other types of harm. Some examples of elements to incorporate in the PD include a description of the human and financial resources needed for Safeguarding/ PSEA; signature of Code of Conduct including Safeguarding/ PSEA; training of personnel; availability of complaint/reporting mechanisms; dissemination of information to individuals and communities on those mechanisms; establishment of a list of service providers for victims assistance, training of subcontractors and community workers and safe programming considerations.

The PD features relevant procurement considerations, including whether UNICEF or the partner is better placed to undertake the procurement of services or supplies required for the programme intervention, factoring in the type of supplies, local market conditions, timeliness and each partner's capacity and expertise.

The PD consists of the following sections:

2.1 **The header section:** includes information on the reference number, name of the office, programme title, duration, geographical coverage[2] and the total budget.

2.2 The **strategy section** of the PD addresses programme context.

2.2.1 **Context:** Explains the problem statement, the context and the rationale for the programme intervention. It includes relevant background data, analyzes the barriers and bottlenecks to results for children, and explains the linkage to national priorities

2.2.2 **Implementation strategy & Technical Guidance:** Outlines how the programme intervention will be implemented to address the problem statement. It may refer to global standards and principles, national policies, and/or specific technical guidance from UNICEF and/or the partner.

2.2.3 **Capacity Development:** UNICEF supports partners in strengthening their capacity for effective programmatic and financial management and preventing fraud, sexual exploitation and abuse, and safeguarding violations. This section outlines the partner's key capacity development priorities and plans during the programme intervention period.

2.2.4 **Other partner involvement:** Outlines other partners who have a role in programme implementation, including any consortium arrangements or other organizations providing technical and financial support for the programme. This section also specifies whether UNICEF has approved any aspect of programme intervention to be sub-contracted to another entity.

2.3 **Gender, equity & sustainability:** Depending on the nature of the programme intervention if it is expected to make a noticeable/marginal/significant/principal contribution to advancing to this dimension.

2.4 **Risks:** Programme interventions may encounter a variety of risks. This field outlines key risks identified and proposed mitigation measure. These risks should inform programme design and monitoring.

2 The eTools platform is pre-populated with various level of administrative divisions in each country, e.g. country, province, district. Depending on the nature of the programme intervention, users may choose to select higher or lower-level administrative divisions.

TABLE 3.2 : KEY PROGRAMME RISKS

	TYPES OF RISK	RISK DESCRIPTION (EXAMPLES)
1	Safeguarding	Risks associated with harming any individuals (physical, sexual, or psychological damage or impact caused to an individual, whether it is caused intentionally or accidentally) as a result of their contact with UNICEF or all of the work of the organization. Safeguarding risks emanate from: **1.** local context, environment and type of programmatic actions conducive to increased risks, **2.** gaps in systems of implementing partners and subcontractors (including based on the PSEA capacity assessment) - inadequate follow up of capacity strengthening plan, and inadequate monitoring, and **3.** inadequate safeguarding practices when designing, planning and executing programmatic, operational and operational actions. **Safeguarding risks include prohibited** actions of: • sexual exploitation and abuse, • entering into marriage or a similar union with a child, • any form of exploitation such as forced labour, economic exploitation or human trafficking, • engaging in any form of violence, including physical violence, verbal abuse or other degrading or humiliating language or treatment, • neglecting children who may be under our care in our professional and personal capacity causing them significant harm, • engaging in practices harmful to individuals. • Failure to adhere to and implement expected safeguarding practices when planning and executing programmatic, operational, administrative or logistical activities, events, programme visits or other official functions, not mitigating risks and appropriately responding to safeguarding incidents (UNICEF Safeguarding Policy is under development).
2	Social and Environmental	• Unsafe working conditions, including poorly maintained equipment or facilities. • Excessive waste generation, including non-recyclable materials or improper disposal. • Disruption at community level; lack of acceptance of the project due to social & environmental issues. • Impacts against social norms and culture. • Risks to public health and safety arising from various sources (usage of infrastructure, assistance provided by UNICEF – cash, health, educ., WASH... including supplies). • Contaminants into the environment, causing harm to air, water, and soil. • Overexploitation of natural resources, leading to resource scarcity. • Inadequate community consultation and participation in resettlement decisions. • Lack of climate resilience measures in project design, leaving communities exposed to climate risks. • Failure to reduce greenhouse gas (GHG) emissions, contributing to climate change. • Inadequate disaster risk reduction strategies, resulting in increased vulnerability to disasters. Refer to upcoming Environmental and Social Standards (ESS) policy and procedure

3	Financial	• Weak financial management system of partner (e.g. inadequate financial planning, monitoring and reporting of financial resources). • Excessive debt or payables, including overdue outstanding cash transfer balances of UNICEF. • Lack of appropriate documentation that weaken accountability, among others, preventing beneficiaries from accessing payments. • Low internal capacity in financial management, lack of expertise, limited use of technology. • Slow funding flow from donors/partners; difficulty in disbursing cash transfers. • Weak procurement system as well as asset and inventory management. • Reflags towards misappropriation or diversion of funds or supplies, exposure to fraud and corruption. • Major fluctuation in foreign exchange, weak banking system. • No recent financial audits.
4	Operational	• Low/limited capability (systems/processes/expertise) in programme design, development of work plans, implementation, risk management, monitoring and evaluation. This includes capacity constraints at regional and local government levels towards managing results. • Inadequate capacity to manage large and complex programme. • Lack of stakeholders' accountability in programme implementation; unclear roles and responsibilities. • Dysfunctional relationship between development agencies and partner impacting implementation or programme. • Lack of data protection; misuse and misappropriation of beneficiary data. • Inadequate oversight leading to failure to fulfil donor conditions.
5	Political	• Lack of neutrality; possible conflict of interest. • Diverging interest among stakeholders at central and local levels. • Lack of confidence among donors and other stakeholders. • Concern about public perception of aid. • Limited or lack of ownership, buy-in or acceptance project/programme. • War, conflict, interference of armed groups. • Large-scale political interference, elite capture and general problems faced by beneficiaries in accessing assistance.
6	Safety and security	• Threats of physical violence and insecurity. • Exposure of staff to security risk. • Risks related to the well-being of workers in their work environment. • Risks associated with the protection of sensitive and confidential information. • Risks associated with vulnerabilities in the supply chain, leading to compromise of products or services.

2.5 The **workplan** section comprises the following information:

2.5.1 The **Results Structure** to identify what needs to be achieved with specific, measurable, achievable, relevant, and time-bound (SMART) objectives establishes clear link between the PD results and the Country Programme (CP) results and indicators.

2.5.2 List of all the activities required to achieve the objectives. Break them down into tasks and sub-tasks, specifying who is responsible for each.

2.5.3 The sequence and duration of each task. Create a timeline to visualize the workflow and dependencies between activities.

2.5.4 **Identify the resources** needed for each activity, including personnel, budget, equipment, and materials. Ensure that resources are available when needed. Budget is in accordance with the financial and budgetary considerations outlined in budgeting and the financial management of partnerships section.

2.5.5 Effective and efficient programme management cost including in-country management and support staff, operational costs (e.g. office space, equipment, office supplies, maintenance); and planning, monitoring, evaluation and communication costs.

2.5.6 **Capacity Strengthening Cost**: see detailed guidance under the Budgets, Supply Plans and Financial Management Guidance (see section 3.3 below)

2.6 **Supply contribution plan**: list of supplies with descriptions and costing.

2.7 **Others:**

2.7.1 **Partner non-financial contribution** are inputs other than cash or programme supplies which are directly used towards the achievement of the partnership's planned results. Community mobilization or local knowledge inputs by CBOs are important examples of non-financial contributions and should be incorporated within the programme document in the workplan tab under Partner non-Financial Contribution section. An estimated value of non-financial contributions is not required.

2.7.2 Cash transfer modality: Direct cash transfer (DCT); reimbursement or direct payment

2.7.3 Reporting requirements: type and frequency

STEP 3 : FINAL REVIEW AND UNICEF INTERNAL REVIEW OF PROPOSED PROGRAMME DOCUMENTS

After the CSO partner has completed the budget section of the PD, the budget is jointly reviewed by the CSO and UNICEF. During the budget review process, UNICEF may request the partner to provide additional information to better understand the estimated costs cited. In reviewing and discussing the proposed budget, the CSO partner and UNICEF jointly scrutinize whether:

2.8 The total amount of resources to be provided by UNICEF is aligned with economy, efficiency and effectiveness and represents value-for-money given the likely results to be achieved.

2.9 All activities are relevant and contribute, in a cost-effective manner, to the achievement of the planned results.

2.10 Supplies to be provided by UNICEF are in accordance with implementation of the activities.

2.11 The purpose of the budget review process is for UNICEF and the CSO to reach a common understanding on the resource requirements to implement activities and achieve results. This includes agreement on and documentation of the nature of each partner's contributions, including cash, supplies, and in-kind.

The UNICEF internal review required before signing of PD may result in feedback that requires the revision of the proposed programme intervention prior to the partners sign the PD.

STEP 4 : FINALISATION AND SIGNING OF PROGRAMME INTERVENTION BY BOTH PARTIES

UNICEF ensures a valid signed PCA is in place for existing CSO partners. For new partners, the PCA must be signed before the PD. The final PD must be signed by the authorised officers of UNICEF and the partner.

Finalisation of programme interventions with partners must not exceed 45 working days in regular contexts and 15 working days in humanitarian contexts, measured from the date the partner submits complete documentation to the date it is signed by both parties. UNICEF offices strive to reduce the time to launch partnerships and transfer resources to partners, particularly in humanitarian response.

At the time of the signing of the PD, the office will request the partner to submit the first FACE form for cash transfer and any supply request form required for the prompt start of programme implementation.

Details of ePD step by step guide here ↗ and workflow is available here ↗.

3. Guidance on budgets, supply plans and financial management

3.1 How is the budget for a programme intervention developed?

The proposed budget and required supplies for a programme intervention are typically first drafted by the prospective partner, based on general guidelines from the UNICEF office. Such guidelines will include the donor conditions for any grants that UNICEF intends to use to fund the partnership. The budget of the programme intervention must be prepared in the currency of implementation, which is usually the currency of the country of implementation. Cash transfers to the partner will be made in the same currency. In countries where the local currency fluctuates a great deal, UNICEF and the prospective partner may opt to develop the budget in United States dollars to facilitate budget management during programme implementation. However, UNICEF and partners must respect any local laws regarding in country payments in foreign currencies.

In drafting the budget, the prospective partner prepares detailed cost estimates of the inputs required for implementation of the programme intervention and then compile these input-level estimates into activity costs to complete the budget section of the relevant programme intervention template. UNICEF may opt to request that the partner record the input-level budget in the PD.

Draft budgets and required supplies are jointly reviewed by the partner and UNICEF to ensure that proposed resources are relevant and will contribute in a cost-effective manner to the achievement of the planned results. UNICEF offices may put in place standard thresholds or practices to ensure reasonable costs given the local context, the country programme funding situation and the partner's financial capacity.

3.2 What are Direct costs or Programme Costs?

Direct or programme costs are the necessary and reasonable costs incurred in delivering a specific programme intervention. They are defined as all costs that can be attributed to a specific activity implemented by the partner and included in a PD. At the request of UNICEF, or when audited, partners must provide, for all Direct/ Programme Costs, lists of actual expenditure from their accounting system (e.g. statement of expenditure, ledger, etc.) and supporting documentation.

3.2.1 Direct Cost/ Programme Costs include:

a. Goods and services purchased for the implementation of activities covered in the PD.

b. Costs for the time of technical staff whose specific inputs are required for the programme intervention.

c. Premise costs that are directly related to achieving the results of the programme intervention.

d. Other costs directly attributable to the implementation of activities in the programme intervention.

e. Costs for the actual time devoted by personnel to managing implementation of the programme intervention.

3.2.2 **Examples of acceptable Programme Costs include:**

a. Supplies that directly assist beneficiaries (e.g. therapeutic and supplementary feeding materials, non-food items such as soap, hygiene kits, etc.) or beneficiary institutions (e.g., chalkboards, school desks, tables and chairs, books, etc.).

b. Freight and transport of supplies that directly assist beneficiaries, and costs related to their warehousing and management.

c. Packaging materials (e.g. assembly of school materials, hygiene and medical kits, etc.).

d. Surveys, consultations and other information collection activities directly related to the achievement of the planned results.

e. Technical assistance (e.g. salaries of technical staff such as experts in health, nutrition, WASH, HIV/AIDS, protection, policy development, etc.) to directly support beneficiaries or beneficiary institutions;

f. Communication activities that directly support the programme objectives (e.g. cost of radio spots, posters, brochures, community mobilization events such as rallies, contests, etc.);

g. Monitoring of groups receiving assistance (e.g. screening of children for acute malnutrition).

3.2.3 **"Effective and Efficient Programme Management Costs," classified under one of three standard activities:**

a. Standard Activity 1: In-country management and support staff prorated to their contribution to the programme (representation, planning, coordination, logistics, administration, finance)

b. Standard Activity 2: Operational costs prorated to their contribution to the programme (office space, equipment, office supplies, maintenance)

c. Standard Activity 3: Planning, monitoring, evaluation and communication, prorated to their contribution to the programme (venue, travels, etc.)

In humanitarian situations, UNICEF offices can adopt a flat, locally determined percentage for the calculation of programme costs relating to "Effective and Efficient Programme Management." This is a measure that is expected to speed up the development and finalization of Simplified Programme Documents. CSOs developing a Simplified Programme Document are encouraged to inquire whether a locally determined percentage for "effective and efficient programme management" has been established.

3.2.4 **Examples of acceptable "Effective and Efficient Programme Management" costs include:**

a. As part of Standard Activity 1: Salaries and related costs of in-country representation, planning, coordination, finance, administration and logistics personnel, all prorated according to the percent of effort/time spent on the UNICEF-assisted programme intervention.

b. As part of Standard Activity 2: Other in-country expenses incurred directly in support of the programme, including additional rental of office space, office equipment and supplies, utilities, and telecommunications, all prorated according to their relation to the UNICEF-assisted programme intervention. Operational (fuel, local taxes, etc.) and maintenance costs (repair and replacement, such as for tires, shock absorbers, broken windscreens, etc.) associated with partner-owned vehicles or those loaned by UNICEF, prorated according to their use in relation to activities under the UNICEF-assisted programme intervention.

c. As part of Standard Activity 3: In-country travel for programme and financial monitoring purposes (e.g. transportation costs, such as the price of travel tickets, road and bridge tolls, accommodations and food), prorated according to their relation to activities under the UNICEF-assisted programme intervention.

3.3 Programme Costs relating to Personnel

Partner personnel costs include any payment for employment services rendered, including: salaries, wages and other direct costs of employment. Levels of remuneration are to be based on the local context, in line with relevant national labour laws, and consistent with local market practice for recruiting sufficient and appropriate staff for the implementation and management of programme activities. CSO partners are solely responsible for complying with applicable labour and other laws, including without limitation, occupational health and safety, minimum wages, separation payments, social security (including pension) and health insurance, and income taxes.

UNICEF can contribute to partner personnel costs if requested by the partner and if such costs are reasonable, cost-efficient and related to achievement of the programme’s expected results. Partners are not to create remuneration levels especially for UNICEF-funded programmes that are higher than the remuneration levels normally paid by the partner.

UNICEF can provide a contribution towards the costs of both international and national personnel. However, every effort should be made by the partner to employ national expertise, thereby supporting national capacity building and ensuring cost-effectiveness.

Where partner personnel are working on multiple programmes/projects funded by other agencies and/or internal resources, only the actual time spent on implementation of the UNICEF-supported programme intervention is considered an eligible cost. Partners are expected to put in place an apportionment approach for the allocation of any shared costs.

3.4 Programme Costs Relating to travel

Travel-related costs include payment for the direct cost of expenses incurred by the partner to implement activities of the programme intervention, such as travel related to training, monitoring and evaluation, supervision visits, and advocacy/meetings. These costs must align with government rates if required by the host government in country. Travel-related costs are to be based on the partner’s existing policies. New policies on travel-related costs created especially for UNICEF-supported travel that differ from the partner’s normal policies are unacceptable.

A Daily Subsistence Allowance (DSA) or per diem is the common method of recompensing staff and participants for each night spent at the location of the event, rather than paying for the exact expenses incurred. DSA rates should be benchmarked against those paid by similar organizations in the local context. It is not acceptable to claim a DSA if the DSA or subsistence costs are also covered by another source of funding; this includes events that are fully hosted.

UNICEF expects partners to administer the payment of DSA, taking into account good practices such as: (a) Where meals or accommodation are provided, the amount of the DSA is reduced accordingly; (b) DSAs are only paid for the days that a person attended the workshop or meeting and one night either before or after the event (or both if travel arrangements require) if the participant is expected to arrive either a day before or depart the next day; (c) Records are to be available to validate the participant's attendance at the workshop or meeting. It is not acceptable to partially attend an event and claim a DSA for its entirety.

3.5 Allocation of shared Programme Costs

Shared costs are defined as expenses that can be allocated to two or more funding sources (such as funding from other UN agencies or similar organizations) or different UNICEF-supported programme interventions on the basis of shared benefits and administrative efficiency. Typical examples of shared costs are staff (when a staff member works on more than one project), office space and utilities.

Cost-sharing is allowable in UNICEF-supported programme interventions under the following circumstances:

- The apportionment method is clearly stipulated in the partner's budget assumptions;
- It is verifiable according to the partner's records, with evidence of a fair proportion of the costs that can be attributed to the UNICEF programme intervention budget based on transaction value, space, funding level, etc.;
- It is necessary and reasonable for the proper and efficient accomplishment of planned results; and
- It reflects actual expenses during the programme implementation period.

3.6 Tax considerations

For the purpose of this guidance, "taxes" can be understood as a financial charge (e.g. value-added tax or "VAT," custom duties, etc.) or any other levy upon an entity and mandatorily imposed by law. In the context of purchasing goods and services for programme implementation with UNICEF, the CSO partner uses its best effort to facilitate and secure relevant tax exemptions from the government of the host country concerned. In cases where the partner has applied for tax exemption but has not received a reply from the relevant authorities, a letter from the partner or its legal counsel requesting the exemption is considered as proof that tax exemption was requested.

Where the partner has not obtained relevant tax exemption, UNICEF determines whether modification of the proposed implementation arrangement is required and/or possible in order to avoid the loss of resources. These modifications may include, for example, shifting responsibility for procurement to UNICEF or alternative organizations which hold tax exemption.

When tax exemption at source has been granted to the partner, the programme intervention budget is prepared net of taxes on applicable unit costs. Tax exemption at source refers to the arrangement where the partner does not have to pay taxes at the point of invoice.

When tax exemption is obtained on a reimbursement basis (i.e. the partner has to pay the taxes first and then claim reimbursement), the programme intervention budget is prepared tax-in on applicable unit costs.

The partner must maintain a tracking mechanism for taxes paid, claimed and reimbursed respectively by the tax authorities in the relevant Host Country.

UNICEF and the partner jointly decide on whether recovered taxes will be reimbursed directly to UNICEF upon receipt from the authorities or applied towards implementation of the ongoing programme intervention. Reimbursable taxes paid but not recovered may be considered ineligible expenditures. UNICEF has the right to request reimbursement of such unrecovered taxes.

3.7 Financial management and capacity-building

UNICEF is committed to supporting the organizational capacity development of local CSOs, including national NGOs and community-based organizations. Along with UNDP, UNICEF has developed a Guide to Financial Management for Implementing Partners ↗. Financial support to implement capacity development plans and address gaps identified in micro-assessments or prior assurance activities can be considered a valid Programme Cost if agreed to by UNICEF and the partner. In such cases, financial management capacity-building should be included as a separate output in the programme intervention work plan.

3.8 What are Indirect Costs/ Support Costs?

Support costs for organizational capacity' are those costs incurred by the Partner, whether national or international, for: 1) organizational capacity strengthening and/or capacity maintenance or 2) HQ overhead costs which cannot be unequivocally attributed to a specific activity implemented by the Partner in accordance with the PCA, including any PD.

UNICEF endorses up to 7% support cost for both international and local/national CSOs. Allocating a 7% headquarters cost is for international CSOs is a standard practice, aimed at contributing to global capacities and systems established and/or maintained by international CSOs, which are crucial for supporting their operations at the country level. However, the 7% capacity support cost was only introduced in the 2022 procedure revision to back global advocacy and interagency efforts on quality financing and equitable partnerships, particularly linked to advancing localization. The lack of institutional capacity (in addition to capacity gaps identified in HACT or PSEA capacity assessments) can hinder effective engagement and results achieved with local/national CSOs. The 7% support cost allocation for local organizations is expected to mitigate some of these capacity challenges, and facilitate the establishment of predictable capacity and systems, the cost of which exceeds the direct intervention costs considered in PDs and SPDs.

Support costs could include but are not limited to the following types of expenses: capacity development, systems maintenance and ongoing operating expenditure.

Support costs are calculated as 7% of UNICEF's actual cash contribution to the programme intervention (not the planned amount), excluding the value of UNICEF cash contributions for cash/voucher assistance for beneficiaries/salary incentives, as well as for procurement (e.g., of essential supplies, construction materials or subcontracted commercial services) exceeding 100,000 USD in the PD/SPD. The value of UNICEF-provided supplies, equipment and other forms of in-kind support is also excluded from the 7% calculation.

The 7% should not be added to the following:

- Construction contracts by IP from UNICEF funds
- Procurement above 100,000 USD per PD/SPD made by IP from UNICEF funds
- Supplies provided by UNICEF
- Commercial contracts by IP from UNICEF funds
- Humanitarian Cash Transfers to beneficiaries from UNICEF funds; including Cash transfer to public institutions staff

Indirect costs require a separate FACE form ↗, and are paid in the form of reimbursement for actual expenditures. The partner has fiduciary responsibility to utilize this fund judiciously and ensure that such resource is not used to cover costs incompatible with the values as well as principles of UNICEF (refer ineligible expenditure section of the PCA ↗). The partner will not need to submit an itemised cost estimate (ICE) to support a request for indirect costs and is not required to provide any supporting documentation to UNICEF on its use.

3.9 What are the requirements for partner bank accounts?

UNICEF does not typically require CSO partners to establish a separate bank account for funds received from UNICEF. However, a partner may opt to establish a separate bank account for UNICEF funds to ease tracking of revenue and expenditure. UNICEF may also request a partner to establish a separate bank account if it has a high or significant micro-assessment risk rating or negative results from assurance activities. In such cases, the cost of maintaining a separate account for UNICEF funds is considered an eligible expenditure under the standard programme output "Effective and efficient programme management."

UNICEF transfers cash to the partner bank account in the country of implementation. At the request of the partner, and at the discretion of UNICEF—taking into account local laws—cash can be transferred to a bank account outside of the country of implementation, such as a partner's headquarters location. However, the costs associated with the transfer (foreign exchange, wire fees, etc.) are paid by the partner. In situations where cash is transferred outside of the country due to the failure of the country's banking system, UNICEF covers the costs of the bank transfer under the standard programme output "Effective and efficient programme management."

CHAPTER 4 : TRANSFER OF RESOURCES FOR PROGRAMME IMPLEMENTATION

This chapter clarifies the processes and accountabilities involved in the transfer of resources that ultimately strengthens effective, efficient and risk informed program implementation.

What is Cash Transfer?

During the PD development, UNICEF determine and agree with the partner the most appropriate cash transfer modality (CTM), considering the results of capacity assessments, the country context and the needs of the programme, in order to achieve results. Consideration should also be given to potential programme cost savings related to local tax treatment of purchases made by UNICEF.

Three cash transfer modalities are available under the HACT framework:

Direct cash transfers (DCT)
Funds are transferred by the agency to the partner before the partner incurs obligations and expenditures to support activities agreed upon in the work plan.

Direct payments
Funds are paid by the agency directly to vendors and other third parties for obligations and expenditures incurred by the partner to support activities agreed upon in the work plan.

Reimbursements
Funds are provided by the agency to the IP for obligations made and expenditures incurred in support of activities agreed upon in the PD.

For partners with significant and high-risk assessments, UNICEF use direct payment for large purchases of goods or services, reimbursement, or a blend of reimbursements, direct payments and DCTs. If a direct cash transfer is used, UNICEF implement additional risk mitigating measures, such as requiring a Statement of Expenditures (SoE) at the time of reporting, more frequent reporting, and spot check prior to further disbursement.

UNICEF disburse cash to partners no later than 10 working days after receipt of a properly completed FACE form from the partner. Where offices receive written requests for cash transfers that are incomplete, not in the proper format, or not aligned with the approved partnership agreement, the partner is made aware within 5 working days of receipt of the request.

During the programme document development phase, the most appropriate CTM are selected considering the results of capacity assessments, the country context and the needs of the programme, in order to achieve results.

1. How does a partner request cash using FACE form?

All partners use the standard FACE to request cash transfers and report on their use, along with an Itemized Cost Estimate (ICE).

1.1 What is a FACE form?

For all three HACT Cash Transfer modalities, the partner submits a FACE ↗ form that is signed by its authorised officer as agreed in PCA. The FACE form is used to request cash in the case of DCT, request authorization to enter into commitments in the case of direct payment, and request authorization to incur expenditure in the case of reimbursement. The FACE Form is used to request the amount of cash needed to meet three months of the programme's cash flow requirements. Partners should not incur expenditures for which they will seek UNICEF direct payment or reimbursement unless UNICEF has first agreed to the FACE request.

The FACE form supports several important functions, including:

1.1.1 Request for funding authorization

1.1.2 Partner uses the section 'Requests/Authorizations' to enter the amount of funds to be disbursed for use in the new reporting period. Against this request, the UNICEF can accept, reject or modify the amount approved.

1.1.3 Reporting of expenditures

1.1.4 Partner uses the section 'Reporting' to report the expenditures incurred in the reporting period. The office can accept, reject or request an amendment to the reported expenditures.

1.1.5 Certification of expenditures

The designated partner official as mentioned in the PCA uses the section 'Certification' to certify the accuracy of the data and information provided. Partners prepare FACE forms based on the corresponding cash transfer modality, as detailed below:

DCTs are requested and released for programme implementation periods not exceeding three months, with exceptions up to six months, consistent with UNICEF internal policy.

Reimbursements and direct payments for previously authorised expenditures are requested and released on a quarterly basis after completion of activities.

Partner must complete FACE forms at least quarterly unless there have been no expenditures.

The required fields in each FACE form must be completed, and the form must be certified by partner and approved by the UNICEF ensuring the appropriateness of expenditures (e.g. through submission of SoE as needed).

When processing payments for partners, a copy of the approved FACE form is returned to the partner along with the notice of disbursement.

For all cash transfer modalities, the FACE form contains requests at the activity level corresponding to the programme intervention, with an ICE providing a detailed budget breakdown listing the planned utilisation of cash at the input level. The ICE detailed activity budget quantifies and provides an estimated unit cost for each input required for implementation of activities in the coming three months, as per the signed programme intervention.

There is no specific template for ICE, but at a minimum, it should contain the following information:

1.1.6 Description of each input required for the implementation of the activity.

1.1.7 Quantity, unit price or cost where applicable, total input estimated cost, total amount for the activity which should equal the requested amount on the FACE form.

While developing the ICE to request funds, partners should ensure (and UNICEF will verify before authorising funds) that it:

1.1.8 Does not include costs covered by other sources of funding (other funding agencies, donors, government subsidies, etc.).

1.1.9 Does not include costs that are covered by other UNICEF-supported programme interventions.

1.1.10 Contains clearly identifiable and reasonable quantities and unit prices.

1.1.11 Is consistent with the proposed performance targets defined for the work plan's duration.

1.1.12 Reflects a realistic rate of utilisation of funds, taking into consideration the partner's absorption capacity.

1.1.13 Is arithmetically accurate.

1.1.14 Is based on relevant national and partner policies and follows best practices in local markets.

1.1.15 Has transparent and verifiable definitions and sources of data (qualitative and financial), assumptions, and methods for calculating costs.

1.1.16 Is an estimate of the anticipated expenses.

All partner staff are requested to use HACT and FACE Learning Course (AGORA) to get familiarized with process and understand needs.

2. How does a partner request supplies?

All partners use the standard Supply Request Form ↗ to request supplies, as planned in the PD that is signed by its authorised officer as agreed in the PCA. The UNICEF Programme Officer reviews and approves the request as agreed in the partnership agreement/ work plan and forwards it to Operations to issue supplies.

Partner acknowledges the receipt of supplies and implementation of programme activities.

CHAPTER 5: MONITORING, ASSURANCE AND REPORTING

This chapter explains how UNICEF offices conduct monitoring and assurance activities to ensure that UNICEF resources are used for the intended purpose, as described in the PD, and are transferred effectively to the partner.

1. What are the progress reports provided by partners?

During programme implementation, partners submit narrative reports. The scope and frequency of these reports are specified in the PD and should sufficiently consider UNICEF's obligations and timeline for donor reporting.

For partners with an active programme intervention, narrative reports are submitted using the eTools Partner Reporting Portal or, for those partners without internet access, via paper forms. There are three types of progress reporting for CSOs: The Quarterly Progress Report, the Humanitarian Report, and the Special Report. The office determines whether progress reporting will be in English, French, Spanish or a local language.

The Quarterly Progress Report (QPR) (available here ↗ for partners without internet access) is mandatory and prepared by the partner every three months from the start of the PD to assess the progress towards planned results and report on use of transferred supplies as part of their quarterly narrative report or as per the agreed-upon reporting mechanism along with cash expenditure reporting on the FACE form Reporting guide on for CSO partners is available in the knowledge library ↗.

The Humanitarian Report (HR) may be used to support Situation Reporting (SitRep) requirements. It is prepared by the partner at a frequency matching the SitRep reporting frequency, to report on the status of high-frequency humanitarian indicators. Humanitarian Reports are simplified and do not require narrative reporting or a FACE form. A guide for CSO partners is available in the knowledge library ↗.

The Special Report (SR) is prepared by the partner to meet specific reporting requirements. UNICEF may request partners to submit Special Reports as agreed during the PD development phase. These reports may be requested for various reasons, including donor requirements, capturing human-interest stories, submitting studies or research, or any other circumstances. For Special Reports, there is no reporting on the progress of indicators, only the submission of narrative reports and relevant attachments.

2. How does a partner report on expenditure?

Three months after receipt of funding from UNICEF, partners must report on financial expenditure by submitting a FACE form. When submitting a FACE form for reporting purposes, partners are not required to submit receipts or other documentation to support expenditures, such as a detailed budget breakdown or variance analysis. Upon submission of FACE reporting, partners are required to map each activity expenditure against these cost categories as additional annex to FACE form:

Detailed descriptions, user guidelines on the application of the new expense categorisation, together with revised FACE form ↗, is outlined in the Expense Category Guide ↗.

Sample Annex on FACE reporting by Expense Category
(Optional - see the note below)

TABLE 5.1 : FACE REPORTING BY EXPENSE CATEGORY

ACTIVITY DESCRIPTION FROM AWP WITH DURATION	EXPENSE CATEGORY (GL)	ACTUAL PROJECT EXPENDITURE	EXPENDITURES ACCEPTED BY UNICEF
Activity 1	Staff Costs	10,000	10,000
Activity 1	Downstream Partners	10,000	10,000
Activity 2	Training	30,000	5,000
Activity 3	Construction	30,000	30,000
Activity 3	Capital expenditure	30,000	30,000
Activity 3	Construction	30,000	30,000
Activity 3	Supplies, Materials etc	30,000	30,000
Activity 3	Staff Costs	50,000	50,000

UNICEF staff or a third-party service provider check the documentation sample through spot checks and audits. In some cases, the UNICEF office may ask the partner to submit a SoE along with the FACE reporting form. Partner may use SoE to record the expense categories.

3. How does UNICEF review a partner's reported expenditure to determine eligibility?

After a partner has submitted a FACE form reporting on expenditure, UNICEF reviews the form to classify expenditures incurred by partners as “eligible” or “ineligible.” Eligible expenditures are those expenditures that have been validated by UNICEF and/or assurance providers as being:

3.1 Incurred during the implementation period, as stipulated in the PD.

3.2 Incurred solely for programme implementation purposes and consistent with the terms and conditions of the PD.

3.3 Based on credible documentary evidence in line with the partner's policies and procedures, and/or pre-defined UNICEF-specified requirements.

3.4 In line with the programme intervention budget, approved FACE form and ICE.

3.5 In compliance with competitive and transparent procurement/tendering processes and the appropriate application of the relevant financial and procurement procedures.

UNICEF will only pay for the reasonable cost of programmes considering the context, need to enhance impact and need to maximize cost efficiency. Where any budget item is deemed by UNICEF to be above reasonable cost, UNICEF may fund only the amount considered reasonable and it may adjust the Programme Document budget accordingly.

Ineligible expenditures are those expenses incurred which have been found not to be compliant with the signed Programme Document and/or the appropriate financial and procurement procedures of the partner. Ineligible expenditures may be identified through the conduct of assurance activities under the HACT framework. Further guidance on HACT can be found in Section 1.6: What is the HACT framework? ↗

When expenditures are confirmed as ineligible by UNICEF, it means that UNICEF resources may not be used to cover such expenses, even if the expense is already incurred. The non-exhaustive list of expenditures that could potentially be classified as ineligible by UNICEF includes:

3.6 Expenditures for goods and services not included in the approved work plan budget, FACE form and ICE.

3.7 Expenditures incurred outside of the FACE form implementation period.

3.8 Expenditures not duly authorized by the appropriate authority, as stipulated in the partner’s policies and procedures.

3.9 Expenses that are unreasonable compared to the prevailing market prices for goods and services without proper rationale/justification.

3.10 Expenditures on services for which a report is expected but not received.

3.11 Fraudulent expenditures (as verified by UNICEF and assurance providers), such as expenditures with falsified/fake receipts, contracts with fictitious suppliers, contracts involving collusion or nepotism between implementer and suppliers, other procurement irregularities.

3.12 Recoverable taxes not recovered by the partner within a reasonable period of time (six to nine months after incurring the actual expenditure or the normal processing cycle of the national authority);

3.13 Any expenses related to the personal costs of partner’s directors or employees.

3.14 Expenses incurred where the title on purchases is not in the name of the partner.

3.15 Expenses that are not compliant with the partner’s rules and guidelines.

3.16 Any interest expenses on financial debt and debt-related charges.

3.17 Loans, grants and credits to individuals or entities (unless provided for as an activity in the programme intervention).

3.18 Any expense that has been funded by more than one UNICEF PD.

3.19 Any expense that has been funded by another donor or organization.

3.20 Expenses incurred before the agreement date, including costs for proposal development and fundraising.

3.21 DSA or subsistence costs covered by another funding source or organization or where the reported amount differs from actual reimbursement to traveller.

3.22 Office repair and maintenance (unless expressly provided for in the programme intervention budget for purposes of security).

3.23 Expenses claimed that represent accruals and not actual costs, such as depreciation expense and other post-employment employee benefit accruals. Accruals related to timing of payment or standard employee benefits, including pension, are eligible expenditures.

3.24 Employee and management bonuses.

3.25 Any expenses that are illegal or prohibited by local laws and regulations, including bribery; and

3.26 Shared cost allocations not supported by a fair allocation method.

When expenditures are initially classified as ineligible by UNICEF and/or assurance providers, UNICEF requests additional justification to be provided by the partner. The partner has 30 days from the date of the official notification by UNICEF to provide relevant justification, with appropriate supporting documents for review by UNICEF. Upon receipt and review of the additional justification and supporting documentation, UNICEF may fully or partially re-classify the expenditure as eligible or else confirm ineligibility.

If the expenditure is confirmed as ineligible, an official letter will be issued to request refund for the amount considered as ineligible. The amount should be fully refunded by the partner within 60 days of notification of the reimbursement request. UNICEF may freeze all disbursement releases to the partner until the actual refund takes place. In the event that the partner is not able to refund the ineligible expenditure within the stipulated 60 days, the partner may submit a formal request to enter into a repayment plan with UNICEF. The repayment plan may take between 6 and 12 months, depending on the nature of ineligibility and subject to the approval of the UNICEF Comptroller. Disbursement of additional UNICEF resources for programme implementation will be maintained if the provision of the payment plan is adhered to by the partner.

4. What is programmatic assurance?

The primary objective of a programmatic assurance is to verify that activities are implemented, and results are achieved as planned and/or reported by the partner.

The UNICEF Programme team provides technical support to the partner, including facilitation of agreed-upon capacity-strengthening, following micro-assessment and PSEA assessment. UNICEF Supply, Finance and other relevant staff are also engaged to provide technical support and capacity strengthening interventions during programme implementation, based on identified risks.

During the programmatic assurance visits, UNICEF team:

4.1 Reviews the relevance, quality, equality, timeliness, and coverage and sustainability of key interventions supported by UNICEF (e.g., distribution of commodities and/or provision of services).

4.2 Includes a review of the extent to which risk mitigation actions are implemented (e.g., SEA) and effective.

4.3 Monitors whether the procurement activities are taking place as planned, and whether goods and services as per specification are in place for programme implementation.

4.4 Tracks any bottlenecks and challenges encountered by the partner in completing the activities as per plan.

4.5 Depending on the nature of the programme and the operating environment, obtaining assurance takes place through numerous methods, including through confirmation from beneficiaries that they have received services or goods, through remote or other verification methods. Direct observation of activities or results at the site of implementation conducted by UNICEF programme staff is the primary method of obtaining assurance. Where there is no physical location of programme implementation, such as in upstream programming, review of drafts and final deliverables (virtually) is the primary method of conducting programmatic visits.

5. What are the considerations for monitoring requirements?

UNICEF offices undertake assurance activities as per the HACT framework and in line with any specific conditions included in agreements with upstream donors; HACT requirements are part of the overall field monitoring plan to periodically collect, analyze and use information to guide programme design and implementation, maximizing positive outcomes and managing programmatic risks. UNICEF internal monitoring ↗ procedure elaborates these requirements, relationships and tools.

Where supplies, including services, are provided to partners, programmatic visits include a review of the safeguarding, distribution, adequacy and proper utilization of those supplies.

A set of default questions that meet these requirements for field monitoring, including HACT, PSEA, AAP and end user monitoring, are prepared to verify during the visit.

All programmatic assurance activities include monitoring on SEA, through inclusion of at least three SEA-related questions.

Regardless of the PSEA assessment capacity rating, programmatic visits include beneficiary-level monitoring with at least one specific SEA question.

Responding to PSEA programmatic monitoring findings:

Where a programmatic visit reveals systematic gaps and weaknesses in a partner’s PSEA organisational capacities (for example, where systems or procedures are not applied in practice), the following measures are put in place:

5.1 If the findings of the programmatic visit reveal the non-fulfilment of the minimum requirements of one (or more) of the core standards of the PSEA capacity assessment, the rating of the concerned core standard(s) is revised. The revision of the rating of the concerned core standard(s) may lead to a revision of the overall PSEA capacity rating. The Safeguarding/PSEA capacity strengthening plan is updated to include additional mandatory activities required to meet the minimum requirements of the concerned core standard(s).

5.2 Additional measures may be decided, for example:

5.2.1 A shortened period (i.e., less than 6 months) is given for a low- or medium-PSEA-capacity partner to put in place adequate preventive measures to achieve an increased PSEA capacity rating or to address gaps.

5.2.2 Increased programme assurance activities with a focus on PSEA are undertaken.

5.2.3 More frequent PSEA assessments are undertaken.

5.2.4 Suspension of the partnership until the PSEA capacity rating improves and/or the weakness in PSEA systems is addressed.

5.2.5 Other risk mitigation measures are put in place.

6. What is Financial Assurance?

Financial assurance of transferred funds to IPs is obtained through the following mechanisms:

Periodic on-site reviews (spot checks) of the partner financial records of cash transfers. These may be performed by UNICEF staff or third-party service providers.

Scheduled and special audits of the CSO financial records and financial management systems of internal controls related to the programme.

6.1 Spot checks

Periodic on-site reviews (spot checks) are performed to assess the accuracy of the financial records for cash transfers to the partner and the status of programme implementation (through a review of financial information), and to determine whether there have been any significant changes to internal controls. Spot checks are performed in the offices of implementing partners where financial records are kept and involve:

6.1.1 Checking the partner internal controls with respect to financial management, procurement and/or other controls required to implement the activities defined in the work plan.

6.1.2 Reviewing a sample of expenditures to confirm that documentation supports the expenditures and that they are in accordance with the work plan and other UNICEF regulations.

The results of the spot checks are reviewed with the partner and the respective UNICEF programme manager. When the spot check report includes high-priority findings and observations, the programme manager consults on the most appropriate follow-up actions, including additional supporting documentation, acceptable justification, or a refund to be provided by the partner, and any additional assurance activities required.

An exit meeting is expected to be held at the end of the Spot check fieldwork. Participants include the spot checker, the UNICEF Programme officer/specialist, HACT/IPM focal point and the IP staff involved in management of the Programme (both accounts/finance and the technical focal point). The objective of this meeting is to obtain a common understanding and validate any findings/related risks and agree on mitigating measures or follow up actions (if any). This includes adequately substantiating financial findings identified during the spot check.

6.2 Scheduled audits

The primary objective of a scheduled audit is to provide the reasonable assurance on the appropriate use of funds provided to the partner in accordance with the PD and corresponding FACE forms and ICE.

Partners to be audited are determined annually by UNICEF Headquarters based on UNICEF's risk based audit methodology and timelines. Scheduled audits are undertaken by external service providers or the Supreme Audit Institution (SAI) in accordance with the terms of reference for HACT Audit. Normally, such audits should start in October and completed in January of the following year. Communications regarding the audit engagements are sent to the partner by the respective UNICEF office.

When the audit report includes a qualified disclaimer or adverse opinion and significant high-priority findings and observations, the partner's risk rating is increased to 'high', and appropriate follow-up actions are taken.

When the audit report includes an unqualified opinion and there are no significant high priority findings and observations, offices may determine whether the risk rating of the partner should be decreased. When such an action is warranted, the office cannot decrease a high-risk rating if it was assumed in absence of a valid micro-assessment; in such a case, the office should conduct a micro- assessment to establish the appropriate risk rating for the implementing partner.

Audits of shared partners with other UN agencies are commissioned by the lead UN agency. Audit reports are shared among adopting agencies. Joint audits of shared partners are conducted in accordance with the terms of reference for audit used by the lead agency. The auditor expresses a separate opinion on the actual expenditures reported by the implementing partner to UNICEF.

6.3 Special audit

The overall objective of the special audit is for the auditor to report on audit procedures agreed upon with the UNICEF office.

Offices commission a qualified external service provider to undertake special audits following significant issues identified during programme implementation that have not been adequately addressed in consultation with the partner. Offices define the terms of reference, scope and procedures of the special audit in accordance with the standard terms of reference for Special Audit. In cases where the special audit is related to suspected misuse of funds, office management may consult with UNICEF Office of Internal Audit and Investigation on the appropriate terms of reference and share the final report once concluded.

Offices review results of the audit, determine whether the risk rating of the partner should be increased to 'high', and determine the appropriate follow-up actions.

FOLLOW-UP ON OBSERVATIONS FROM FINANCIAL ASSURANCE

- UNICEF follow up on financial findings is essential to ensure that the funds transferred by UNICEF COs to partners are used for their intended purpose to achieve results for children. Addressing the financial findings by the partner and UNICEF's follow-up on the high-priority findings is a key component of the financial management capacity development of partner.

- The follow-up action items resulting from high-priority findings of all assurance activities (spot check, audits and programmatic visits) are recorded in the UNICEF system and are assigned to responsible staff members for completion within the agreed timeline. Authenticity and sufficiency of supporting evidence is critical in addressing high priority financial findings and to properly close an action point.

7. What happens if a partnership needs to be amended?

Amendments to the PCA require documentation and approval by the authorized officers of UNICEF and the partner.

UNICEF and partner use the PCA Amendment ↗ to document a change:

7.1 Legal name of the organization,

7.2 Authorized officers

7.3 Banking information

7.4 Requests for any other changes to the PCA must be request to UNICEF programme focal person the who further seeks approval from UNICEF headquarters.

UNICEF is committed to the principle of adaptive programming to ensure that programmes dynamically respond to the needs of children and communities. UNICEF understands that during the course of programme implementation, the programme intervention outlined in a PD may need to be revised due to changing needs on the ground, an adjustment of programme strategy, or on the basis of feedback from beneficiaries. Either UNICEF or the CSO partner may request adjustment to the planned programme intervention.

All amendments to PDs require documentation and approval by the authorized officers of UNICEF and the CSO. The approval level and documentation requirements vary depending on the type of change. Regardless of the type of amendment, good and timely communication between the CSO and UNICEF is essential to review and approve proposed adjustments. The table below provides an overview of the different types of revisions to programme interventions, and the accompanying approval process.

TABLE 5.2 : TYPES OF ADJUSTMENTS TO PROGRAMME INTERVENTIONS

TYPE OF REVISION	APPROVAL PROCESS AND CONSIDERATIONS
1. Changes requiring approval using the FACE Form	
1.1 Reallocation of UNICEF cash contribution across activities (≤20%) with no change in the total UNICEF cash contribution	• Requested by the CSO at the time of FACE form request, documenting reasons for this change. • Approved by UNICEF via signature on the FACE form request. No additional documentation required
1.2 Changes to activity expenditure reported on FACE form (≤ 20%) compared to authorized amount with no change in total programme budget	• Reported by the CSO at time of FACE form reporting with an explanatory note • Approved by UNICEF via signature on the FACE form. No additional documentation required
2. Changes requiring approval with a note for the record	
2.1 Reallocation of UNICEF cash contribution across activities (>20%) with no change in the total UNICEF cash contribution	• Requested by the CSO at the time of FACE form request, documenting reasons for this change • Approved by UNICEF via a note for the record.
2.2 Changes to activity expenditure reported on FACE form (>20%) compared to authorized amount with no change in total programme budget	• Expenditures exceeding 20% of the authorized amount are not normally allowed. In exceptional circumstances, those are documented by the CSO and may be approved, partially approved or rejected by UNICEF. If accepted, UNICEF prepares an internal note documenting the approval and any impact on the programme implementation
3. Changes requiring formal amendment, with the signatures of authorized officers of both parties	
3.1 Corrections in the programme intervention work plan due to typos or administrative error	• Either the partner or UNICEF can request a change to the programme intervention, including the budget, due to administrative error. • Approval is documented in the relevant corporate platform, e.g., ePD.

3.2 Changes to the budget resulting in a change in the UNICEF contribution (≤20% of previously approved cash and/or supplies), with or without changes to the programme results	• Requested by the partner. • Approved by the UNICEF authorizing officer by signing the amendment submitted by the partner • Office considers funding availability and grant conditionalities
3.3 Changes to the budget resulting in a change in the UNICEF contribution (>20% of previously approved cash and/or supplies), with or without changes to the programme results	• Requested by the partner. • Submitted by the UNICEF programme officer for internal review for recommendation to the authorizing officer. • Offices consider funding availability and grant conditionalities.
3.4 Changes to planned results, population or geographical coverage with no change in UNICEF contribution	• Requested by the partner or UNICEF • Approved by the partner and UNICEF in the relevant platform, e.g. ePD.
3.5 No-cost extension	• Requested by the partner to complete activities. • Approved by UNICEF in the relevant platform, e.g. ePD. • UNICEF consider grant expiry dates (or other grant conditionalities) and alternate sources of funding.
4. Changes requiring no formal review and approval	
4.1 Changes resulting in a decrease in the total programme budget (cost savings), without change to the planned results, population or geographical coverage	• No formal review and approval required

CHAPTER 6: CONCLUSION OF THE PARTNERSHIP

This chapter demonstrates how and when escalate partnership risks in order to facilitate flexibility in rapidly evolving contexts as well as manage implementation risks. The chapter also discusses how to suspend or terminate the partnership.

1. How are risks escalated in partnership?

UNICEF recognizes that there are several types of risks associated with programming that may require escalation: fraud, sexual exploitation and abuse, and other safeguarding issues, including environmental and social standards (ESS). The following are the different types of risks and the required actions:

1.1 Suspicions of fraud:

UNICEF has a zero-tolerance policy against fraud involving its staff members, consultants, vendors, contractors, partners and donors in relation to their work and partnerships with UNICEF. "Zero tolerance" means that UNICEF will pursue all allegations of fraudulent acts involving any individual or entity covered by the regulations, rules, policies, procedures and agreements and that appropriate administrative or disciplinary measures or contractual remedies will be applied if wrongdoing is established. The term "fraud" also encompasses corruption, collusion, coercion and obstruction. The Office of Internal Audit and Investigations (OIAI) is the unit in UNICEF responsible for assessing the credibility of fraud allegations and for conducting fraud investigations.

Pursuant to UNICEF's policy framework, all "reasonable suspicions of fraud" are reported to OIAI as soon as possible. This may be done through OIAI's hotline (integrity1@unicef.org ↗). Staff should err on the side of caution when deciding what constitutes a "reasonable suspicion." Staff may consult with OIAI in advance of submitting a report of suspected fraud to determine whether a report is warranted. Staff should apprise their management of the suspicion unless they have concerns of possible retaliation, or the allegations are of such a sensitive nature that apprising management could compromise an investigation. Reports of suspected fraud are as thorough and specific as possible and are made in good faith. Reports can be made anonymously or confidentially.

All suspected cases of fraud are addressed in accordance with the requirements in the UNICEF Guidance on Responding to Suspected Fraud by partners.

1.2 Failure to take adequate measures against SEA:

Partner whose PSEA capacity rating is low or medium, are given a maximum of 1 months (with possible exception of 3 months) from the date of the PSEA Assessment to take measures to improve their PSEA capacity rating. If, after 7 (or 10 if an extension is granted) months, the partner has not taken the necessary measures to address the gaps identified in the PSEA Assessment and the PSEA capacity rating remains low or medium, the partnership is suspended until the rating is improved. The concerned UNICEF office may decide whether the partnership agreement should be terminated if there are concerns stemming from the partner's inability or unwillingness to strengthen its PSEA systems.

If an allegation of SEA is received from the partner, with respect to personnel of the partner, or related to the partner programme implementation, the country office takes all adequate measures deemed necessary in regards to the partnership.

1.3 **ESS**: Procedures and guidance on the management of ESS is under development and will be included in a future iteration of this Handbook.

2. How is a PD concluded?

During the planning phase, the duration of a proposed PD is determined by UNICEF and the CSO partner. Unless the programme intervention has undergone a mutually agreed extension prior to its expected end date, it should be concluded upon the end date.

The partner has primary responsibility for initiating the operational closure of programme interventions that have been completed. For all programme interventions, the partner must submit the following documents within 30 calendar days of the end of the programme intervention: (a) final narrative progress report, (b) final FACE report and (c) a list of all supplies/equipment/items in inventory procured or provided by UNICEF for the programme intervention.

Upon completion of all programme activities, the partner submits a final standard progress report using the Partner Reporting Portal ↗ (or a paper template for partners without internet access, available here ↗) with an additional section to complete as part of overall working experience which includes the following questions:

2.1 During programme implementation, did UNICEF release cash in a timely manner?

2.2 During programme implementation, did UNICEF release programme supplies in a timely manner?

2.3 During programme implementation, did UNICEF provide timely feedback on FACE forms and narrative progress reports?

2.4 During programme implementation, did UNICEF staff respond to queries and requests for technical assistance in a timely manner?

2.5 Were joint monitoring and assurance activities implemented as planned in the PD?

2.6 Did your organization and UNICEF take action to address findings identified in monitoring and assurance activities?

2.7 Overall, how satisfied was your organization with its partnership with UNICEF on this Programme Document?

The UNICEF office rates the overall progress, addresses the feedback received by the partner and discusses:

2.8 How to sustain achieved results beyond the length of the programme intervention.

2.9 How any remaining cash, supplies or equipment purchased under the programme intervention will continue to contribute to its intended purpose.

As part of the programme conclusion process, UNICEF may also decide to undertake a performance audit depending on the nature and duration of the partnership and/or programme and any specific grant conditionality. The purpose of a performance audit is to assess various aspects of the partnership in relation to achievement of results for children.

3. Why is a programme document or partnership suspended or terminated?

After appropriate consultations with the parties concerned, the UNICEF office may, in its sole discretion, decide to suspend or terminate the transfer of resources to the partner if the situations described in the section 13.2 of the General Terms and Conditions for PCAs are applicable.

In case of suspension, the UNICEF office must provide written notice to the partner indicating the reason for the suspension as well as the time frame within which the partner must take the appropriate action(s) to address the relevant incident or breach to UNICEF's satisfaction, if applicable.

Suspension of the programme intervention is recorded in eTools. If the partner takes the appropriate action(s) to address the relevant incident or breach to UNICEF's satisfaction within the period stipulated in the notice of suspension, if applicable, the UNICEF office can decide to lift the suspension by sending a written notice to the partner that implementation may resume.

In the event that UNICEF suspends a programme intervention, no requests for further cash transfers will be processed and the partner should not incur any further liabilities related to the programme intervention. Only liabilities incurred prior to the date of the written notice of suspension are honoured by making outstanding direct payments or reimbursements and accepting reported expenditure of cash transfers following regular completion of assurance requirements.

If UNICEF is not satisfied that the matters are being adequately addressed by the partner, or if the partner does not take the required actions within the required time frame, if applicable, the UNICEF office may at any time, by sending a written notice to the partner, terminate the programme intervention with immediate effect, as set out in Article 13.3 of the General Terms and Conditions for PCA ↗ In such cases, the partner will be asked to return unspent funds from advances, submit final reports and return any supplies or UNICEF assets, including all work in progress, data and UNICEF confidential information in its possession.

As set out in Article 13.1 of the General Terms and Conditions for PCAs, UNICEF or the partner may also decide to terminate the programme intervention and the PCA by giving one (1) month's written notice to the partner if the UNICEF office or the partner conclude that UNICEF or the partner:

3.1 Has breached its obligations under the agreement and has not taken the appropriate actions to remediate that breach after having received a written notice and given at least 14 calendar days to do so,

3.2 Cannot meet its obligations under the agreement

On termination of the agreement, the partner must (a) transfer either to UNICEF or in accordance with UNICEF's instructions, the unexpended balance of the cash transfer held by the partner, the unused supplies and equipment provided by UNICEF, any non-expendable equipment provided by UNICEF or purchased by the partner using funds provided by UNICEF under the agreement, and (b) transfer to UNICEF all programme materials (e.g., deliverables, work products), including in the case of early termination, any data collected and works-in-progress, and (c) return to UNICEF all of UNICEF's confidential information.

If the agreement is terminated, the UNICEF office prepares an internal note outlining the reasons for termination, the steps undertaken by the UNICEF office related to the termination process, and response(s) from the partner. This note must include all supporting documents and is shared with the regional office and Headquarters.

If the reason for termination relates to ethics, the office adds an observation to the UN Partner Portal to alert other UN agencies that may have partnerships with the same entity.

UNICEF offices reimburse the partner, or deduct from the return of unspent funds, costs incurred to implement the PD, up to the effective date of termination, including:

3.3 Reasonable costs incurred in winding up implementation of the UNICEF programme intervention.

3.4 A prorated share of indirect costs, corresponding to the amount spent up to the date of termination in relation to the total UNICEF allocation.

Termination of a partnership across multiple countries can only be actioned by UNICEF Headquarters. Termination of a legal agreement with a partner in one country does not necessarily impact partnerships between UNICEF and the partner in other countries.

The suspension or termination of a programme intervention with a partner does not mean that the PCA and other programme interventions with that partner will need to be suspended or terminated as well. The PCA and other PD will continue in force, unless the PCA and other PD are explicitly suspended or terminated together with the programme intervention. The suspension or termination of the PCA will automatically suspend or terminate all PDs issued under the PCA, unless otherwise stated in the suspension or termination notice.

Annex: Other Resources

2030 Sustainable Development Goals (SDGs) ↗

Consolidated United Nations Security Council Sanctions List ↗

Convention on the Rights of the Child (CRC) ↗

Data Processing Agreement (DPA) ↗

e-Course on the Funding Authorization and Certificate of Expenditure (FACE) Form ↗

e-Course on the Harmonized Approach to Cash Transfers ↗

Guide to Financial Management for Implementing Partners ↗

Guiding Principles of Partnership with CSOs ↗

Harmonized Approach to Cash Transfers (HACT) framework ↗

International Aid Transparency Initiative (IATI) ↗

Letter for Start-up Funding ↗

PCA Template – United Nations Partner Portal ↗

Micro-assessment questionnaire (2023) ↗

Partner Reporting Portal ↗

Partner Reporting Portal Help Centre ↗

Repository of all CPDs ↗

Section 3 of the UN Secretary-General's Bulletin on Special Measures for Protection from Sexual Exploitation and Abuse ↗

Standard programme document template ↗

UN Global Marketplace (UNGM) ↗

UN Partner Portal ↗

UN Partner Portal Help Centre ↗

UN Protocol on Allegations of Sexual Exploitation and Abuse Involving Implementing Partners ↗

UNICEF civil society partnerships | UNICEF ↗

UNICEF Policy on Conduct Promoting the Protection and Safeguarding of Children ↗

UNICEF Policy Prohibiting and Combatting Fraud and Corruption ↗

UNICEF Strategic Framework for Partnerships and Collaborative Relationships ↗

UNICEF Strategic Plan, 2022–2025 ↗

United Nations Protocol on Allegations of Sexual Exploitation and Abuse Involving Implementing Partner ↗

Universal Declaration of Human Rights ↗

Children at Playground of Primary School of Gado Badzere, Cameroon 2021 | Source: Frank Dejongh © UNICEF