



# Operational Guidelines

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## Preface

Version 1.0 will take effect from 1 November 2020 and will be reviewed on an annual basis.

## Acronyms

<b>CBOs</b>	Community Based Organizations
<b>CfP</b>	Call for Proposals
<b>CSOs</b>	Civil Society Organizations
<b>DDA</b>	Due Diligence Assessment
<b>DEVCO</b>	Infrastructure Development Collaboration Partnership Fund
<b>ECBO</b>	Ethnic Community Based Organization
<b>ECHO</b>	Directorate-General for European Civil Protection and Humanitarian Aid Operation
<b>EEAS</b>	European Union External Action
<b>EU</b>	European Union
<b>GSA</b>	Grant Support Agreement
<b>HDP</b>	Humanitarian-Development-Peace
<b>IAIG</b>	Internal Audit and Investigation Group
<b>IAA</b>	Inter-Agency Agreement
<b>IASC</b>	Inter-Agency Standing Committee
<b>IDP</b>	Internally Displaced Persons and Refugees
<b>IP</b>	Implementing Partner
<b>LRDD</b>	Linking Relief with Rehabilitation and Development
<b>MEAL</b>	Monitoring and Evaluation for Accountability and Learning
<b>MIMU</b>	Myanmar Information Management Unit
<b>M&amp;E</b>	Monitoring and Evaluation
<b>NRM</b>	Nexus Response Mechanism
<b>NGOs</b>	Non-Governmental Organizations
<b>OG</b>	Operational Guidelines
<b>PCA</b>	Project Cooperation Agreement
<b>PSEA</b>	Protection against Sexual Exploitation and Abuse
<b>RBA</b>	Right Based Approach
<b>Secretariat</b>	Nexus Response Mechanism Secretariat
<b>SOP</b>	Standard Operating Procedures
<b>UNOPS</b>	United Nations Office for Project Services
<b>USD</b>	United States Dollars

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# **1 Introduction to the Nexus Response Mechanism Operational Guidelines**

## **1.1 Purpose of the Operational Guidelines**

This document describes the Operational Guidelines applicable to the Nexus Response Mechanism Fund (“NRM” or “Nexus Fund”) in the implementation of Fund activities.

The purpose of the Operational Guidelines (“OG”) is to provide guidance for the operations of the Secretariat and Implementing Partners in the key processes that they are expected to undertake during implementation, either directly or through the engagement of sub-grantees or subcontractors. These OG remain valid and applicable to all downstream partners, and it is the Implementing Partners’ responsibility that this is maintained for their grants.

The United Nations Offices for Project Services (UNOPS) provides the NRM Secretariat (hereafter “Secretariat”) and serves as trustee of the financial resources of NRM. The functions of UNOPS include but are not limited to disbursing financial resources, reporting on all financial and operational aspects relating to NRM, ensuring monitoring of the implementation of activities undertaken by Implementing Partners (IPs) and fulfilling other functions, as set out in the agreement concluded with European Union (EU), NRM donor, and in line with UNOPS financial rules and regulations.

This OG shall be consulted together with the IP’s applicable legal agreement, including all annexes. Nothing contained in this OG is intended to supersede or replace the terms and conditions of the applicable legal agreement. In case of any inconsistency between the OG and the legal agreement with an implementing partner, the terms and conditions of the legal agreement will prevail.

## **1.2 Amendments to the Operational Guidelines**

To ensure they are up to date and relevant, the OG may be amended by the Secretariat with the consent of the Steering Committee. A configuration log is to be maintained to document the changes in the document.

### 1.3 Key Contacts

Subject	Updated names and contact details can be found on the Nexus Response Mechanism <a href="#">website</a> :
<p>All correspondence and reports regarding the implementation of Grant Support Agreements including but not limited to request for amendments.</p> <p>Via email or official letter</p>	<p>Senior Programme Manager</p> <p>NRM Secretariat UNOPS Yangon, Myanmar</p> <p>With copy to and through: Grants focal point</p>
<p>General queries regarding operational requirements of the Grant Support Agreements, request for amendments, general clarifications, or other contractual matters</p>	<p>Grants and Contracts Management Specialist</p> <p>Programme Management Office UNOPS Yangon, Myanmar</p> <p>Through: Grants focal point</p>
<p>Queries on Programme Implementation</p>	<p>Programme Management Specialist</p> <p>NRM Secretariat UNOPS Yangon, Myanmar</p>
<p>Queries on monitoring and evaluation</p>	<p>Programme Management Specialist</p> <p>NRM Secretariat UNOPS Yangon, Myanmar</p>
<p>Queries on visibility and communications</p>	<p>Programme Management Specialist</p> <p>NRM Secretariat UNOPS Yangon Myanmar</p>



IP Performance Management	Programme Management Specialist  NRM Secretariat UNOPS Yangon, Myanmar
Queries on Operational Guidelines	Grants and Contracts Management Specialist  Programme Management Office UNOPS Yangon, Myanmar

## 1.4 Fund Governance

The overall objective of the Nexus Response Mechanism is to contribute to lasting peace and national reconciliation, security, stability and sustainable development in Myanmar. The action specifically aims at providing support to conflict affected populations, displaced populations, host communities and returnees by strengthening the Humanitarian-Development-Peace Nexus (H-D-P Nexus), Linking Relief with Rehabilitation and Development (LRRD) in these contexts. The action will aim at strongly supporting active participation of women in peace-building, reconciliation and recovery efforts. This will be achieved through prompt, effective and efficient delivery of assistance for repatriation, return, recovery and gender responsive or transformative development.

As part of the support for socio-economic recovery in conflict-affected areas, a strong emphasis will be given to alleviating inter-communal and politically induced tensions, providing durable solutions and addressing serious human rights concerns: the systematic integration of Rights Based Approach (RBA) while meeting immediate needs, will be pivotal to all aspects of programme implementation in order to assure principled, inclusive, non-discriminatory and needs based interventions. All actions will be screened against strict due diligence criteria specific for the Myanmar context (see in Annex) for assuring principled engagement limiting the potential to perpetuate harmful practices, including maintaining systematic discrimination against and segregation of populations belonging to ethnic minorities.

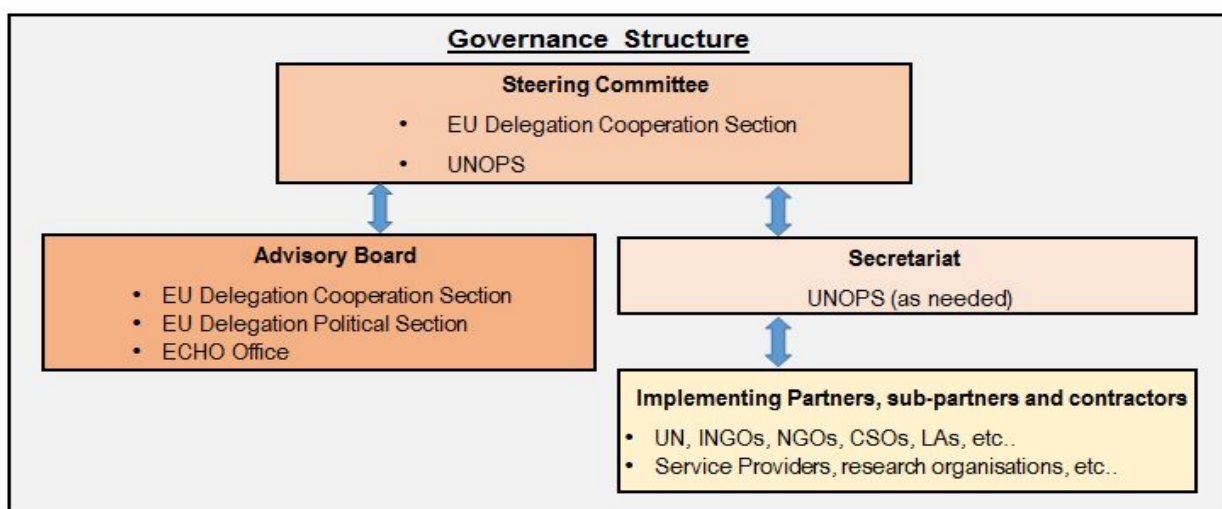
Myanmar is one of the six Nexus pilot countries, and the Nexus Response Mechanism will implement the relevant principles and working methods developed in 2017 and 2018 by the EU Delegation in Myanmar. Consistent with the EU Nexus Plan of Action drafted in early 2018, the EU Delegation to Myanmar has developed contextual and rights focused **due diligence criteria** common to Development Cooperation and Political sections as well as ECHO for the projects the EU implements in protracted crisis, notably Rakhine State. The Nexus Response Mechanism will also rely on an incremental and adaptive approach to enable the EU to respond to sudden needs and the changing operational conflict context. Pool funding will allow the programme to address humanitarian and development needs in protracted crisis situations (e.g. IDP camps) while supporting longer term durable solutions. Decision making will follow procedures designed to ensure that the humanitarian,

development and peace perspectives are taken into consideration. Finally, the action will strengthen the capacity of the EU to conduct context specific conflict analysis tailored to the evolving needs.

The Fund is overseen by the Steering Committee, managed by UNOPS as the Secretariat and implemented by partner organizations.

Eligible implementing partners include the Government of Myanmar, international and national non-governmental organizations, United Nations agencies, other international and national organizations, academic or research institutions and private sector companies.

### **Fund Governance**



#### **1.4.1 Steering Committee**

Membership to the NRM Steering Committee will comprise of the EU, represented by a Management Member of the Cooperation Section (at authorising officer level) of the EU Delegation to Myanmar, and UNOPS represented by the Director and Country Representative. Other staff of both the EU Delegation and NRM Secretariat may be asked to join as relevant. Stakeholder representatives to the Steering Committee are expected to have the relevant technical knowledge to assess proposals. They will make impartial decisions, based on the merits of the project and the funding criteria. The Steering Committee will be chaired by the EU Delegation Cooperation Section Representative. Secretariat proposals must be validated by the Chair in line with EU Delegation policy priorities.

The Steering Committee's **primary responsibility** will be to:

- Approval of Annual Action Plans
- Request, review and authorise Calls for Tenders as well as Calls for Proposals.

- Exceptionally, at EU Delegation request, UNOPS may award Grants to a Grantee that has been pre-selected by EU Delegation in accordance with European Commission procedures. In such cases an official letter signed by the EU Head of Delegation will be sent to the Secretariat (in line with UNOPS internal procedures);
- Receive and review funding proposals that have been assessed by the Secretariat.
- Make a decision on funding allocations to project proposals.
- On confirmation from the Secretariat that the funds are available, direct the Secretariat to develop a grant agreement with the recipient entity, and for funds to be disbursed.
- Provide guidance to the delivery of the NRM's programmes, and for the periodic review, financial audit and the monitoring and evaluation of those programmes.
- Stakeholder coordination, monitoring due diligence, commissioning conflict analysis and providing assistance where possible in overcoming any obstacles to progress in any aspect of the contract.
- Review cases where there has been significant deviation from the original project contribution agreement, and decide on the appropriate action.
- Endorse NRM staff recruitment.
- Membership to the NRM Steering Committee will

#### **1.4.2 The Secretariat**

UNOPS has been engaged as the Secretariat. The Secretariat has delegated authority for the management of the Fund in accordance with the organizational directives and administrative instructions of UNOPS. The Secretariat will lead the development and implementation of Nexus Response Mechanism programmes, and provide analysis, advice and support to the Steering Committee. The primary responsibility of the Secretariat will be to solicit, receive and support the development of project proposals within the Nexus Response Mechanism's priority areas, and to assess and make recommendations on these projects in support of the Steering Committee's decision-making process.

Among its functions, the Secretariat would be expected to:

- Support operations with ongoing contextual analysis and assessment, and coordinate NRM activities with the work of other funds and programmes.
- Establish a system for the assessment and management of risk, and to promote conflict sensitivity in all aspects of the NRM governance and operations in line with Appendix I "Due Diligence Criteria".
- Launch Calls for Proposals and/or Calls for tenders in line with UNOPS rules and procedures.
- Receive, assess and develop funding proposals for consideration by the Steering Committee.

- Negotiate and sign grant agreements with the Implementing Partners, on approval of projects by the Steering Committee.
- Procure supply, works and service contracts for studies, technical assistance, audits or communication services,
- Transfer funds to other UN bodies, programmes, funds, and specialized agencies.
- Monitor and evaluate ongoing activities. If necessary and especially with regards to the RBA, the Secretariat shall engage a specialised professional entity to assist with this process.
- External and internal communications.
- Assess the fiduciary aspects developing project proposals, and make recommendations to the Steering Committee.
- Maintain a fiduciary oversight of contract implementation, ensuring that funds are being used in the manner specified in the grant agreements and project cooperation agreements.
- Report to the Steering Committee on deviations to the NRM budget, with recommendations for action.
- Provide regular reporting, on the fiduciary aspects of the NRM management, including the status of accounts (projections on resource mobilisations for the purpose of planning, actual deposits, funding allocations to projects) and the status of the projects (fiduciary status of individual projects, and of the Secretariat's operational account).
- Commission audits of the NRM activities, including the annual audit statement and otherwise as required.

### **1.4.3 Advisory Board**

The Advisory Board will be composed by representatives of Cooperation and Political sections of the EU Delegation to Myanmar and the ECHO Office Representatives from other sections of the EU Delegation to Myanmar can be invited to attend as relevant; EEAS can be represented by a FPI-staff based in the EU Delegation in Bangkok. The funding "entity" (DEVCO) will share with other sections (ECHO and EEAS) any programmes to be funded by the Mechanism for peer review and comments. The final decision on how to integrate comments will however remain the sole responsibility of the funding entity. Similar joint consultations will take place in regard to project monitoring and evaluation as well as in regards to annual / strategic operational documents.

## **1.5 Code of Conduct**

As recipients of funding under the Nexus Response Mechanism Fund, the Secretariat and the IPs accept that the following code of conduct will be adhered to:

- Activities engaged under the Fund will be undertaken without discrimination, direct or indirect, because of race, ethnicity, religion or creed, nationality or political belief, gender, sexual orientation, disability or any other circumstances;

- The organization will take every appropriate measure to prevent irregularities, fraud<sup>1</sup>, corruption or any other illegal activity. All suspected and actual cases of irregularity, fraud, and corruption related to the agreement must be reported to the Secretariat without delay. The [Nexus Response Mechanism Fraud Policy](#) can be found on the Nexus Response Mechanism [website](#).
- The organization will undertake to take all necessary precautions to avoid conflicts of interest, and will inform the Secretariat without delay of any situation constituting or leading to any such conflict; Any such situations within the Secretariat must be reported without delay to the Steering Committee to the extent such notification does not jeopardize the conduct of UNOPS' investigation;
- The Secretariat and the IP have the obligation to ensure that they do not engage in, nor condone behaviour, which would constitute harassment, sexual exploitation and abuse (refer to the Article 'Prevention of Sexual Exploitation and Abuse' of the General Conditions for the GSA), sexual harassment, or abuse of authority; and
- The Secretariat and IP will not engage in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child. The Secretariat and IP will undertake to protect children from abuse of all kinds in the implementation of the funded activities. This provision in its entirety shall be adhered by all sub- contractors or all sub-implementing partners. Refer to Article 24 of the General Conditions for the GSA.

## 1.6 Dispute Resolution

The rights and obligations of the parties regarding dispute resolution are stated in **[Article 21 of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on dispute resolution to the implementing partners. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

IPs and UNOPS shall to the fullest extent possible strive to resolve promptly and amicably questions of interpretation and application of agreements for the disbursement of funds and any disputes arising out of or in relation to disbursement agreements. The Chair of the Steering Committee may be involved as deemed necessary.

Should the IP be part of the UN system, any controversy or claim arising out of, or in accordance with agreements for the disbursement of funds which is not settled by negotiation will be resolved through consultation between the Executive Heads of each party. Disputes or claims by third parties engaged by the IP will be dealt with by the IP and under no circumstances will the Secretariat be held liable for resolving such disputes or for damages.

## 2 Grant Selection and Approval

The Nexus Response Mechanism Fund's principal implementing mechanism is through issuance of grants to partners. The default selection method of these grants is through an open, transparent and competitive process. To achieve a coherent and focused programme, funding opportunities will also be considered for grants to support strategic partnerships, innovation and research. In these cases, processes may include restricted calls for proposals and consideration of unsolicited proposals – within the framework of the UNOPS legal environment to allow for such selections.

Where appropriate, including but not limited to situations where an entity may not meet UNOPS' criteria for grant support, other modalities for disbursing funds to IPs may be utilised by the Secretariat, in compliance with UNOPS regulatory framework.

To implement the strategic funding decisions taken by the Steering Committee, the Steering Committee has delegated the authority to select IPs, including grantees, through a competitive process to the Senior Programme Manager. The Secretariat is responsible for implementing and managing effective and efficient processes to support the Steering Committee in selecting and approving applicants. The Secretariat informs the Steering Committee of the IP selection in compliance to the funding decision and to the selection process principles of fairness, transparency and integrity. The Steering Committee endorses the selection of the IP and decides on the funding allocations overall, and to each selected IP, as per the Fund priorities.

The Steering Committee may request advice from the Secretariat before deciding on Fund priorities and funding allocations.

### 2.1 Grant Eligibility

Grant support is the provision of funds to an organization to directly implement a project activity using its own resources. Grant support is given to a 'grantee'. A grantee is responsible for implementing activities and usually retains ownership of the results. Grant support is typically for not-for-profit organizations, Community Based Organizations (CBOs), research institutions, NGOs, indigenous groups, charitable organizations, foundations and local or municipal branches of government, though other implementing partners may also be chosen to implement grant support.

In grant support cases, the principal purpose of the relationship between UNOPS and the grantee is the transfer of funds that will be used for a public purpose supported by UNOPS' funding source, as evidenced in the relevant project agreement.

A 'grantee' will often be a non-governmental, community-based or grass-roots organization, and 'grant support' is the provision of funds to an organisation to directly implement a project activity.

To be eligible for a grant, the activity must comply with three principles:

1. Purpose – engaging an implementing partner (grantee) to carry out project activities with milestones or against agreed targets.
2. Autonomy – the grantee is largely autonomous with UNOPS role limited to monitoring.
3. Not-for-profit – there is no direct financial profit for the grant recipient.

## **2.2 Call for Proposals**

### **2.2.1 Call for Proposals (CfP)**

The NRM aims to allocate the majority of its funding using a competitive Call for Proposals (CfP) process. Announcements for a CfP will be communicated through email distribution lists, [NRM](#) and [UNOPS](#) websites, and through public advertising in Myanmar and English speaking publications as necessary.

The details of a CfP may vary according to the nature, complexity and value of the requirements. The selection and application criteria, in line with the parameters set by the Steering Committee's strategic funding decision, will be defined by the Secretariat, endorsed by the Steering Committee, and included in the solicitation document.

### **2.2.2 Principles of Fairness, Transparency and Integrity**

All personnel involved in the CfP grant selection process on behalf of the Secretariat will ensure that:

1. During the pre-solicitation phase, that information is available to the community at large and that there is no specific or privileged information available to particular individuals or groups;
2. During the solicitation phase, all potential applicants will receive identical information and any clarifications on or updates to solicitation documents or the process will be provided at the same time to all potential applicants through the [NRM](#) and [UNOPS](#) websites;
3. Individuals having a personal or financial interest in a potential applicant responding to a solicitation must declare such a position and will be prohibited from any involvement in the grant selection and approval process.

### **2.2.3 Evaluation of Proposals**

To conduct the evaluation of submitted proposals, an evaluation team will be identified and put in place by the Secretariat. This team may include external experts or the donor. The actual number of people on the evaluation team will depend on the nature, complexity and value of the CfP. All participants in the evaluation team will sign confidentiality statements and declarations of no conflict of interest. The minimum criteria for the evaluation and evaluation panel composition will be in line with UNOPS policies.

The evaluation team will conduct a review of each proposal based upon the technical criteria defined in the Call for Proposals solicitation document. All applications will also be subject to a financial evaluation in order to ensure that the costing is fair and reasonable. All applications may be subject to a value-for-money analysis, a review of the evidence provided with regards to the activities proposed and an analysis of the financial and organizational capacity of the submitting organisation. The Secretariat will provide the final assessment of the technical and financial review to the Steering Committee for further endorsement and confirmation of funding allocation.

Before making the final decision, the Secretariat may seek additional information, including requests for further information from the applicants.

Non-successful applicants are able to request feedback on their submissions from the Secretariat.

#### **2.2.4 Grant Negotiations**

Negotiations between the Secretariat and the applicants may take place after the selection of applicants and prior to the grant award. The purpose of negotiations will be to ensure clarity, consistency, and completeness of the technical and financial proposal, and to incorporate any changes specified by the Steering Committee and recommendations on good practices from the Secretariat. During the grant negotiations process, the Secretariat, with the advice of the Steering Committee, may request applicants to consider combining proposals with other applicants, or adjusting proposals as required with the Fund priorities. The Secretariat reserves the right to terminate the grant negotiations if a satisfactory result appears unachievable within a reasonable timeframe.

During or on completion of grant negotiation, the Secretariat may conduct a comprehensive Due Diligence Assessment (DDA) on successful applicants (lead applicants are responsible for conducting their own appraisals of relevant downstream partners. The Secretariat may request to verify these appraisals and request information about downstream partners at any point). This assessment will review an organization's capacity in several areas including finance, operations, and governance. Please refer to section [5.3 Due Diligence Assessments](#).

#### **2.2.5 Restricted Call for Proposals**

To achieve a coherent and focused programme, the Fund will also consider grants to support strategic partnerships, innovation, policy formulation and research. In such a case, the Steering Committee may instruct the Secretariat to issue a restricted CfP to one or more potential applicants as nominated by the Steering Committee. The selection and application criteria will be defined by the Steering Committee and included in the solicitation document. This mechanism may also be applied to solicit proposals from Government programs. Assessment and approval of the proposals follow the same principles as open CfP.



## **2.3 Proposal requirements**

### **2.3.1 General requirements**

It is the exclusive responsibility of the applying organization to ensure that it has appropriate authority to carry out the project in the specific location in Myanmar and that appropriate authorizations are in place in the event of sub-granting implementation to a third party. The Secretariat is not necessarily able to extend any assistance and will not accept any responsibility for any such registration or authorization process.

Proposals must be submitted in English.

The costs of preparing a proposal and finalizing the Grant Support Agreement (GSA) including any relevant communication or travel costs are not reimbursable and cannot be included as a direct cost into the grant.

Any previous or ongoing litigation cases involving the applicant or potential conflict of interest or cases of fraud investigations must be declared and explanations provided.

The Secretariat reserves the right to decline the submission of a proposal.

### **2.3.2 Budgeting requirements**

The rights and obligations of the parties regarding allowable costs and revisions to the budget are stated in **[Articles 7 and 10 of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on the budget to the implementing partners. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

Applicants are required to submit proposals with an estimated budget. If selected, the total budget amount for the grant is determined and finalized during grant negotiations and subsequently the grant agreement. The proposed budget must be in United States Dollars (USD). It needs to contain and explain the various cost factors in sufficient detail, with the main budget headings and subheadings (as applicable). Please refer to the detailed budgeting guidance as outlined in the Nexus Response Mechanism budget template.

### **2.3.3 Cost sharing of resources**

IPs must have a clear and documented cost sharing methodology that is applied consistently, treats all donors equally and fairly on a prorated basis, is based on actuals and that can be clearly linked to the respective donors' funding. Actual cost-shared resources charged to an Nexus Response Mechanism funded budget needs to be activity based and unequivocally linked to the NRM grant and be supported in documentation reflecting the level of effort actually spent on NRM (e.g. time-sheets) or an equal apportionment rationale to all donors on basis of actual invoices (e.g.

utilities of a shared office) that satisfy auditor's scrutiny.

#### **2.3.4 Direct and Indirect Costs**

Direct costs are incurred costs that are:

- Directly attributable to the action as outlined in the 'Description of Action' as annexed to the GSA;
- Specifically provided for in the approved budget;
- Supported by original and verifiable vouchers for the incurred period; and
- Auditable.

Indirect costs are incurred costs that:

- May be overhead costs;
- Are calculated as a percentage (up to 6%, unless otherwise stated and approved) against the total of incurred direct costs;
- Do not require verifiable vouchers; and
- Are not auditable.

For Grants Support Agreements (GSAs) under the Nexus Response Mechanism Fund, the maximum percentage for indirect costs cannot exceed 6% of the total direct costs, unless otherwise stated and approved. In partnerships and consortiums, the indirect costs must be shared fairly across implementing partner organizations, including local civil society organizations and Ethnic Community Based Organizations (ECBOs), proportionate to their implementation budget (6%, unless otherwise stated and approved of their total direct cost budget). The Secretariat recommends that sub-grantees should receive indirect costs over their total direct costs, as overheads are the critical investment tool of organizational strengthening and producing sustainable results. Should a grantee not pass through the full allowable percentage of indirect costs to its sub-grantees the Secretariat will require a written explanation. The percentage of indirect costs agreed upon between an IP and a sub-grantee must be clearly defined in the sub-grant agreement.

For types of agreement other than the standard GSA (e.g. PCA or IAA), different provisions may apply. This will be defined on a case to case basis and indicated in the respective Agreement.

## 3 Grant Management

All communication with regards to the management of the grant between the IP and the Secretariat is channelled through the Program and Grant Focal assigned to the grant under the Nexus Response Mechanism Fund.

### 3.1 Agreements between the Secretariat and IPs

The Secretariat and the IP shall sign a standard UNOPS Grant Support Agreement (GSA) for eligible grantees, or an Inter-Agency Agreement (IAA) for UN partners, or a Project Cooperation Agreement (PCA) for national government entities to formalize the outcomes of the proposal and negotiation phase. By applying for funding to the Nexus Response Mechanism Fund, IPs accept their engagement to be governed by the standard GSA and its general conditions, unless the IP qualifies to enter into an IAA or PCA for receiving NRM funds, in which case the conditions applicable to the relevant modality shall apply.

The GSA annexes include the UNOPS General Conditions for Grant Support Agreements (also accessible on the NRM [website](#)), the description of action, the budget, the log frame, the work-plan, and technical and financial reporting templates. The IP is responsible for the achievement of outputs and objectives as stated in the annexure within the set financial limits and obligations.

Where the results and outputs of the contribution funds are co-financed, it is the responsibility of the IP to make this explicit prior to approval of the agreement. Use of funds, budgets from the different sources and reporting requirements will be clarified in the agreement.

Subject to completion of grant negotiations, the agreement will be issued in two copies by the Secretariat for signature by the IP. Both copies need to be initialled by the signatories personally on each page of the agreement. One signed copy must be returned to the Secretariat as soon as possible and within 7 days. If the signing authority for the IPs' organizations are based outside of the country, a scanned copy of signed GSA shall be returned via email within 10 days and an original signed copy must be returned to the Secretariat within 20 days. The agreement will come into effect upon the date of signature by both parties, unless otherwise specified in the agreement.

No expenditures or activities can be incurred or started **prior to the effective start date, or after the effective end date** of the agreement.

The Secretariat may post information on the project and budget about awarded grants on the [NRM](#) and [UNOPS](#) websites.

### 3.2 Sub-grantees

The rights and obligations of the parties regarding sub-grant agreements are stated in **[Article 12 of the General Conditions attached as Annex A to the legal agreement]**. The following section

contains information designed to provide operational guidance on the sub-grant process. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

The NRM encourages IPs to partner with sub-grantees, especially with local civil society organisations and ECBOs, to increase a grant's coverage and capacity. Should an IP that is a grantee choose to sub-grant, then it is required to enter into a sub-grant agreement in line with the relevant stipulations of the UNOPS General Conditions for Grant Support Agreements between the grantee and subgrantee(s). All sub-grantees must be clearly identified in the grant 'Description of Action'. Such requirements may also apply to other types of IPs depending on the terms of their agreement with the Secretariat. The reporting responsibility, and financial and operational liability to the Secretariat lies with the grantee.

Refer to section [3.3.4](#) above on the Secretariat recommendation on indirect cost for sub-grantees. All NRM funded sub-grantee expenditures are subject to a full annual audit in line with section [5.2](#) below, the responsibility in this regard falls to the grantee.

### **3.3 Performance Management of the Grants**

The performance management of the grants is a shared responsibility between the IP and Secretariat, and is carried out through the following processes:

- Active Risk Management through the Secretariat monitoring visits and programmatic performance reviews;
- Annual reporting of results through scheduled reports and performance meetings to discuss the results;
- IP Risk Profiling and performance feedback for all partners through DDAs and performance assessments;
- Support Forums, lesson learned reports, technical workshops and capacity building trainings;

Fundamental to the performance management of the grants is active risk management by the IP project management team. All partners should maintain a risk log and it is expected that the Secretariat and the relevant programme focal point will be informed of any changes to the risk register in a timely manner, throughout the lifetime of the grant. IP performance assessment against predetermined criteria will be conducted annually and shared with the IP.

### **3.4 Amendment of Agreements**

The rights and obligations of the parties regarding amendments to the legal agreement are stated in **[Articles 10 and 20 of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on the amendment process. For the avoidance of doubt, nothing contained in this section shall supersede

or replace the terms and conditions of the applicable legal agreement.

In accordance with the terms and conditions of the relevant legal agreement with UNOPS, IPs wishing to make an amendment to their agreement with the Secretariat may submit a written request with sound justification to the Secretariat, at any time up to three months before the end of the reporting year, and the agreement. The Secretariat reserves the right to reject any amendment requests. The Secretariat also reserves the right to reduce budgets where funding is no longer available or delayed activities no longer can be implemented. Amendments are required for any changes in the agreement, including but not limited to:

- Changes in the scope of the description of action, log frame, activity plan or work plan, including new or unplanned activities;
- Any increases in the total budget;
- Variance at budget sub-category level exceeding 10%;
- Any changes in the duration of the agreement;
- Any changes in the terms or schedules of the grant agreement.

Requests for amendments will be assessed by the Secretariat against NRM requirements. The Secretariat may refuse or adjust requested amendments. If they involve an increase to the initially approved grant budget, the Steering Committee's approval will be required.

Authorization must be formalized through an official amendment to the agreement and its annexes and relevant signature and initials by both parties.

No-cost extensions are allowable but require a strong justification from the IP to explain the reasons for not having been able to spend the budget as planned and how the budget in the no-cost extension is reallocated to ensure best value for money. The IP is responsible to manage the timely implementation of the project and its outputs. Such an extension will require a supporting revised budget for the respective implementation periods.

No expenditures or activities not authorized under the original agreement can be incurred or started **prior to, or after, the effective date** of the amendment. Any direct or indirect expenditure/cost amounting to greater than the approved grant amount **will not be allowed**.

### **3.5 Budget Revisions**

Submissions for proposed budget revisions must be provided to the Secretariat at least three months before the end of the reporting year (i.e. October 1<sup>st</sup>), unless otherwise agreed. All requests for budget revisions must be submitted to the Secretariat with the proposed budget and a detailed justification. Budget revisions result in a grant amendment. Budget/expenditure variations are allowed without a budget revision as specified below:

- Expenditure on budget sub-categories does not exceed 10% of the contractual budget categories over a given budget year ,
- The variations are within the scope of the defined outputs and activities as specified in the log frame and the work plan, (i.e. not new or unplanned activities), and
- The total amount approved by the Secretariat is not exceeded (i.e. there must be underspent amounts from another budget line item).

Such variations can be undertaken by the IP without seeking prior Secretariat approval or notifications from the Secretariat.

### **3.6 Completion or Termination of Agreements**

The rights and obligations of the parties regarding closure or termination of the legal agreement are stated in **[Articles 9 and 18, among others, of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on the process of closing or terminating the legal agreement. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

Operational closure of the agreement will be on the last date of the duration of the activities as stipulated in the agreement between the IP and the Secretariat, or upon early termination of the agreement by either the IP or the Secretariat as spelled out in the agreement to the other party. No activities or expenditures are to be incurred after this date. All funds which remain unutilized after completion of activities must be returned to the Secretariat.

For the financial closure, the IP will submit the final reports as per the obligations set out in the agreement upon termination or expiry of the agreement. For details on required types of reports, reporting formats and acceptance by the Secretariat, refer to [Section 7.3](#), Implementing Partner Reporting. The Secretariat will evaluate and approve the IP reports with emphasis on results and deliverables being in line with the obligations of the agreement.

Unless otherwise defined in the grant agreement, the financial closing of the grant is tied to the disbursement of the last payment amount which will be released based on the following:

- Acceptance of an audit of the final financial report by the Secretariat and IP;
- Acceptance of the final narrative report and M&E related data reporting by the Secretariat , as well as the acceptance of any other pending reports as defined in the grant agreement;
- Approved asset transfer agreement between Secretariat and IP;
- Return (or deduction from final payment) of unspent funds and/or ineligible costs (if applicable);
- All outstanding sub-granting issues have been settled (if applicable); and
- There are no outstanding claims or investigations on the agreement.

Once the final payment is completed, the Secretariat archives the entire documentation of the project and declares it closed. Refer to [section 15](#) on Record Management.

## 4 Fund Management

The role and general obligations of the IP are set out in **[Articles 1 and 2, among others, of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on the role and general obligations of the IP. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

The Secretariat is responsible for ensuring financial management systems are established and used to ensure that funds are held, disbursed and accounted for in a timely, transparent and efficient manner. Specific responsibilities of the Secretariat include:

- Preparation of the NRM annual budget and presentation to the Steering Committee by 31 October each year for approval;
- Presentation of a fund flow forecast, financial status, and implementation status update at each The Steering Committee meeting;
- Preparation of budget amendments for Steering Committee approval during the budget year as required by the conditions of the legal agreement;
- Provision of reports on expenditure of the Secretariat budget. Any income earned on funds received from the Fund will be identified and accounted for in the Secretariat's financial reports. Any income earned shall be used for the purposes as outlined in respective legal agreements. Income earned includes interest earned on funds;
- Closing of the Fund at the end of its lifetime.

At the end of the Fund, the Secretariat will propose a formal close out plan in accordance to UNOPS closure procedures. This plan will be submitted to the Steering Committee for approval six months before the operational closure of the Fund.

The financial closure of the Fund will be confirmed by UNOPS HQ once all the pending requirements under UNOPS Financial Regulations and Rules have been cleared.

### 4.1 Disbursements to IPs

The rights and obligations of the parties regarding disbursement of payments are stated in **[Articles 3 and 9, among others, of the General Conditions attached as Annex A to the legal agreement]**.

The following section contains information designed to provide operational guidance on the process of disbursing payments. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

The Secretariat is responsible for managing fund disbursements and monitoring expenditure of IPs according to the agreements with the IPs and subject to a review of ongoing performance against

the agreement.

The Agreement includes a schedule for disbursements for the duration of the grant. Based on this schedule, the IP is expected to submit a fund request together with the Financial Report due following the end of each reporting period (reports due on 15<sup>th</sup> February each year unless otherwise agreed) on basis of the approved work plan for the next period. The Secretariat may adjust or disapprove a disbursement request taking into account the achieved progress and results in outputs, the reported fund balance remaining from the previous disbursements and the proposed activity plan of the IP. The Secretariat will ensure that all due reports have been received and approved by the Secretariat before disbursements.

Disbursements to the IP will be limited to agreed budget costs up to a maximum of 12 months of project implementation unless otherwise agreed in the GSA. All disbursements by the Secretariat to IPs are subject to the availability of funds. Availability of funds may deviate from plan over the lifetime of the fund due to changes in strategic direction and/or redirection of donor funding to the NRM. Under no circumstances shall the Secretariat be expected to disburse funds in excess of the funds the Secretariat has in hand.

#### **4.1.1 Clarification on percentages**

**Bridging fund:** Up to 8% of the grant agreement amount may be paid as a bridging fund in addition to the amount requested for the second and subsequent payment, as defined in the grant agreement. This additional amount allows covering the periods from the end of one reporting period to the next disbursement of funds. The bridging fund will be deducted before the end of the project.

**Last payment:** The last payment of 5% of the total grant amount will be payable after the acceptance by the Secretariat of the final audited report and all other required documentation, or as defined in the grant agreement.

**Indirect costs:** indirect costs cannot exceed 6% (unless otherwise stated and approved) of the direct costs for the requested period, see also [section 3.4](#) Proposal requirements.

## **4.2 Audits**

The rights and obligations of the parties regarding audits of the grant are stated in **[Article 8 of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on the process of auditing an IP. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

The fiduciary framework of NRM requires the audit of all financial statements related to the Fund. All expenditures are required to be externally audited or verified as appropriate on an annual basis. This includes expenditures incurred by all NRM IPs except UN entities which are subject to a single audit



principle.

#### **4.2.1 The Secretariat Audit**

The Secretariat will be subject to a full audit every year by a team of external auditors appointed by the UNOPS Internal Audit and Investigations Group (IAIG). The objective of the audit is to ascertain the effectiveness and efficiency of operations, including the economical use of resources in addition to verification of compliance activities of the office with the relevant UN and UNOPS rules and regulations.

#### **4.2.2 IP Audit**

The Secretariat will appoint auditors to conduct a full audit of all functional areas of the IP. Such an audit will be conducted both annually and at the end of the project. Costs relating to regular external audits undertaken by the Secretariat will be borne by the Fund.

The IP audit report will be submitted to the Secretariat and the IP with a management letter from the auditors, addressing adequacies of the accounting, the internal control systems, and compliance in all functional areas. The final audit report will be shared with the IP and may be further shared with the NRM Steering Committee, upon request.

Adverse and disclaimer opinions from auditors will result in suspension of any further disbursement to the IP by the Secretariat until the IP satisfactorily demonstrates that issues identified have been resolved. The Secretariat will follow up with IPs on implementation of the audit recommendations management plan. As part of the Secretariat progress reports and the Secretariat Key Performance Indicators, the Secretariat will provide summary reports to the Steering Committee on audit recommendations and actions necessary to address these recommendations.

### **4.3 Due Diligence Assessments**

The role and general obligations of the IP are set out in **[Articles 1 and 2, among others, of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on the role and general obligations of the IP. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

The Secretariat will conduct Due Diligence Assessments (DDA) of each IP. The objective of the assessment is to evaluate the capacity of the IP's financial and operational procedures, policies, internal controls, and management as well as governance structures to manage NRM funding and define the level of risks to the Secretariat.

The assessment will be conducted either prior to signing of the grant agreement or in the early

stage of the project implementation and may be undertaken by Secretariat staff or external experts. It will evaluate the IP's capacity and compatibility in relation to legal agreements, fund flow mechanisms, staffing, accounting policies and procedures, segregation of duties, governance configuration, project management capacities, budgeting, payment procedures, asset management, audit mechanisms, reporting and monitoring, code of conduct including safeguarding issues, and other related organizational systems.

Where a similar assessment has been conducted by another UN agency, the findings of this assessment may be reviewed, and evaluated in lieu of UNOPS's own DDA. If a DDA or similar evaluation was conducted in the previous 3 years as part of the other Funds managed by UNOPS Myanmar, this requirement may be reviewed and waived.

In case of a major change in environment (e.g. internally: significant changes in leadership, in results achieved, new procedures) and/or high risks identified in the initial DDA or audit reports, a follow up to the assessment may be required. The Secretariat will provide a standardized questionnaire to the IP prior to the assessment.

The DDA report will provide a detailed analysis of the risks in relation to the management capacity of the IP. Based on the findings, the report will propose an overall rating and will provide recommendations how to address shortcomings and identified risks. The final report will be shared with the IP; recommendations will be binding to the IP and will be monitored by the Secretariat.

#### **4.4 Eligible Expenses**

The rights and obligations of the parties regarding allowable costs are stated in **[Article 7 of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on allowable costs. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

The Secretariat is under no obligation to reimburse IPs for costs incurred in excess of the total grant amount specified in the Agreement. The total grant amount under the Agreement is not subject to any adjustment or revision because of price or currency fluctuations or the actual costs incurred by IPs in the performance of the activities under the Agreement.

The expenditures claimed on IP financial reports shall be true and real, reasonable, and are included on the Agreement budget.

In compliance with donor agreements, NRM funds may not be used for the following activities:

- Bonuses, provisions, reserves, or non-remuneration related costs. Employers' contributions to pension or other insurance funds run by the Organisation may only be eligible to the extent they do not exceed the actual payments made by these schemes and that the amount provisioned does not exceed the contribution that could have been made to an external

- fund;
- Debts and debt service charges;
- Provisions for losses, debts or potential future liabilities;
- Banking charges for the transfers;
- For international travel to conferences, trainings, workshops or any other activity outside the country not directly related to project implementation;
- To cover exchange rate losses, or for/as disbursements to government agencies' bank accounts;
- For the following charges: taxes, duties and charges, customs duty, corruption, previous obligations, bad debts, fines and penalties, purchase of land and property, hospitality, and political and religious propaganda;
- For the costs of developing proposals submitted for NRM funding;
- For direct cost-shared resources that cannot be directly linked to the NRM grant.

## **4.5 Support to government staff and institutions**

NRM funds may be used for activities in the following categories:

### **4.5.1 *Invitation of Government officials to workshops/trainings and technical missions in country***

This includes government staff at each administrative level from village tract to Union level, who are involved in implementation of activities specified in the budget, or those who are invited to attend or assist in facilitating workshops and training either organized by NRM implementing partners or by the Secretariat. Staff identified as such are therefore eligible to receive per diems and travel cost at rates stipulated by the Secretariat and not higher than the rates approved by the UN Resident Coordinator.

### **4.5.2 *Technical Assistance***

Technical assistance procured by government ministries or departments where there is a need identified, either within an IP project or direct by the Secretariat. The services will be procured, contracted and paid directly by the IP or the Secretariat. This may involve national or international consultants. Assistance procured by the Secretariat is subject to the UNOPS procurement and financial rules and regulations.

### **4.5.3 *Equipment/Assets***

All equipment procured by the IPs remain under ownership of the Nexus Response Mechanism and on the IPs asset register until the end of the grant, whether this is used by the IP directly or placed within government facilities (refer to [section 14](#) on Asset Transfer at Grant Closure).

This includes support to specific government ministries, departments and agencies that are working

closely with IPs or the Secretariat. The support may include basic operating equipment, e.g. office assets like ICT (printers, computers/laptops), furniture, etc.

If the assets are purchased under a specific grant, the equipment remains under the ownership of NRM until the end of the project, unless otherwise agreed, when the IP may propose a handover of ownership. In the case of direct procurement by the Secretariat, ownership is transferred to the government entity on delivery.

#### **4.5.4 Institutional capacity building**

This includes funding support Government institutions with the aim of institutional capacity building, in particular for research activities, provided allocation is approved by the Steering Committee. Requests for such support must be submitted to the Senior Programme Manager with detailed budget, purpose, and work plan, if relevant. Procedures and checks need to be established beforehand to ensure that the funds are used for the approved purposes and are properly accounted. UNOPS financial rules and regulations will apply.

Payments to government institutions and government staff for activities not covered by the categories above require advance written approval from the Senior Programme Manager.

#### **4.5.5 Direct grants to Government institutions**

The Secretariat may enter into agreements with Government institutions at the request of the Steering Committee. Before entering into such agreements, the Secretariat will review the capacity of the institution to manage projects and fund flow and take necessary action to manage associated risks.

## 5 Monitoring and Evaluation for Accountability and Learning

### 5.1 Overview

The NRM Monitoring and Evaluation for Accountability and Learning (MEAL) system has three main objectives: (1) to support learning related to the piloting of nexus approaches; (2) to support evidence-based contributions to policy and systemic change; and (3) to support accountable, responsive, innovative and dynamic programming. A full description of the MEAL Framework can be found in the NRM MEAL Framework document.

The MEAL Framework is built around three levels:

1. The NRM level
2. The Intermediate programme level
3. The Project level

These levels are linked together through a series of tools and processes. The key tools at each level are: (1) theories of change - that define the key results (outputs and outcomes) to which the NRM seeks to contribute; (2) measurement frameworks - that set out the indicators corresponding to these results and associated parameters for data collection; and (3) a learning and evidence agenda - to foster a systematic and structured approach to generating evidence for knowledge management and policy contribution.

### 5.2 MEAL roles

MEAL roles are divided between Implementing Partners, the Secretariat and the Steering Committee. The Secretariat is responsible for designing, developing and implementing a MEAL system specific to the Fund to ensure accountability and measurement of results, and to support performance improvement and achievement of targets set in the MEAL Framework. Implementing partners' project-specific MEAL systems will be built to support IP program implementation, the achievement of programmatic objectives related to learning, knowledge management and policy contribution, and to meet NRM reporting requirements in alignment with NRM MEAL framework.

The MEAL system will include information management for internal progress monitoring, progress reporting to the Secretariat (semi-annual and annual) and evaluation purposes, where outputs, outcomes and impact of the Fund are measured against the approved results framework. The MEAL system at the Secretariat level will cover and guide the fund in monitoring the indicator performance of implementing partners through standardized tools and procedures.

	<b>IPs</b>	<b>Secretariat</b>	<b>Steering Committee</b>
MEAL Framework development	IPs develop project theories of change, measurement frameworks, ELQs, and subsequent MEAL plans, all to be approved by the Secretariat	The Secretariat develops and revises as necessary the NRM Theory of Change, log frame (indicators are discussed with IPs and other stakeholders) and MEAL framework.	The Steering Committee reviews and approves the NRM MEAL system and NRM log frame.
Staffing	IPs are to have dedicated staff to ensure M&E functions are fulfilled.	The Secretariat is to have dedicated staff to ensure M&E functions are fulfilled.	The Steering Committee is to provide strategic direction in M&E.
Monitoring	IPs conduct regular periodic monitoring according to their MEAL Plan	The Secretariat conducts regular field visits to all IP projects and conducts programme assurance, regular M&E system review of IP recording and reporting systems.	Steering Committee members may visit sites on an ad hoc basis.
Feedback mechanisms	All IPs will establish a participatory feedback mechanism for its local partners and beneficiaries to ensure downward accountability, and will report to the Secretariat on community perspectives on programming and any necessary	The Secretariat supports the creation and implementation of beneficiary accountability framework including the provision of technical assistance to create such systems.	

	changes as part its reporting.		
Reporting	Reporting on selected NRM indicators relevant to each IP project in mid-year, annual, and final narrative reports.	Reporting on NRM indicators in semi-annual, annual and final reports based on collated information from IPs.	The Steering Committee approves the Secretariat semi-annual, annual, and final reports
Evaluation	Contributing evidence and supporting with coordination and planning of evaluations	Commissioning mid-term reviews and end-of-project evaluations	

### 5.3 Implementing Partners

IPs will be responsible for conducting relevant MEAL tasks related to their respective projects. This includes the design and set-up of a project MEAL Frameworks, and the implementation of the MEAL system including assessing the performance and strengthening the capacity of their partners.

#### 5.3.1 Project MEAL Framework

The Project MEAL Framework is an important document that defines how MEAL will be put into practice in a given project. It's key components are the project Theory of Change, the project Measurement Framework and the Project Policy and Learning Questions.

At the proposal stage, IPs will need to include a draft project theory of change along with a corresponding measurement framework with indicators and targets, and a set of learning objectives that respond to a given Call for Proposals. The proposal will also need to include an explanation of staffing and resourcing arrangements for MEAL, along with an outline of key MEAL processes and mechanisms. In building their MEAL frameworks, IPs may draw on key MEAL requirements and considerations put forward in the Secretariat's Call for Proposals, Joint Assessments and/or Terms of Reference. At the contracting stage, all the aforementioned elements will be refined based on feedback and recommendations from the NRM Secretariat, including agreement on the specific output and outcome indicators and their respective targets for each calendar year and for the end of the project. This includes a subset of indicators that will feed into NRM's own donor reporting, as well as alignment with other relevant NRM IPs

During the inception phase or early months of the project, IPs will build on the aforementioned elements and develop them into a full project MEAL framework, based on the NRM IP MEAL Guidelines.

This will include detailing of the data collection tools that will be used to gather data for reporting and learning purposes, as well as data management systems and a data utilization plan. The final version of the MEAL Framework will be approved by the Secretariat. The approved measurement framework may be reviewed annually and/or when there are major changes in the Fund strategy or programmatic design.

For each of these indicators, IPs will set milestones for each calendar year and targets for the end of the project. IPs will report progress towards reaching these milestones and targets in six monthly narrative and quantitative reports to the FM. IP will also be required to explain reasonably any achievements with significant deviation.

### **5.3.2 Monitoring and adaptive management**

IPs are responsible for gathering appropriately disaggregated output and outcome-related data based on the specifications (frequency, source, method, sampling, etc.) set out in their measurement framework. Monitoring should feed into ongoing mechanisms for learning and adaptive management, so that mid-course corrections can be taken to address issues emerging in response to contextual changes and new knowledge gained through the course of implementation.

Ensuring that project design and activities are responsive to the needs of community members is a critically important component of the NRM's approach. All IPs will develop contextually-sensitive community feedback mechanisms that incorporate regular community perspectives on project activities. These perspectives should be reported to the Secretariat as part of regular project reporting, including in semi-annual and annual narrative reports, with a specific focus on if and how the project is adapting its activities based on community feedback.

### **5.3.3 Baseline, Mid-term, Final Evaluations and Operational Research**

Wherever applicable and as indicated and approved by the Secretariat, each IP is responsible for conducting a baseline survey and an endline survey. The Secretariat will approve the terms of reference and reports of the baseline and endline surveys.

Each IP will assist and facilitate the Secretariat's monitoring and independent evaluation as required, including inputting into independent mid-term reviews (for projects more than 12 months in length), final evaluations<sup>1</sup> and programmatic and joint assessments, by the NRM's dedicated Due Diligence and Conflict Analysis Facility (DDCAF) (see 6.2.3-6.2.4). Mid-term reviews will make recommendations to improve the relevance, effectiveness, efficiency and sustainability of the project or other priority areas that emerge during the course of implementation. End-of-project evaluations should, amongst other requirements, draw on the results of baseline and endline surveys to assess project effectiveness and document key lessons. In the case of the NRM's area-based or thematic-based programmes, collective programmatic evaluations that assess the impact of several projects within the same programme may be undertaken.

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<sup>1</sup> As detailed in the NRM MEAL Framework, these will typically be conducted at the thematic programme level.



## **5.4 The Secretariat**

The Secretariat is responsible for establishing the overall MEAL Framework for the NRM and for making this framework operational. As such the Secretariat is responsible for developing materials and providing instructions, guidance and capacity support to IPs to ensure that project MEAL is aligned with the NRM MEAL framework; assuring the quality of evidence from project and programme MEAL; conducting field visits; commissioning independent mid-term reviews and final evaluations; and aggregating results from IP measurement frameworks for reporting at the NRM level. The Secretariat will ensure that IPs have targets set in line with the overall aims of NRM and to deliver according to the NRM objectives.

### **5.4.1 Log frame, Results Framework and Reporting**

The NRM logframe includes a set of indicators that summarize NRM progress and performance against the outputs and outcomes in the NRM theory of change. The logframe combines indicators from IPs with data from secondary sources and third party monitoring and evaluation. In the case of indicators that IPs will report on, the Secretariat is responsible for ensuring alignment through specifying indicator definitions and measurement (where appropriate), quality assuring, verifying and aggregating the project data and compiling the results into six-monthly progress reports to the Steering Committee. In the case of data from third-party monitoring and evaluation, and from secondary data sources, the Secretariat will be responsible for compiling and analysing the data for incorporation into reports.

### **5.4.2 Field Visits**

The Secretariat is expected to visit IP headquarters, field offices and villages on a regular basis. Trip plans for field visits will be drawn up by the Secretariat in the first quarter of the year, and updated as necessary. Field visits may include joint monitoring visits with the Steering Committee. The objectives of field visits include monitoring and mutual learning for the Secretariat and IPs to produce strategic lessons on program delivery.

Key aspects of the Secretariat field visits include:

- At least one site of each grant will be visited at least once each year by the Secretariat. The priority is given to new grants/projects, grants with poor performance of grants, and joint supervision and monitoring trip
- All office and field visits will be scheduled in advance with IPs and a formal process of feedback undertaken.
- The IP headquarters or field office will be visited at the beginning to collect project details and results. At the end of the field visit there will be a debriefing session with project staff.
- A member of the IP's in-country headquarters staff should attend the debriefing, so as to

agree on follow up actions.

- The field visit should, if possible, cover randomly selected delivery sites.
- A trip report will be prepared by the Secretariat and shared with the IP within 20 working days after the field visit. The report will include a summary of the key findings and recommendations, and address more strategic issues and lessons arising from the village and IP office visits..
- The IP is welcome to provide comments and corrections on the field visit reports within 20 days of receiving it.
- The Secretariat will follow up on the status of recommendations and action points to IPs after finalization of the field visit report. Implementation of agreed recommendations/actions will be monitored.

#### **5.4.3 Joint Assessments, Thematic Studies and Operational Research**

As part of its programmatic scoping, the Secretariat will conduct joint assessments focused on particular geographic or thematic areas through its Due Diligence and Conflict Analysis Facility (DDCAF). These joint assessments will include overviews of the demographic, socio-political, intercommunal, geographic and economic dynamics of a chosen geographic or thematic area, as well as examination of key human rights concerns and humanitarian, development and peace needs. Joint assessments will form the basis for participatory workshops leading to the development of a systemic theory of change and collective outcomes for the programme area, which in turn will be shared with prospective partners as part of the NRM's Calls for Proposal. Where feasible, joint assessments will also establish a baseline against which project and contextual monitoring can occur. Joint assessments will be regularly updated and IPs may be required to provide inputs as needed.

On behalf of the Steering Committee, the Secretariat may also commission thematic studies and operational research to provide an important complement to the routine tracking of NRM results.

#### **5.4.4 Programme/Intermediate-level MEAL Frameworks**

Programme/intermediate level MEAL Frameworks will be developed for each area-based or thematic call for proposals as a layer between the overall NRM MEAL Framework and the project level MEAL Frameworks that. The intermediate level MEAL Frameworks are comprised of three main components:

1. **Systemic theories of change** that specify the 'collective outcomes' that the Implementing Partners forming the programme will contribute to. These bridge the results set out in the overall NRM TOC and the specific TOCs that individual projects will contribute to in a context-specific manner.
- **Common indicators** will be developed at the area-based programme level, where relevant, to align measurement across implementing partners and with the overall NRM Results framework.

- A **programmatic Learning Agenda** will be developed for each programme that identifies how the programme will respond to the overall NRM learning agenda (see 6.4.6 below) and defines any programme-specific learning objectives.

These elements will serve as a reference and guide for the development of project MEAL Frameworks as well as for programme evaluations and ongoing learning activities.

#### **5.4.5 Contextual Monitoring**

As part of its ongoing programming, the NRM's DDCAF will conduct Contextual Monitoring to assess the relevance and impact of its projects vis-à-vis the broader context in which they operate. Contextual monitoring will build off the NRM's joint assessments. They will overlap with, but not specifically target, project stakeholders and beneficiaries during data collection, and will use a comprehensive tool to monitor for changes in socio-economic, political and human rights conditions. Contextual Monitoring will also support UNOPS monitoring and evaluation teams to offer specific recommendations to improve or adjust a programme's implementation approach based on the NRM's objectives and strategy. IPs may be required to input into DDCAF processes on a periodic basis.

#### **5.4.6 Evaluation and Learning**

The Secretariat plays a central role in the evaluation and learning functions of the NRM. Key functions of the Secretariat include:

- **Curating a strategic learning agenda for the NRM:** the strategic learning agenda defines the high level learning objectives and questions of the NRM. As such, it will respond to the knowledge and learning priorities of key stakeholders in the sector, including donors, governments, INGOs amongst others and guide efforts at generating evidence across the NRM.
- **Commissioning evaluations:** the Secretariat is responsible for commissioning evaluations of programmes and projects. This includes both final evaluations and mid-term reviews, as required. In addition to focusing on individual projects
- **Synthesising evidence:** Evidence generated through project MEAL and studies carried out by projects, through programme level evaluations and reviews, and through reflection workshops with programme partners will be periodically synthesised to consolidate learning and generate evidence that can be used internally and externally.
- **Adaptive management:** Utilisation of the evidence generated to guide ongoing adaptive management efforts will be pro-actively supported by the Secretariat. This includes both fostering evidence-based adaptive management at the project and programme level through robust and utilisation focused MEAL systems, and through cross-project reflection on emerging evidence.
- **Producing and disseminating knowledge products:** the Secretariat will support the development and dissemination of knowledge products that respond to the learning

agenda.

## **5.5 Steering Committee**

The Steering Committee is responsible for monitoring the Fund's performance, assessing the NRM programme strategy, and approving the NRM MEAL framework and log frame.

### **5.5.1 Overall performance monitoring**

The Steering Committee will review the overall progress and performance of the Fund against its strategic objectives and will review and advise the Secretariat's semi-annual and annual reports. The Steering Committee will use commissioned M&E studies and other M&E information to take decisions about programme funding and strategic direction.

### **5.5.2 Field visits**

The Steering Committee may undertake joint field visits to directly observe the implementation of programmes, create deeper understanding of field-level realities, and thus to support learning and strategic guidance functions of the NRM.

### **5.5.3 Strategic learning agenda**

The Steering Committee will co-own the NRM's strategic learning agenda, helping to set the strategic learning priorities and supporting efforts to strengthen uptake and utilisation of the learning from the programme.

### **5.5.4 Independent Mid-term and Final Evaluations**

The Steering Committee may commission a baseline study, mid-term and final evaluations of the Fund's performance and impact. The costs of the evaluations will be charged to the Fund.

## 6 Reporting

### 6.1 Secretariat Reporting

The Secretariat will provide transparent summaries of the Fund throughout its lifetime to inform the Steering Committee and stakeholders of the Fund. To this end the Secretariat will submit to the Steering Committee six-monthly narrative and annual financial progress reports based on the calendar year. Reporting formats and contents have been approved by the Steering Committee.

There are two progress reports, the semi-annual (covering January to June of any year) and the annual progress report (covering Jan to December of any year). Both reports provide a comprehensive update on the fund progress and after clearance by the Steering Committee are published on the NRM [website](#). Both progress reports rely critically on timely submission of IP reports.

### 6.2 Schedule of the Secretariat Reports

Type of report and period covered	Area of reporting	Content
Progress Report (Jan – Jun) Due within 60 days of the end of the covered period (August 31st)	Programme:	Semi-annual report (Progress report)
Annual Progress Report (Jan – Dec) Due within 90 days of the end of the covered period (March 31st)	Finance:	Annual Financial Report
	Programme:	Annual Narrative Report
Certified Financial Report (Jan - Dec) Due within 90 days of the end of the covered period (March 31st)	Finance:	Certified and Audited Annual Financial Statement Certified Asset Register
Final Report Due within 6 months of the end of the project Implementation Period	Finance:	Final Financial Report with audited certified financial statement and Asset disposal / transfer report

	Programme:	Final Narrative Report
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### 6.3 Implementing Partner Reporting

The rights and obligations of the parties regarding financial reporting are stated in [**Article 4 of the General Conditions attached as Annex A to the legal agreement**]. The following section contains information designed to provide operational guidance on financial reporting. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

The Secretariat defines and requests reports from the IP as outlined in the agreement and as further discussed in 7.4 below. Reports submitted by IPs will be verified and approved by the Secretariat.

The blank technical and financial reporting templates are uploaded to the NRM [website](#). All reports must be provided in English.

### 6.4 Reporting Schedule for IPs

As finalized IP reporting is prerequisite to the Secretariat progress reporting, it is critical that the IPs dedicate sufficient resources during the report review period. The calendar year is used for annual technical and financial reporting. During the implementation of a grant, the following reports may be required depending on the duration and the type of the grant, and as specified in the agreement:

Type of report and period covered	Area of reporting	Content
<b>Progress Report</b>  For: 1 <sup>st</sup> January to 30 <sup>th</sup> June of any year  Due on 15 August of any year	Finance:	Financial Progress Report
	Project:	Narrative Progress Report including M&E data
<b>Annual Report</b>  For: 1 <sup>st</sup> July to 31 <sup>st</sup> December  Due on 15 February of the following year	Finance:	Certified annual financial report for the previous year and Assets Register
	Project:	Annual Narrative Progress Report with M&E Data sheets

<b>Final Report</b> Covering the entire duration of the grant agreement Due 60 calendar days following the end date of grant agreement	Finance:	Final Financial Report with Certified and audited final financial statement Final Asset Register with transfer recommendations
	Project:	Final Narrative Report

## 6.5 Exceptions on Reporting

IPs may be eligible for an exemption on the reporting schedule outlined above. The general guideline for exemption on reports is that when reports are due with less than 8 weeks of elapsed implementation, the Secretariat may provide an exemption for submission of that report. This exception will be reflected either in the grant agreements, or in writing to the IP.

Additional reports can be requested by the Secretariat if there is a requirement for closer monitoring of implementation. This will be communicated in writing to the IP with adequate time provided to prepare the report.

## 6.6 Approval of Reports

Approvals will include a review and validation of reports by the Secretariat. As outlined in these guidelines, the Secretariat is responsible for further reporting on results and financial performance of the overall Fund, including performance of IPs to the Steering Committee. As such, the Secretariat may request further information and clarification of the IP on any specific expenditure or results during the review process.

Approval of reports by the Secretariat indicates that the reports meet the requirements of the Grant agreements. Payments to IPs will not be made until the required reports have been approved as meeting minimum quality requirements.

## 6.7 Guidelines on Financial Reports

The IP is responsible for maintaining clear, accurate and complete financial records in respect of the funds received under the agreement to ensure accuracy and reliability of the financial information and reporting. The grantee is responsible for the reporting contribution of all sub-grantees. Budgeting and financial reporting must be prepared in US Dollars using the NRM Budgeting and Reporting templates, unless exceptionally agreed.

### **6.7.1 Expenditures**

The Secretariat will not accept inflation adjustments, exchange rate differences and depreciation expenses in reporting expenditures. Only actual costs incurred may be reflected. This applies as well to cost-shared resources budgeted as direct costs: Expenditure charged must be based on actuals, be supported by relevant documentation and be directly linked to the NRM grant. Guidelines on expense reporting by budget lines headings are included in the reporting template. Any change in the method of recognizing expenses on financial reports must be clearly documented with the financial report.

### **6.7.2 Exchange Rate Definition**

The NRM operates in an USD environment: Contractual budgets, disbursement, reporting and refund of remaining balance at the end of a grant are all in USD as currency. The Secretariat does not set a fixed exchange rate the IPs need to comply with. IPs can therefore reasonably establish an operationally best possible exchange rate in line with their Financial Rules and Regulations.

The IP shall document the exchange rates applied and retain auditable proof that best possible rates are obtained. For UN Agencies, the official UN exchanges rates shall apply. Reporting to the Steering Committee (EU) will remain in Euro.

### **6.7.3 Income Earned**

Any income earned from implementation of activities granted under the grant agreements shall be identified and accounted for in financial reports. Income earned includes interest earned on funds received by the IP. Funds should be held in interest bearing accounts, unless due to an exception as mentioned in clause 9.1 of General Conditions of the GSA. Any income earned shall be returned to the Fund or used for the purposes as set forth in the approved work plan where agreed by the Secretariat.



## 7 Communications and Visibility

Implementing Partners (IPs) are required to publicly credit the EU for the fact that the action has received the funding. Information given to the press as well as related publicity material, official notices, reports and publications shall acknowledge that the action was carried out “With funding by the European Union” and shall display the EU emblem. This requirement is compulsory and is a condition of funding. Implementing partners are required to follow the [NRM Visibility Guidelines](#) for use of Nexus Response Mechanism logo and for presenting the Nexus Response Mechanism visual identity.

### 7.1 Nexus Response Mechanism Visibility Guidelines

The most recent and up-to-date visibility guidelines can be found [here](#) and on the Nexus Response Mechanism [website](#). All IPs are required to follow these guidelines when presenting NRM visual identity. The guidelines detail further guidance on how to present NRM identity at events, visibility at project sites, in articles, publications, research and studies, on websites and social media, press, and on attributing funding.

### 7.2 Media and Publications

Authority to make statements on behalf of Nexus Response Mechanism is limited to the Steering Committee, and the Senior Programme Manager or his delegated official. No implementing partners can make statements on behalf of Nexus Response Mechanism.

Any requests from media received by implementing partners regarding Nexus Response Mechanism should be referred to the Senior Programme Manager’s Office, Secretariat.

Where possible, all public documents should be translated into Myanmar language simultaneously with English language versions. In the case of inconsistencies between English and Myanmar language publications, refer to the English language version.

Nexus Response Mechanism uses the English spelling for Myanmar place names used by the Myanmar Information Management Unit (MIMU). Spellings can be found at <http://www.themimu.info>.

### 7.3 UNOPS Logo

The use of the UNOPS logo is restricted to the Secretariat for official correspondence with the Government of Myanmar and for contractual agreements to reflect the legal status of Secretariat operations in Myanmar.

Official correspondence of the Secretariat with the IP will use the Nexus Response Mechanism logo.

## 8 Anti-Fraud and PSEA Policy

The rights and obligations of the parties regarding anti-corruption, anti- terrorism, child protection and the prevention of sexual exploitation and abuse are stated in **[Articles 15, 16, 17, 24, and 25, among others, of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on anti-corruption, anti- terrorism, child protection and the prevention of sexual exploitation and abuse. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

### 8.1 Anti-Fraud Policy

Fraud is defined as “the intentional act by one or more individuals involving the use of deception to obtain an unjust or illegal advantage”. This definition and the required action applies to all recipients of NRM funding, grantees, sub-grantees, companies, institutions, individual consultants, and staff.

As NRM allocation decisions are made by the Steering Committee and subsequently translate into grants and contracts between UNOPS (Secretariat) and various other parties, this NRM fraud policy shall be based on the [UNOPS Fraud Policy](#). The UNOPS Policy is part of the wider risk management framework of UNOPS which includes risk- and fraud-related provisions covering various areas and levels, including but not limited to procurement, staffing, financial regulations and rules, financial declaration statements, accountability and oversight, internal control, internal audit and investigation.

Anyone suspecting a fraud case has a duty to immediately (within five days) report fraud. Please refer to the Anti-Fraud and Anti-Corruption Policy of the NRM, available on the NRM [website](#) for details on types of fraud, and reporting mechanisms.

The Head of all IPs will need to attend a workshop on anti-fraud and anti-corruption organized by UNOPS at least once a year.

### 8.2 PSEA Policy

UNOPS has zero tolerance for sexual exploitation and abuse, in line with the United Nations Secretary General Bulletin, ‘Special measures for protection from sexual exploitation and sexual abuse’ (ST/STG/2003/13). The term “sexual exploitation” means any actual or attempted abuse of a position of vulnerability, differential power, or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of another. Similarly, the term “sexual abuse” means the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions

Implementing partner (and sub-partner) staff, including volunteers and contractors, are required to uphold the six IASC principles of prevention of sexual exploitation and abuse. These principles should

be included in organizational Code of Conduct, and sensitized to staff regularly. The principles are:

1. Sexual exploitation and sexual abuse constitute acts of serious misconduct and are therefore grounds for disciplinary measures, including summary dismissal;
2. Sexual activity with children (persons under the age of 18) is prohibited regardless of the age of majority or age of consent locally. Mistaken belief in the age of a child is not a defence;
3. Exchange of money, employment, goods or services for sex, including sexual favours or other forms of humiliating, degrading or exploitative behaviour, is prohibited. This includes any exchange of assistance that is due to beneficiaries of assistance;
4. Sexual relationships between United Nations staff and beneficiaries of assistance, since they are based on inherently unequal power dynamics, undermine the credibility and integrity of the work of the United Nations and are strongly discouraged;
5. Where a United Nations staff member develops concerns or suspicions regarding sexual exploitation or sexual abuse by a fellow worker, whether in the same agency or not and whether or not within the United Nations system, he or she must report such concerns via established reporting mechanisms;
6. United Nations staff are obliged to create and maintain an environment that prevents sexual exploitation and sexual abuse. Managers at all levels have a particular responsibility to support and develop systems that maintain this environment.

All partners, sub-partners, and other downstream partners are required to act to minimize the likelihood of sexual exploitation and abuse. Partners shall be responsible for creating and maintaining an environment that prevents sexual exploitation and sexual abuse, and shall take appropriate measures for this purpose. Partners should have an accessible reporting mechanism at each project site, known to the community with staff trained to receive complaints and escalate where appropriate.

Partners are required to adequately respond to cases or suspected cases of sexual exploitation or abuse, including investigation, victim or survivor support, disciplinary action and referral to national authorities. Partners should have whistle-blower protections.

Partners shall appoint an official, at a sufficiently high level, to serve as a focal point for receiving reports on cases of sexual exploitation and sexual abuse.

## 9 Intellectual property

The rights and obligations of the parties regarding intellectual property rights are stated in **[Article 5 of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on intellectual property rights. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

NRM promotes the principle that Implementing Partners should not make commercial profit from the intellectual property generated with NRM funds. By default, all Intellectual Property rights developed with NRM funding are the sole property of the funding source, unless otherwise agreed. Licensing arrangements for intellectual property can be specified where agreed in the relevant grant agreement.

## 10 Confidentiality

The rights and obligations of the parties regarding confidentiality are stated in **[Articles 6 and 23, among others, of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on confidentiality. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

While the Steering Committee and Secretariat are committed to have an open and transparent disclosure system in place, there are legal, operational, and practical considerations at times that may be necessary to preserve the Fund, IPs and beneficiaries interests. In these cases, information will be received or sent to IPs under the expectation of confidentiality.

## 11 Procurement

The rights and obligations of the parties regarding procurement are stated in **[Article 11, among others, of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on procurement. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

### 11.1 Procurement Principles

#### 11.1.1 *Best value for money*

Application of the 'best value for money' principle in the procurement process, means selection of the offer which presents the optimum combination of factors such as appropriate quality, service, life-cycle costs and other parameters to best meet the defined needs.

#### 11.1.2 *Fairness, integrity and transparency*

The manner in which the procurement process is carried out must give all internal and external stakeholders of the organization the assurance that the process is fair, has integrity and is transparent. The IP must undertake all necessary precautions to avoid conflicts of interests, favouritism, or corrupt practices in the execution of procurement. Segregation of duties is an important basic principle of internal control.

#### 11.1.3 *Effective competition*

Effective competition is best explained as a situation in which at least three independent contractors acting on their own (not in collusion) effectively compete in the same business opportunity and submit a responsive bid. In case of restricted sourcing of products or services, a Note to File should be prepared and signed by the approving authority of the IP. It will justify why a procurement process without a competitive process is required.

#### 11.1.4 *In the best interests of organizational objectives*

The ultimate value is to add value to fulfilling the goals and objectives of the project agreements ensuring the highest image and reputation of the organizations and Fund.

#### 11.1.5 *Sustainable procurement*

Procurement is called sustainable when it integrates requirements, specifications and criteria that are compatible and in favour of the protection of the environment, of social progress and in support

of economic development, namely by seeking resource efficiency, improving the quality of products and services and ultimately optimizing costs. Additional information on sustainable procurement can be obtained from the [United Nations Global Marketplace](#).

### **11.1.6 Procurement by Secretariat**

The Secretariat will comply with UNOPS [procurement regulations](#) based on the procurement principles of public procurement.

## **11.2 Procurement by IPs**

IPs need to ensure that they follow public procurement principles as outlined above. In the case of IPs not having yet adequate systems and/or procedures in place to adhere to these principles, then the Partner is expected to rectify this and develop the necessary procedures, to document these and train staff to ensure the new procedures are adhered to. Until this is achieved the Partner is to follow UNOPS procurement procedures in absence of their own.

Procurement actions need to be within the available budget and shall not take place any later than 6 months before the end of the agreement unless agreed otherwise with the Secretariat. IPs should request the Secretariat of the need for a time extension for procurement actions up to 6 months before the project end date, accompanied by a contract amendment and adjusted work plan, or other relevant documentation as needed. Based on the IP's justification, the Secretariat may approve procurement actions to take place up to three months before the end of the agreement.

Cash grants provided to beneficiaries are not classified as procurement procedures. IPs are responsible for ensuring the correct use and effective application of cash grants to and by beneficiaries.

## **11.3 IPs: Procurement Documentation**

In line with the procurement principles of transparency and accountability, and in order to facilitate external audits of NRM operations, every step in the procurement process must be documented and kept on file.

A standard filing system, as well as a numbering system to enable tracking of files, should be established by every IP according to their own standards in order to create an audit trail and to facilitate the management of the procurement activities. Procurement files are to be kept by the IP for seven years after the close of the project.

## 12 Asset Management

### 12.1 Secretariat Asset Management

The Secretariat's asset management falls under the rules and regulations of UNOPS. The Secretariat will submit a proposal on the transfer or disposal of assets to the Steering Committee three months before the closure of the Fund.

### 12.2 IP Asset Management

The rights and obligations of the parties regarding asset management are stated in **[Article 14, among others, of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on asset management. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

For IPs, all equipment, property and non-expendable materials that are valued at **USD500** per item or more and which are purchased by the IP (or under exceptional circumstances by the Secretariat for the IP) under the grant agreement are considered assets, and belong to the Secretariat until otherwise decided at the end of the grant agreement.

The IPs are required to maintain complete and accurate records of assets purchased with NRM funds. Project audits will include audits of the asset management of the IP.

All equipment should be recorded on an asset register with description of the item, relevant serial numbers, asset location, purchase price, received date and manufacturing year (for second hand purchases), the asset condition and a unique identification number. All items should be labelled or tagged with the unique asset identification number. The asset register format includes a 'suggested list' of categories under which to report asset items, available on the NRM [website](#).

To facilitate asset management the IP should assign Asset Focal Points to perform the following duties:

- Ensure that tags are properly placed on all assets;
- Check regularly to verify that newly purchased assets and location changes are properly reflected in the asset register;
- Ensure assets are physically disposed in a timely manner once disposal is approved;
- Coordinate the annual physical inventory of assets each year and reconcile assets with the annual asset register certification exercise to the Secretariat.

All IP personnel should exercise due care in their capacity as custodians of assets and timely report instances of loss or damage of an asset that comes to their attention.



### **12.2.1 Asset Reporting**

The IPs will submit annual and final asset registers as stipulated in the Grant Support Agreements. Physical Asset verification by the auditors may be included in audits.

Assets are tracked on the register as long as they are in use by the IP. Assets that have exhausted their useful life and remain in use shall continue to be tracked with their purchase value until disposed.

### **12.2.2 Disposal of assets**

There are three methods of assets disposal, all three need to be approved by the Secretariat prior:

1. Transfer / Donation – to the IP, to a national partner, to an institution
2. Sale – proceeds of the sale should be reported to the Secretariat as income under the grant
3. Write Off / Discard – if the asset is obsolete, i.e. has exceeded its useful lifetime and is no longer in working condition, cannot be donated or sold, and cannot be repaired, then the asset is discarded in an environmentally friendly way.

### **12.2.3 Audit preparation: Annual Physical Verification of assets**

IPs should carry out a physical asset inventory check of NRM assets at least once a year. The purpose of the physical check is to confirm that all of the assets are in the location they were initially assigned to, are in good working condition and still yield an economic benefit. To comply with the principle of separation of duties, the Asset Focal Point should not perform the annual physical verification exercise.

### **12.2.4 Repair of damaged assets**

Assets damaged before the end of the useful life can be repaired if economically feasible and if the cost of repair does not exceed the residual value of the asset.

### **12.2.5 Reporting on theft/loss of assets**

In cases of damage, theft, or other loss of assets, the IP will provide the Secretariat with a comprehensive report within one (1) month of noticing the loss / damage, including a police report where appropriate, and any other evidence giving full details of the event leading to the loss of the asset. The Secretariat may request for additional information and will inform the IP of action to be taken. The Secretariat will give written approval for write-off.

### **12.2.6 Depreciation**

Assets purchased by the IP are fully expensed at time of purchase, i.e. reported to the Secretariat through the Financial Report with their full purchase value at time of purchase. At the time of disposal, assets are depreciated on basis of their useful lifetime to establish the depreciation / residual value of the asset (if any).

Asset Category	Example	Useful Lifetime
IT Equipment	Computers, projectors, printer, UPS, networking equipment, Fax machines, audio & visual equipment	3 years
Furniture	Tables, chairs, shelves	8 years
Vehicles	Cars, motorcycles	5 years
Intangibles	Software licenses and others	3 years

For used / second hand purchased assets, the useful lifetime is considered to start with the year of manufacture.

In the case of a residual value of stolen assets the amount will be recovered from the IP through the next Financial Reporting cycle, unless the Steering Committee grants an exception on the recovery for compelling reasons.

### **12.2.7 Grant closure**

At the end of the grant agreement, the IP shall include in their final asset register:

- Proposal of transfer of ownership, indicating the proposed recipient entity for review and approval of the Secretariat.
- A list of any outstanding procurement actions which have been ordered but not yet delivered at the time of the completion of the project period or early termination.
- A letter proposing on how the undelivered items, and any remaining inventories, not accounted for in the request for asset transfer will be used.

### **12.2.8 Asset Transfer at Grant closure**

All assets purchased with NRM funds shall remain the property of the Fund unless a transfer of assets is formally approved. The Fund recognizes the rationale of continuing to use assets provided for the intended purposes beyond the implementation period of NRM-funded projects and will allow the

transfer of ownership to IPs (or an appropriate grant partner) upon project closure, if certain conditions are met and approved by the Secretariat.

For the transfer of ownership of assets purchased by the IP, the following conditions must be adhered to:

- The assets will be used exclusively for activities to further the goal of the Nexus Response Mechanism and designed for the benefit of poor and vulnerable people in Myanmar,
- The receiving partner has an ongoing programme and adequate resources to maintain and operate the transferred assets,
- The receiving partner has adequate controls in place to ensure that the assets are used for their intended purpose,
- The receiving partner is a national entity
- Any local requirements, regarding duties and taxes, or any other formalities, on transfer or disposal will be met by the receiving partner,
- Once the assets have reached their useful life they are disposed of safely, avoiding any unnecessary environmental hazards, and written off through an auditable process in line with the partner's policies.

For approval of asset transfer the IP must submit a proposal to the Secretariat three months prior to project closure. The request for asset transfer must be based against the asset register of IPs. The proposal should outline how the above principles will be adhered to by the organization designated to receive the assets. The Secretariat will inform the IP in writing on approval of the asset transfer plan and the modalities to be followed. The IP will submit proof of reception to the Secretariat once the transfer has taken place.

## 13 Record Management

The rights and obligations of the parties regarding record management are stated in **[Article 8 of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on record management. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

The proper management by the Secretariat and IPs of records, paper or electronic, is important in supporting the transparency and accountability of the Fund. Record management includes document retention, custody, archiving and destruction of both paper and electronic records. The Secretariat will comply with UNOPS regulations on record management

### 13.1 Document Retention by the IP

In addition to the documentation of financial, procurement and inventories outlined in these Guidelines, the IP is required to maintain comprehensive files and records in respect of activities supported by the Fund, including but not limited to:

- the initial proposal submitted by the IP, and any documentation relating to the process leading up to an amended and final proposal;
- the final proposal package including proposal narrative, log frames, and final budget;
- a copy of the IP grant agreements, signed by both parties;
- any amendments to the IP grant agreement;
- a copy of any sub-partner selection documents, sub-grantee agreements, and relevant amendments
- a copy of all technical reports submitted to the Senior Programme Manager;
- a copy of all interim financial reports on the use of the Contribution;
- a copy of all certified annual financial reports on the use of the Contribution;
- any correspondence with UNOPS, etc.; and
- final reports to be submitted.

Based on UNOPS' minimum requirements for transparency and accountability, and donor requirements, the IP is required to maintain and ensure key documents are accessible for seven years after closure of project

## 14 Annexes

Nexus Response Mechanism Policies/Guidelines on fraud and visibility are also available at the NRM website: <https://www.nexusresponsemechanism.org/>

UNOPS policies are available under  
<https://www.unops.org/english/About/policies/Pages/default.aspx>