

# **South Sudan Multi-Partner Trust Fund for Reconciliation, Stabilization, Resilience (South Sudan RSRTF)**

## **TERMS OF REFERENCE (1 Nov. 2018)**

### **1. Objective**

The South Sudan Reconciliation, Stabilization, and Resilience Trust Fund (South Sudan RSRTF) will work to build conditions of peace and stability conducive for enabling viable resilience endeavors. The fund aims to improve the way capability from across development, humanitarian and peacebuilding entities is brought together, providing strategic financing to integrated programmes that together lessen the destructive drivers of conflict and develop more peaceful and, ultimately, self-reliant communities.

The Fund will support initiatives that build sustainable peace, investing in comprehensive and durable approaches to resolve localized conflicts that currently contribute to fragility, political instability and societal disintegration. Through adaptive, complementary reconciliation, stabilization and resilience efforts the intent is to attain lasting change, supporting communities to realize the long-term, economic and livelihood gains of sustained peace.

The area-based programming approach builds in locally led comprehensive political, security and situation analysis. The intent is to draw on existing knowledge and expertise, working through existing local partners and with communities to pursue real opportunities for transformational change - to move beyond the recurrent cycles of conflict and violence. The approach will reinforce sustainable and inclusive, community driven programming building on existing resources including lessons and reflections on local practices and capacities for peace.

### **2. Context**

Years of protracted violence, resulting mass displacement and sustained economic decline have triggered an escalating humanitarian crisis in South Sudan. More than half of the population need lifesaving assistance and protection. The 2018 estimated cost of addressing these needs amounts to \$1.7 billion dollars. On average the annual humanitarian appeal has increased by approximately \$200 million each year for the past three years in response to growing need. As the gap between needs and resources widens globally, the reality of escalating needs and an inevitable decrease in resources will exacerbate the humanitarian crisis in South Sudan and likely result in increased loss of life.

Averting this crisis requires sustained investment to build more resilient communities so that the impact of shocks is diminished and dependency on humanitarian assistance reduced overtime. The continued provision of essential, lifesaving humanitarian assistance, therefore, must go hand in hand with programming that enables people to both emerge from cycles of crisis and build their resilience to cope with and recover from future shocks. Consequently, humanitarian and development actors are increasingly looking to bridge the divide between meeting emergency needs and achieving development

goals, developing more 'resilience' focused initiatives and strategies to guide engagement and programming in South Sudan.

There are many challenges that face individual women, girls, men and boys, to build the capacity to be self-reliant and meet their basic needs in the current environment. Sustained violence along political, ethnic, and communal lines has heightened instability within communities and destroyed their efforts to develop durable coping capacities. Amidst the search for peace, continued conflict is exacerbating the socio-economic and political challenges that face South Sudan. On-going political processes, and related power and identity-based conflicts promote division and competition contributing to more pronounced ethnic polarization and reduced confidence in overall peace and security. Limited infrastructure, basic services and livelihoods have come under increasing stress from intra- and inter-community violence competing for dominance and resources. Meanwhile decades of violence have eroded and weakened traditional conflict prevention, mediation and resolution structures.

Ultimately, securing peace and ending ongoing conflict is essential to reduce the numbers in need of humanitarian assistance. However, building community resilience and reducing long term dependency on aid, cannot be achieved unless the political, peace and security environment is also transformed to foster sustained community owned recovery and development.

Despite South Sudan's many challenges, there are opportunities where context specific strategic planning and alignment of resources can bring about meaningful changes in the short and medium term. The interlinked, mutually reinforcing notion of peace and development has been promoted since the 2005 UN World Summit. Addressing the trajectory of escalating humanitarian requirements – saving lives sustainably – while building the foundations to reduce fragility and vulnerability in the long term is achievable in South Sudan if pursued through the right intersection of programming between the conflict and peacebuilding fields, on the one hand, and the fields of development, disaster recovery and humanitarian action, on the other.

Drawing on the comparative advantages across UN agencies, NGOs, Civil Society and the UN Mission, the South Sudan RSRTF will promote integrated programming built around three essential elements that can lessen the destructive effects of the conflict and contribute to more self-reliant and peaceful communities:

**Reconciliation:** Restore trust and support peaceful coexistence and social cohesion through gender and age sensitive communal conflict management, prevention, mitigation and reconciliation.

**Stabilization:** Deter violence, restore security, and reinforce the rule of law and equitable access to justice, supported by strategic use of existing peacekeeping capability.

**Resilience:** Invest in community capacities and resources and promote equality, agency and self-reliance to meet basic needs sustainably without reliance on external assistance.

Efforts to promote reconciliation, create stability and strengthen resilience are equally critical. They are also mutually-reinforcing. As standalone initiatives each adds value to potentially elicit short-term results and changes to people's lives. However, when harnessed together the chance of success to build peace and self-reliance over a medium / longer period is significantly enhanced.

Resilience programmes that encourage independence are more viable in a secure environment. A secure environment, however, that does not reconcile underlying differences is less sustainable. Supporting communities economically that have reconciled is more likely to equate to resilient and self-sustaining

gains in the longer term and enable them to successfully resist pressure to resort to violence as they resolve or manage tension.

In South Sudan's fluid and fragmented context, the notion of a linear continuum or transition from conflict and acute humanitarian need to reconciliation, recovery and development is unrealistic. The complementary elements supported by the Fund aim to enable more flexible and adaptive programming responsive to the inevitable shifting dynamics of the context, resulting in changeable sequencing and gradations of the three RSR elements over time as changing circumstances dictate.

### **3. The Rationale for the establishment of a Multi-Donor Trust Fund**

Realizing the powerful synergies that can be achieved through complementary reconciliation, stabilization and resilience efforts, requires concerted joint effort across multiple actors working in the same space at the same time. In his report *Repositioning of the UN Development System*, the Secretary General specifically calls for earlier investment in the foundations for resilience, stability and a more integrated response across development, humanitarian and peacebuilding entities. He noted that in conflict settings, to fully contribute to building resilience and sustaining peace, UN Country Teams must work in an integrated manner with UN peacekeeping missions.

The South Sudan RSRTF will provide strategic financing to area based programmes that bring together UN agencies, the Mission and NGOs to deliver local results that collectively lessen the destructive drivers of conflict and contribute to more self-reliant and peaceful communities. Drawing on the comparative advantages across a variety of organisations, the Trust Fund will engage strategically with peacebuilding, stabilization and resilience actors to tailor interventions that can bring together the mutually-reinforcing elements.

#### **Flexible Financing**

Maximizing the synergies between the work of the UN Country Team, UNMISS and the NGOs has been identified as a priority objective by all partners to achieve better results in the fragile context of South Sudan. Unfortunately, rather than bridging these silos, financing instruments frequently contribute to further dividing the streams of external assistance. The high level of earmarking towards specific agencies and projects and the separation between stabilization/peace-keeping funding of UNMISS on one side and the development funding on the other deters collaboration across the sectors and actors. In addition, pure development instruments remain ill-equipped to deal with political unpredictability and are often not responsive enough to changing circumstances on the ground.

By establishing the South Sudan RSRTF, the United Nations intend to turn funding from a divider into an enabler. It will have the ability to provide funding for activities and programmes that implemented together create synergies and offer a holistic response to complex challenges. Provided that their proposed programmes contribute to the outcomes defined in the UNCF and that they meet the requirements of the Fund, non-UN partners (NGOs) can be direct recipients of the Fund (through a Managing Agent). Accordingly, the Fund will transfer resources to UN Agencies, UNMISS and NGOs.



### **Enabling Area-Based Programming**

The South Sudan RSRTF can play an effective role towards promoting stronger local focus in the way resources are programmed. Through the area-based programming approach the Fund will incentivize locally led analysis and the design of local strategies that take into account the unique nature of the area and the local drivers of conflict. The Fund is an instrument that will place local communities at the heart of delivering locally relevant programming. Both the contextual analysis and identification of priority actions will be responsive to and build on the knowledge and experience of local actors ensuring support for existing capacities and initiatives rather than applying a set of predetermined standardized peacebuilding activities designed at the national level.

### **Increasing Coherence**

The QCPR<sup>1</sup> 2016 Resolution mandates the United Nations country team members to ensure strong coherence, complementarity, cooperation and coordination within and between development and humanitarian activities. It urges the entities of the United Nations development system to continue enhancing the transparency and accountability of inter-agency pooled funding mechanisms, as well as to continue developing well-designed pooled funds, as a complement to agency-specific funds. Provided that they are well capitalized, pooled funds have demonstrated that they can play a very effective role in increasing the overall coherence in programming. The pooled funding mechanism will serve to complement rather than substitute agency specific funding.

The governance mechanism of the South Sudan RSRTF allows a wide range of partners (UN, development partners, donors and civil society) to collectively agree on priorities and strategies. As a result, they will create synergies and complementarities not only amongst projects funded by the Fund, but also more widely with programmes funded from other sources and implemented by other partners.



<sup>1</sup> The Quadrennial Comprehensive Policy Review (QCPR) is the mechanism through which the United Nations General Assembly assesses the effectiveness, efficiency, coherence and impact of UN development work. It also provides policy orientations for development cooperation at country level. The latest UN General Assembly resolution 71/243 on QCPR process was adopted in December 2016, for the 2016-2020 period.

As well as seeking to sustain multi-stakeholder area-based partnerships through direct financing, the Fund will additionally encourage initiatives that build synergies with other complimentary stabilization and resilience funds and programmes including the Partnership for Recovery and Resilience (PFRR) and United Nations Peacebuilding Funded activities. The Fund will also promote collaboration where existing resources and expertise are available through initiatives such as the Conflict Sensitivity Resource Facility (CSRF) and Health and Education Pooled Funds.

### **Increasing transparency**

The Fund will provide increased transparency on planning, implementation and delivery of results:

- By including broad representation of stakeholders in the governance structure of the fund, it will enable them to participate in the decision-making process and consequently to access all the information and data shaping the decisions and all the reports on activities undertaken, challenges faced, and results achieved.
- By pooling resources contributed towards reconciliation, stabilization, and resilience activities in the jointly agreed priority areas, it will provide a consolidated overview of funds allocated and joint reporting on the implementation progress and results achieved.
- By posting all information on the MPTF Office Gateway, all partners will have easy access to real time information on the funding status (commitments and deposits by donors, transfers made to implementing partners, progress reports, etc.)

## **4. The Programmatic Framework**

The programmatic framework of the South Sudan RSRTF is anchored in the United Nations Cooperation Framework (UNCF), and will also build upon the Mandate of the UN Mission in South Sudan (UNMISS) and upon expanding efforts of Civil Society, the NGO and donor community to empower communities and build longer-term resilience to prevent further deterioration of the crisis while reducing dependency on humanitarian assistance.

Contributing to the overall aim of the UNCF, activities supported by the fund will support stabilization and reconciliation efforts that prepare the way for building resilience of women, girls, men, boys and communities to better withstand the shocks and stresses they face as a result of the current crises.

Based on the national context and priorities, the UNCF identifies four inter-linked challenges as part of its theory of change that summarize the impediments to sustainable development in South Sudan: deepened social and political fragmentation and gender inequality; economic crisis and lack of services; persistent conflict and fragility; and recurrent shocks and stresses.

To respond to these challenges the UNCF outlines a strategic approach to build resilience and support capacity building of national and local institutions as and where the security and political situation allows, with a set of specific priorities in each of the four priority areas.

Actions supported by the fund will contribute to achievement of results across the four UNCF priority pillars:

- (i) Building Peace & Strengthening Governance;
- (ii) Strengthening Food Security and Recovering Local Economies;
- (iii) Strengthening Social Services; and

(iv) Empowering Women and Youth.

These core areas encompass the essence of a broad spectrum of resilience-oriented efforts across NGOs, UN agencies, the Mission and donors. They too reflect the overarching goal of the South Sudanese 2018-2021 National Development Strategy (NDS).

The UNCF M&E framework provides outcome statements for each area capturing the desired change and the beneficiaries and responsible stakeholders, as well as a set of outcome level results indicators, baseline data and three-year targets. The theory of change emphasizes the interdependent nature, and the simultaneous pursuit of both short- and longer-term objectives. The trajectory that the theory envisions is non-linear, meaning that progress as well as setbacks are to be expected. Various risk factors will impact the prospects of promoting the priority areas, and these risks will be mitigated by ensuring conflict sensitivity and risk informed programming.

While contributing to the overarching goal of the UNCF, the Fund's core approach will be the mobilization and coordination of financing for strategic interventions that coherently address the three elements of reconciliation, stabilization, and resilience to target delivery of meaningful short and medium-term results. Therefore, the scope of the Fund will be shaped according to the added value that can be attained through collective action, capitalizing on the comparative advantages of a diverse set of actors.

Critically, the South Sudan RSRTF will look to bridge silos and underpin a 'whole of system' approach that combines the strengths and added value of humanitarian, development and peacekeeping operations to realize common aims. The approach of the Fund is, therefore, closely aligned with the principles of the New Way of Working, supporting the realization of collective outcomes that reduce risk, vulnerability and overall levels of humanitarian need over time. The approach will similarly look to reinforce more sustainable and inclusive, community driven programming that strengthens existing capacities at national and local levels.

## **5. The Area-Based Approach**

The South Sudan RSRTF will adopt an area-based programming approach, targeting distinct geographic locations where opportunities exist to deliver transformational change and move beyond cycles of conflict and violence. While focusing on conflict resolution and peacebuilding at the community level, the geographic selection will consider multi-level conflict analysis, recognizing linkages between local and national dynamics so that engagement can also be targeted to address more strategic grievances that influence broader progress towards a national peace.

Activities supported by the Trust Fund will support reconciliation and stabilization efforts that create the space to enable communities to engage constructively on resilience. Programming, therefore, can be sequential where support for local services and promoting economic and livelihood activities is contingent upon sustained community efforts to manage conflict and security challenges that could otherwise undermine such developmental investments.

In addition, the Fund can support areas where opportunities to invest in sustainable recovery and resilience are already evident including those areas in which progress is visible through ongoing programming. All funding considerations will be informed by the guiding principles of the Trust Fund and the commitment to deliver sustainable results through a combination of mutually reinforcing reconciliation, stabilization and resilience activities informed by the local context.

Areas will be selected by the Steering Committee where a positive and sustainable impact can be achieved through application of the reconciliation, stabilization and resilience approach. As an example, supporting efforts to address intra- and inter-community violence and conflict in Pibor County through promotion of peaceful co-existence and conflict management while addressing the security vacuum through a peacekeeping presence and at the same time mitigating catalysts for further violence by addressing stresses on livelihoods, neglected infrastructure and services that heighten tensions and prompt fighting over issues of cattle raiding, water resources and grazing land.

Activities supported by the fund could also be instrumental in creating conditions conducive for safe, voluntary, and dignified, return of IDPs and refugees and specifically support local solutions strategies that enhance safety and security, build social cohesion and improve equitable access to essential services - enabling people to return to their homes from Protection of Civilian sites and benefiting both women and men, host communities and new arrivals.

For each priority geographical area identified by the Steering Committee, local strategies will be developed to determine priority actions and guide allocation of funds in consideration of gender, age and diversity-sensitive needs and opportunities to deliver results. The strategies will be developed jointly by Area Reference Groups (ARG) based on detailed conflict, political and security analysis, as well as assessment of local needs, risks and existing resources including lessons and reflections on indigenous traditions, practices and capacities for peace.

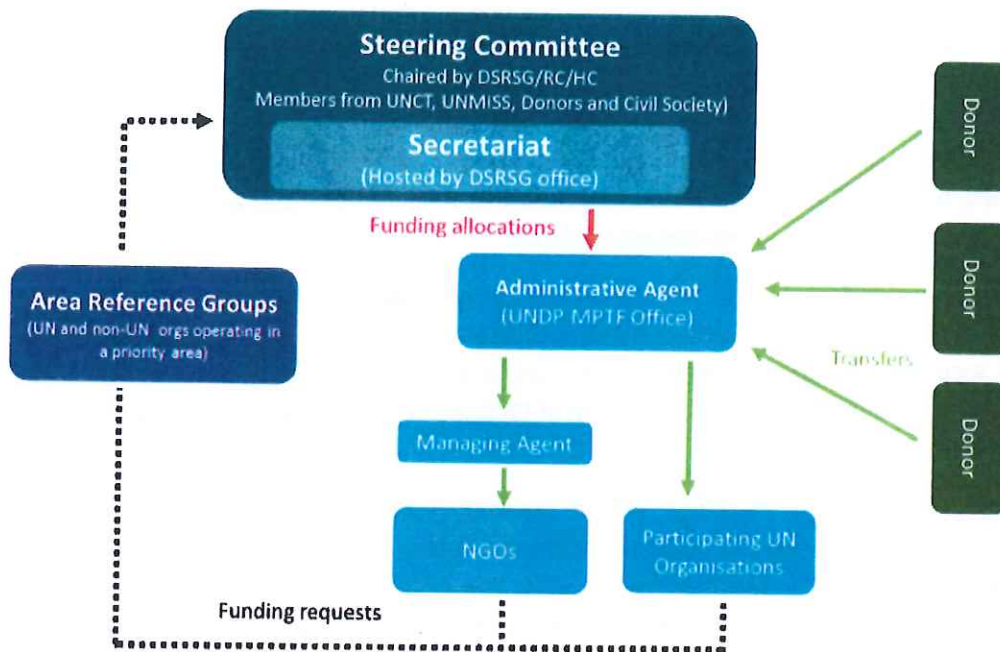
It is not envisaged that the Fund will meet all requirements for any given area. However, as a strategic entry-point it can create the conditions for subsequent programming as well as facilitating the piloting of activities to strengthen the evidence base and foster the development of best practices. In this regard activities initially supported by the Trust Fund are likely to be catalytic in terms of laying the ground work for sustained, integrated programming efforts that over time will deliver the priorities and outcomes envisaged in the UNCF.

Given the focus of the Fund to create the conditions of peace and stability conducive for viable resilience endeavors it may, for example, also establish the ground-work supportive of activities envisaged through the Partnership for Recovery and Resilience (PfRR) – a programme that aims to improve coordinated efforts amongst donors, UN agencies and NGOs to achieve resilience goals in specific areas that are 'ripe' for that type of community-based self-reliance.

## **6. The Governance Structure**

The governance structure of the South Sudan RSR Fund is depicted below.





## The Steering Committee

The Steering Committee (SC) is chaired by the DSRSG/RC/HC and will include the following members:

- 2 representatives of UNCT (on a rotation basis annually)
- 2 representatives of UNMISS
- 2 donor representatives
- 2 representatives of NGOs
- To strengthen humanitarian-development cooperation and ensure strategic cooperation, the Head of the Humanitarian Fund Secretariat will have observer status on the SC.
- The Fund Secretariat and the Administrative Agent will join as ex-officio members.

The Steering Committee will be responsible for:

- Providing oversight and exercising overall accountability of the South Sudan Reconciliation, Stabilization, and Resilience Trust Fund;
- Identifying priority areas and consequently appointing the Area Reference Groups in charge of identifying local priorities and screening project proposals for each specific area;
- Reviewing and approving proposals submitted for funding after being screened by the relevant Area Reference Group and cleared by the Fund Secretariat, ensuring their conformity with the requirements of the South Sudan RSRTF;
- Instructing the AA to disburse the South Sudan Stabilization Reconciliation, Stabilization, and Resilience Trust Fund resources to the Participating UN Organizations and recipient Non-Governmental Organizations through the MA accordingly;
- Reviewing the South Sudan RSRTF status and its overall progress;



- Reviewing and approving the periodic progress reports (programmatic and financial) consolidated by the Fund Secretariat and the AA, based on the progress reports submitted by the Participating UN Organizations and the recipient Non-Governmental Organizations through the MA;
- Commissioning reviews and “lessons learned” reports on the performance of the South Sudan RSRTF, and discussing follow-ups actions; and
- Updating and Approving the South Sudan RSRTF Terms of Reference, as required after due consultation with stakeholders.

### **The Fund Secretariat**

The Fund Secretariat (FS) is the entity responsible for the operational functioning of the Fund and provides technical and management support to the SC.

The Secretariat, hosted within the DSRSG Office, performs the following functions:

- Execute and coordinate all management functions of the RSRTF, including the implementation of decisions made by the Steering Committee.
- Plan and prepare meetings of the Steering Committee and hold records of decisions through minutes of the meetings.
- Facilitate systematic cooperation with the South Sudan Humanitarian Fund;
- Review and analyze programme/project proposals together with the Area Reference Groups;
- Facilitate collaboration and communication between Participating Organizations to ensure programmes are implemented effectively;
- Periodically review the ToR of the Fund and recommend changes or revisions to the SC;
- With the support of the Administrative Agent, elaborate an Operations Manual, in accordance with signed legal agreements, and ensure compliance with it.
- Submit Fund Transfer Requests, signed by the Chair of the Steering Committee, to the Administrative Agent.
- Ensure monitoring and control of operational risks (update the risk monitoring matrix regularly).
- Support monitoring and evaluation of programme implementation.
- Consolidate the narrative of annual and final reports submitted by recipient organizations and present reports to the Steering Committee for review and to the Administrative Agent for consolidation of narrative and financial reports.
- Develop the resource mobilization strategy, if required.
- Manage and support communication, public information and visibility.
- Liaise with the Administrative Agent on Fund administration issues, including issues related to programme/Fund extension and programme/Fund closure.

The costs of the Secretariat are charged to the Fund as direct costs (it is recommended that such costs do not exceed 3% of the Fund's total budget). The budget for the Secretariat is submitted to the SC on an annual basis and the Secretariat staffing structure is adjusted by the SC as per needs and budget availability.

### **Area Reference Groups (ARG)**

The ARGs are convened following the SC selection of a priority area eligible for funding. The ARG will be composed of representatives of local authorities and local communities (whenever feasible) and representatives of organizations (UN and partners) that are present locally and have significant experience of implementing programmes in the area. Membership may also include other selected peacebuilding, conflict and recovery experts as required to provide technical advice on relevant issues. This process will ensure the inclusion of women at each level of decision-making.

The Area Reference Groups will

- undertake community and stakeholder consultations;
- assess context specific needs, risks, and capacities;
- recommend priorities and parameters for funding to the SC; and
- review and assess funding requests submitted by partners for implementing programmes in the area.

### **The Administrative Agent**

The South Sudan RSRTF is administered by the UNDP Multi-Partner Trust Fund Office, acting as the Administrative Agent (AA).

The below description of the responsibilities of the AA is based on the UNDG "Protocol on the Administrative Agent for Multi-Donor Trust Funds, Joint Programmes, and One UN Funds". The AA is entitled to allocate an administrative fee of one percent (1%) of the amount contributed by each donor, to meet the costs of performing the AA function.

The AA is responsible for the following functions:

- Support the design of the Fund, including the development of the Fund TOR;
- Conclude the Memorandum of Understanding (MOU) with the Participating UN Organizations and the Standard Administrative Arrangements (SAAs) with contributing partners;
- Receive contributions from donors that wish to provide financial support to the Fund;
- Administer such funds received including winding up the Fund and related matters;
- Subject to availability of funds, transfer such funds to Participating UN Organizations and the MA, upon instructions from the SC;
- Provide to donors an annual consolidated report and a final consolidated report based on narrative reports consolidated by the FS and financial reports provided by implementing organizations;
- Disburse funds for any additional costs of the tasks that the SC may decide to allocate;
- Ensure that the SC and Secretariat are duly informed of the applicable UN(DG) policies and procedures relevant to fund operations, and, upon request, benefit from knowledge management support and advisory services on aspects of fund operations.

In addition, the MPTF Office through its GATEWAY (<http://mptf.undp.org/>) offers a web-based service portal, which provides real-time financial data generated directly from its accounting system. It provides

all partners and the general public with the ability to track information on contributions, transfers and expenditures.

### **The Managing Agent**

UNDP's responsibilities as the Managing Agent (MA) is executed by the UNDP Country Office which operates separately from UNDP's role as the AA in accordance with UNDP's policy of maintaining clear separation of the dual functions as AA and Participating UN Organization under MDTFs and Joint Programmes.

UNDP, on the basis of the instructions received from the SC and funding received from the AA, ensures access to the South Sudan RSRTF for NGOs. In this regard UNDP performs additional oversight functions as MA. UNDP ensures project implementation in accordance with regulations, rules, directives and procedures applicable to it and it is responsible for discharging all commitments and obligations with NGOs. UNDP will use its simplified standard NGO execution modality for this purpose and will charge the corresponding indirect and direct costs for these projects. The SC retains the responsibility for the allocation of funds to NGOs projects, selected through the allocation process as defined in this ToR. Partners funded through the South Sudan RSRTF have to implement projects abiding to UNDP rules and regulations.

On the basis of the SC decisions UNDP responsibilities as MA are the following:

- Ensure capacity assessment of NGOs identified by the Area Reference Groups upon request by the FS. The assessment is based on standard procedures and guidelines in accordance with UNDP rules and regulation and in consultation with the Resident Coordinator;
- Define risk rating for all NGO partners in line with the HACT (Harmonized Approach to Cash Transfers) provisions;
- Ensure and facilitate the entire process of technical review for NGOs projects;
- Ensure timely disbursements of funds in accordance to the decisions of the SC;
- Undertake programmatic and financial accountability for funds received from the AA;
- Ensure programmatic and financial follow up, including projects monitoring and evaluation and audits of NGO projects;
- Receive the narrative and financial reports from NGOs for funded projects;
- Provide financial expenditure to the AA in accordance with the timetable indicated in the MOU;
- Provide adequate inputs for the Annual Report of the South Sudan RSRTF, based on the information received from the NGOs;
- Ensure partners' support, orientation and training with regard to the administrative, programmatic and financial procedures applicable to the South Sudan RSRTF

### **The Recipient Organizations**

Resources will be allocated to Participating UN Organizations, i.e. the UN Specialized Agencies, Funds and Programmes that have signed the Memorandum of Understanding with the AA. Each Participating UN Organization will assume full programmatic and financial accountability for the funds disbursed to it by the AA. Such funds will be administered by each Participating UN Organization in accordance with its own regulations, rules, directives and procedures. Indirect costs of the Participating UN Organizations recovered through programme support costs will be harmonized at 7%. Implementing Partners can

receive funding from the Fund through Participating UN Organizations. However, as detailed above (in the Managing Agent section) NGOs will also have direct access to the South Sudan RSRTF resources through the MA.

## **7. The Contributions**

Contributions to the South Sudan RSRTF may be accepted from Member States, regional bodies, inter-governmental organizations, non-governmental organizations, businesses, foundations and individuals. Contributors are encouraged to provide un-earmarked contributions, which will be programmed by the SC, supported by the Secretariat. However, contributors may earmark their contribution towards reconciliation, stabilization or resilience focused activities, aligned to UNCF outcome areas. The earmarking will be reflected in the contribution agreement.

Contributions may be accepted in fully convertible currency. Such contributions will be deposited into the bank account designated by UNDP MPTF Office. The value of a contribution payment, if made in other than US dollars, will be determined by applying the United Nations operational rate of exchange in effect on the date of payment.

## **8. The Project Approval Process**

### **The selection of priority areas**

In determining selection of priority areas, the Fund SC will draw on the analysis of multiple organizations and actors across the country as well as consultations with citizens, local and national government and international partners. Upon its completion, prioritization will also be informed by the UN-wide Peacebuilding Plan being developed aligned to the 2019-2021 UNCF Outcome 3, (Peace and Governance Strengthened). Furthermore, to ensure funded activities are well targeted to contribute to strategic reductions in humanitarian requirements, conflict analysis will be considered in parallel to needs and vulnerability severity mapping prepared through the annual HNO and HRP exercises.

Overtime, continuous geographic area analysis will also seek to draw on ongoing data compilation and analysis efforts being coordinated through the Partnership for Recovery and Resilience (PfRR). In an effort to support coherent decision making across donors the fund will work from, and contribute to the consolidation of a robust, shared data set looking at livelihood and ethnicity zones, political and ethnic inclusion, vulnerability, risk, conflict transformation potential, productive potential, footprint, partner and community readiness.

While drawing on all available existing analysis the Fund is intended to ensure adaptive, flexible and responsive programming relevant to the shifting conflict dynamics of South Sudan. As such the SC will be guided by immediate strategic peacebuilding priorities and opportunities to prevent the outbreak, escalation or recurrence of conflict and respond to spikes in violence. Where required the SC may commission additional conflict analysis and needs assessments to ensure the most effective and appropriate use of funds and guarantee selection of areas where a positive and sustainable impact can be achieved.

Upon selection of a specific priority area, the SC will appoint the Area Reference Group (see above, under "Governance"). The number of priority areas selected will be agreed by the SC on the basis of available funds.



### **Development of area specific strategies**

For each priority geographical area identified by the SC, ARGs will be convened to conduct detailed analysis of localized conflict, political and security dynamics, as well as assess multi-sectoral needs and gaps, identify risks and existing resources including lessons and reflections on local practices and capacities for peace.

Supported by the FS, the work of the ARG will inform development of geographic specific funding allocation strategies that will guide decision making for funding allocations. The 'Allocation Strategy' will summarise the assessment and analysis findings of the ARG and propose priority actions in terms of achieving locally determined priority outcomes. The allocation strategies will provide indicative financing envelopes required per geographical area and may include criteria to support prioritization of project submissions as well as guidance regarding delivery mechanisms, targeting and minimum standards.

The final ARG Strategy will be submitted to the SC for endorsement after which organisations with actions in the strategy will be invited to submit full project proposals to the FS for evaluation.

### **The selection of projects**

Projects are submitted by Participating UN Organizations or NGOs through the Secretariat, which will coordinate the review with the relevant ARG. The composition of the ARG will ensure adequate technical expertise in the thematic areas covered by the project proposals.

The fund allocation will be determined according to how effectively proposals address the needs and priorities identified in the allocation strategy as well as relevance to the overall South Sudan RSRTF priorities and key criteria. All submissions will have to demonstrate

- Articulation of the stabilization-reconciliation-resilience nexus
- Leveraging comparative advantage and adopting a collaborative approach between two or more agencies/NGOs to reach a collective outcome.
- Resulting from consultations at local level and ensure active participation of both local civil society and authorities

The final allocation decision is made by the SC based on recommendations prepared by the ARGs and the FS. The SC will convene to review and prioritize final eligible proposals for endorsement according to available funding within the geographic allocation strategy envelopes. Where some envelopes are underutilized, and strong proposals are received beyond the relevant envelope budget, recommendations to redistribute funds would be made to the SC for approval.

Every effort will be made to make consensus-based decisions on allocation of funds. However, each of the eight members will retain the right of veto in which case a funding decision would not be approved unless the matter which occasioned the veto can be resolved to the satisfaction of all members.

### **The transfer of funds**

The FS will prepare a fund transfer request for each project and fund allocation approved by the SC, which will be signed by the Chair of the SC. The AA will process the approved fund allocations and transfer the corresponding amounts to the Participating UN Organizations within five business days following the

receipt of the transfer request. As soon as the fund transfer has been processed, the AA will notify by email both the Representative of the Participating UN Organization receiving the funds and the FS.

## **9. Monitoring, Evaluation, Knowledge Management and Reporting**

### **Monitoring and Evaluation (M&E) of the Projects**

Monitoring and Evaluation of the agency-specific projects and joint programmes funded under the South Sudan RSRTF will be undertaken in accordance with the provision contained in the agency-specific projects and joint programmes submitted by concerned Participating UN Organizations, which are consistent with the respective rules, regulations and procedures of the Participating UN Organizations. In the case of NGOs accessing funding through the MA, the rules, regulations and procedures of UNDP will apply.

### **Reporting**

For each project approved for funding, the MA and each Participating UN Organization will provide the FS and the AA with reports and financial annual statements prepared in accordance with their accounting and reporting procedures, as agreed upon in the legal agreements signed with the AA. The annual and final reports will be results-oriented and evidence based. The reports will give a summary of results and achievements compared to the expected result in the project document. Both programmatic and financial performance indicators will be monitored at the outcome and output levels.

Reports will be used by the SC to review the overall progress against expected results and assess the achievement of performance targets.

### **Evaluation**

The SC will commission an independent review/evaluation on the overall performance of the Fund that will take place at mid-term (2020). The aim of this evaluation, to be spelled out in further detail in the TORs for the evaluation, will be to study the various performance measurements of the Fund, to test the validity of the New Way of Working approach adopted by the South Sudan RSRTF and provide specific recommendations to the SC for possible adjustments in the functioning of the Fund.

## **10. Operations Manual**

Within 3 months after the establishment of the Fund, an Operations Manual detailing all operating details of the South Sudan RSRTF will be developed by the FS with support from the MPTFO. The Operations Manual will be endorsed by the RSRTF Steering Committee after consultation with the RSRTF MDTF Board.

The Operations Manual will include a Fund risk management strategy.

## **11. Risk management**

As a pooled fund, the South Sudan RSRTF is a risk sharing mechanism among all stakeholders. It can also assist in establishing a common understanding of risks and can provide more efficiently and strategically for risk mitigation and adaptation measures. Risk sharing is a key element of the due diligence and operationalization of the South Sudan RSRTF, and it is understood that the residual risk is shared among all stakeholders. Three types of risks – contextual, programmatic, and institutional – will be considered

and provisions for the identification, monitoring, tolerances, and risk responses will be elaborated as part of the South Sudan RSRTF's risk management strategy.

A risk management strategy, including a risk ranking matrix is to be developed by the FS in the first six months after establishment of the fund for approval by the SC. It will capture the hierarchy of risk at

		Consequences				
		Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Extreme (5)
Likelihood	Very Likely (5)	Medium (5)	High (10)	High (15)	Very High (20)	Very High (25)
	Likely (4)	Medium (4)	Medium (8)	High (12)	High (16)	Very High (20)
	Possible (3)	Low (3)	Medium (6)	High (9)	High (12)	High (15)
	Unlikely (2)	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
	Rare (1)	Low (1)	Low (2)	Medium (3)	Medium (4)	High (5)

different levels, allowing an assessment of the most appropriate responses to the identified risks, particularly to those risks most likely to impede success (very high and high).

## 12. Audit

In line with the audit provisions in the standard MOU and SAA, as well as 2014 Framework for Joint Internal Audit of UN Joint Activities, the AA, the MA and Participating UN Organizations will be audited according to their own rules and financial regulations and in line with the framework for joint audit.

## 13. Public Disclosure

The FS and the AA ensure that the South Sudan RSRTF operations are well disseminated. Information posted on the website shall include: contributions received, SC Decisions, funds transferred, annual certified expenditures, summaries of proposed and approved programmes and Fund progress reports.

In line with the standard MOU and SAA, all stakeholders should take appropriate measures to promote the South Sudan RSRTF. Information shared with the press regarding fund beneficiaries, official notices, reports and publications shall acknowledge the Fund's role. More specifically, the AA shall ensure that the role of the contributors and relevant stakeholders is fully acknowledged in all external communications related to the South Sudan RSRTF.

## 14. Modification and Expiration of the Fund

The South Sudan RSRTF has been established for a duration of 4 years with an end date of 30 June 2022. It may be extended based on approval by the SC, after consultation with relevant actors.

The MA and all Participating UN Organizations will provide certified final financial reports and financially closed projects by 31 May 2023, or no later than five (5) months (31 May) after the end of the calendar

year in which the financial closure of the activities in the approved programmatic document occurs, or according to the period specified in the financial regulations and rules of the MA and the Participating UN Organization, whichever is earlier. The dissemination of the certified final financial statement ("Source and Use of Funds") is to be provided no later than 31 May 2024; that is, five months after the end of the calendar year in which the financial closing of the South Sudan RSRTF occurs.

Notwithstanding the completion of the initiatives financed from the Fund, any unutilized balances will continue to be held in the South Sudan RSRTF Account until all commitments and liabilities incurred in implementation of the programmes have been satisfied and programme activities have been brought to an orderly conclusion.

As per the standard MOU and SAA, any balance remaining in the Fund Account upon completion of the Fund will be used for a purpose mutually agreed upon or returned to the Donor in proportion to its contribution to the Fund as decided upon by the Donor and the SC.