

# Programme Management Implementation Guidelines

COOPERATION BETWEEN

The Government of Indonesia  
And UNFPA 8 Cycle  
(2011 – 2015)



**PROGRAMME MANAGEMENT  
IMPLEMENTATION GUIDELINES  
COOPERATION BETWEEN  
THE GOVERNMENT OF INDONESIA AND  
UNFPA 8 CYCLE  
(2011 – 2015)**

Prepared by:  
Ministry of National Development Planning/  
National Development Planning Agency  
(BAPPENAS)  
and  
United Nations Population Fund  
Indonesia

Directorate of Population, Women's Empowerment and Child Protection  
Ministry of National Development Planning/National Development Planning  
Agency (BAPPENAS)



## PREFACE

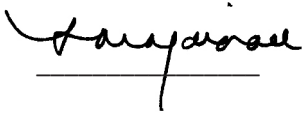
The 8<sup>th</sup> Country Programme of UNFPA, the United Nations Population Fund, for 2011-2015 is coming to an end next year. To ensure effective activity planning and implementation in the final year of the programme, revisions must be made to the General Guidelines (PEDUM) to reflect changes to legal conditions, and changes within UNFPA, which have emerged since the document was introduced in 2011.

In the past three years, amendments have been made to government regulations concerning the management of foreign grants that need to be incorporated in a revised PEDUM. Amendments to Government Regulation (PP) No. 10/2011 on the Procurement Procedures for Foreign Loans and Acceptance of Grants, and PP No. 2/2012 on Regional Grants need to be incorporated. The introduction of a new UNFPA Strategic Plan 2014 -2017 and a reporting mechanism required by the Government of Indonesia and UNFPA must also be taken into account.

The PEDUM is a document that guides the operationalization of programme implementation. It should be acknowledged that as modalities and policies change, this document should also reflect these changes in the form of revisions. The purpose of the revised PEDUM is to provide key officials, programme and project management staff with a quick and accessible reference to ensure that UNFPA-supported programmes are implemented in an efficient and agreed-upon manner, and to serve as an instrument of ensuring accountability and facilitating the smooth performance and uniform application of programme activities among Implementing Partners

UNFPA and the National Development Planning Board (Bappenas) hope that this revised PEDUM will support and facilitate the implementation of the 8th Country Programme in its final year. We believe that this PEDUM will benefit all of us by improving the quality of cooperation between the Government

of Indonesia and UNFPA. We would like to thank all stakeholders that have contributed to the revision of the PEDUM..



Nina Sardjunani  
Deputy Minister for Human Resources  
and Cultural Affairs  
BAPPENAS



Jose Ferraris  
Representative  
UNFPA Indonesia

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## ABBREVIATIONS

<b>AIDS</b>	Acquired Immune Deficiency Syndromes
<b>APR</b>	AWP Progress Report
<b>ASRH</b>	Adolescent Sexual and Reproductive Health
<b>ARM</b>	Annual Review Meeting
<b>AWP</b>	Annual Work Plan
<b>BAPPENAS</b>	State Ministry of National Development Planning (Badan Perencanaan dan Pembangunan Nasional)
<b>BAPPEDA</b>	Regional Development and Planning Agency (Badan Perencanaan dan Pembangunan Daerah)
<b>BAST</b>	Handover Delivery Certificate (Berita Acara Serah Terima)
<b>BKKBN</b>	National Population and Family Planning Board (Badan Kependudukan dan Keluarga Berencana)
<b>BPS</b>	Statistics Indonesia (Badan Pusat Statistik)
<b>CDR</b>	Combined Delivery Report
<b>CO</b>	Country Office
<b>CP</b>	Country Programme
<b>CP8</b>	Eighth Country Programme
<b>CPAP</b>	Country Programme Action Plan
<b>CPD</b>	Country Programme Document
<b>CPE</b>	Country Programme Evaluation
<b>CSOs</b>	Civil Society Organizations
<b>DIPA</b>	Budget Implementation List (Daftar Isian Pelaksanaan Anggaran)
<b>EA</b>	Executing Agency
<b>ExCom</b>	United Nations Agency of Executive Commissions
<b>FAA</b>	Finance Administrative Assistant
<b>FACE</b>	Funding Authorization and Certificate of Expenditures
<b>FCO</b>	Field Country Office
<b>GBV</b>	Gender Based Violence
<b>GCA</b>	Government Coordinating Agency

<b>GOI</b>	Government of Indonesia
<b>HCP</b>	Harmonized Cost Parameter
<b>HACT</b>	Harmonized Approach to Cash Transfer
<b>HIV</b>	Human Immunodeficiency Virus
<b>HRBA</b>	Human-Rights Based Approach
<b>ICPD</b>	International Conference on Population and Development
<b>IP</b>	Implementing Partner
<b>M/I</b>	Ministry/Institutions (Kementerian/Lembaga - K/L)
<b>KPA</b>	The Implementing Partner's Authorized Budget Owner (Kuasai Pengguna Anggaran)
<b>LOU</b>	Letter of Understanding
<b>MDGs</b>	Millennium Development Goals
<b>MISP</b>	Minimum Initial Service Package
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MMR</b>	Maternal Mortality Ratio
<b>MOF</b>	Ministry of Finance (Kementerian Keuangan/Kemenkeu)
<b>MOH</b>	Ministry of Health (Kementerian Kesehatan/Kemenkes)
<b>MOU</b>	Memorandum of Understanding
<b>MOWECP</b>	Ministry of Women Empowerment and Child Protection (Kementerian Pemberdayaan Perempuan dan Perlindungan Anak/ KPP-PA)
<b>NAC</b>	National AIDS Commission (Komisi Penanggulangan AIDS Nasional/ KPAN)
<b>NCT</b>	National Coordination Team
<b>NCVAW</b>	National Commission on Violence Against Women (Komisi Nasional Anti-Kekerasan Terhadap Perempuan/Komnas Perempuan)
<b>NEX</b>	National Execution (Eksekusi oleh Mitra Pelaksana)
<b>NGOs</b>	Non-Governmental Organizations
<b>NPCU</b>	National Programme Coordinating Unit
<b>NPM</b>	National Programme Manager
<b>NPO</b>	National Programme Officer
<b>NSC</b>	National Steering Committee

<b>OECD</b>	Organization for Economic Cooperation and Development
<b>OFA</b>	Operating Fund Account
<b>PEDUM</b>	Programme Management Implementation Guideline (Pedoman Umum)
<b>PFM</b>	Public Financial Management
<b>PJOK</b>	Person in Charge of Operational Activities (Penanggung Jawab Operasional Kegiatan)
<b>PMU</b>	Programme Management Unit
<b>PUMK</b>	Person in Charge of Advance Payments (Pemegang Uang Muka Kerja)
<b>PP</b>	Government Regulation (Peraturan Pemerintah)
<b>PPK</b>	Chief Procurement Officer (Pejabat Pembuat Komitmen)
<b>PPM</b>	Policies and Procedures Manual
<b>PRODOC</b>	Project Document
<b>QWP</b>	Quarterly Work Plan
<b>Renstra</b>	M/I Strategic Plan (Rencana Strategis K/L)
<b>Renstrada</b>	Regional Strategic Plan (Rencana Strategis Daerah)
<b>RH</b>	Reproductive Health
<b>RKP</b>	Government Work Plan (Rencana Kerja Pemerintah)
<b>RKPD</b>	Regional Government Work Plan (Rencana Kerja Pemerintah Daerah)
<b>RPJMD</b>	Regional Medium-Term Development Plan 2010-2014 (Rencana Pembangunan Jangka Menengah Daerah)
<b>RPJMN</b>	National Medium-Term Development Plan 2010-2014 (Rencana Pembangunan Jangka Menengah Nasional)
<b>SKPD</b>	Provincial/District Technical Offices (Satuan Kerja Perangkat Daerah)
<b>SOP</b>	Standard of Procedures
<b>SPR</b>	Standard Progress Report
<b>SRH</b>	Sexual and Reproductive Health
<b>STIs</b>	Sexually Transmitted Infections

<b>TOR</b>	Terms of Reference
<b>TOWG</b>	Technical Output Working Group
<b>ULP</b>	Procurement Service Unit (Unit Layanan Pengadaan)
<b>UN</b>	United Nations
<b>UNDAF</b>	United Nations Development Assistance Framework
<b>UNDESA</b>	United Nations Department of Economic and Social Affairs
<b>UNDP</b>	United Nations Development Programme
<b>UNFPA</b>	United Nations Population Fund
<b>UNICEF</b>	United Nations Children's Fund
<b>UNPDF</b>	United Nations Partnership for Development Frameworks





CHAPTER I — INTRODUCTION

## 1.1 BACKGROUND

In the context of implementing the global commitment resulting from the 1994 International Conference on Population and Development (ICPD), the Millennium Development Goals (MDGs), and in alignment with the National Mid-Term Development Plan (RPJMN) 2010-2015, the United Nations Partnership for Development Framework 2011-2015 (UNPDF), the Government of Indonesia and the United Nations Population Fund (UNFPA) have agreed to continue the country programme partnership on reproductive health and rights, population and development, youth, and gender equality, as set forth in the 8th Country Programme Document (CPD) 2011-2015 and in the Country Programme Action Plan (CPAP). The CPAP was signed between the Government of Indonesia, represented by the Minister of National Development Planning/Head of the National Development Planning Agency (BAPPENAS) and the UNFPA Indonesia Representative in Jakarta, on 14 February 2011.

In order to operationalize the Country Programme, and to promote aid effectiveness as stipulated in the Jakarta Commitment, a Programme Management Implementation Guideline (PEDUM) is required for the management of programme implementation. The PEDUM takes as its reference relevant government regulations as well as UN (HACT) and UNFPA policies and procedures relating to financial and programme management accountability.

The current PEDUM is a revision of the previous version, based on substantive, operational, and regulatory changes (on the management of foreign assistance [PP. No. 10.2011] and the reporting mechanism [PP. No.2/2012]), by both the Government of Indonesia and UNFPA. These changes call for the PEDUM to be updated. For example, the 10 districts that were considered as implementing partners in the CPAP 2011-2015 signed in February 2011 are no longer IPs since the government regulation was made effective in 2013; based on the new regulations on fund channeling to subnational governments, subnational governments are now considered beneficiaries of programmes that are nationally executed by central-level IPs. Another significant change in programming practice is the requirement from the government for UN Agencies (particularly UNFPA, UNICEF, and UNDP) to provide project documents (prodoc) along with AWP. These changes were the result of the decisions from the National Steering Committee Meeting held in August 2013.<sup>1</sup>

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1 The National Steering Committee meeting was convened to endorse the 2013 Mid-Term Review results.

## 1.2 OBJECTIVE

This programme management implementation guideline (Pedoman Umum/PEDUM) aims to provide guidance for programme implementation and the coordination of implementing partners at the central and subnational levels, and the UNFPA Indonesia country office, in implementing, managing and coordinating the activities as conveyed in the CPAP, project document (prodoc), and annual work plans (AWPs).

## 1.3 SCOPE OF WORK

The scope of work discussed in this guideline covers the following:

1. Programme Overview; this chapter describes the background of the 8th UNFPA country programme, its objectives and the expected results.
2. Programme Management; this chapter explains the operationalization of the country programme, human resources management, annual planning, implementation, monitoring, evaluation, and financial management.
3. Financial management, accounting, and financial reporting; this chapter elaborates on financial accountability and reporting mechanisms expected from UNFPA and Implementing Partners (IPs).
4. Audit and assurance activities; this chapter explains how the HACT Audit and other assurance activities will ensure the proper utilization of funds managed by IPs according to UNFPA policies and procedures, and the provisions under the LOUs and AWPs.
5. Procurement of Goods and Services; this chapter explains the procedure of procuring goods/services, their utilization and maintenance, the write-off of goods and services, as well as the required procedures at the end of the country programme, in line with both government and UNFPA regulations.
6. Revision Procedures of the PEDUM; this chapter briefly explains the procedure which should be conducted if revisions to the contents of the PEDUM are required.







CHAPTER II — PROGRAMME SUMMARY

## 2.1 SUMMARY

As a result of changes in GOI regulations on foreign grant management (PP. No. 10/2011 and PP. No.2/2012) as well as changes from UNFPA, there is a need to revise the PEDUM. The update on PEDUM will be effective from 2014-2015, and will no longer include mechanism guidelines for implementation of CP8 in 10 districts since it is no longer permitted to transfer funds directly to subnational partners. Therefore, this document will guide central/national-level implementation, and the work that will be carried out at subnational level will reflect subnational partners as beneficiaries of programme interventions by central government.

The CP-8 implementation should observe four principles. First, the principle of ownership and accountability in the form of commitment, Government support, and willingness to commit resources to ensure the sustainability of achieved results. Second, the principle of strategic cooperation, where the country programme will be aligned with national priorities and international commitments. Third, placing greater emphasis on upstream policy dialogue—this entails a shift from service delivery to working at the policy level in the thematic areas of Reproductive Health and Rights, Population and Development, and Gender Equality. Four, the principle of results-based management, to ensure that programme and management results are delivered at all levels. Sound results-based management requires that processes and results are properly reported, recorded and shared which will later lead to increased accountability.

The implementation of CP8 is reflected in the CPAP containing the five-year programme action plan (2011-2015). One other document related to the implementation of CP8 is the Letter of Understanding (LoU), regulating the cooperation between the Implementing Partner at the national level and UNFPA for the duration of CP8. The LoU consists of an agreement to implement the activities contained in the CPAP document, in relation to the funding management authorization, procedure for fund requests, monitoring and evaluation, reporting and auditing.

## 2.2 EXPECTED RESULTS FROM THE COUNTRY PROGRAMME

In 2012, the country programme had undergone an exercise to realign the outcomes and outputs of the CPAP in order to reflect the revised 2012 UNFPA Strategic Plan which was approved by the Executive Board in which the Government of Indonesia

is also a member. These changes were carried out in consultation with Government Partners, and were made official with an exchange of letters between UNFPA and BAPPENAS, as Government Coordinating Agency, under the CP8 partnership. The result of the realignment is seven outcomes and nine outputs, which includes the following:

Outcome 1 is on population dynamics and its interlinkages with the needs of young people (including adolescents), sexual and reproductive health (including family planning), gender equality and poverty reduction addressed in national and sectoral development plans and strategies. Within this outcome there are 2 outputs:

- Output 1 (U101) on strengthened national capacity to incorporate population dynamics and its interlinkages with the needs of young people (including adolescents), SRH (including family planning), gender equality and poverty reduction in national and sectoral development plans and strategies. The main IPs for this output is BAPPENAS and BKKBN.
- Output 2 (U123) on strengthened national capacity to advocate ICPD principles and MDGs including South-South Cooperation. The main IP for this output is BKKBN.

Outcome 2 is on increased access to and utilization of quality maternal and newborn health services. Within this outcome there are 2 outputs :

- Output 3 (U207) on increased capacity to implement the Minimum Initial Service Package (MISP) in humanitarian settings. The main IP for this output is Ministry of Health (MOH).
- Output 4 (U224) on strengthened national capacity in establishing policies for improving universal access to reproductive health. The main IP for this output is MOH.

Outcome 3 is on increased access to and utilization of quality family planning services for individuals and couples according to reproductive intentions, and includes one output.

- Output 5 (U309) on strengthened national capacity for a comprehensive national family planning programme that addresses unmet needs. The main IP for this output is BKKBN.

Outcome 4 is on increased access to and utilization of quality HIV- and STI-prevention services especially for young people (including adolescents) and other key populations at risk, and includes one output:

- Output 6 (U410) on enhanced national capacity for planning, implementation and monitoring of prevention programmes to reduce sexual transmission of HIV. The main IP for this output is National AIDS Commission (NAC).

Outcome 5 is on gender equality and reproductive rights advanced particularly through advocacy and implementation of laws and policy

- Output 7 (U513) on strengthened national and subnational capacity for addressing gender-based violence (GBV) and provision of quality services, including in humanitarian settings. The main IPs for this output is Ministry of Women's Empowerment and Child Protection (MOWECP), National Commission for the prevention of Violence Against Women (NC-VAW, or KOMNAS-Perempuan), and Ministry of Health (MOH; for GBV in the health sector response).

Outcome 6 is on improved access to SRH services and sexuality education for young people (including adolescents), and includes one output:

- Output 8 (U615) on improved programming for essential sexual and reproductive health services to adolescents and young people. The main IPs for this output is MOH and Angsa Merah Foundation.

Outcome 7 is on improved data availability and analysis around population dynamics, SRH (including family planning), and gender equality, and includes one output:

- Output 9 (U717) on enhanced national and subnational capacity for the production, utilization and dissemination of quality statistical data on population dynamics, youth, gender equality and SRH, including in humanitarian settings. The main IPs for this output is BPS-Statistics Indonesia.

Full details on the abovementioned outcomes and outputs can be found in the output project documents and its AWP. To support IP implementation of the abovementioned results, there are also UNFPA executed activities, for which results of these activities will be handed over to relevant government partners in a Handover Delivery Certificate (or BAST) that is signed off by both UNFPA and IP. To understand the management structure of each of these outputs per IP, please see **Annex II (Management Structure)**.

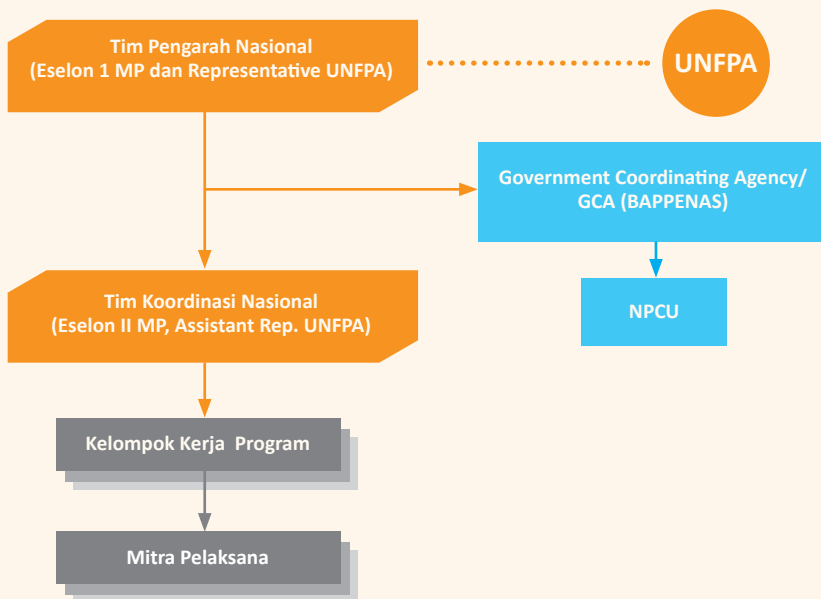
CHAPTER III

ORGANIZATIONAL  
STRUCTURE AND  
COORDINATION  
MECHANISM

### 3.1. ORGANIZATIONAL STRUCTURE

The organizational structure of the Eighth Country Programme partnership comprises of a National Steering Committee, a Government Coordinating Agency (GCA) namely the Ministry of National Development Planning/BAPPENAS, the National Coordinating Team, Technical Output Working Group, and Implementing partner (IP), as well as the National Programme Coordinating Unit (NPCU) as the unit that assists the Ministry of National Development Planning/BAPPENAS in conducting its duties as GCA.

The Country Programme Action Plan (CPAP) is signed by the UNFPA Representative and the Minister of National Development Planning/Head of BAPPENAS. The CPAP is considered as a Grant Agreement, and BAPPENAS—as GCA—is authorized to coordinate the implementation of UNFPA funding in Indonesia. The Steering Committee role is at the strategic and policy level-related issues of the country programme. The role of the National Coordination Team is in the management and achievement of country programme outputs, and reports these achievements to the Steering Committee based on input from the Technical Output Working Group involving Implementing Partners. The establishment of the Steering Committee, the National Coordination Team, and the technical working group is stipulated in the Government Decree No. 71/M.PPN/HK/05/2011.



### 3.1.1. Government Coordinating Agency/ GCA

BAPPENAS as Government Coordinating Agency (GCA) is responsible for coordinating all the implementation of the programme, under the leadership of the Deputy of Human Resource and Cultural Division of the Ministry of National Development Planning/BAPPENAS.

In order to support the duty of the GCA, BAPPENAS is supported by National Coordinating Unit/ NPCU. UNFPA provides the NPCU with operational funds, including human resource support for a National Programme Manager, a Project Officer, a Finance and Administrative Assistant/ FAA, and secretary (funded by BAPPENAS).

GCA's duties are:

- 1) To co-chair the National Steering Committee, together with the UNFPA Representative;
- 2) To monitor the progress of programme implementation in achieving the 8th CP Outcomes and Outputs and its contribution to UNPDF 2011-2015 and the RPJMN;
- 3) To organize annual, mid-cycle and final reviews, together with Implementing Partners/IPs, as elaborated in the Monitoring & Evaluation Calendar of the 8th CPAP;
- 4) To report on the implementation of the 8th CP to the Minister of National Development Planning/Head of BAPPENAS and UNFPA; and,
- 5) To provide technical and management support in order to identify and overcome the challenges and constraints in programme implementation.

### 3.1.2. National Steering Committee (NSC)

The National Steering Committee (NSC) is co-chaired by an Echelon I-level official from BAPPENAS (the Deputy of Human Resources and Culture Division), and the UNFPA Representative. NSC members are Echelon I-level officials from Ministries/ Institutions (or of equal stature), of whom are signatories of the Project Document/ AWP. The members comprise of the Chief Secretary of BKKBN; the Deputy of the Social Statistics Division of BPS; the Director General of Nutrition and Maternal and Child Health of the Ministry of Health; Secretary of State Minister of MOWECP; the Secretary of NAC, and the Head of NCAVAW. The structure of the National Steering



Committee is made official with the Decree of the Minister of National Development Planning/Head of BAPPENAS.

The National Steering Committee is responsible for ensuring that the country programme is implemented with the principles of efficiency, effectiveness, and accountability, as well as in ensuring that the results of the programme brings the greatest benefit in the national development programme. The responsibilities of the National Steering Committee are:

- 1) To provide guidance and leadership in the planning, implementation, monitoring, and evaluation for the 8th Country Programme;
- 2) To provide the policy direction on strategic matters and on the implementation of the 8th Country Programme, covering thematic areas of population and development, reproductive health, youth (adolescent and young people), and gender equality;
- 3) To give direction to the National Coordination Team and the Technical Output Working Group, and programme board (when applicable).
- 4) To advise the Government Coordinating Agency (GCA) in relation to the implementation of the programme;
- 5) To convene at least twice a year, to carry out the abovementioned responsibilities.
- 6) To agree and committed for the the discussion result that shared through the signed NSC minutes of the meeting and share it to all NSC members.

### **3.1.3. National Coordination Team (NCT)**

The National Coordination Team is jointly chaired by an echelon II-level official of BAPPENAS, namely the Director of Population, Women Empowerment and Child Protection, and the UNFPA Assistant Representative. Members of the NCT are Echelon II-level officials from Implementing Partners from ministries or institutions. The composition of National Coordination Team is made official with the Decree of the Minister of National Development Planning/Head of BAPPENAS.

The National Coordination Team is responsible for ensuring the coherence of planning, implementation, monitoring, evaluation, and reporting processes and results under the 8th Country Programme partnership, across all outputs that may be executed by IPs or by UNFPA, including trust funds and joint programmes. The responsibilities of the National Coordination Team of 8<sup>th</sup> CP are:

- 1) To coordinate the preparation of prodoc and AWP, and to ensure synergy across programme work plans, UNFPA-funded and government-funded initiatives, as

- well as IP and UNFPA-executed activities, including on cross cutting issues such as gender, advocacy, partnerships, and human rights-based approaches;
- 2) To ensure that programme results benefit and contribute to national development;
  - 3) To encourage prodoc and AWP planning processes are synchronized with the National Budget planning processes;
  - 4) To convene the national coordination team at least once every quarter to discuss programme progress and to identify and overcome bottlenecks and challenges of implementation, and to provide guidance and recommendations for programme improvement both substantively and in its management aspects;
  - 5) To periodically review the mechanism of programme management, implementation, and coordination at central and subnational level (when applicable). For more details on reviews, please refer to Chapter IV;
  - 6) To coordinate with the Programme Board (when applicable);
  - 7) To periodically report to the National Steering Committee and UNFPA, in the form of a quarterly report (developed by NPCU).
  - 8) To guide the NPCU in its role to coordinate IPs in achieving programme outputs.

### 3.1.4 Technical Output Working Group (TOWG)

Nine technical output working groups are established to correspond to the nine outputs of the country programme, which are (1) Population and Development/U101; (2) Advocacy/U123; (3) Humanitarian/U207; (4) Reproductive Health (U224); (5) Family Planning (U309); (6) HIV/U410; (7) Gender Equality/U513; (8) Youth and Adolescent Reproductive Health /U615; and (9) Data Availability/U717.

TOWGs are jointly chaired by the Programme Coordinator (Echelon II-level officer of Implementing Partner in a ministry or institution) and Output Managers (NPO UNFPA).

TOWG members are UNFPA programme staff, Echelon II- and III-level officers of Ministry/Institution, NGO Programme Manager (when applicable), and NPCU as stipulated in Decree of the Minister of National Development Planning/Head of BAPPENAS.

The role of the TOWG is to ensure synergy between planning, implementation and achievement of output results by Implementing Partners and UNFPA.

The responsibilities of the TOWG are:

- 1) To develop prodocs and AWP with consideration of: (a) the results of evaluations, audits and recommendations of previous years, (b) synergy with programmes or activities that are government-funded, and (c) input from subnational governments;
- 2) To plan, implement, and monitor the achievement of intended results as reflected in the outcomes, outputs, and indicators of the programme, and to provide recommendations on programme improvement;
- 3) To discuss substantive aspects of each output, to identify challenges and bottlenecks, as well as corrective action to improve the substantive and management aspects of the output;
- 4) To prepare for and to provide support for annual programme reviews, by taking into account the input obtained from Standard Progress Report/SPR and quarterly APRs for each output;
- 5) To report periodically (quarterly) to the National Coordination Team and GCA (through NPCU) on the progress of programme implementation for each output, status of APR completion, and on the performance of the respective TOWG (attendance and representation, effectiveness and efficiency, with submission of attendance and sheet and minutes of meeting).
- 6) To convene TOWG meetings at least 4 (four) times a year to monitor programme progress and to carry out quarterly programme planning by Implementing Partners and UNFPA.

### 3.1.5. Implementing Partner

An Implementing Partner is a ministry or institution that receives UNFPA funding as elaborated in the grant agreement. Therefore, the Implementing Partner should provide strong commitment and full responsibility for the planning, implementation, monitoring and evaluation, as well as the achievement of the country programme partnership. Implementing Partners are also responsible in ensuring that programme activities are implemented effectively, efficiently and with accountability, as well as ensuring that the results of the programme benefits and contributes to national development.

The responsibilities of the Implementing Partner are :

- 1) To sign the LoU with UNFPA (by Echelon I-level official), and to provide a copy of the signed LoU to BAPPENAS;

- 2) To prepare prodocs and AWP's taking into account: (a) results of past evaluations, audits and recommendations, (b) synergy with programme activities funded from government budget, (c) synergy with programme activity executed by UNFPA, and (d) consideration of input from subnational governments;
- 3) To ensure that the results of the programme benefit and contribute to national development;
- 4) Together with UNFPA, to prepare the Handover Delivery Certificate (or called in Bahasa Indonesia "berita acara serah terima", or BAST) for all programmes executed by UNFPA and has been agreed on by IPs. This document should be submitted to the Ministry of Finance by the relevant IP.
- 5) Together with UNFPA, to periodically carry out: (a) a review on the effectiveness of programme management, implementation, and coordination, at central and subnational level, including the mid-term and final reviews of the CPAP, (b) a review of strategic issues, achievement of outcomes, outputs, and indicators, challenges and lessons learned, and (c) to formulate corrective action and recommendations for the programme and its management aspects;
- 6) To give technical advice on cross cutting and inter-sector issues (such as on advocacy, gender, human right-based approach [HRBA], monitoring and evaluation [M&E], capacity development, and partnerships);
- 7) To provide technical support for the collection of data for reviews and evaluation for each outcome and output;
- 8) To actively participate in and contribute to the National Coordination Team, Technical Output Working Groups, as well to as carry out intensive coordination with relevant stakeholders.

In performing its duty, Implementing Partners are assisted by a Programme Secretariat. The Programme Secretariat supports IPs in the management of the programme with UNFPA, and consists of 1 (one) person to handle substantive issues related to the programme, and 1 (one) other person to handle financial and administration issues.

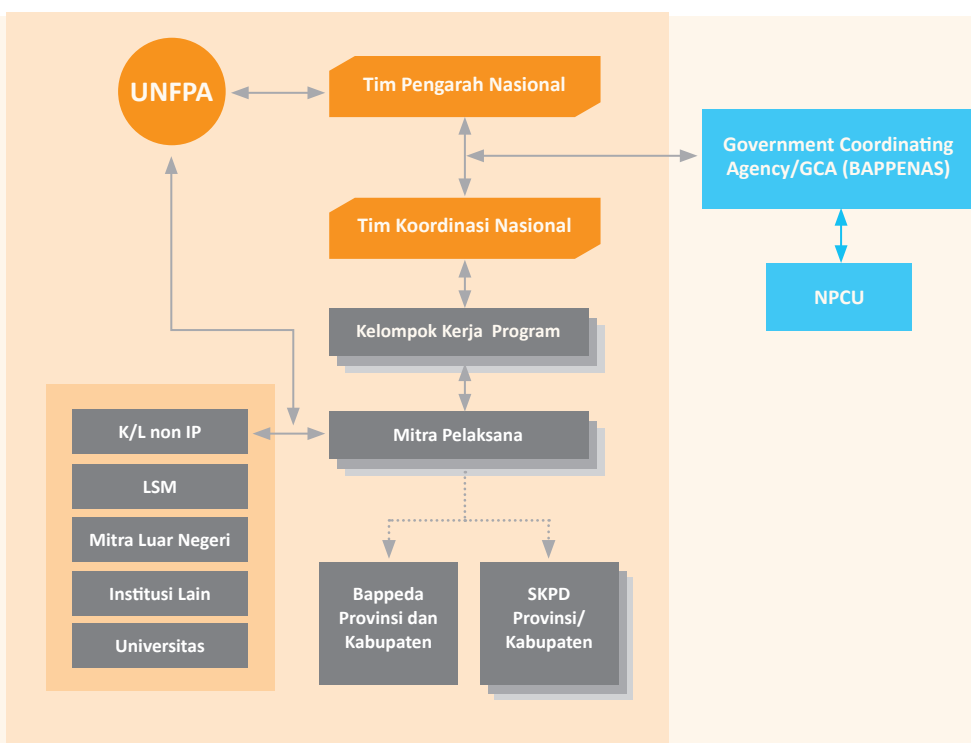
### 3.1.6. National Programme Coordination Unit (NPCU)

National Programme Coordination Unit functions to support the Ministry of NDP/BAPPENAS in its role as Government Coordination Unit (GCA). NPCU comprises of a National Programme Manager (NPM), 1 (one) person to handle substantive issues, 1 (one) person to handle programme management, and 1 (one) person to handle finance and administration. The NPCU has the following responsibilities :

- 1) To support the Ministry of NDP/BAPPENAS in its role as GCA (coordination), co-chair of the National Coordination Team, and as a member of the TOWG.
- 2) To prepare meeting materials and reports for GCA meetings, National Coordination Team meetings, and TOWG meetings in which BAPPENAS is a member of.
- 3) To carry out communication and coordination with other IPs through meetings, field visits (if applicable) and other means.
- 4) To ensure the collection of progress reports from IPs (APR) and TOWGs (quarterly working group reports) in a timely manner.
- 5) In close coordination with IPs, to ensure the timeliness and effectiveness of:  
(a) the planning, implementation, monitoring and evaluation of AWP and Programme Documents, (b) the grant registration process and development and endorsement of Handover Delivery Certificates/BAST;
- 6) To prepare the following reports: (a) quarterly report on the progress of IP performance in programme implementation and management, financial accountability, to BAPPENAS as GCA (b) quarterly report in the form of the analysis of APRs and achievement towards target indicators, to be presented in the National Coordination Team Meeting (c) annual report on the one-year performance of the NPCU as the support unit for BAPPENAS as GCA;
- 7) To assist the development, implementation, evaluation and reporting for the BAPPENAS prodoc and AWP (as an IP);
- 8) To manage funds that are allocated for the GCA and for NPCU operational needs, and to submit monthly reports on these funds to the Director of Population, Women's Empowerment and Child Protection, BAPPENAS;
- 9) All members of the NPCU are required to develop annual individual workplans at the start of the year/start of the contract, for discussion and approval by their respective supervisors as stipulated in their individual contracts. The performance of the members of the NPCU will be assessed based on the agreed work plans at the end of the contract period, in accordance to the Performance Appraisal Form in **Annex III**.

## 3.2. COORDINATION MECHANISM

In order to ensure coordination amongst all stakeholders under the Eighth Country Programme partnership, a mechanism is necessary so that coordination between UNFPA, implementing partners, Ministry of Finance, non-IP ministries/institutions, CSOs, the private sector, and other international partners. The mechanism is explained in the diagram below:



The diagram above describes the coordination mechanism for the country programme. Implementing partners, which may consist of ministries/institutions, NGOs, universities, and/or other national and international institutions, will coordinate within the forum of the technical output working group. The TOWG will then coordinate within the forum of the National Coordination Team, in which BAPPENAS (GCA) co -chairs with UNFPA. The National Coordination Team will then coordinate and consult with the National Steering Committee on strategic issues.

Related to the coordination with local government as beneficiaries, IPs are required to establish coordination with the provincial and district BAPPEDAs, as well as related SKPDs (provincial and district technical offices). Coordination should be considered for the following needs:

- To ensure that input from subnational partners are taken into consideration at all programming stages (planning to evaluation);
- To facilitate communication to subnational BAPPEDAs and SKPDs (in the form of official letters, etc), for any visits to subnational government;
- To provide a copy of activity reports, and quarterly reports (programmatic narratives) to BAPPEDA so that subnational governments acknowledge the initiatives/activities held in their region.

In the case where the NGO is an implementing partner, BAPPENAS as GCA should be informed. The coordination and accountability mechanisms as prescribed in this PEDUM apply to all implementing partners.

### 3.2.1 Coordination with NGO, Private Sector and Foreign party.

All non-government organizations that will be working under the country programme will report to and coordinate with the relevant implementing partner.

### 3.2.2 UNFPA Role and Responsibility

The roles and responsibilities of UNFPA within the 8CP partnership are:

- a. To provide technical assistance/support in ensuring the achievement of results from the CPAP and UNPDF;
- b. To facilitate international procurement of goods and services, in accordance to the approved prodocs and AWP;
- c. To ensure that the documentation of lessons learned and good practices from programme management and implementation are developed throughout the programme cycle;
- d. To facilitate the promotion of South-South Cooperation and policy dialogue;
- e. To provide technical assistance/support in financial and administrative reporting through random spotchecks and capacity development trainings;
- f. To periodically monitor (visits) IPs at least once every quarter (by output managers), in order to monitor the progress of AWP, the quality of activities and results, and to determine corrective action in implementation (**see Annex IX for IP monitoring visit template**);
- g. To co-chair TOWGs (output managers) together with relevant IPs;

- h. To report on the quarterly implementation of UNFPA executed activities in TOWG meetings, which will later be compiled by the GCA/NPCU to be reported in the National Coordination Team Meeting;
- i. To periodically report on the results of quarterly implementation of UNFPA executed activities (in the form of APRs, by output managers), and to review and ensure quality of APRs from IPs on quarterly progress. These reports should be given to both UNFPA and BAPPENAS as GCA—through the NPCU.





CHAPTER IV

PLANNING,  
IMPLEMENTATION,  
MONITORING  
AND PROGRAMME  
REPORTING MECHANISM

## 4.1 INTRODUCTION

Planning, Implementation, Monitoring and Reporting of the 8th Country Program are carried out by both the Ministerial/Institutional IP at the central level and with UNFPA.

The Implementing Partner (IP) is the partner who signs the Annual Work Plan/ AWP with UNFPA. Under the Eighth Country Programme, the current Implementing Partners are: The National Development Planning Agency (BAPPENAS), BPS- Statistics Indonesia, The National Population and Family Planning Board (BKKBN), Ministry of Health (MOH), National AIDS Commission (NAC), Ministry of Women's Empowerment and Child Protection (MOWECP), National Commission-Violence Against Women (KOMNAS–Perempuan or NCVAW). The IP is the Ministry/Institution which is responsible and accountable for managing prodocs and AWPs including intervention monitoring and evaluating, output achievement, and effective UNFPA resources utilization.

The Executing Agency (EA) is the partner who does not sign the prodoc and AWP with UNFPA but executes the activities by receiving funds from IP(s).

The GOI-UNFPA 8th Cycle Country Programme applies an integrated partnership approach and results-oriented. This partnership consists of a programme that is planned together, between national IPs and UNFPA at the national level. This comprehensive planning process involves all responsible parties such as Ministries/ Institutions (M/I), and NGOs under M/I, as well as representatives of youth, senior citizens, and women groups.

Preparation of prodocs and AWPs at the central level is coordinated by the GCA, and will be included each year in the DIPA (Daftar Isian Pelaksanaan Anggaran/ Budget Implementation List). Reference documents include the RPJMN (National Mid-Term Development Plan), RPJMD (Regional Mid-Term Development Plan), M/I Strategic Plan (Renstra), Government Work Plan (RKP), the Blue Book (BAPPENAS), CPAP, UN Harmonized Unit Cost (see Annex I, Regional Strategic Plan (Renstrada) and Regional Development Work Plan (RKPD).

## 4.2 PROGRAMME PLANNING

Planning is a process to determine objectives, develop strategies, implementation process, and in determining the required resource allocation to obtain the intended objectives.

The purpose of these planning processes is to ensure that all activities are working in synergy with each other and are in accordance to the National Mid-Term Development Plan (RPJMN) in 2014, as well as to promote the achievement of development targets of the Millennium Development Goals (MDGs) by 2015.

#### 4.2.1 Binding Agreement (Letter of Understanding)

Before carrying out programme activities, it is necessary to have a binding agreement between UNFPA and Implementing Partners (IP) through a Letter of Understanding (LoU). LoUs should be signed at the beginning of the programme according to the agreed terms. LoUs will be signed by the UNFPA Representative and the Echelon I-level Official of a Ministry/Institution at the central level.

IPs at the central level will appoint a programme coordinator (Echelon 2-level Official) and a programme manager or familiarly called a PIC of Operational Activities/PJOK (Echelon 3-level Official), and a programme treasurer or familiarly called a PIC of Advance Payments/PUMK (Echelon 4-level official). The names of the officials holding these roles will be included in the LoU along with their signatures for administrative purposes of the programme implementation. **Please see Annex IV A.**

#### 4.2.2 Formulation and Approval of the Project Document and Annual Work Plan (AWP)

##### 4.2.2.1 Definition of Project Document and AWP

The Project Document (prodoc) and Annual Work Plan (AWP) is a set of documents that signifies the commitment between GOI and UNFPA regarding the agreed results and activities that will be carried out, by both UNFPA and IPs. The project document contains the situation analysis, key strategies, targets, activities, as well as management and accountability mechanisms for each output. Each project document elaborates the contribution of implementing partner(s) for each output. The AWP includes information on results, indicators, annual targets, quarterly plans, as well as the necessary budget in one fiscal year. Please see Annex V.

The IP and the UNFPA output manager (NPO) are to collaborate to identify specific activities that will be carried out by UNFPA and IPs and proposed in the draft prodoc and AWP. This draft is reviewed and refined by UNFPA, IPs, and BAPPENAS as GCA (through trilateral meetings), of which the final prodoc AWP is agreed on and signed.

#### **4.2.2.2 Elements of Project Documents and AWP**

The prodoc and AWP should have the following elements:

- a. Background information on outcomes, outputs, key strategies, activities, and stakeholders.
- b. Results and outputs should contribute to the achievement of intended outcome. The level of control of programme planners and implementers are very high at the output level, therefore, all output results must be completed within the timeframe of the AWP (annually).
- c. Monitoring, evaluation, and risk management plans.
- d. Activities (and sub-activities) should contribute to the outputs, in line with the M/I priority, and they should not overlap with activities funded by the state budget;
- e. Indicators and targets that have been set should apply SMART principles: Simple, clear and easily understandable, Measurable: objectively measurable, Attainable: it can be achieved, Relevant, Time-bound: can be achieved within the agreed timelines;
- f. Time schedule: scheduled starting time, ending time and duration expected.
- g. The Responsible Party of Implementation;
- h. The detailed budget and sources needed to implement activities.

#### **4.2.2.3 Prodoc and AWP Development Mechanism**

The GoI-UNFPA country programme planning is aligned with the state budget ceiling proposal mechanism, where the state budget indicative ceiling will be set in April of the current year, therefore the draft of the prodoc and AWP of the country programme for the following year should be signed by the IP, BAPPENAS and UNFPA in the month of April. Any changes to the prodoc and AWP for the following year can only be done by October of the current year, following the prodoc and AWP Revision Mechanism (see point 4.4). For the revision of prodocs, changes should be documented in the form of an addendum to the existing prodoc. The development and review of prodocs and AWP should involve the relevant IPs, UNFPA, and BAPPENAS as GCA.

### **4.2.3 Preparation of Annual Work Plan (full description)**

#### **4.2.3.1 Preparation of AWP by IP and UNFPA**

The draft AWP proposed by IPs and UNFPA for the following year should be

developed in the month of January to March of the current year, and completed before April of the current year by the respective implementing partner along with the UNFPA through the Technical Output Working Group (TOWG) meeting, organized by BAPPENAS as GCA. The final draft of the AWP for the following year will be presented during the National Coordination Team Meeting (IP-Echelon 2) in the month of April. Representatives from UNFPA, BAPPENAS and appointed IP officials will sign the AWP of the following year in the month of April of the current year.

AWP consists of a cover page that includes a narrative summary of how the AWP will achieve programme outputs, estimates of the total budget, the agreed financial support, timelines, and signatures of IPs and UNFPA representatives. This cover page will also include an AWP Table that provides a detailed description of the activities, budgets, and resources for each quarter, as well as the indicators and annual targets corresponding to each output of the programme to measure its progress.

The cover page and the AWP table of details should be signed by Echelon I Official (as mentioned in the LoU) and the UNFPA Representative. Each AWP will be signed in two sets: one copy is to be kept by UNFPA, and the other is kept by IPs as a tool for AWP management.

UNFPA cannot disburse funds prior to the signing of AWP by an authorized officer of the IP and UNFPA. IPs will not be able to carry out activities or use funds until the AWP is signed by both parties.

Before the AWP is signed, the UNFPA output manager (NPO) and IPs must carry out a final review of the AWP from each IP, and to make sure that the AWP includes details on UNFPA executed activities in support of IPs, in accordance to the attached AWP checklist (**Annex VI A**). The purpose of the AWP checklist is to help output managers/NPO ensure compliance with the existing regulations in the PPM (Policies Procedures Manual) and to promote risk management. The draft AWP from both IPs and for UNFPA execution should also include the draft terms of references (TORs) for the activities that have been proposed under the AWP.

#### **4.2.3.2 Preparation of AWP by NGOs under M/I**

NGOs for HIV and Gender will submit AWP proposals to KPAN and KPPPA. Support for NGOs will prioritize programme areas and issues that have not been funded or addressed by the government.

#### 4.2.4 AWP Revision Mechanism

UNFPA or IPs may propose revisions for activities at any point in time during the AWP period, as long as these proposed activities aim to achieve the outputs which have been determined. All revisions must be approved by both parties. Revisions can be made directly, agreed upon and signed by both parties in accordance with the following procedure:

Types of Revision	% Total Annual Budget	Actions
Inter-activities fund exchange without changing total budget of activity ID	- Less than 5% - More than 5%	UNFPA internal note for correspondence archive
Intern-output fund exchange, without changing total program budget on AWP level	- Less than 5% - More than 5%	UNFPA internal note for correspondence archive
Reduction of funds Addition of funds Addition/reduction of activities with/without changing funds AWP Extension	Any amount	Correspondence cost

### 4.3 PROGRAMME IMPLEMENTATION AND MANAGEMENT

IPs should carry out quarterly activities in accordance with the Prodoc and AWP that has been signed by the IP and UNFPA. The IP should request for funds for implementation through FACE mechanism and the development of a Quarterly Work Plan (see chapter 5, Financial Management and Reporting).

A Terms of Reference (TOR) is prepared in conjunction with the development of the Prodoc and AWP for the following year. The TOR should be finalized by IPs and approved by PJOK (PIC of the programme) before disbursement is made by the said treasurer/PUMK. IPs will work together with the Output Manager/NPO in the development of TOR.

The TOR and activity report will follow the format set out in **Annex VII**. Upon implementation of activities, an activity report and financial statement should be prepared and submitted within two weeks completion of the activity.

The PJOK is responsible for the technical execution of the programme. PJOK is the Technical Activities Executive Officer appointed and/or authorized by the Echelon-I level official, and is responsible for managing the implementation of the country programme. The PUMK is responsible for the financial management of funds for the country programme. PUMK is the Expenses Treasurer appointed and/or authorized by the Echelon-I level official, and is responsible for the financial management of country programme funds. PJOK should be held by an Echelon III or IV official, and PUMK can be a person from the general staff. Summary of duties and principal responsibilities of PJOK, PUMK, and the FAA can be found in the **Annex VIII A, B, C**.

IPs will manage the funds received from UNFPA in accordance with the agreed financial regulation, stipulation, and procedures in line with the financial rules and regulations of UNFPA.

UNFPA and each IP will appoint a programme manager to supervise the daily management of AWP, as described above in this section. Continuous consultations throughout implementation should be carried out to discuss the progress of activities and to resolve any problems.

IP commits to:	UNFPA commits to:
<b>Draft the Prodocs and AWP together</b>	
Ensuring all activities agreed are implemented properly in accordance with the provisions of management and financial accountability in LoU.	Completing all assigned responsibilities for UNFPA in the AWP on schedule.
Establishing the operational implementation for management and financial accountability.	Transferring funds, supplies and equipment in accordance with LoU, in case all reports and documents required are available.
Establishing the operational implementation for management and financial accountability.	Monitoring, evaluating and supervising the AWP.
Ensuring the audit, monitoring, and evaluation carried out in accordance with the provisions of UNFPA.	Connecting, as required, the government, United Nations Country Team, donor, and others.



IP commits to:	UNFPA commits to:
<b>Draft the Prodocs and AWP together</b>	
Leading the organization of Annual Review Meeting with the support and participation of UNFPA.	Being available for consultation.
Conducting annual and end term inventory of AWP	Providing guidance, supervision, technical assistance and leadership, according to the requirement and agreement.

#### 4.4. PROGRAMME MONITORING

Monitoring is a continuous process to collect and analyze information from a particular output and indicator; showing its progress and achievement, as well as the use of resources.

Programme monitoring is aims at providing progress and implementation data periodically so that stakeholders can make informed decisions and corrective action for the following programming period (quarterly or annually) in order to achieve development goals based on the results.

Consistent and periodic programme monitoring is an important part of programme management, enabling stakeholders to periodically review effectiveness and efficiency in achieving programme goals and results. Monitoring aims to ensure the achievement of performance indicators in accordance with those stated in PRODOC - The 2014-2015 Programme Document.

The 8th Country Programme monitoring activities include: review of activity and financial reports, review of quarterly and annual progress of AWP implementation, annual and mid-cycle reviews of the country programme in the achievement of results, joint and field monitoring, as well as a final evaluation one year before the final year of the programme cycle.

#### 4.5. FIELD MONITORING

Field monitoring is an important way of obtaining first-hand qualitative and quantitative information regarding the context and progress of implementation.

Field monitoring should be carried out at least once every quarter for each implementing partner, by output managers/NPOs (cannot delegate to others). The expected outcomes of the field monitoring are: to identify the challenges and opportunities related to implementation, to understand the context of target groups/beneficiaries and other stakeholders, to overcome bottle-necks in the process of implementation, and to review the quarterly AWP in order to validate the progress made in achieving results.

Field monitoring visits should be planned properly and ahead of time. Prior to the field visit, the IP/UNFPA staff should determine the issues that will be reviewed during the visit, and propose these issues in a terms of reference (TOR). To the extent possible, an approved TOR should be available for each monitoring visit at least two weeks before field monitoring visits are scheduled. Prior to the visit, the field monitoring team member(s) should examine the AWP(s) of the output for monitoring, in order to understand the action plans of the work plan, the person(s) in charge, and budget details. They should also look at past AWP Progress Reports (APRs), SPRs, previous field visit reports, as well as other documents such as minutes of meetings or technical assistance reports.

A detailed field monitoring plan should be developed annually by the Technical Output Working Groups at national level. This plan should also include joint field monitoring visits, which will involve both members from UNFPA as well as from line ministries or institutions who are implementing partners.

A Field Monitoring Visit Report (Annex IX) should be developed for each field visit and should be submitted no later than two weeks after return from the mission to UNFPA and the National Development Planning Agency. The Technical Output Working Groups will be responsible for overseeing the status and results of monitoring visits as well as follow up actions and recommendations from the monitoring visit. Challenges, opportunities, and other findings should be noted in the SPR and highlighted as consideration in the Annual Review of the Prodoc and AWP, as well as the CPAP.

## 4.6 PROGRAMME REPORTING

Reporting and accountability for the results of the implementation of programmes and activities at the central level are drafted by the M/I as implementing and managing institution of UNFPA grant funds, and assisted by the Programme Officer and FAA in each M/I.

### 4.6.1 Activity Report

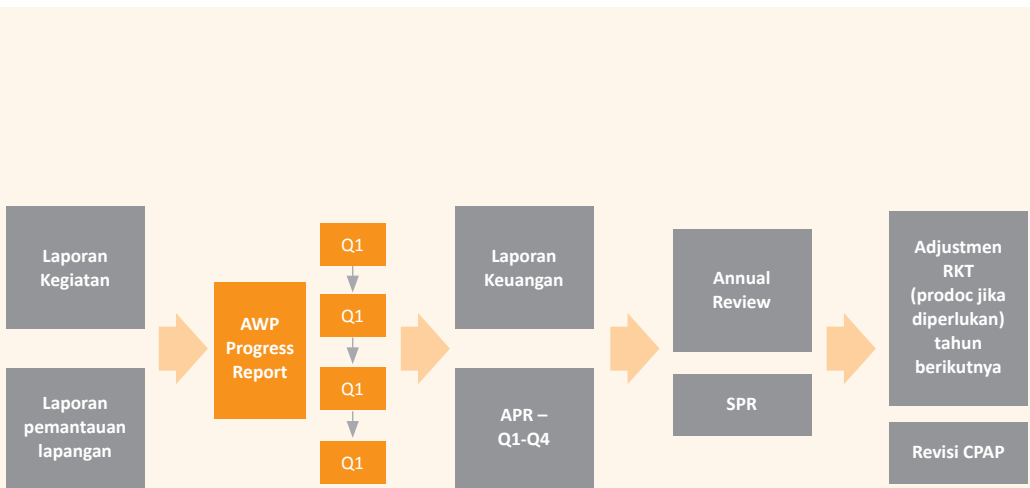
- Activity Report is used for: (i) one of the tools for validating the grant funds usage, (ii) monitoring the progress of programme implementation at the related IP unit.
- Activity Report is submitted, at the latest, within one (1) month after activity implementation, and submitted to the relevant PJOK.
- The content of the activity report should include (but not limited to):
  - The background of the activity
  - Objectives, purpose, and intended results from this activity
  - Information on participants: such as disaggregated participant list (gender, institution, and position)
  - An elaboration on the run-down of the activity
  - Results from the activity, as well as recommendations and next steps/follow up
  - Lessons learned from implementation of this activity
  - Financial report
  - Other annexes that will complement the activity report, such as minutes of meeting, agenda, presentations and handouts, etc.

### 4.6.2 Quarterly AWP Progress Report (APR)

- The APR aims to report progress from the implementation of quarterly AWPs. The APR should be prepared quarterly by implementing partners, together with output managers/NPOs, and discussed in Technical Output Working Group meetings, in accordance to the available format (Annex X). The APR should be submitted along with the FACE form at the beginning of each quarter in January, April, July, and October. APRs should be forwarded to both UNFPA and the NPCU in BAPPENAS. UNFPA executed activities must also have APRs and forwarded to IPs and NPCU in BAPPENAS. FACE forms and any requests for quarterly disbursement will not be processed until an APR is also available.

- The content of the APR contains qualitative monitoring information that could not be obtained from financial reports. It should include an elaboration of challenges, opportunities, bottlenecks, and lessons learned from the implementation of each activity. It should explain why activities are partially or not completed, the reasons behind over- or under- budgeting, the quality or results of activities, or why activities may need to be carried over to the next quarter.
- Results of the APR should be presented in the quarterly national coordination team meetings, to the extent possible, in order to understand the progress and challenges of quarterly implementation, and to determine corrective action for the following quarter.
- UNFPA will also make APRs for UNFPA executed activities in support of the Government of Indonesia and submit them to respective IPs as attachment to the BAST/Handover Delivery Certificate on a quarterly basis. APRs will also be forwarded to BAPPENAS as input for the National Coordination Team meetings (NCT). See attached BAST format in Annex XI A.
- The APR can also be used as a periodic report on expenditures and implementation performance to BAPPENAS and the Ministry of Finance.

The Reporting Scheme is as follows:



### 4.6.3 Mechanism of Annual Progress Reporting and Reviewing

The Annual Review is an important element in the programme management cycle. The Annual Review gives the opportunity to all stakeholders to assess programme implementation. Careful assessment on progress and results can only be carried out if problems and obstacles in implementation are discussed in order to obtain the necessary recommendations on overcoming these challenges and move forward. Such a review will also examine the effectiveness of the programme, the extent of which intended goals are achieved, and the pulse points of implementation that will enable the acceleration in the achievement of goals, in terms of programme and management.

The reporting required at the end of the year is as follows:

As of the fourth quarter, IPs and UNFPA are required to collect and prepare documents related to the Annual Review Meeting/ARM, which consists of:

- AWP Progress Reports from Q1 to Q4
- FACE Q1 to Q4
- Quarterly Work Plans Q1 to Q4
- Spot check and field monitoring reports from Q1 to Q4
- Administrative documents/other related progress implementation

In addition to these documents, a Standard Progress Report (SPR) will also be developed at the end of the year for each output. SPR is a narrative report containing information on progress to achieve the outputs of the country programme, an annual reflection of challenges and lessons learned, and how the work of the year contributed to the overall country programme results, as well as results of the UNPDF.

One SPR will be developed for each output and will contain information on the concerted efforts of national IPs as well as UNFPA-executed work plans in support of national government. The initial draft of the SPR should be the result of consultations between UNFPA and respective implementing partners. The final draft of the SPR will be submitted to BAPPENAS as GCA.

Results of the Annual Review and other reports and end-of year documents will feed into the work planning processes for the following year. With the facilitation and under the leadership of the BAPPENAS as GCA, the Annual Review results will be validated by the National Steering Committee.

## 4.7 PROGRAMME EVALUATION

As the country programme comes to an end, the country programme evaluation aims to understand the results and achievements throughout the programme cycle. A CP Evaluation asks the questions related to relevance, effectiveness, efficiency, sustainability, and impact (OECD evaluation criteria) and seeks to understand what worked and what did not. It extracts lessons learned and good/best practices for future planning and design. The CPE, will also strengthen national capacities to evaluate programmes in a participatory and inclusive way. Therefore, the involvement of IPs and other stakeholders is crucial to ensure that findings are relevant and useful to the local context, and can feed into future programme design and planning.

### 4.7.1 Mid Term Review

In the middle of the programme (June 2013) Mid Term Review will be held to review the relevance and validity, efficiency, effectiveness, impact, sustainability, and reliability of various initiative of the 8th Cycle of Country Program. The review is different from an evaluation as it is carried out mid-cycle and serves the purpose to provide the evidence-based grounds for corrective action for the remaining part of the cycle.

### 4.7.2 Country Programme Evaluation

In line with the UNFPA Procedures and Policies, Programme Management Implementation Guidelines (PEDUM)<sup>2</sup>, and the UNFPA evaluation policy (DP/FPA/2009/4) [2]<sup>3</sup> – the final country programme evaluation (CPE) is carried out on the fourth year of the Country Programme, in this case it is scheduled for 2014. This timeline is very important as the results of the CPE will feed into the development of the Country Programme strategic documents for the following cycle between the end of 2014 to 2015. The CPE will focus on achievements, challenges, good/best practices, and lessons learned from the implementation in the previous four years.

Results of the evaluation will be presented in the National Coordination Team meeting, under the leadership of and facilitation by BAPPENAS as GCA, and validated by the National Steering Committee..

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2 UNFPA Policies and Procedures: Programme Country Programme Monitoring and Evaluation, July 2004, page 14.

3 [http://www.unfpa.org/exbrd/2009/firstsession/evaluation\\_policy.doc](http://www.unfpa.org/exbrd/2009/firstsession/evaluation_policy.doc)



CHAPTER V

FINANCIAL MANAGEMENT,  
ACCOUNTING, AND  
FINANCIAL REPORT



## A. MECHANISM OF DIRECT GRANT MANAGEMENT BETWEEN UNFPA AND IMPLEMENTING PARTNER (MINISTRIES/INSTITUTIONS)

### 5.1 Definition and Principle

In principle, the financial management of funding from UNFPA under the country programme partnership should be in line with the laws and regulations applied in Indonesia related to financial and budget management. However, financial management practices should not hamper programme implementation, and should also be in line with the UNFPA Financial rules and regulation and UN Harmonized Approach to Cash Transfer (HACT). Any implemented activities using UNFPA funding should be registered in the DIPA. BAPPENAS as GCA, who is also a signee of the CPAP, will submit the request for a grant registration number (nomor registrasi hibah) to the Directorate General of Debt Management, Ministry of Finance. This registered number will be used by all IPs for all UNFPA programme financial reporting to the Ministry of Finance.

### 5.2 Bank Account and Signing

- Each IP may open a current bank account which is dedicated for managing UNFPA fund and grant only, at the approval of Minister of Finance, in accordance to existing regulations. IPs that have been using a bank account for previous CP implementation may continue to do so.
- Checks are signed by two authorized officials, as assigned in the LOU, in order to make payments or to issue funds from a bank account. All signees are fully responsible for making sure that the payment is valid and in accordance to procedures.

### 5.3 Request for Funds and Disbursement Procedure

#### 5.3.1. Procedures for Requesting Funds

- Requests of funds for activity implementation by IPs will be submitted to UNFPA, based on the approved AWP.
- Any requests for Fund/Advance payment may not exceed the total amount required for the next three months.
- Advance payment disbursement procedure shall be as follows:

- 1) IPs submit request for funds for activities for a period of three months to UNFPA, by using the FACE (Funding Authorization and Certificate of Expenditures) form. FACE is a form that acts as an authorizing document for request for fresh funds, it is also a financial report for the previous period of implementation.
- 2) Before submitting the FACE form for fund requests to UNFPA, the relevant UNFPA personnel examines, verifies, and clarifies these proposals and should ensure that:
  - a) Requests are arithmetically correct,
  - b) Requests are based on the approved AWP,
  - c) The funds are available/allocated,
  - d) Requests for advance payment is in line with the quarterly work plan (QWP),
  - e) The FACE form has been signed by an authorized officer as designated in the LOU,
  - f) The following quarterly work plans (request for fresh funds) should be submitted along with APRs from the previous quarter.

### 5.3.2 Fund Disbursement Procedure

Cash funds will be transferred in accordance with the UN Harmonized Approach to Cash Transfers (HACT). Procedures for fund distribution is presented in the following diagram:



**Ket:**

- ▶ Proses permintaan dan penyaluran dana di tingkat pusat
- .....▶ Proses permintaan dan penyaluran dana dari K/L ke Pemerintah Daerah

Financing for all programme activities, as detailed in the AWP, can be carried out through 3 modalities:

- 1) IPs may submit the request for advance payment for activities, and reports expenditure by using the FACE form.
- 2) IPs may submit the request for reimbursement of expenditures, as previously authorized for pre-financing by IPs, by using the FACE form for Reimbursement.
- 3) IPs may submit the request for direct payment to vendors by UNFPA for goods and services procured by IPs, using the FACE form for Direct Payment.

UNFPA will authorize fund withdrawals by IPs, as agreed in the LOU, in line with the AWP and the approved budget.

Schedule for submitting and reporting quarterly funds is as follows:

Period	Deadline for submitting FACE and related activity plan from IP	Deadline for UNFPA to study and to approve advance payment
Quarter 1 WP (Jan 1 – Apr 30) & Quarter 4 Expenditure (Oct 1 – Dec 31) of previous period.	January 15	January 22
Quarter 2 WP (April 1 – July 31) & Quarter 1 Expenditure (January 1 – March 31)	April 15	April 22
Quarter 3 WP (July 1 – October 31) & Quarter 2 Expenditure (April 1 – June 30)	July 15	July 22
Quarter 4 WP (October 1 – January 31) & Quarter 3 Expenditure (July 1 – Sept 30)	October 15	October 22

## 5.4 Programme Fund Payment

After IPs receive funds from UNFPA, payments will be made by IPs in the form of:

### (i) Payment by Bank Transfer

- a. Whenever possible, the bank transfer payment method will be applied by IPs to make payments. In the instance where bank transfer services are not

available, and only in special circumstances, payments may be made by check or cash withdrawal from the bank. In case of payments using a check, the beneficiary name can be any authorized person assigned by the vendor/ payee in writing.

- b. All fund payments from IP bank accounts should include supporting documents such as a sequenced/chronological expense voucher, that is made for an individual/institution that will be receiving payment.
- c. The budget item in which the payment is charged, and check details, should be clearly mentioned on the transaction voucher.
- d. Activity advance payments can be in the form of a bank transfer, check or in special circumstances, in cash.

Every check or cash payment must be accompanied by its original documents (supporting documents such as original Travel Authorizations, receipts, invoices). Examples of transaction receipts and its supporting documents are described in **Annex XIII A**.

#### **(ii) Petty Cash Payment**

The use of petty cash is solely for office operational expenses; it should be a small amount and should be in cash. Any single payment exceeding IDR500,000 should be paid by bank transfer or check, if bank services are available.

- b. The maximum limit for petty cash is IDR 5,000,000. petty cash transactions are recorded in a separate petty cash book, which should be reconciled periodically with the cash on hand, at least once a month.
- c. Petty cash system with imprest fund (imprest system) where the petty cash is replenished equal to the amount previously expended. For example, if the amount of petty cash is IDR 5,000,000 per month, and within that month, only IDR 3,500,000 is expended from petty cash, therefore the replenishment for the next period is IDR 3,500,000.
- d. Petty cash transactions must be supported by third-party documents, and petty cash payment transaction receipts should be validated by the PJOK before the payment is made.
- e. Standard Operating Procedure (SOP) and necessary forms to be used for opening imprest petty cash fund, recording and replenishment is illustrated in Annex XIII B Bookkeeping guidelines.

## 5.5 Financial Accounting and Recording

### 5.5.1 Maintaining Accounting System

IPs are responsible for maintaining an accounting system with the following elements:

- (i) The system should be equipped with a accounting books, information record, and proper control mechanisms, to ensure accuracy and reliability of information and reporting of programme/project finances.
- (ii) To ensure that the receipt and payment of UNFPA funds are recorded well and that there are no over expenditures for each approved budget allocation for each category.
- (iii) The account codes (see Annex XIV) should be used to ensure uniformity and consistency with its expense classification.
- (iv) To trace each direct payment to vendors by UNFPA (Direct Payment) at the request of IPs.
- (v) All financial information records are updated based on the general journal and ledger, and closed at the end of every month.
- (vi) The amount of money deposited into a particular bank account is recorded in the receipt column of the bank book, on the same day, and must be supported by the bank deposit slip.
- (vii) To maintain the tracing system/advance ageing monitoring for all advance payment of activities, and to ensure all advance payments are liquidated/ reported within 30 days.

### 5.5.2 Bank Transfer:

A giro is issued chronologically and recorded in the disbursement column of the bank book. The giro is signed by an authorized official, and the copy of the giro should be attached with the payment voucher.

### 5.5.3 Bank Reconciliation

An appointed staff should prepare a bank reconciliation, at the end of every month, to ensure that the balance of the bank book agrees with the balance of the bank statement. A bank reconciliation report that has been reviewed by the PUMK, and certified by the PjOK, should be attached with the original bank statement. In the case of a discrepancy between the balance of the bank book and the balance of the bank statement, therefore it may be caused by, among others:

- (a) The funds received have been recorded in the bank book, but it has not been recorded by the bank (Deposit in transit);
- (b) The check/giro has been issued but it has not been recorded by the bank because it has not been withdrawn (Outstanding check);
- (c) There is debiting or crediting by the bank (for example, bank administration fee, bank interest), and it has not been recorded in the bank book;
- (d) A recording error by the Bank or by the IP in the bank book.

The reconciliation format is in **Annex XIII C**. The bank book is maintained to provide chronological information for all paid funds to and from the programme bank account (fund in-flow and out-flow). The bank book is periodically updated, closed, and reconciled with the bank statement at least once a month.

The bank's quarterly reconciliation report for a certain period is documented with the Financial Report, which will feed into the development of the FACE form.

## 5.6 Financial Report

### 5.6.1 Quarterly Financial Report

- (i) IPs submit a quarterly financial report to UNFPA, along with activity implementation plans, by using the FACE forms within 15 days after the end of quarter.
- (ii) At the end of the year, IPs will close their financial books, and prepare the fourth quarterly financial report.
- (iii) UNFPA will develop handover delivery certificates (BAST) for goods/services for any activities directly implemented by UNFPA and respective IPs, validation will be carried out in line with existing provisions.
- (iv) The reconciliation certificate (berita acara rekonsiliasi – BAR) is a table that shows the reconciliated expenditures (cash funds as well as goods and services) between one institution and another (in this case, the IP and UNFPA). The BAR is developed by the IP (Echelon II) to be sent to UNFPA for review, and cc-ing the Debt Management Unit from the Ministry of Finance (DJPU). After this review, the BAR should be returned to the relevant IP (compiled by IP Echelon I official) for submission to the Debt Management Unit from the Ministry of Finance (DJPU). In some cases, such as for BKKBN, the Echelon I official may need to obtain endorsement of the BAR from the Principal Secretary-level official prior to submission to Ministry of Finance Debt Management Unit (DJPU). The BAR

reports in an accumulative manner (not quarterly); this means Quarter 1 BAR should report on reconciliated expenditures from January to March, Quarter 2 BAR should report on the reconciliated expenditures of January to July, Quarter 3 BAR should report on reconciliated expenditures of January to October, and Quarter 4 BAR should report on reconciliated expenditures of January to December.

**Financial Report submitted to UNFPA:**

- Quarter FACE
- Form C – Annual Non-Expendable Property Report

**Unaudited FACE forms are received from IPs before January 16 of the Fiscal Year (FY).**

All Government IP should submit a consolidated report that is in accordance to the government reporting format to BAPPENAS at the end of every fiscal year.

## 5.7 Financial Accountability

BAPPENAS as GCA is responsible for the registration of UNFPA funds and grants in the DIPA, the coordination of IP handover delivery certificates to MOF, and the reporting of annual grant disbursement. All IPs are responsible for all management of UNFPA funds and grants under their authority.

5.7.2 All IPs should apply adequate internal control procedures in accordance to the Financial rules and regulations of UNFPA, that will result in accurate, updated, and reliable financial reports and information.

5.7.3 IPs should ensure a maintained control mechanism and to monitor accounting status, information records, disbursements, inventory, stocks, equipment, and other assets.

## 5.8 Internal Control

An internal control system is carried out to secure assets, ensure reliability of accounting data, improve efficiency and promote compliance to the policy of the management.

Internal control requirements:

### A. Segregation of duties

Functions	Assignment
1. Authorization (approving role)	PJOK and Coordinator Program
2. Asset custodian (treasury)	PUMK
3. Recording (Accounting)	FAA
4. Implementation	Programme Staff, Purchasing Officer
5. Oversight	Internal Audit, PUMK to review the financial report prepared by FAA

In principle, to achieve adequate internal control, the above duties should not be held by the same person. For example: the asset custodian/treasury should not also hold an accounting role. In the case limited personnel, at the very least, the 3 (three) first duties are performed by different persons.

### B. Good practices

Good practices can be through the following ways:

1. Surprise petty cash count, cash receipt that has not been deposited to the bank, and fixed assets.
2. To store cash in a lockable box, in which the key is held by an authorized person.
3. To avoid keeping a large amount of cash/funds, and within less than 30 days the cash should be deposited to the bank.

## 5.9 Financial Management Capacity Assessment

### 5.9.1 HACT (Harmonized Approach to Cash Transfer)

In implementing HACT (Harmonized Approach to Cash Transfer) and FACE (Funding Authorization and Certificate of Expenditures) by UN Institutions (UNFPA, UNICEF, UNDP), UNFPA will perform a micro assessment on financial management capacities for institutions that will received funding from UNFPA and Macro Assessment to ensure adequate awareness of the public financial management (PFM) environment within which agencies provide cash transfers to IPs. Macro and Micro Assessment are part of HACT elements as outlined in the HACT framework. HACT Framework is a live document and subject to changes which will be notified to the GoI.



### **5.9.2 Micro Assessment**

A micro assessment will be implemented transparently by UNFPA staff, consultant, or a public accounting firm, as appointed by the Agency of Executive Commissions (UNFPA, UNDP, UNICEF) by involving relevant institutions. The Assessment explores institutional technical capacities, qualifications, and the number of financial personnel that has the capacity to manage: donor funds, funding systems and procedures, accounting procedures and systems, results of audit reports by independent auditors, monitoring and evaluation system, and the information system applied by implementing institutions.

### **5.9.3 Macro Assessment**

A macro assessment is undertaken jointly by UN EXCom agencies, to assess the broader environment to define a range of considerations for operating in the country. It is not limited solely to the financial environment but also includes national procurement capacity, exchange rate volatility, presence of informal/black markets, etc. The latest Macro Assessment report is conducted in 2007 and as agreed by Resident Coordinator and UN EXCom agencies Representatives the report is still relevant to current programme cycle implementation. It is at the prerogative of the UN EXCom agencies to conduct a Macro Assessment at the beginning of each Country Programme (CP) cycle. 5.9.4 Implementing Partner Capacity Assessment Tools (IPCAT) is a UNFPA specific exercise to assess whether an organization has the necessary capacity to implement UNFPA supported programme, and identify any weak areas that need improvement to raise its capacity to the minimum necessary levels. When used at the beginning and end of interventions for improving capacity, it can serve as a tool for measuring results of the capacity building interventions.

## **6.0 Closing Programme Bank Account**

Immediately after the programme ends, bank accounts should be closed. All cash balances that were not used by IPs must be transferred to UNFPA before closing the bank account. Bank account closure must be reported to the Ministry of Finance in accordance to existing provision with copy to UNFPA.



CHAPTER VI — AUDIT AND ASSURANCE

## 6.1 DEFINITION

The required assurance/verification (Assurance in this context means: verification activities to improve information quality for decision makers) activities for each IP is defined by the microassessment risk rating and the amount of cash transfer received from UNFPA. The result of assurance activities may influence changes in the procedure and modality of cash transfer application, as well as the frequency of assurance activities in the future.

The combination, frequency, and scale of assurance activities for each IP will be defined by UNFPA. Frequency of assurance activities is attributable with level of risks to the IP. The higher the risks due to weak financial management, the more frequent the assurance activities.

## 6.2 ASSURANCE ACTIVITIES

Assurance activities are as follows:

- 1) On-site review – this is a periodic on-site review of the IP’s financial information records for any given fund transfer. It may be in the form of a random spot check by UNFPA staff, and a special audit by the public accountant office, which is implemented and documented periodically, or, in case of any uncertainties in the implementation of the IP’s internal control in cash transfers;
- 2) Spot checks are conducted at least once a year, depending on the risk level to respective IPs based on the results of the Micro Assessment or from previous spot checks. Higher risk will result in more frequent spot checks. Spot checks are an instrument for Assurance activities that is conducted to assess the level of the IP’s internal control. Spot check is intended to improve IP capacities in implementation and to assure accountability.

The frequency of assurance activities within a year is as follows:

Type of Assurance Activity	Level of Assessed Risk			
	Low	Moderate	Significant	High
Spotcheck (minimum) As agreed by UNHACT Working Group as of 23 May 2012	At least once a year		At least twice a year	
Programme monitoring (minimum)	At least once every quarter		More than once every quarter	
Scheduled Audits (minimum)	Once in a CPAP cycle		Twice in a CPAP cycle	Every 12 Months
Special Audits (on demand)	On demand			

Spot checks will examine:

1. Follow-up on previous results of micro assessments, spot checks, and audit findings.
2. Mechanism and implementation of internal control procedure.
3. FACE form review: sample expenditures, examining supporting documents to assure compliance to rules, regulations, grant agreement with UNFPA (LoU), the approved AWP, verification that expenditures are recorded / reflected in the bookkeeping and bank account statement, timely delivery of FACE forms, and conformity of unit cost with the HCP. (see **Annex I** UN Harmonized Cost Parameter)
4. Petty Cash
5. Bank Reconciliation
6. Inventory and list of assets

SAfter the spot check is completed, the draft report is forward by UNFPA to implementing partners for their review and feedback towards the findings and recommendations. The spot check report is then signed by both UNFPA and the implementing partner.

Template for the spot check report is attached in **Annex XIX**.

- 3) *Programme Monitoring* is also a part of the assurance mechanism that will examine achievement based on the approved AWP, and its implementation rate; programmes should be monitored at least once every quarter by relevant IPs and UNFPA Output Managers.

- 4) *Scheduled Audits* for each IP are conducted according to the IP risk levels, previous audit results, and amount of expenditures.

## 6.3 AUDIT

Indonesia has been categorized as a HACT Compliant country, therefore the audit will be a HACT audit. In case of any changes from UNFPA headquarters, such changes will be informed to BAPPENAS (GCA) to communicate to other implementing partners.

### 6.3.1 Audit plan and objectives

The main objective of audits is to assess the effectiveness of the IP internal control in receiving, recording, and fund transfer, through a financial system review and expenditure sample testing, as reported in the FACE form.

Audits are also aimed at:

- Providing assurance to UNFPA that funds have been spent and managed by IPs in accordance with any provisions in the CPAP, AWP, or LoU;
- Ensuring that the IP internal control system is adequate and in accordance with national and international standards;
- Identifying potential risks that may hamper programme and operational achievements, and at making recommendations to strengthen IP internal control towards these potential risk;
- Examining IP activities and expenditures, resources management, and budget revision, if any, as well as the Operating Fund Account (OFA) report that has been reconciled.

### 6.3.2 Audit and Document Checklist Preparation

Audit preparation includes preparation of re-reviewing bookkeeping accuracy and document completion. UNFPA will accompany IP in preparing audit through routine spot check and by specifically visiting MP for preparation of this audit.

#### A. Review of accounting accuracy

Basically, accounting accuracy is required in every process of financial reporting in the form of FACE. IP reviews by tracing financial report from journal, ledger and report summary in FACE. Final positions of cash and bank are reconciled with

final balance of FACE, and in case of any difference, examination is performed along with evidences.

B. Document completeness

Any documents including financial and non-financial ones such as activity report, TOR, invitation letter, shall be properly filed in chronological way. Any change to expenditure must obtain prior approval. Below is the list of document completeness:

DOCUMENT	UNFPA	IP	ARCHIVES
Annual work plan, original and revised	✓	✓	
Letter of Understanding, and amendments signed and dated	✓	✓	
Letter of Representation	✓	✓	
Country Programme Action Plan	✓	✓	
All budget revisions	✓	✓	
Standard progress report (SPR)	✓	✓	
AWP progress report	✓	✓	
Quarterly Fund Advance and Certification of Expense (FACEs)	✓	✓	
Original disbursements and payment vouchers with supporting documentation	✓	✓	
List of IP officials with specimen signatures, authorized to sign financial reports	✓	✓	
CDR signed by UNFPA	✓		
OFA report from Atlas (from cognos report page)	✓		
Schedule of direct payments if not on FACE	✓		
CDR – FACE reconciliation	✓		
OFA Reconciliation	✓		
Bank statement		✓	
Bank reconciliation		✓	

DOCUMENT	UNFPA	IP	ARCHIVES
Supplier's invoices For: direct payment For: IP payment	✓	✓	
Contract with suppliers		✓	
Procurement documents (i.e. TORs;tenders;evaluation reports)		✓	
Evidence of work performed by subcontractors		✓	
Airlines boarding passes		✓	
Payroll records		✓	
Pay slips		✓	
Timesheets		✓	
Personel employment contracts		✓	
Attendance records for seminar/training courses		✓	
Previous year audit report	✓	✓	
UNFPA policy on Support vs. Direct cost	✓		

## 6.4 CONSIDERATION OF IP INTERNAL CONTROL

Significant Weaknesses of Internal Control:

Auditors will implement certain tasks resulting entire assessment on function or non-function of internal IP with following priority:

- a) system effectiveness in providing with useful and timely information to IP management for better AWP management; and
- b) general effectiveness of internal control system in protecting assets and resources provided in the implementation of AWP activities.

**Relevant IP internal control includes matters related to:**

- i. Accounting and information record for advance payment and expenditure;
- ii. Preparation and validation of FACE form submitted to UNFPA;
- iii. Depositing and safeguarding any fund received from UNFPA;

- iv. Procurement of goods and services;
- v. Remuneration;
- vi. Support documents and authorization for fund application;
- vii. Synchronizing fund application and activities within AWP and approved budget as well as revised one;
- viii. Depositing and safeguarding fixed assets;
- ix. Monitoring and reporting of activities implementation as well as progress report of expected result;
- x. Implementation of previous audit recommendation in timely and effective manner;

Audit sampling can be through:

### Expenditure

Expenditure reported by IP in the FACE form:

- i. In accordance with goods and services procured for implementing activities included in the AWP;
- ii. Properly supported by proper documentation proving reported transaction validation and that procured goods and services have been received and utilized for implementing activities in the AWP;
- iii. Having been reconciled with any expenditure reported in information note on IP accounting and on FACE form received from UNFPA or by direct payment report given by UNFPA;
- iv. Presented well, pursuant to accounting requirements and UNFPA reporting or accounting standards as well as other reporting being received.

### Fund/Advance Payment for Activities

- i. Fund/Advance payment for activities reported by IP will be in conformity with advance payment paid by UNFPA on related FACE form;
- ii. Opening and closing balance of OFA (Operating Fund Account) inside CDR reported by IP will follow balance confirmed by UNFPA on FACE form;
- iii. Cash balance reported by IP as stated on FACE form is in conformity with OFA balance in CDR and IP's accounting information record. In case IP has separate bank account, cash balance shall also conform to current account's statement balance.



## 6.5 AUDIT ASSIGNMENT & IMPLEMENTATION

In the HACT Audit, UNFPA through Resident Coordinator Office will assign BPKP or Independent Auditor to perform HACT audit. Mandate letter or assignment letter will be signed by UN Resident Coordinator and then UNFPA will provide with information on the audit to Bappenas/GCA enclosed with Terms of Reference for then being forwarded to the implementing partner.

Further, audit implementation phase will be as follows:

1. Entrance Meeting: By coordination of GCA/Bappenas, entrance meeting will invite auditor, Bappenas inspectorate, and related implementing partners. This meeting is basically to discuss audit's work scope and audit's implementation schedule agreement.
2. Fieldwork audit which will take place in 2-3 weeks.
3. Submission of the draft on audit findings from the auditor to implementing partners. During this draft submission period, implementing partners can respond entirely and in a timely manner to the auditor's findings. After the response to auditor findings, audit report will then be finalized.
4. Final report submission to IP and UNFPA.
5. Management response and audit follow up action plan submission from IP to UNFPA for then reported to the UNFPA head office.

More details on the implementation of audit will be described in the sample of terms of reference HACT Audit 2013. TOR for audit is a living document possibly changes annually in line with the dynamics of HACT implementation. Therefore, as stated above, UNFPA will inform mandate letter along with the latest TOR.

CHAPTER VII

PROCUREMENT  
OF GOODS AND  
SERVICES

## 7.1 INTRODUCTION

The procurement of goods and services is carried out by Implementing Partner refers to the provisions in the Presidential Regulation (Perpres) Number 54/2010 and the Presidential Regulation (Perpres) Number 70/2012 on The Procurement of Goods and Services of the Government of Indonesia.

The procurement of goods and services carried out by UNFPA based on the request of Implementing Partner refers to provisions in the UNFPA's Procurement Procedures.

### Definitions

- a. Chief Procurement Officer (Pejabat Pembuat Komitmen – PPK) is the official responsible for the procurement of goods and services;
- b. Procurement Service Unit (Unit-Layanan Pengadaan – ULP) is the organization of the Ministry/Institution that functions to procure goods and services that are permanent, stand-alone, or integrated to another existing unit;
- c. The Procurement Committee (Panita Pengadaan) is the committee appointed to procure goods and services;
- d. The Procurement Official (Pejabat Pengadaan) is the personnel appointed to execute direct procurement;
- e. Direct procurement (Pengadaan Langsung) is procurement of goods/services directly to a vendor without auction/selection process (direct appointment).
- f. Hand-Over Delivery Committee/Official (Panitia/Pejabat Penerima Hasil Pekerjaan) is the committee/official assigned to conduct receiving and inspection of goods/services.

## 7.2 PREPARATION OF PROCUREMENT OF GOODS/SERVICE

Implementing Partners should develop the annual work plans that include procurement plans for goods and services.

Implementing Partner may appoint a Chief Procurement Officer (PPK), a Procurement Committee/Official, a Hand-Over delivery Committee/Official, for UNFPA activities, or they may use the existing procurement personnel from their respective ministries/institutions.

IPs will provide support funds for the procurement of goods and services that covers:

- a. honorarium for Chief Procurement Officer, Procurement Committee/Official, and Hand-over delivery Committee/Official;
- b. advertisement expenses;
- c. duplication of document expenses;
- d. other necessary expenses.

Support funds for the procurement of goods and services can be sourced from the ministry/institution budget or UNFPA budget. According to UNFPA regulations any honorarium related to procurement cannot be charged to UNFPA budget.

Based on the annual work plan, the government project officer (PJOK) coordinates with the Chief Procurement Officer and Procurement Service Unit/Procurement Committee/Official on issues related to procurement.

If the procurement of goods and services is transfer back to UNFPA, such procurement of goods and services will follow the set procurement policies and procedure of UNFPA and the PJOK shall liase with the UNFPA Country Office (operations unit) to prepare the following:

- a. terms of reference/technical specifications;
- b. estimated costs;

### 7.3 IMPLEMENTATION OF PROCUREMENT OF GOODS AND SERVICES

The PJOK should monitor the procurement processes in accordance to the procurement plan. The Procurement of goods and services should be based on the following principles:

- a. efficiency;
- b. effectiveness;
- c. transparency;
- d. openness;
- e. competitiveness;
- f. fair/non-discriminative; and
- g. accountable.

Based on the results of procurement, chief procurement officer will sign the contract agreement with the selected vendor(s). Vendors will provide goods/services based

on the contract agreement, and the results are handed over to users through the hand-over delivery committee/official.

The PJOK will coordinate with the hand-over delivery committee/official in the inspection and receipt of the procured goods and services in accordance with the contract agreement.

Goods and services that are procured by UNFPA, in support of IP programme implementation, will be reported in Hand-Over Delivery Certificate (BAST) as agreed by the Implementing Partner and UNFPA, to be submitted to the Ministry of Finance.

## 7.4 TAX

The Convention on the Privileges and Immunities of the United Nations, Art. II, Section 7(a), which has been endorsed by the Government of the Republic of Indonesia on 24 June 1969, provides that the United Nations (including its subsidiary organs such as UNFPA) is exempt from all direct taxes. Accordingly, all purchases should be free of any direct taxes.

## 7.5 ASSET MANAGEMENT

Asset is goods/equipment purchased by UNFPA or by IP using UNFPA funds and under the custody of IP that fulfil the following criteria:

- a) Acquisition cost is US\$1.000 or more at the time of purchase, and
- b) A service lifetime of at least three years;
- c) Or 'attractive item' ( an item, irrespective of value and lifetime, that is considered to be easy to remove from the office and is valuable to individuals for private use or easily convertible into cash) such as laptop, scanner, printer, camera, etc.
- d) All assets must be recorded in Form C

### 7.5.1 Utilization and Maintenance

Goods and equipment approved for procurement will be used fully by the IP in the interest of cooperation programme implementation. Procurement of new equipment and/or equipment write off for the current year should be reported in Form C, including details of price of equipment and their locations.

Assets should be numbered and tag using the following convention: UNFPA/CP8/[IP Name]/Running Number.

In case of permanent damage, the Implementing Partner should communicate this in writing within one week at the latest to UNFPA, accompanied by a description (or an explanation) or supporting evidence to obtain approval for writing off the goods from Form C.

In case of loss, the Implementing Partner should convey this in writing within one week at the latest to UNFPA accompanied by chronology of incident and official Letter from the police regarding the loss to obtain approval for writing off goods from Form C.

### 7.5.2. Physical Count

The IP should perform physical and functional check of available asset by 1 December each year to ensure that asset report is complete and accurate. Results of physical check includes asset acquisition and disposal during the current year and details of price and location should be reported in Form C with reference to the procedure for accountability report and financial report.

Documentary evidence of the physical count and the subsequent reconciliation must be signed by staff members conducting the count. The documentation of this exercise must be retained on file for review of auditors, if requested.

### 7.5.3. Handover of Assets

Asset, equipment and other goods under the custody of IP in which funded or provided by UNFPA are property of UNFPA until the ownership has been transferred to IP.

At the end of the 8th Country Programme or in the case programme is winding up before the CP is completed, all equipment specified in Form C could be handed over to the Implementing Partner accompanied by an Transfer of Title document from UNFPA after the **Final Programme Review** meeting between **UNFPA-GOI**.

The Implementing Partner will send a letter of programme closure to UNFPA notifying that the programme has been completed and all remaining funds have been returned and requesting for the transfer of title of asset the Implementing Partner.

The transfer process will be accompanied by the Transfer of Title document prepared by UNFPA and submitted to the respective Implementing Partner at Central to Regional levels. Any tax obligation due to this transfer is the sole responsibility of the IP.

After the goods are handed over to the Implementing Partner, the accounting system of GOI according to Government Rules on State/Local Property Asset Management (PP No. 6/2006 jo PP No. 38/2008 tentang Pengelolaan Barang Milik Negara/Daerah) will take effect.

CHAPTER VIII

PEDUM Revision  
Procedures



The PEDUM is a dynamic reference documents that attempts to accommodate the needs of relevant parties in the context of CP8 implementation. In the case where adjustments or revisions are considered necessary, the revisions should be discussed and proposed by the technical team (Echelon 2-level officials and UNFPA) for further dissemination to all Implementing Partners. These revisions will be included as an annex in the PEDUM.

The background consists of three large, overlapping geometric shapes: a blue triangle at the top left, an orange triangle at the bottom left, and a green triangle at the bottom right. A white trapezoidal area is formed by the intersection of these shapes, containing the text.

# APPENDIX



**Internal UN document****HARMONIZATION OF COST RATES WITH IMPLEMENTING PARTNERS (IPS)**

The term “Implementing Partners (IPs)” refer to Government Agencies, NGOs and Private Institutions.

**Background:**

- 1) The harmonized Per Diem rates for Government Officials were already established and became effective as of 1 January 2008. Latest revision of the cost parameters approved on 1 September 2009. The UN-OMT Working Group further recommended that the harmonized Per Diem rates be applied also to other IPs, namely: NGOs and private institutions.
- 2) Having harmonized the Per diem rates for Government officials, NGOs and private institutions, the UN-OMT Working Group had been further tasked to review and recommend harmonized rates for other costs related to UN programme and project funded activities, such as: workshops/seminars/trainings that include the following payments: a) Allowance for Contributors (Resource Person/Speaker, Moderator/Note-taker, Trainer/Facilitator, and Interpreter); b) In-Town Transportation; and c) Transport to and from the Airport. Details budget items for workshops/seminars/meetings and trainings refers to part A and part B in Annex, respectively.

*In the case of Government Officials, it is recommended that the In-town transportation, Per Diem, Allowance for Contributors and Transport to and from the Airport are to be borne by the Government as part of their contribution to the related UN programmes/projects. In case it is not possible, the following practices are to be adopted by UN agencies in Indonesia.*

Against the above background, the Working Group concluded the following:

## 1. Per Diem for IPs

### Per Diem Rates for Implementing Partner (IP)

CATEGORY	LEVEL/LOCATION	Per Diem (Maximum) per day in IDR*
Participant / Committee/ Contributor	From Central (Jakarta)	
	- to region (province/region/city)	900.000
	- to Papua	1.000.000
	<b>From Province Capital</b>	
	- to central (Jakarta)	900.000
	- to other province except Jakarta and Papua	800.000
	- to region/district/city	600.000
	- From Papua Province to region/district/city within Papua	900.000
	<b>From District</b>	
	-to central (Jakarta)	900.000
	-to central (except Jakarta)	800.000
	- to province (in/outside provincial capital)	800.000
	- to other district (within the same province)	600.000
	- to sub-district ( within the same district)	400.000

#### \*) Note:

Detail guideline for Per diem payments should refer to Part **C and D** in Annex.

## 2. In-town transportation

It is observed that when a Government Official is invited to attend an event by another government agency, s/he is provided with local transportation by the inviting Government Agency.

“In-town transportation” is the allowance for IP staff being invited to an official activity/event (i.e. workshop/seminar/training) conducted in town by UN funded programmes/project management; provided the activity/event does not take place at the same office/building.

It is to be noted that such practice does not apply when the IP is invited to attend a meeting by an UN Agency.

**Meeting/Training Package (In town transportation allowance, meals, snacks for local participant)**

Location	In-town transportation (per day) – in Total	
	Transport cost	Meals
Jakarta	150.000	150.000
Provincial Capital	125.000	125.000
Other than Jakarta and Provincial Capital	100.000	100.000
Sub-district (e.g. community health center, school cluster, etc.)	75.000	75.000

### **3. Allowance For Contributors**

Allowance for contributors is the allowance payable to a Speaker, Resource Person, Moderator, Note Taker, Trainer, Facilitator and Interpreter in relation to their contribution to UN project funded activities, such as Meeting/Workshop/Seminar/Training.

Allowance for contributors cannot be paid to high-rank officials, including ministers, echelons 1 and 2, governors, majors and head of districts, participated in Meeting/Workshop/Seminar/Training in their capacity as state officials. This is determined by UN agencies as per discussion with the IPs.

Detail information regarding this type of allowance please refer to Annex.

**Allowance for Contributors\*)**

Contributors	Fee in IDR	
Experts/professionals (refer to “professional cost” in Part A of Annex)	1.400.000	Per session
Speaker / Resource Person	600.000	
Moderator	500.000	
Trainer / Facilitator	250.000	
Note Taker	225.000	
Module preparation (for trainer only)	450.000	per subject
Interpreter	Based on the agreed contract	

**\*) Note:**

1. Refer to Government Unit Cost 2013 (SBU 2013).

2. UN–contract consultants/experts are not entitled to receive allowance as contributors.
3. 1 session is equal to 2-3 hours of activities.

#### **4. Transport to and from the Airport**

- Transport to and from the Airport in Jakarta is IDR 300,000.
- Transport to and from the Airport in other locations is determined by UN agencies as per discussion with the IP (not more than amount stated in Standard Biaya Umum/ Government Unit Costs 2013).

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## Annex

### NOTES ON HARMONIZATION OF PAYMENT PRACTICES WITH IMPLEMENTING PARTNERS (IPS)

The term “Implementing Partner (IP)” refers to Government Agencies, NGOs and Private Institutions.

#### A. Type of budget items for Meeting/Seminar/Workshop Activities

Categories	Budget Items	Remarks
1.Non-local	Per diem	Provided for the participants, committees, resource persons, moderators and note takers from out of the town.
	Out-of-the-town transport cost	
	Transport cost to and from the airport (if applicable)	
2.Local	Meeting package	Managed by the committees
	In-town transportation	Provided for the IP staff, participants, committees, resource persons, moderators and note takers from the town for activities out of the office.
3. General	Allowance for resource persons / Speakers	Provided for non-local and local source persons preparing presentation materials per session.
	Allowance for moderators	Provided for non-local and or local moderators per session.
	Allowance for note takers	Provided for local and non-local note takers per sessions.
	Professional costs	Only for professionals from agencies/individuals out of the IP team. The inviting agencies should make TOR and employment contract, including the cost for the professionals.
	Stationeries	For participants in the form of folders, pencils/ballpoints, block notes, etc.



Categories	Budget Items	Remarks
	Administration	Managed by the committees for the purchase of papers and stationeries and correspondence costs, communication, documentation, CD, photocopy, banners, cleanliness of meeting room and rental of meeting room.

## B. Type of budget items for Training/Orientation Activities

Categories	Budget Items	Remarks
1.Non-local	Per diem	Provided for the participants, committees, trainers / facilitators from out of the town
	Out-of-the-town transportation cost	
	Transportation cost to and from airport	
2.Local	In-town transportation	Provided for the IP staff, participants, committees, resource persons, moderators and note takers from the town for activities out of the office.
	Training package costs	Managed by the committees
3. General	Facilitators / Trainers	Provided for local and non-local trainers/facilitators conducting training, with the unit cost per session per person.
	Module preparation costs	Provided for non-local and local trainers per subject.
	Stationeries	For participants in the form of folders, pencils/ballpoints, block notes, etc.
	Administration	Managed by the committees for the purchase of papers and stationeries and correspondence costs, communication, documentation, CD, photocopies, banners, cleanliness of meeting room and rental of meeting room.

### C. Arrangement for Non-Local Category

- Non-local category will be applied to participants, committees, resource persons, moderators and note takers who are working out of the town where the activity takes place.
- Location of activity is the place where activity takes place
- The payable amount for per diem will be proportionate according to the following percentage:
  - Accommodation : 50%
  - Meals: 30% (unless stated differently by the respective UN agencies, the proportion shall follow percentage: breakfast: 6%; lunch: 12%; and dinner: 12%)
  - Local transport and personal allowance :20% per diem
- For participants from the government agencies, per diem can only be paid to the participants, committees, resource persons, moderators and note takers who bring SPT (SuratPerintahTugas)/Travel Order and or SPPD (SuratPerintahPerjalananDinas)/ Official Travel Warrant.
- If the committees manage payments for accommodations and meals of the participants, committees, resource persons, moderators and note takers to the hotel/lodging house where the activity takes place, the per diem money of the participants, committees, resource persons, moderators and note takers will be deducted totaling the real costs expended by the committees. However, if the total cost per person is more than 80%, the participants will still receive 20% of the total per diem. This provision should be clearly stated in the letter of invitation.
- The same principles will also be applied if the committees only provide foods and drinks, namely the participants, committees, resource persons, moderators and note takers out of the town will receive the remaining per diem after being deducted with the meal cost. If the meal costs per person that should be paid by the committees to the hotel are more than 30% of the per diem cost, the participants, committees, resource persons, moderators and note takers will still receive 70% of the per diem.
- If travel from the town of origin to the town of destination and vice versa can be carried out on the same day, the participants, committees, resource persons, moderators and note takers out of the town will receive 50% of the per diem. If meals provided, the person will receive 20% of the per diem.
- If the committees only provide accommodations during the event, the participants, committees, resource persons, moderators and note takers out of the town will receive per diem money of 50%.
- If the committees do not provide accommodations and meals on the day when the activity takes place, the participants, committees, resource persons, moderators

and note takers out of the town will receive per diem money of 100%.

- The number of per diem days that can be funded is in accordance with the number of activity days added with the day of arrival if the participants, committees, resource persons, moderators and note takers out of the town have to come one day before and one day of departure if they have to return the following day. Upon approval of itinerary, if the number of travel days from the town of origin to the town of destination and/or vice versa takes 2 days, the number of per diem days provided will be the number of activity days added with 2 days of arrival and/or 2 days of departure.
- In the framework of budget planning, participants who due to transportation factors require additional time to depart/return beyond the time of the activity implementation, accommodation cost and per diem of official travel can be allocated in accordance with the existing regulations, for 1 (one) day before and/or 1 (one) day after the implementation of activities.
- Transportation cost for participants, committees, resource person, moderators and note takers out of the town is calculated on the basis of actual cost.
- Local transport and per diem are local transportation allowances provided to go to the place of meeting and personal purposes.
- Implementing partner must clearly insert in the Budget Plan (RAB)/ Rencana Anggaran Biaya (RAB), increased budget item costs due to the portion of the consumption and accommodation costs more than 30% and 50% of the per diem costs, respectively.
- Financial accountability for the accommodation and consumption costs to the hotels is the invoice and payment receipt document issued by the related hotel/ lodging house, rather than the receipts made by the committees and then signed and stamped by the hotel.
- Financial accountability for the payment of the remaining per diem is the receipt/ actual payment document signed by each participant, committee, resource person, moderator and note taker.
- To avoid the misuse of air tickets, as far as possible all procurement of return air tickets should be carried out by the activity committee through the purchase with an e-ticket system and the committees will then send it via e-mail to each participant, resource person, committee, moderator and note taker who will attend the activity.
- Financial accountability for air tickets must be accompanied with invoices and payment documents to the travel agent if tickets are purchased at the travel agent, or in accordance with the total listed on the e-ticket when purchased via internet.
- If air tickets are purchased by the participants, committees, moderators, resource persons and note takers from out of the town, in addition to submitting

the ticket documents, participants, committees, moderators, resource persons and note takers should sign a Letter of Absolute Accountability / SuratKeteranganTanggungJawabMutlak (SKTM) to receive the reimbursement of the tickets.

- Participants out of the town will be asked to send the evidence of ticket returning to the town of origin, boarding pass and payment evidence of airport tax after traveling.

#### **D. Arrangement for Local Category**

- This category will be applied to participants, committees, resource persons, moderators and note takers working in the same town where the activity takes place.
- Transportation cost can only be provided for the participants, organizers, resource persons, moderators and note takers from the city for activities conducted outside the office, including activities conducted at the hotels or convention halls.
- Consumption cost will be managed by the committees and will not be distributed to the participants, committees, resource persons, moderators and note takers.
- If activities take place until midnight and the local participants, committees, resource persons, moderators and note takers have to stay at the hotel where the activities take place, the costs of accommodations and meals will be paid to the hotel by the committees. While the local participants, committees, resource persons, moderators and note takers will only receive transportation cost. Per diem cannot be distributed to the local participants, committees, moderators, resource persons and note takers.

#### **E. Others**

- A moderator can only be presented if needed and adapted to the nature of the meeting.
- In case it is required more than one facilitator to run the session, each facilitator will receive facilitator fee per session. If a person has two or more functions, for instance as a committee and a participant, the per diem/implementation cost or transportation cost that can be provided will only be for one function.
- The number of the meeting/seminar/workshop committee members that can be financed by UN projects/programmes is maximum 20% of the number of

participants, but not more than 10 persons. Any variance to this number is subject to approval by the respective UN agencies.

## **F. Monitoring Activities**

Following are the types of expenditures for the monitoring/supervisory activities that can be financed, namely:

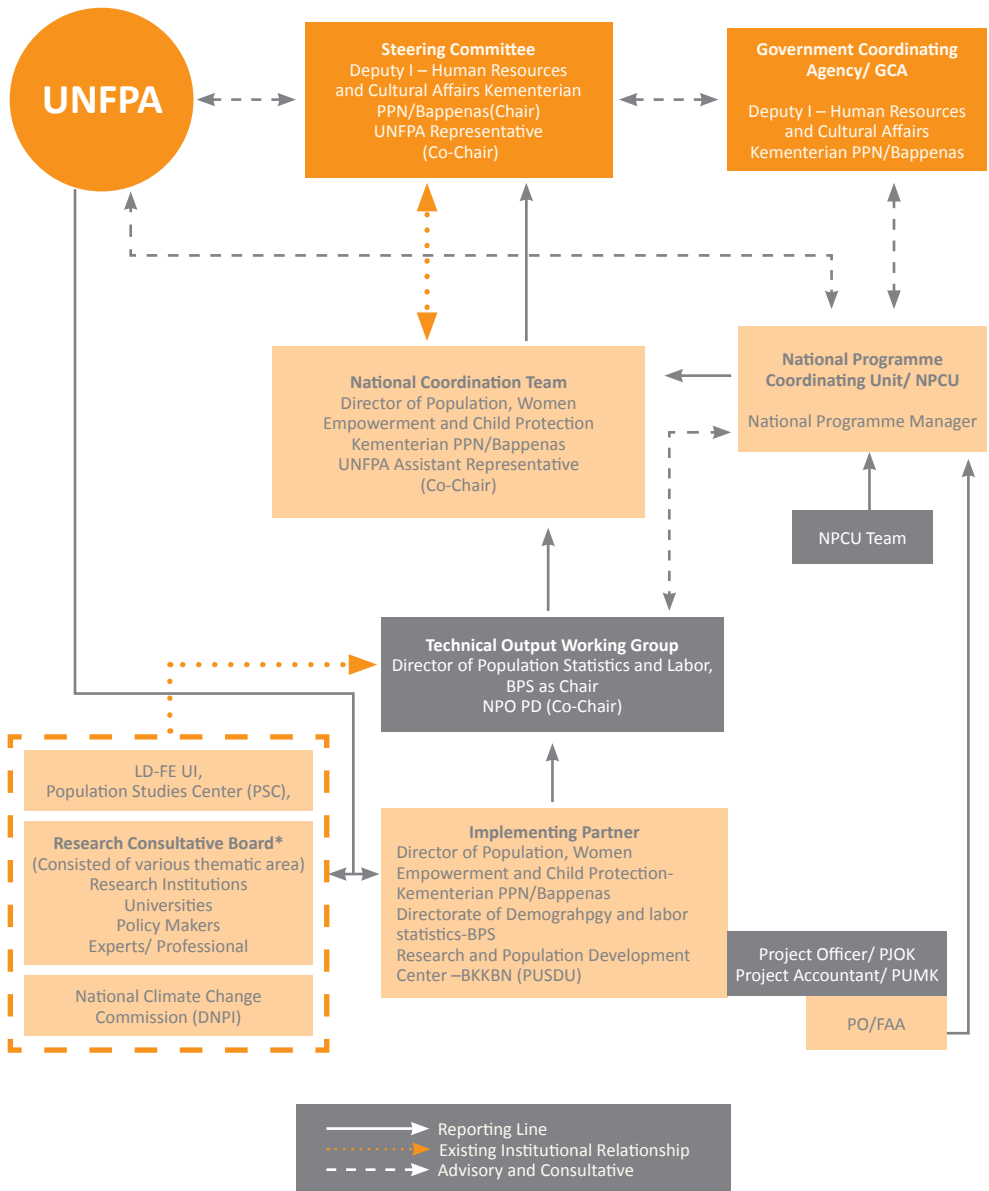
- Land/sea/river/air transportation to the place to be monitored or supervised;
- Per diem.
- Others, as applicable.

## **G. Cost for the Development of Modules/Journals/Manuals/Guidelines/Instructions**

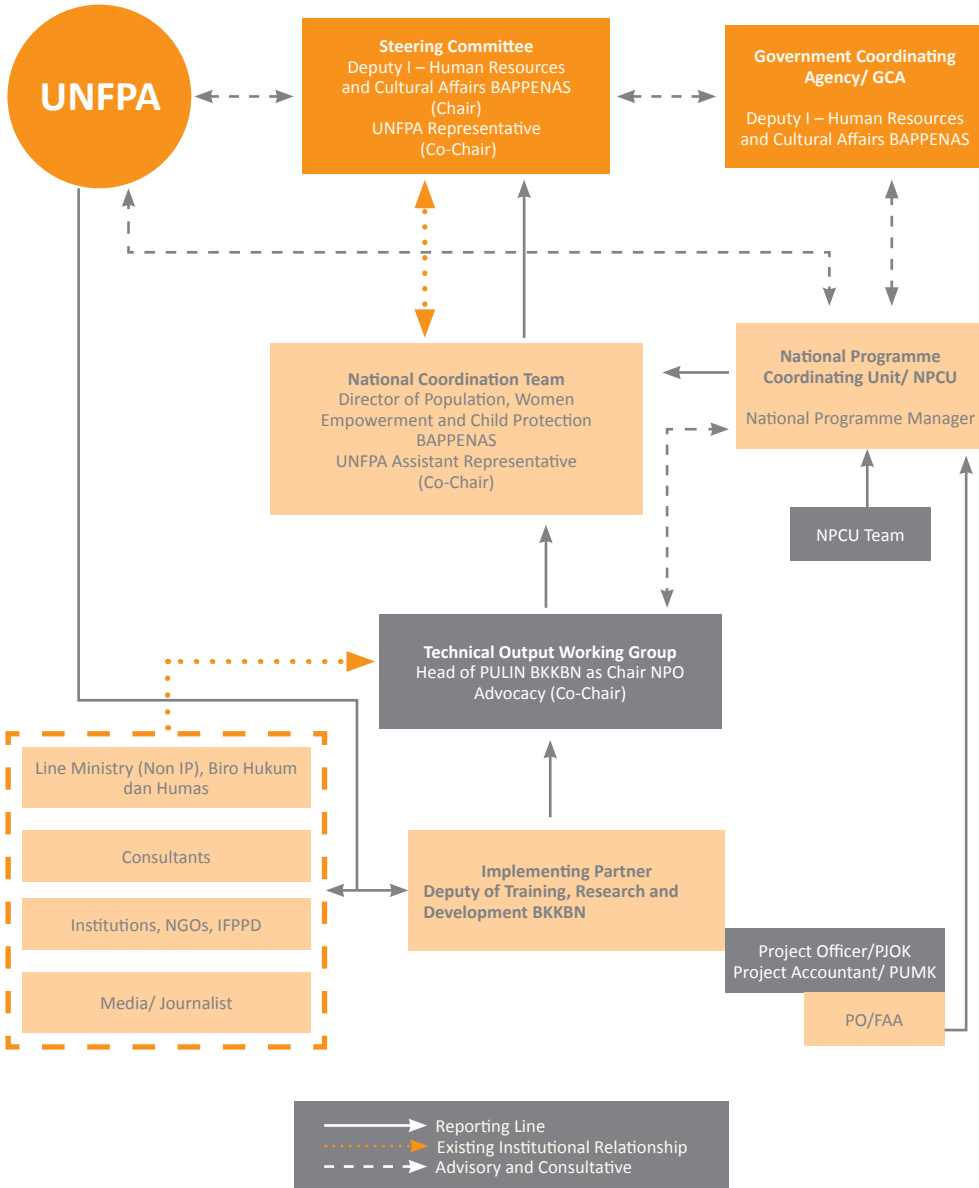
While the number of the development team members and the duration of the development of the report will be specifically determined by UN agencies and the implementing partner effectively and efficiently in accordance with the requirements. The final results of the modules/Journals/Manuals/Guidelines/Instructions must be submitted for accountability purpose.

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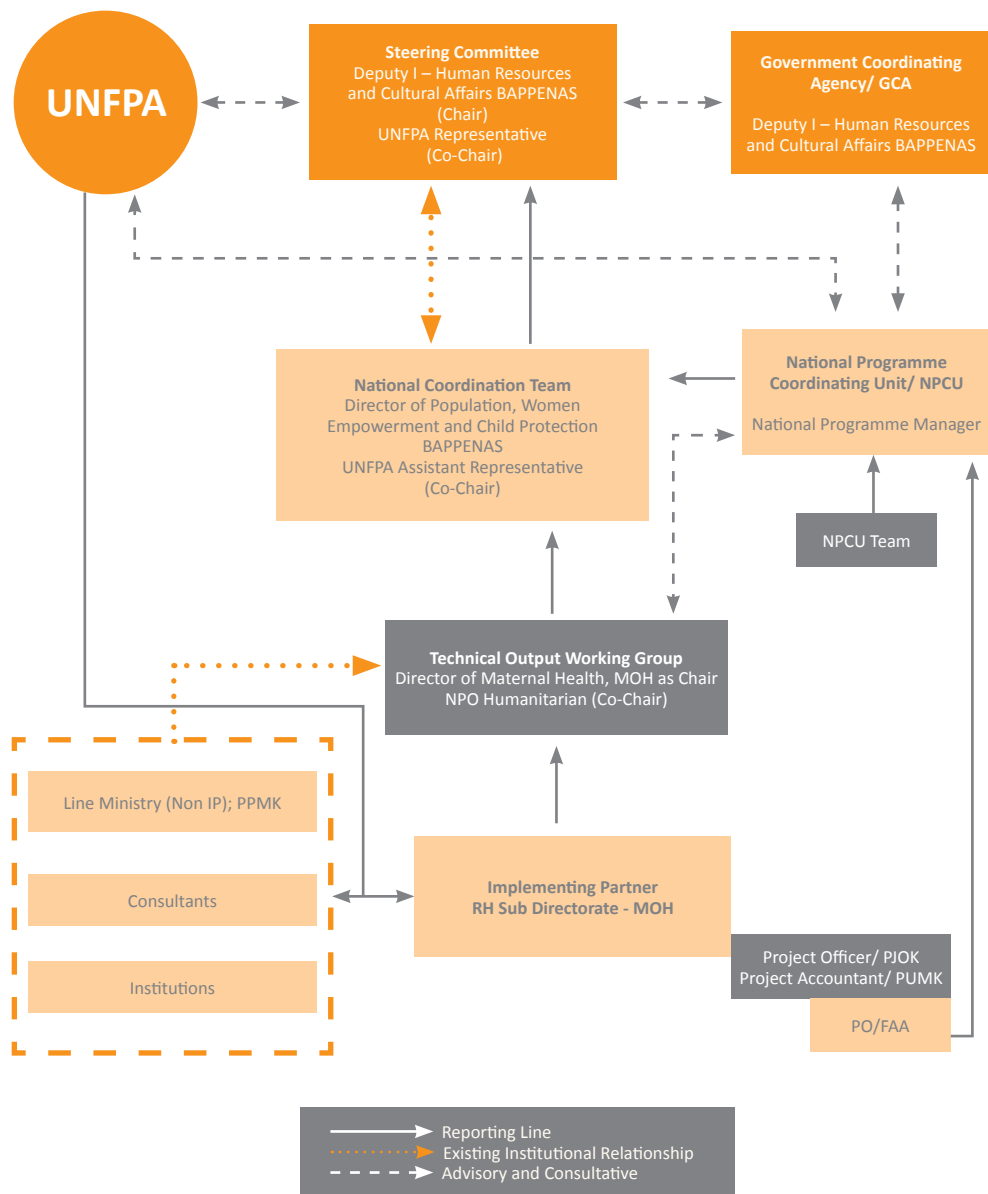
Management Structure U101



## Management Structure 123

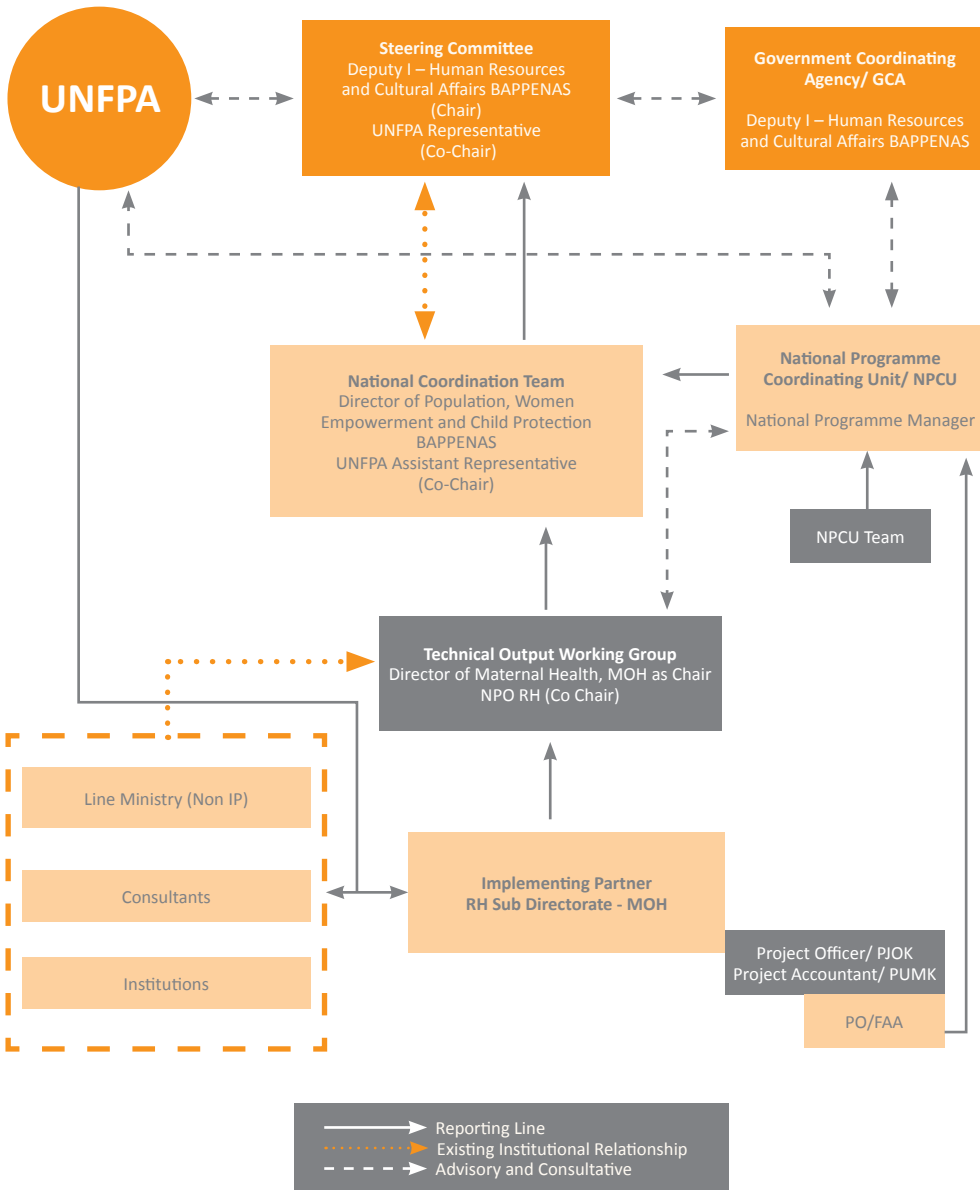


## Management Structure 207

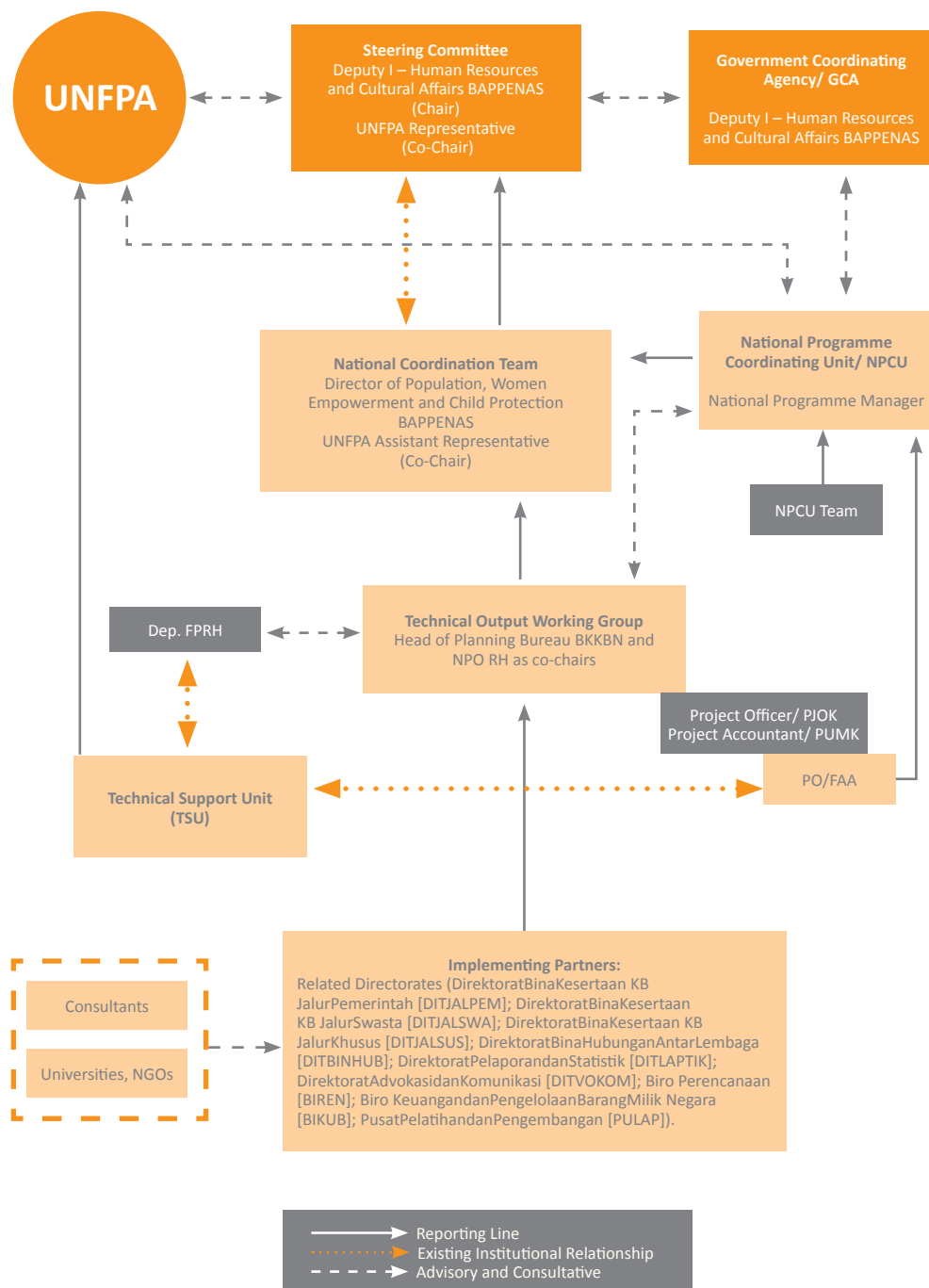




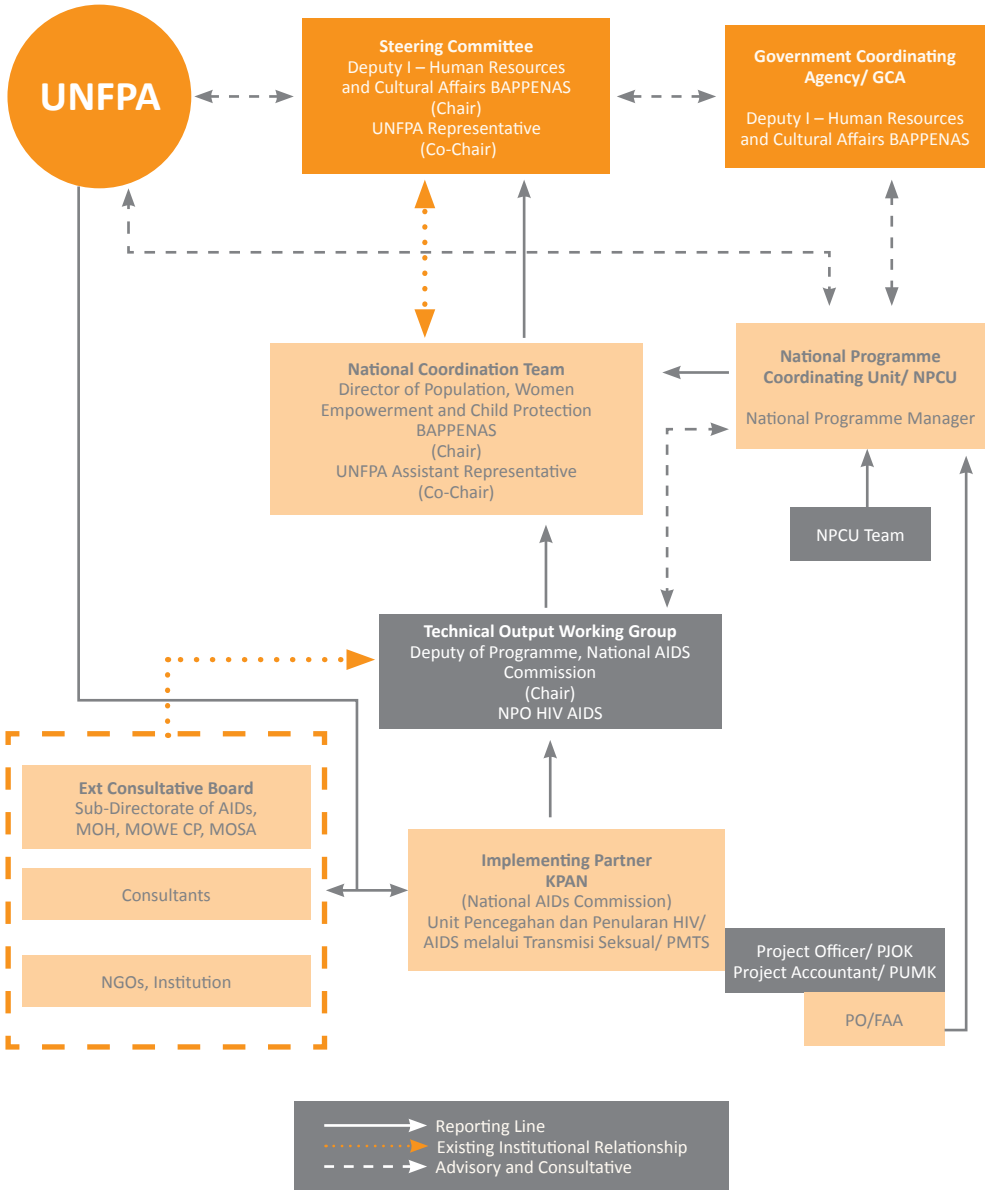
## Management Structure 224



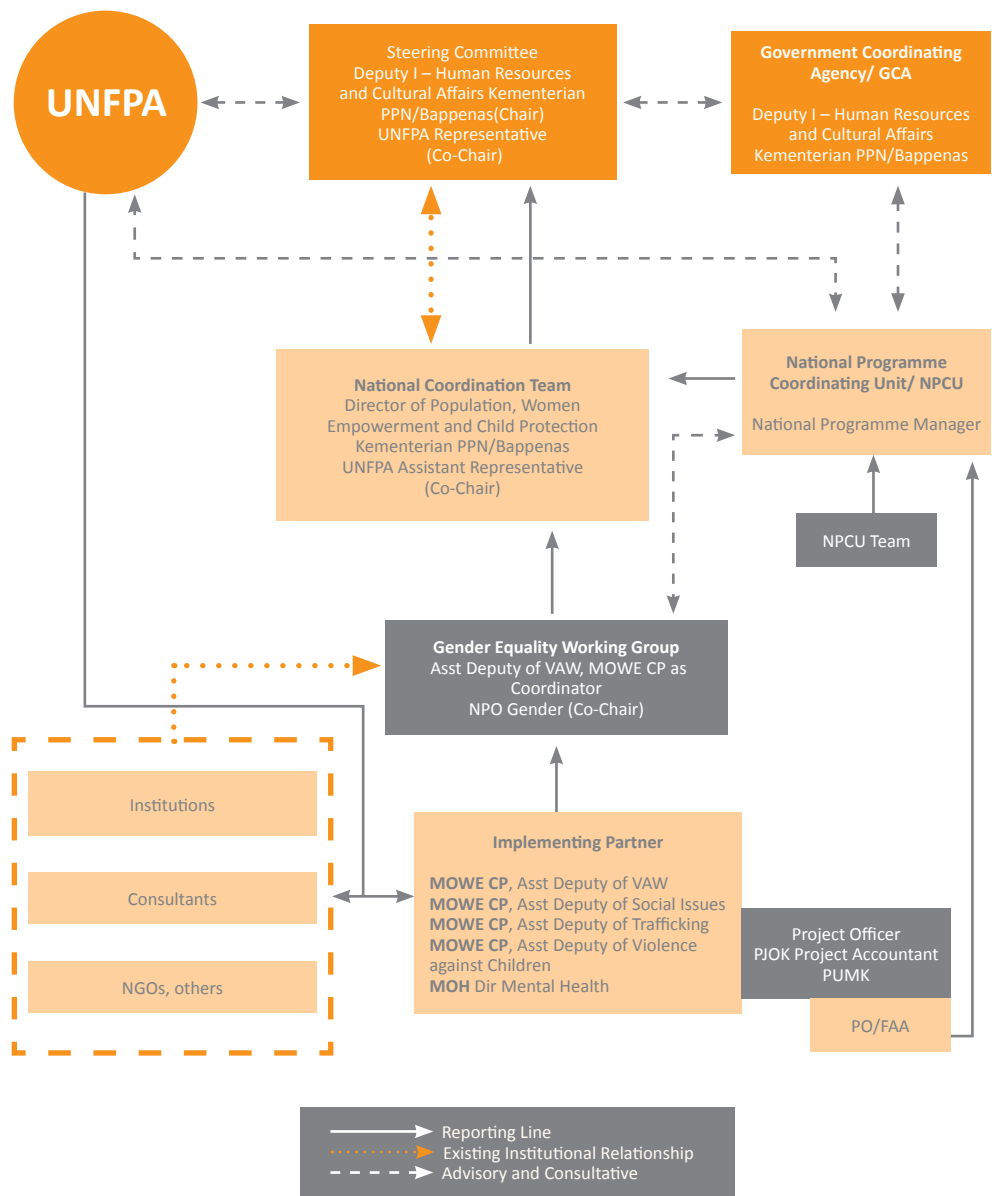
## Management Structure 309



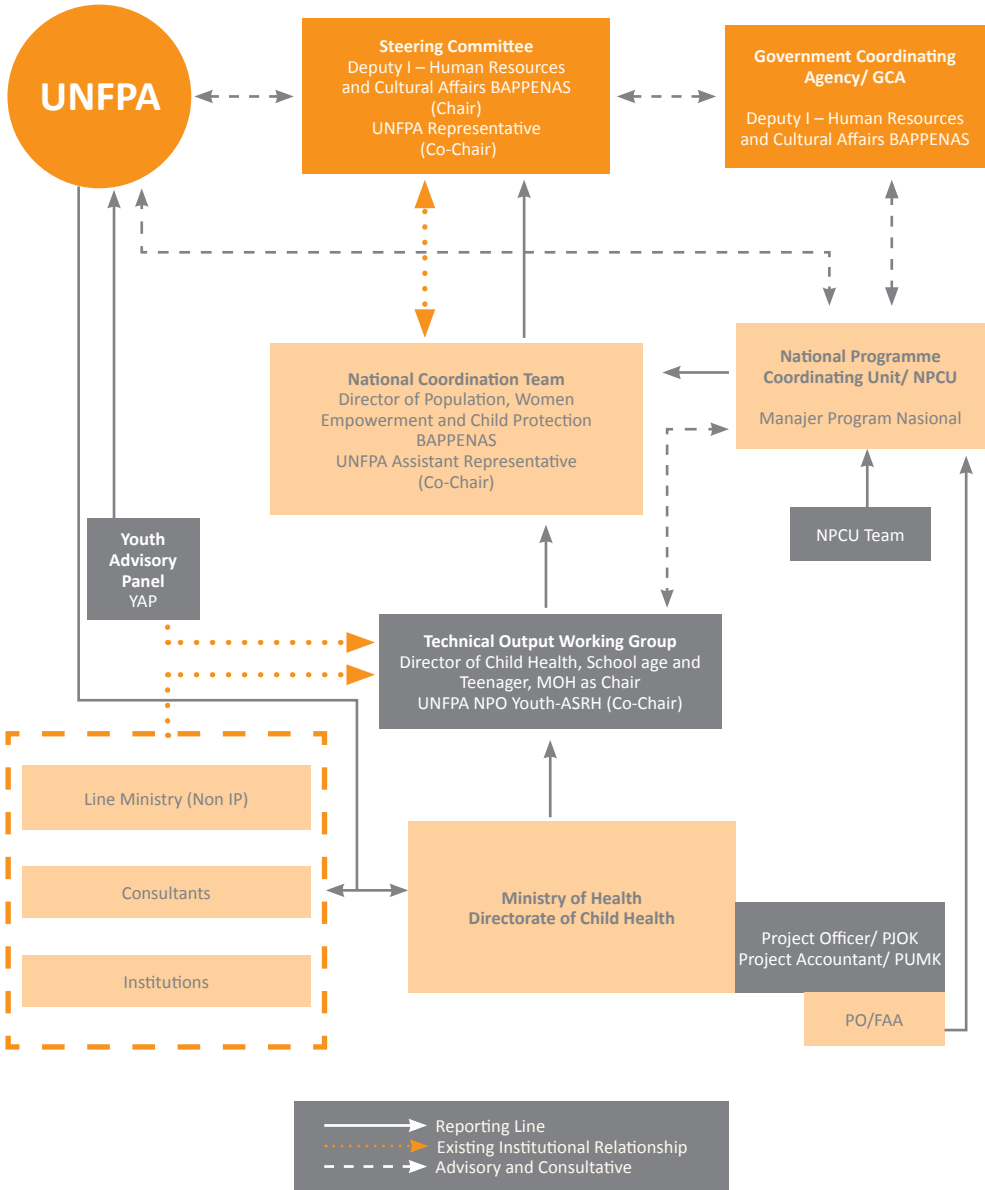
# Management Structure 410



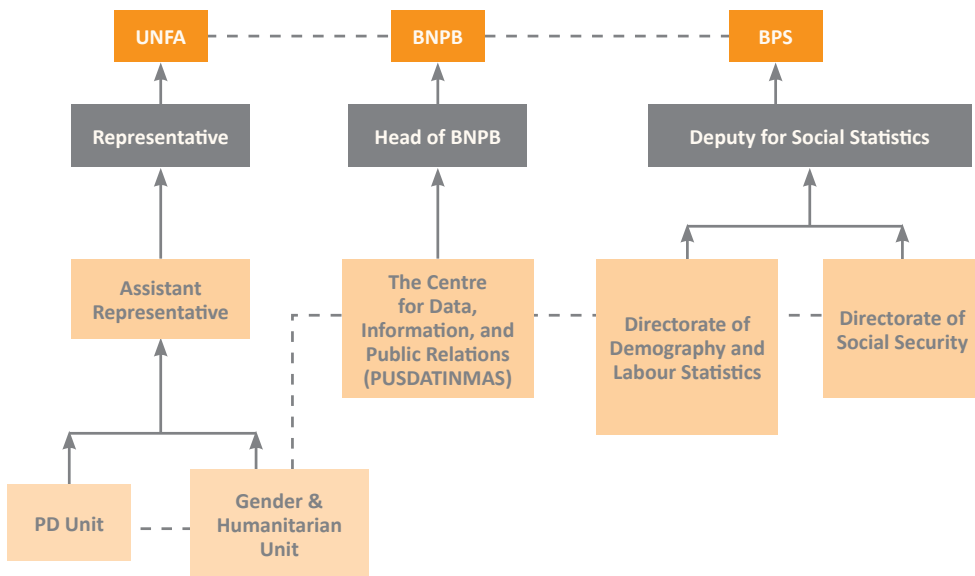
# Management Structure 513



## Management Structure 615



## Management Structure 717





## Staff Performance Appraisal (PAF) Form

### PERFORMANCE ASSESSMENT FORM (PAF)

(Applicable to staff on projects only)

(Appendix A provides procedures for completion of the PAF).

Staff Member's name:

Functional Title:

Grade/Step: Project Name/Number:

Duty Station:

Period covered by report:

Section 1: **Performance plan** (The staff member lists the key assignments and objectives planned for the period under review):

Key tasks	Objectives
■	■
■	■
■	■
■	■
	■
■	■
■	■

Section 2: Staff member's evaluation of performance according to performance plan (The staff member evaluates performance by indicating if objectives were fully met, partially met or not met, and adds brief explanations as necessary).



Key Tasks	Status			Remarks
	C	PC	NC	
■				
■				
■				
■				
■				
■				
■				
■				

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Section 3: Option: Staff member may wish to comment on his/her plans following conclusion of current assignment.

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Section 4: Supervisor=s evaluation of performance according to performance plan (Supervisors should also comment on (a) knowledge/technical competence; (b) productivity in terms of quantity and quality of work; (c) contribution to team work input; (d) work relationships; (e) managerial and supervisory skills, as relevant):

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Section 5: Overall performance rating by supervisor:

An unusual contribution; exceeded by far the expectations of the Job Description and the Performance Plan.

Exceptional: frequently exceeded the expectations of the Job Description and the Performance Plan.

Highly Satisfactory; fully met the expectations of the Job Description and the Performance Plan.

Needs some improvement; performance met some of the expectations of the Job Description and the Performance Plan but needs improvement

Not satisfactory; did not meet fundamental requirements of the Job Descriptions nor the Performance Plan.

Signature of Supervisor: \_\_\_\_\_ Date: \_\_\_\_\_

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Section 6: Staff member's comments (The staff member has the option of commenting on the supervisor's evaluation and rating).

Signature of staff member: \_\_\_\_\_ Date: \_\_\_\_\_

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Section 7: Review and comments by second reporting officer (Comment on (a) familiarity with the staff member's work; (b) the consistency and reasonableness of the rating given by the supervisor; and (c) any significant statement made by the staff member on this form):

Signature of second reporting officer: \_\_\_\_\_ Date: \_\_\_\_\_

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Section 8: Final review by staff member:

Signature of staff Member: \_\_\_\_\_ Date: \_\_\_\_\_

**LETTER OF UNDERSTANDING**  
**between**  
**[full name of Implementing Partner]**  
**and**  
**the United Nations Population Fund**  
**for**

**the implementation of UNFPA-funded AWP's relating to the 2011-2015 UNFPA Country Programme for the Republic of Indonesia.**

**[Full name of Implementing Partner]** and the United Nations Population Fund, referred to jointly as the "Parties" and each separately as a "Party", hereby agree as follows:

**I. Definitions**

In this Letter of Understanding, the expression:

1. "the Government" means the Government of the Republic of Indonesia;
2. "United Nations Population Fund" or "UNFPA" means the subsidiary organ of the United Nations established by the General Assembly pursuant to resolution 3019 (XXVII) of 18 December 1972;
3. "Country Programme" means the UNFPA country programme for the Republic of Indonesia approved by the Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services for the period 2011-2015;
4. "CPAP" means the Country Programme Action Plan dated [date], agreed to by and signed on behalf of the Government and UNFPA for the period 2011-2015;
5. "AWPs" means the formal documents (in standard format) signed by the Implementing Partner and UNFPA, which reflect detailed activities and budget and define what is to be accomplished during the period covered by the CPAP. It is the basis for requisitioning, committing and disbursing funds to carry out planned activities and for their monitoring and reporting. When used in the singular, the term is "AWP";
6. "Implementing Partner" or "IP" means [full name of Implementing Partner, followed by address]

7. “HACT” means the United Nations Development Group’s/United Nations Development and Operations Coordination Office’s Harmonized Approach to Cash Transfer, available at <http://www.undg.org/index.cfm?P=255> (Framework for Cash Transfer to Implementing Partners, September 2005);
8. “FACE form” means the Funding Authorization and Certificate of Expenditure Form, a copy of which is available at <http://www.undg.org/index.cfm?P=255>;
9. “FACET” means FACE Tool, UNFPA’s electronic data entry facility for the information contained in FACE forms, which is available at <https://www.myunfpa.org/Apps2/FACET/>;
10. “support costs” means those costs incurred by the IP which cannot be unequivocally attributed to a specific activity implemented by the IP in accordance with the AWP’s and this Letter of Understanding. The “support cost rate” represents the mutually agreed contribution by UNFPA to the IP’s regular operating expenses as agreed to in this Letter of Understanding and the AWP’s and considered by both Parties to be fair, and shall be estimated as a percentage of the direct costs actually incurred by the IP in the implementation of activities in accordance with the AWP’s and this Letter of Understanding. In accordance with UNFPA’s financial rules, an IP that is a Government shall not be entitled to the payment or reimbursement of any support costs;
11. “Authorized Officer” means one of the following officers of the Implementing Partner:

(a) Full name: \_\_\_\_\_

Title: \_\_\_\_\_

Sample signature: \_\_\_\_\_

(b) Full name: \_\_\_\_\_

Title: \_\_\_\_\_

Sample signature: \_\_\_\_\_

It is understood, for the avoidance of doubt, that any removals from or amendments to the (list of) Authorized Officer(s) identified above shall require a written amendment to this Letter of Understanding in accordance with section 15.0 of the General Terms and Conditions appended to this Letter of Understanding;

12. “non-expendable equipment” means any item that cost US\$1,000 or more, including costs of initial delivery and handling, and which has a service lifetime of at least three years;
13. “attractive items” means items that are considered valuable to individuals for private use and which could easily be removed from an office or similar premises, including laptop computers, scanners, laser printers, CD burners, CD players, DVD players, VHS players, digital cameras, film/video cameras, televisions, cellular phones and satellite phones;
14. “UNFPA Direct Payment request form” means the form available at [http://www.unfpa.org/webdav/site/global/shared/documents/directpayment\\_request\\_form.xls](http://www.unfpa.org/webdav/site/global/shared/documents/directpayment_request_form.xls) or such other form as may be decided by UNFPA;
15. “Letter of Representation” means the form available at: [http://www.unfpa.org/webdav/site/global/shared/documents/DirectPayment\\_request\\_form.xls](http://www.unfpa.org/webdav/site/global/shared/documents/DirectPayment_request_form.xls) or such other form as may be decided by UNFPA;

## **II. Documents**

This Letter of Understanding consists of the following documents:

1. This Letter of Understanding;
2. The General Terms and Conditions appended hereto.

## **III. Purpose and scope**

This Letter of Understanding shall govern the implementation by the IP of the relevant parts of the CPAP through one or several AWP. It describes the relationship between the Parties and the Parties’ responsibilities, the relevant provisions of other agreements entered into between the Government and UNFPA notwithstanding.

## **IV. General responsibilities of the Parties**

1. The Parties agree to carry out their respective responsibilities in accordance with the provisions of this Letter of Understanding and the AWP.
2. The Parties shall keep each other informed of all relevant activities pertaining to the implementation of the relevant parts of the CPAP and the AWP, and shall hold consultations when either Party considers it appropriate on the status of this cooperation, including any circumstance that may affect the achievement of the objectives of the CPAP and the AWP.

3. The Parties shall refrain from any action that may adversely affect the interests of the other Party and shall fulfill their commitments with fullest regard for the terms and conditions of this Letter of Understanding and the principles of the United Nations.

## **V. Responsibilities of the IP**

The IP will contribute to the implementation of the AWP by undertaking the responsibilities allocated to it in the AWP and in this Letter of Understanding, in full cooperation with UNFPA, and will do so in accordance with the budget, schedule, and other details set out in the AWP, including by:

- (a) Commencing work on the responsibilities allocated to it in the AWP promptly upon signing the AWP (but in no case prior to signing this Letter of Understanding) and, if necessary, receipt of the first installment of the cash, supplies and equipment to be transferred to it by UNFPA;
- (b) Making its designated contributions of technical assistance, services, supplies and equipment towards the implementation of the AWP as provided for under the AWP and this Letter of Understanding.
- (c) Completing its responsibilities with diligence and efficiency, and in conformity with the requirements set out in the AWP (including in connection with the schedule and budget);
- (d) Providing the reports required under this Letter of Understanding in a timely manner and satisfactory to UNFPA, and furnishing all other information covering the AWP and the use of any cash, supplies and equipment transferred to it by UNFPA that UNFPA may reasonably ask for;
- (e) Providing full cooperation regarding monitoring and evaluation activities, audits and other assurance activities, including by granting full access to documents, records, premises or its employees or agents in a timely manner;
- (f) Exercising the highest standard of care when handling and administering the cash, supplies and equipment provided to it by UNFPA, and ensuring that its personnel will conduct itself with the highest standards of integrity and care in the administration of public assets including money.

## **VI. Responsibilities of UNFPA**

1. UNFPA will contribute to the implementation of the AWP by undertaking the responsibilities allocated to it in the AWP and this Letter of Understanding, including by:
  - (a) Commencing and completing the responsibilities allocated to it in the AWP in a timely manner, provided that all necessary reports and other documents are available;
  - (b) Making transfers of cash, supplies and equipment in accordance with the provisions of this Letter of Understanding;
  - (c) Undertaking and completing monitoring, evaluation and oversight of the AWP;
  - (d) Liaising on an ongoing basis, as needed, with the Government, other members of the United Nations Country Team, donors, and other stakeholders; and
  - (e) Giving overall guidance, oversight, technical assistance as appropriate, and leadership for the implementation of the AWP, and making itself available for consultations as requested.
2. The IP shall not be entitled to the reimbursement by UNFPA of any support costs.

## **VII. The AWP**

1. AWP shall be signed by duly authorized representatives of the Parties.
2. AWP, including any budgets or timelines contained therein, may be modified only by written agreement between the Parties.

## **VIII. Inputs by UNFPA towards implementation of AWP**

### **(A) Cash Transfer by UNFPA to/on behalf of IP**

#### General provisions:

1. The IP may request that UNFPA provide it with financial assistance for the IP's activities towards the implementation of the AWP. UNFPA will provide such financial assistance in an amount not to exceed the amount of financial assistance stipulated in the AWP, including any amendments thereto (the "Cash Transfer"), subject to the availability of funds and the terms of this Letter of Understanding. UNFPA will provide such financial assistance to the IP following three Cash Transfer modalities:

- (a) Direct cash transfer to IP ("Direct Cash Transfer");
  - (b) Reimbursement to IP ("Reimbursement"); and
  - (c) Direct payment on behalf of IP to IP's vendor ("Direct Payment").
2. The Cash Transfer shall be done in installments as identified in the AWP or as otherwise decided by UNFPA (the "Cash Transfer Installments" and each one of them separately a "Cash Transfer Installment").

Cash Transfer procedures:

4. Cash Transfer Installments will be transferred to or, where the Direct Payment modality is used, on behalf of the IP solely to contribute to the implementation of the AWP. The IP agrees that the funds so transferred will be used exclusively for the implementation of the AWP.
5. UNFPA will make each Cash Transfer Installment to or, where the Direct Payment modality is used, on behalf of the IP in response to a written request from the IP, in accordance with the following procedures:

(I) Procedures for requests for Cash Transfer Installments under all three Cash Transfer modalities:

- (a) Unless otherwise agreed between the Parties in writing, every three months during the term of this Letter of Understanding ("Quarter Year Period" or "Quarter") the IP will send UNFPA a written request for the Cash Transfer Installment specified in the AWP. The IP will do so using the FACE form. The request shall be signed by an Authorized Officer.
- (b) The first written request, using the FACE form, may be made as soon as this Letter of Understanding and the AWP have been signed by both Parties. If such written request is in proper form and complete, UNFPA will determine the amount to be transferred and will transfer that amount to or, where the modality of Direct Payment is used, on behalf of the IP within a reasonable time after receiving the request.
- (c) Unless otherwise agreed between the Parties in writing, the second and each subsequent written request, using the FACE form, may not be made before expenditures have been reported to UNFPA, using the FACE form. If such request is received in a timely fashion and is in proper form and complete, UNFPA will determine the amount to be transferred and will transfer that amount to the IP within a reasonable time.



(II) Additional procedures applicable only to Direct Payment modality:

- (d) The IP may forgo the use of the FACE form and submit a written request for a Direct Payment using the UNFPA Direct Payment request form in the event the written request for Direct Payment is submitted by the IP to UNFPA during the course of any Quarter Year Period.
- (e) Regardless of whether the written request for a Direct Payment is submitted using the FACE form or the UNFPA Direct Payment request form, the written request shall in all cases include:
  - (i) Vendor's banking information;
  - (ii) The original invoice(s) issued by vendor to the IP;
  - (iii) A written statement by an Authorized Officer certifying that the vendor delivered the goods and/or performed the services satisfactorily and in accordance with the terms of the contract between the IP and the vendor.

Special terms and conditions for Cash Transfer Installments:

- 6. Any request for a Cash Transfer Installment by the IP shall fulfill the following criteria to the satisfaction of UNFPA, failing which UNFPA may decide not to honor the request in whole or in part:
  - (a) The amount and purpose of the request shall correspond to the provisions of the AWP, including its schedule and budget;
  - (b) The request shall be reasonable and justified under principles of sound financial management, in particular the principles of value for money and cost-effectiveness;
  - (c) There shall be no other grounds for believing the expenditure is in contravention of this Letter of Understanding or the AWPs; and
  - (d) Prior Cash Transfer Installments shall have been reported on to UNFPA's satisfaction in accordance with section XI of this Letter of Understanding.
- 7. UNFPA may decide to adjust the amount of any Cash Transfer Installment where it has reason to do so, including
  - (a) To take into consideration the general progress made to date under the AWPs;
  - (b) To offset any unspent or unreported balance remaining with the IP from any previous Cash Transfer Installment; or
  - (c) To account for interest earned by the IP from a previous Cash Transfer Installment.

8. UNFPA will only be required to transfer to or, where the Direct Payment modality is used, on behalf of the IP the amount UNFPA determines is owing under the terms of this Letter of Understanding and the AWP. The IP agrees that UNFPA will not be liable to the IP or any third party for any amounts that UNFPA determines are not owing under this Letter of Understanding and the AWP.
9. The administration by the IP of the Cash Transfer shall be carried out under its own financial regulations, rules and procedures to the extent that they are appropriate. Where UNFPA determines that the IP's financial regulations, rules and procedures are not appropriate, UNFPA shall give written notice to the IP and in such case the financial regulations, rules and procedures of UNFPA shall mutatis mutandis apply to the IP's activities.
10. Where the IP buys goods or services from cash transferred by UNFPA to the IP under this Letter of Understanding, the IP shall do so giving due consideration to the following principles:
  - (a) Best value for money;
  - (b) Fairness, integrity and transparency;
  - (c) Competition.
11. The Cash Transfer other than Direct Payments shall be made by UNFPA to the following bank account:
  - (a) Bank name: [enter name]
  - (b) Bank address: [enter address]
  - (c) Account title: [enter title]
  - (d) Account No.: [enter number]
  - (e) Bank contact person: [enter name]

**(B) Transfer of supplies /equipment by UNFPA to the IP**

12. Supplies and equipment transferred to the IP by UNFPA will be used exclusively for the implementation of the AWP, unless UNFPA agrees otherwise.
13. The IP will become owner of the supplies and equipment when it receives them. In the event that UNFPA agrees to store the supplies and equipment for IP or hold them on IP's behalf, the IP will become owner of those supplies and equipment as agreed between UNFPA and IP. It is understood that UNFPA may, at reasonable times, conduct a physical examination of equipment and supplies provided by it to the IP.

14. UNFPA may decide that supplies and equipment should be reassigned towards the implementation of another AWP, which may be implemented by the IP or by another implementing partner of UNFPA. In the latter case, the IP shall, upon written instructions by UNFPA, transfer ownership of the supplies and equipment to the implementing partner receiving them.
15. Exceptionally, UNFPA may decide in writing that UNFPA shall remain the owner of the supplies and equipment. The IP shall exercise the highest standard of care when using and administering such supplies and equipment, and the IP shall place UNFPA markings thereon in consultation with UNFPA.

## **X. Record keeping**

1. The IP agrees to maintain books and records that are accurate, complete and up-to-date.

### Cash Transfer:

2. The IP's books and records will clearly identify all Cash Transfer Installments received by the IP as well as disbursements made by the IP under the AWP's and this Letter of Understanding, including the amount of any unspent funds. Without limiting the foregoing, the IP is required to maintain:
  - (a) Records showing which transactions recorded in its accounting system make up the costs reported for each line on the FACE forms;
  - (b) Original documentation including bills, invoices, receipts and any other relevant documentation, which shall be kept by the IP for a period of five years after the completion of the last AWP or the termination of this Letter of Understanding, whichever happens later. Such documentation further includes purchase orders, suppliers' invoices, contracts, delivery notes, leases, payment vouchers, bank statements, airline tickets, gasoline coupons, payroll records, employment contracts, attendance lists, expenses claims, petty cash receipts, journal vouchers and any other relevant supporting documentation. The IP understands that a written statement by the IP that money has been spent is insufficient and cannot replace the original documentation to support expenditures.

### Supplies/equipment:

3. The IP will maintain records of supplies and equipment purchased from the Cash Transfer. Detailed inventories shall be taken by the IP and kept for a period of five years

after the completion of the last AWP or the termination of this Letter of Understanding, whichever happens later.

## **XI. Reporting requirements**

1. The IP shall submit to UNFPA the reports as provided below. Such reports shall be in English. Reports issued in other languages shall be accompanied by an official translation into English languages.

### Financial reporting:

2. (a) The IP will submit financial reports on the use of each Cash Transfer Installment and the balance, if any, of unspent funds. Unless otherwise agreed between the Parties in writing, these reports are due 15 calendar days after the end of every Quarter, using the FACE form, and in accordance with the provisions that follow below. In addition to using the FACE form, the IP may enter the information contained in the FACE form into FACET if so agreed between UNFPA and the IP.
  - (i) The expenditures listed in the FACE form shall be identifiable and verifiable. The FACE form will solely include expenditure that has been incurred by the IP or its subcontractors in accordance with the applicable accounting principles. In any case, expenditures for activities may not be reported by the IP on the FACE form prior to the conclusion of the implementation of the activity. In the case of accrual based accounting, any adjustments need to be made in the FACE form;
  - (ii) Any unspent balance remaining with the IP from a previous Cash Transfer Installment shall be reported on in the FACE form;
  - (iii) Any interest earned on such unspent balance shall be reported on in the FACE form;
  - (iv) UNFPA shall have access, upon request, to all documents and records that support or may be deemed to support the FACE form.
- (b) The IP understands and agrees that the Cash Transfer or any part thereof may not be used for any of the following items, and as a result expenditures relating to such items shall not be included on the FACE form:
  - (i) Expenditures not made for an approved or intended purpose or otherwise made in contravention of the terms of this Letter of Understanding or the AWP;
  - (ii) Expenditures for value added tax ("VAT") unless the IP can demonstrate to the satisfaction of UNFPA that it is unable to recover the VAT;

- (iii) Expenditures covered by or relating to another AWP;
  - (iv) Expenditures paid or reimbursed to the IP by another donor or entity;
  - (v) Contributions in kind to the IP from another donor or entity;
  - (vi) Support costs, if any, exceeding the support cost rate referred to in Article VI, paragraph 2, of this Letter of Understanding;
  - (vii) Expenditures, other than support costs, if any, referred to in Article VI, paragraph 2, of this Letter of Understanding, that are not supported by documentation as provided in Article X, paragraph 2(b), in this Letter of Understanding;
  - (viii) Salaries for IP's employees exceeding the rates payable by UNFPA for comparable functions performed by locally recruited staff members at the relevant duty station;
  - (ix) Fees for individual consultants retained by IP exceeding the rates payable by UNFPA for comparable services rendered by individual consultants;
  - (x) Expenditures for travel, daily subsistence and related allowances for IP's employees or consultants exceeding the rates payable by UNFPA to its staff members or consultants, as applicable.
3. In the event UNFPA or its auditors determine that any part of the Cash Transfer was used in a manner inconsistent with the provisions of this Letter of Understanding or the AWP, including if the Cash Transfer was used for items identified under paragraph 2 (b) of this Article, the IP shall promptly reimburse UNFPA for that amount upon written notice from UNFPA to do so.
4. All financial reporting to UNFPA will be performed by the IP in the currency in which the Cash Transfer was made. The IP is not required to convert transactions into United States Dollars or any other currency.

Narrative reporting:

5. The IP will submit to UNFPA quarterly narrative progress reports against the planned activities contained in the AWP, using a format as decided by UNFPA. Unless otherwise agreed between the Parties in writing, these reports are due 15 calendar days after the end of every Quarter and will be provided together with the FACE form.

**XII. Monitoring and evaluation**

1. UNFPA will monitor and evaluate the activities undertaken under the AWP and this Letter of Understanding in accordance with its rules, policies and procedures.

### **XIII. Audit and other assurance activities**

1. At the request of and at such times as determined solely by UNFPA, the IP will have its activities under this Letter of Understanding and the AWP's audited. Audits will be performed subject to such standards and scope as determined by UNFPA. The IP agrees that it may be subject to at least one audit annually.
2. Audits shall be conducted by auditors to be designated by UNFPA. However, insofar as the IP is a Government, UNFPA, at the request of the Government, may agree that the audit shall be conducted by the Government's supreme audit institution.
3. The IP agrees that it shall furnish to UNFPA, prior to the start of any audit, a Letter of Representation to be signed by an Authorized Officer.
4. UNFPA may conduct or request the conduct of other assurance activities, including on-site inspections, spot checks, special audits or investigations as and when deemed necessary or useful by UNFPA.

### **XIV. Winding up of IP's activities under AWP's**

1. In the course of the implementation of the last AWP relating to the CPAP, the Parties shall consult as to the disposition of all non-expendable property provided by UNFPA or acquired from the Cash Transfer to or, insofar as the Direct Payment modality was used, on behalf of the IP. UNFPA may decide that such non-expendable property shall be transferred for use by another implementing partner. In that case, the IP shall, upon written instructions by UNFPA, transfer ownership of such property to the implementing partner designated by UNFPA.
2. (a) On winding up of IP's activities under the last AWP, the IP shall refund to UNFPA all amounts of money it is not entitled to, including:
  - (i) Any unspent funds identified on the final FACE form to be submitted by the IP;
  - (ii) Any interest reported on the final FACE form.
- (b) Such refunds shall be effected no later than 90 calendar days after the end date of the final AWP or the effective date activities have ceased, whichever occurred earlier.

## **XV. Resolution of Disputes**

Any disputes between UNFPA and the IP arising out of or relating to this Letter of Understanding which is not settled by negotiation or other agreed mode of settlement shall be submitted to arbitration at the request of either Party. Each Party shall appoint one arbitrator, and the two arbitrators so appointed should appoint a third, who shall be the chairman. If within thirty days of the request for arbitration either Party has not appointed an arbitrator or if within fifteen days of the appointment of two arbitrators the third arbitrator has not been appointed, either Party may request the President of the International Court of Justice to appoint an arbitrator. The procedure of the arbitration shall be fixed by the arbitrators, and the expenses of the arbitration shall be borne by the Parties as assessed by the arbitrators. The arbitral award shall contain a statement of the reasons on which it is based and shall be accepted by the Parties as the final adjudication of the dispute.

## **XVI. Final Provisions**

1. This Letter of Understanding shall enter into force on the date it is signed by both Parties. It shall expire on the last day of the Country Programme unless terminated earlier in accordance with the terms of this Letter of Understanding.
2. In the event that a previous Letter of Understanding was concluded between the Parties in relation to the Country Programme or CPAP to which this Letter of Understanding relates, this Letter of Understanding shall replace the previous Letter of Understanding starting from the date of signature of this Letter of Understanding by both Parties.

IN WITNESS WHEREOF, the undersigned, duly authorized by the respective Parties, have signed this Letter of Understanding.

### **For the United Nations Population Fund:**

Name : Jose Ferraris

Title : UNFPA Representative

Signature: \_\_\_\_\_

Date:

Email: [unfpa.indonesia@unfpa.org](mailto:unfpa.indonesia@unfpa.org)

## AMENDMENT NO.1

**LETTER OF UNDERSTANDING  
BETWEEN  
MINISTRY OF HEALTH OF THE REPUBLIC OF INDONESIA  
AND  
UNITED NATIONS POPULATION FUND**

Reference is made to the Letter of Understanding dated 1 March 2012 signed between the Ministry of Health of the Republic of Indonesia and United Nations Population Fund in the context of the implementation of UNFPA-funded AWP's relating to the 2011-2015 UNFPA Country Programme for the Republic of Indonesia.

This Amendment No. 1 is issued to reflect the following changes:

**Effective Date: 1 June 2012**

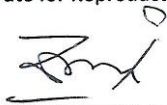
**Article I – Paragraph 11, shall read as:**

**“Authorized Officer”** means one of the following officers of the Implementing Partner:

Full name: **Drg. Wara Pertiwi, MA**

Title: **Head of Sub Directorate for Reproductive Health Protection/Project Officer**

Sample signature: \_\_\_\_\_



All other Authorized Officer, paragraphs and attachments to the Letter of Understanding, if not referenced above, remain unchanged and in full force.

For the Implementing Partner:



**DR. dr. Slamet Riyadi Yuwono, DTMH, MARS**  
**Direktur Jenderal Bina Gizi dan KIA**  
**(Director General of Nutrition and Maternal & Child Health) - Ministry of Health**

For the United Nations Population Fund:



**Jose Ferraris**  
**UNFPA Representative**



### ANNEX V - ANNUAL WORK PLAN TEMPLATE

EXPECTED OUTPUT(S), INDICATORS, INCLUDING ANNUAL TARGETS	PLANNED ACTIVITIES (Detailed activities, including M&E activities associated with this workplan)										2014 PLANNED BUDGET				2015
	TIMEFRAME								Source of Funds	Account Description	EXECUTED BY		TOTAL Amount 2014 (USD)	TOTAL Amount (USD)	
	2014				2015						IP (USD)	UNFPA (USD)			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				

Agreed by: \_\_\_\_\_

Agreed by UNFPA:  
Representative \_\_\_\_\_

## AWP CHECKLIST

### Checklist for signing an AWP (2012 - 13)

Dear UNFPA Unit Managers,

#### Instructions

a) Before signing an Annual Work Plan (AWP) with an implementing partner (IP) other than UNFPA, the manager whose signature will appear on the AWP must complete this survey (checklist).

b) Complete one survey per each AWP

c) To complete the survey, please provide the background information (#1 - 6) and respond with YES or NO to the questions (#7 - 23), making sure to follow the skips patterns.

d) After responding to ALL the applicable survey items/questions, scroll to the bottom right and click the SUBMIT button

#### Purpose of checklist

The purpose of this checklist is twofold: a) to help unit managers to practice due diligence before engaging with an IP or signing a new AWP, and to comply with the required and recommended IP selection and AWP management procedures stipulated in the PPM, and b) to support the calculation of the Strategic Plan MRF indicator: Strengthened stewardship of resources through improved efficiency and risk management.

#### Checklist for signing an AWP (2012 - 13)

\*

1. Country Name

Country Name

\*

2. IP name

IP name

\*

3. IP Atlas Code, if available

IP Atlas Code, if available

\*

4. Year of signing the AWP

Year of signing the AWP

\*

5. AWP budget amount (in US dollars)

AWP budget amount (in US dollars)

\*

6. Last name of the UNFPA staff signing the AWP

Last name of the UNFPA staff signing the AWP

7. If a potential strategic partner, the documentation explaining the reasons the partner was chosen based on strategic considerations is available on file. (If **not** a potential strategic partner, **skip to #8**; else respond and **skip to #9**.)



8. The partner has been selected through a competitive process as defined in the PPM

9. The IP has been assessed (**as evidenced by a filled assessment tool on file**) using a UNFPA IP capacity assessment tool: *Implementing Partner Capacity Assessment Tool (IPCAT)* (If **Yes**, **skip to #12**)



10. The IP has been assessed (**as evidenced by a filled assessment tool on file**) using a UNFPA IP capacity assessment tool: *Checklist for the Assessment of Potential Executing Agencies* (If **Yes**, **skip to #12**)



11. The IP has been assessed (**as evidenced by a filled assessment tool on file**) using a UNFPA IP capacity assessment tool: *Guidelines for the Capacity Assessment of Global and Regional Implementing Partners*.



12. Any gaps identified by the assessment will be addressed during the implementation of this AWP. (If IP was **not assessed by a UNFPA tool**, **skip to #13**)



13. An LOU has been signed with this partner and uploaded into the IPMS



14. Does the structure of the AWP (*cover page, duration, signature, budget, timelines, contractees, etc. . .*) conform to the AWP structure outlined in the PPM?



15. The AWP activities are logically sequenced across the life of the AWP.



16. A designated programme staff (e.g. programme area manager/focal point) has reviewed the AWP and confirmed that the completion of the AWP activities will contribute to achievement of the programme output(s) stated in the AWP.



17. The AWP complies with the AWP monitoring requirements outlined in the PPM (quarterly reports on implementation activities, annual reviews, etc.)



18. A designated finance staff (e.g. Operations manager) has reviewed the budget of the AWP and confirmed that it meets the financial rules and regulations.



19. The management of the office (CO/RO/SRO/HQ unit) has reviewed the AWP and confirmed that it (the office) has adequate capacity to manage this AWP and provide adequate oversight for it in addition to the existing AWPs



20. AWP management structures (Designated UNFPA Project Officer, designated IP focal person, IP's responsibilities, start date/end date, and annual review meetings) are clearly spelled out



21. If IP is currently working with UNFPA, you have documented justification, in the form of a **Note to the File**, for **signing another AWP** with the same IP instead of consolidating into one AWP (If IP currently **not** working with UNFPA, **skip to # 22**)

22. If IP is currently not working with UNFPA, you have documented justification, such as in the form of a **Note to the File**, for **adding a new IP** rather than expanding the scope of work of an existing IP.



ANNEX VI B REPROGRAMMING FORM

IDN8U....

List of potential un-used funds/ cancelled activities	AWP Approved		Espenditures Approved		Proposed reprogramme		
	Activities	Balance	Balance	Activities	Amount	Timeline	Balance
Under UNFPA Execution				Under UNFPA Execution			
Under Ips Execution				Under Ips Execution			

Jakarta.....

Verified by,

NPO

Approved by,

Implementing Partner

UNFPA Representative

## STANDARD TERMS OF REFERENCE (TOR) FOR ACTIVITY

A Terms of Reference (ToR) is a contractual documents against which contractors, consultants and experts have to operate. They are yardsticks against which the success of the an assignment or mission will be measured. They form an attachment to the contract for consultants and contractors selected to undertake the mission or assignment.

The purpose of the ToR document is to:

Provide the rationale for the activities that will be undertaken by an individual, team or private company or an NGO;

Detail the activities required and outputs expected and the time scale over which they are to be completed; and

Detail the professional requirements of the individual, team or firm.

Programme/Project Title: .....

Programme/Project No: .....

Post Title: .....

2. Duration: .....

Duty Station: .....

Emoluments: .....

Duties and Responsibilities: .....

.....

Qualification: .....

Experience: .....

Any other Relevant Requirement/Information: .....

## TERMS OF REFERENCE National Programme Manager (NPM)

**Place of Assignment:** Bappenas, Jakarta

**Responsible to:** Director of Population and Women Empowerment, BAPPENAS and Assistant Representative of UNFPA.

**Main Task:** Support the National Programme Coordinating Unit (NPCU) in monitoring, evaluating, reporting, and supervising the implementation of the eight UNFPA Country Programme. Provide technical and managerial assistance for the UNFPA programme activities

**Type of Contract:** Government contract

**Tasks and Responsibilities:**

1. Support the Ministry of NDP/BAPPENAS in its role as GCA (coordination), co-chair of the National Coordination Team, and as a member of the TOWG
2. Prepare the meeting materials and reports for GCA meetings, National Coordination Team meetings.
3. Ensure the quality of preparation and implementation of the National Steering Committee meetings, including the assurance of the MOM of the NSC meetings.
4. Provide technical and managerial assistance for the 8th CP UNFPA in order to ascertain the availability of coordination, integration, implementation, and monitoring/evaluation of all programmes, both internal Government and NGO, or between the Government and NGO, and UNFPA.
5. In close coordination with IPs, to ensure the timeliness and effectiveness of: (a) the planning, implementation, monitoring and evaluation of AWP and Programme Documents, (b) the grant registration process and development and endorsement of Handover Delivery Certificates/BAST Carry-out the main responsibility in following-up the implementation of the 8th CP.
6. Monitor the progress of CP-8 Programme Implementation by the IPs and ensure the effectiveness and efficiency of the NPCU by prepare the following reports:
  - a) Quarterly report on the progress of IP performance in programme implementation and management, financial accountability, to BAPPENAS as GCA
  - b) Quarterly report in the form of the analysis of APRs and achievement towards target indicators, to be presented in the National Coordination Team Meeting
  - c) Annual report on the one-year performance of the NPCU as the support unit for BAPPENAS as GCA

7. Provide inputs, suggestions, and recommendations to the government concerning the improvement of formulation and implementation of the UNFPA program especially for its contribution on the achievement of development target in RPJMN, MDGs and ICPD PoA for subsequently reported to the Minister of National Planning Development/ Head of Bappenas and UNFPA.
8. Build partnership and networking with relevant line ministry (non IP): Ministry of finance, multilateral division BAPPENAS, other UN agencies secretariat in BAPPENAS for better programme direction and collaboration
9. Participative assessment on the programme performance and progress, including to follow-up the audit results, to identify the existing problems, and to ascertain that necessary actions have been taken on time to solve the problems.
10. Coordinate the monitoring and evaluation activities based on UNFPA Monitoring and Evaluation calendar activities (Annual review, Mid Term Review, Country Programme Evaluation).

**Requirement:**

1. Master's degree in Health, Social, Development, or other relevant fields.
2. Having the experience in project/program management at national level.
3. Having a good experience in managing the personnel, and proven to have a good capability in working with a team and inter-culture environment.
4. Having the experience in working with government institutions and donor organizations.
5. Understand the population, reproductive health, and gender issues in Indonesia.
6. Minimum 6 years of working experience.
7. Able to communicate clearly and appropriately in English orally and in writing.
8. Able to work under pressure.
9. Having excellent communication and human relations skills.



## TERMS OF REFERENCE

### Programme Implementation Associate (PIA)

**Place of Assignment:** Bappenas, Jakarta

**Responsible to:** National Programme Manager, NPCU Bappenas-UNFPA

**Main Task:** Under the overall coordination of the NPM at National Programme Coordination Unit (NPCU), the PO Programme Management will support the effectiveness of NPCU and Programme Management Implementation Support (PMIS-UNFPA) in collaboration with UNFPA National Programme Associate (NPA) for Programme Management, National Programme Officer (NPO) for Monitoring and Evaluation and GCA/ Bappenas to implement a series of activities related to project management as well as the overall programme management and coordination on CP-8.

**Type of Contract:** Government contract

#### **Tasks and Responsibilities:**

1. Assist the NPM in monitoring the progress of CP-8 programme implementation by the IPs, to conduct compilation of the IP's quarterly reports for subsequently submitted to the UNFPA and GCA/ Bappenas, as well as to ensure all required reports (APR, FACE, QWP, and SPR) are submitted on time and in good quality by the IPs to the UNFPA and GCA/ Bappenas.
2. Review the BAPPENAS annual work plan and regularly consult its progress to the NPM
3. In close consultation with NPM and PO PDRT, provide inputs on the progress of BAPPENAS work plans to ensure prioritization of activities and detailed budgeting are realistic
4. Work with Implementing Partners (FAA) to ensure the implementation of planned/ approved allocation in the Annual Work Plans
5. In close consultation with NPM and PO PDRT monitors project expenditures and takes necessary actions related to programme activities (e.g. budget revision, reprogramming of activities, etc.) for BAPPENAS workplan activities
6. Review the performance and progress of the programme management and budget management, identify bottlenecks and ensure necessary actions are made in a timely manner to remedy problems.
7. Ensure timely submission of standard progress report (SPR) and AWP progress report (APR) from Implementing Partners (IPs) as the result of the IPs working group, and submit to NPM for further analysis process
8. Monitor the implementation of consolidated audit action plan and report to the NPM and PMIS – UNFPA on the progress of implementing the audit recommendations
9. In consultation with NPM prepare response to queries from programme/project staff on daily programme management issues
10. Assist the NPM in ensuring the IPs conduct TWG quarterly meetings to review programme and quarterly financial reports for subsequently submitted to UNFPA

and GCA, as well as to assist identifying constraints/ bottleneck in programme implementation and to ensure a timely and necessary corrective action/ solution.

11. In coordination with the NPO Monitoring and Evaluation to ensure the appropriate facilities provided to the IPs in monitoring the performance and programme progress at the national level.
12. In close coordination with IPs, to ensure the timeliness and effectiveness of: (a) the planning, implementation, monitoring and evaluation of AWP and Programme Documents, (b) the grant registration process and development and ensure the endorsement of Handover Delivery Certificates/BAST from all of IPs under UNFPA CP8 programme

**Requirements:**

1. A Bachelor degree in in Population, Health, Demography, Population Studies, and related areas, with minimum 5 years experiences
2. Having the experience in project/program management at national level.
3. Having a good experience in managing the personnel, and proven to have a good capability in working with a team and inter-culture environment.
4. Having the experience in working with government institutions and donor organizations.
5. Understand the population, reproductive health, and gender issues in Indonesia.

## TERMS OF REFERENCE

### Policy Dialogue Roundtable Programme Officer

**Place of Assignment:** Bappenas, Jakarta

**Responsible to:** Head of Family Planning Division, Project Officer UNFPA

**Main Task:**

The PDR Programme Officer will be paid by UNFPA and seated in Bappenas. S/he will report to both within the Deputy of Human Resources and Culture, and UNFPA Representative. The purpose of the position is to support the Deputy of Human Resources and Culture and the UNFPA Indonesia in their joint responsibilities for ensuring the success of the PRD exercise and to manage all activities associated with implementing the Roundtables, including publishing and disseminating the Policy Briefs.

Specific responsibilities include:

1. Being pro-active in canvassing suggestions for issues which can be fruitfully addressed in PDRs and bringing these to the attention of the Deputy Minister of Human Resources and Culture and *UNFPA Indonesia representative*;
2. Working with the Deputy of Human Resources and Culture and the UNFPA Representative to ensure that PDRs are regularly scheduled;
3. Preparing TOR for experts who will write Background Papers and Policy Briefs on specific population and development issues;
4. Preparing invitation letters and TOR for PDR participants, and making sure they are provided with the necessary background documents and understand the unconventional rules-of-engagement;
5. Ensuring a suitable venue is booked and prepared for PDR meetings;
6. Supervising a rapporteur for each PDR;
7. Overseeing the production, printing and dissemination of the Policy Brief from each PDR;
8. Maintain an on-line library of Policy Briefs, reports of meetings, and related documentation.
9. Helping organize follow-up meetings as needed following the publication of a Policy Brief;
10. Manage or participate in other activities associated with the PDR exercise as requested by the the Deputy of Human Resources and Culture and/or UNFPA; and
11. Together with NPCU-BAPPENAS ensure provision of timely and quality technical backstopping to BAPPENAS by identifying the needs and sources for technical assistance and facilitating the provision of supports

**Requirements:**

1. Master's degree in Demography, Population Studies, social sciences and related areas.
2. At least 3 years work experience in the realm of population and development, reproductive health and rights, and gender in Indonesia;
3. Solid understanding of demography and population and development issues;
4. Familiar, and has ability to liaise and affiliate with Government partners and UN system;
5. Able to work independently under minimal supervision; and
6. Highly organized and proactive.



## TERMS OF REFERENCE

### TOR Finance & Administrative Assistant (FAA)

**Place of Assignment:** Bappenas, Jakarta

**Responsible to:** National Programme Manager, NPCU Bappenas-UNFPA

**Main Task:** Perform the administrative and financial tasks to assist the implementation of UNFPA program. Those tasks cover: to arrange meeting & gathering, make contact, develop and maintain the filing system for activities of UNFPA program, including publication, program materials, and property inventory. Prepare the accounting record periodically, verify the budget/accounting data, and provide technical assistance for financial problems.

#### **Tasks and Responsibilities:**

##### **Financial Tasks:**

1. To manage funds that are allocated for the GCA and for NPCU operational needs, and to submit monthly reports on these funds to the Director of Population, Women's Empowerment and Child Protection, BAPPENAS
2. Coordinate with the government officials in preparing the activity report and financial report. Ascertain that those reports have been submitted officially and timely;
3. Prepare the petty cash and voucher ledgers;
4. Prepare monthly reconciliation on expenditures report, make correction, and prepare the Status Allocation Report;
5. Ascertain that expenditures for the office/program are supported by necessary documents, the payments are made on time, the pre-authorization has been recorded, and the incoming invoices have been numbered alternately;
6. Assist the Programme Officer for Programme Management (POPM) in preparing the broadsheet/justification, and budget revision;
7. Work cooperatively with the POPM in monitoring the financial status of the project and program;
8. Facilitate the preparation of related financial forms [Funding Certification Authorized Expenditure/ FACE and work plan] to the UNFPA on time, and ascertain that the authorized official has signed those forms, the calculation is correct, and cross-reference between the UNFPA notes;
9. Ascertain that the amount requested in the FACE is in accordance with the allocation of work plan;
10. Monitor the procurement of project goods (logistic), follow-up, and complete all formalities, permits, and delivery to the destination;
11. Update and ascertain that all equipment have been labeled and maintained well.

**Administrative Tasks:**

1. Maintain the inventory of office fixed assets (non-expandable), and prepare the necessary inventory forms;
2. Ascertain that the procedures for office equipment and supplies procurement have been applied;
3. Make and update the systematic filing system for correspondence documentation and information system;
4. Ascertain that related information and record are available for the program staff;
5. Manage the office operation, and ascertain that office equipment have been maintained well, and the office stationary available;

**Requirement:**

1. S1 degree in finance/Accounting or management;
2. Having experience in administrative and financial management;
3. Working experience with the government and/or NGO is preferable;
4. Minimum 4 years of working experience.
5. Able to communicate clearly and appropriately in English orally and in writing.





**HACT Assurance Activities  
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**ANNEX IX - FIELD VISIT REPORT**

**UNDP/UNICEF/UNFPA Indonesia**

**HACT Field Visit Report**

**1. General Information**

Personal Information	
<b>Name of Travelers / Team Leaders :</b>	<b>Designation :</b>
<b>TA number:</b>	

Field Visit Information	
<b>Field Visit Location :</b> <i>(places and type of facilities visited)</i>	<b>Objective <sup>1</sup>:</b> <i>(specify the task that had to be accomplished)</i>
UN Agencies active in this location: ...	
<b>Date of visit</b> From (dd/mm/yyyy) : To (dd/mm/yyyy) :	<b>Date of last visit</b> From (dd/mm/yyyy) : To (dd/mm/yyyy) :
<b>Members of the Field Visit:</b> <i>(Name, Title/Designation, Organization)</i>	<b>Persons met</b> <i>(Name, Title/Designation, Organization)</i>
1.	1.
2.	2.
3.	3.
<b>Methodology / tools:</b> <i>(Methods used during the field visits such as focus group discussions, interviews, observation, document reviews etc.)</i>	
<b>Signature of Traveler / Team Leader</b>	<b>Signature of Direct Supervisor</b>
<b>Date:</b>	<b>Date:</b>
	<b>Comments:</b>
<b>c.c. / distribution:</b>	

<sup>1</sup> Monitoring activities, review of progress towards results, results validation, technical assistance, or others.





**Table 1. Planned Results / OUTPUTs and Activities under AWP to be monitored**

Output <i>(add outputs as necessary)</i>	Planned Results /Targets for 2012
Output .....	
Output .....	

**Table 2. Aspect to be monitored, Key Findings, Recommendations and Follow-up Actions**

Aspect to be monitored (observed) <i>See guidelines in Annex 1</i>	Key Finding/elaboration	Recommended actions / suggested follow-up	Responsible Party	Date by when action should be taken
1. Have all the activities been implemented as planned: timeliness and resource usage.				
2. Are all statements in the latest QWPMT aligned with findings in the field?				
3a. Is output XXX target most likely to be fully achieved, or partially achieved, or not achieved?				
3b. Is output xxx target most likely to be fully achieved, or partially achieved, or not achieved?				
4. Views of the implementing partners, service providers and managers on factors affecting				



**HACT Assurance Activities  
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achievement and quality of results				
5. Views of the community members including marginalized groups on factors affecting achievement and quality of results				
6a. Political issues that have or could have an impact on UNFPA's programme in the visited area				
6b. Institutional issues that have or could have an impact on UNFPA's programme in the visited area				
6c. Internal management issues that have or could have an impact on UNFPA's programme in the visited area				
7. Are the activities sufficiently coordinated with local stakeholders?				
8. Are there any negative environmental impacts of the project?				
9. Are benefits from the project appropriately distributed between women and men?				
10. Fill in any additional issues				



**HACT Assurance Activities  
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**Future Field Visits**

Date of next scheduled monitoring visit:

**Table 3: SUMMARY of FINDINGS on OUTPUT and Activities**

Please provide a conclusion on the completion of the activities and achievement of OUTPUTS:

A. Total number of activities reviewed in the field according to Output(s)  
(Add outputs as necessary)

<b>Activities for Output (fill in output number here):</b>	
<input type="checkbox"/> ... On track	<input type="checkbox"/> ... Slightly delayed
<input type="checkbox"/> ... On-budget	<input type="checkbox"/> ... Under spent
<input type="checkbox"/> ... Delayed	<input type="checkbox"/> ... Over spent
<b>Activities for Output (fill in output number here):</b>	
<input type="checkbox"/> ... On track	<input type="checkbox"/> ... Slightly delayed
<input type="checkbox"/> ... On-budget	<input type="checkbox"/> ... Under spent
<input type="checkbox"/> ... Delayed	<input type="checkbox"/> ... Over spent
<b>Activities for Output (fill in output number here):</b>	
<input type="checkbox"/> ... On track	<input type="checkbox"/> ... Slightly delayed
<input type="checkbox"/> ... On-budget	<input type="checkbox"/> ... Under spent
<input type="checkbox"/> ... Delayed	<input type="checkbox"/> ... Over spent

B. Observation of the achievement of targets:

If the field visit is conducted in the latter part of the year or when activities have been completed (add targets as necessary):

<b>Target XXX of Output XXX:</b>	<input type="checkbox"/> ... Partially achieved
<input type="checkbox"/> ... Fully achieved	<input type="checkbox"/> ... Not achieved
<b>Target XXX of Output XXX:</b>	



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<input checked="" type="checkbox"/> ..... Fully achieved	<input type="checkbox"/> ..... Partially achieved	<input type="checkbox"/> ..... Not achieved
Target XXX of Output XXX:		
<input checked="" type="checkbox"/> ..... Fully achieved	<input type="checkbox"/> ..... Partially achieved	<input type="checkbox"/> ..... Not achieved

Over-all status of the project implementation in the field :  Green  Low  Red

**Note:**  
 On-track : 85-100% activities conducted as planned; Slightly delayed: 50-85% activities conducted as planned; Delayed: < 50% activities conducted as planned;  
 On-budget : 85-100% budget for activities spent as planned; Slightly under spent: 50-85% budget for the activities spent as planned; Under spent: < 50% budget for the activities spent as planned;

**Table 4. ENDORSEMENT**

Name	Designation and Organization	Date and Signature
1. (Field Visit Team Leader)		

**ANNEX 1: Guide Lines to fill in the tables and to answer the questions**

Table 1	Select output(s) and activities from AWP document that are conducted in the location of the field visit during the period covered in the field visit. In the new AWP template, each OUTPUT should have indicators, targets and baseline for outputs. The field visit team should discuss with project manager to complete the indicators, baseline and targets.
Table 2	Field visit team should have reviewed the Quarterly Workplan Monitoring Tool (QWPMT) before conducting the field visit. During the visit the team has to verify whether all statements in the QWPMT are accurate. The team should describe discrepancies (if any) between the progress report and findings in the field (see Q2)



### HACT Assurance Activities Programmatic Monitoring – Indonesia (v.1)

Table 3	Based on finding as described in Table 2, the team should be able to provide over all status of the project implementation (Green = on-track / on-budget; Yellow: Slightly delayed / Slightly under spent; Red = Delayed/under spent);
Q1.	Describe the timeliness and budget expenditure of implementation for each activity in the field using the traffic light method as we usually used in the CPAP review. See explanation in Table 2.
Q2	Describe any discrepancies between progress report and findings in the field.
Q3	In general, UNFPA Outputs have annual targets. Achievement of the targets is usually the contribution of one or more than one activities.
Q4	For simplicity in view of time constraint and budget, partners' satisfaction data can be obtained through FGD or meet with some of the partners to get their views on the progress of the programme/activities.
Q5	For simplicity in view of time constraint and budget, beneficiaries' satisfaction data can be obtained through FGD or meet with some of the beneficiaries to get their views on the progress of the programme/activities.
Q6	Mention here any observations related to the political, institutional and internal management issues that could positively or negatively affect programme implementation and achievement of intended results
Q7	Discuss with the relevant project manager (DPM/PPM) to his/her views where the implementation of the project is sufficiently coordinated with the stakeholders
Q8	Discuss with project managers to get his views on the possible negative impact of the projects to the environment
Q9	Discuss with the project managers. Check if all the activities have considered gender in the implementation.
Q10	The team may ask other relevant questions based on the observation in the fields.

AWP PROGRESS REPORT TEMPLATE

AWP Progress Report  
 Outcome No. \_\_\_ : *(fill in outcome here)*  
 Reporting period: Q\_\_\_  
 Implementing Partner(s):

Coverage area:  
 Reported by: \_\_\_\_\_ Date: 2012

Expected Output Indicator	PLANNED ACTIVITIES List all the activities, incl. M&E activities, to be undertaken during the quarter towards stated CP output.	APPROVED BUDGET FOR Q <sub>n</sub> List the amount listed in QWP for Q <sub>n</sub> .	EXPENDITURES List actual expenditures against activities. (Rp)	STATUS OF IMPLEMENTATION OF ACTIVITIES			PROGRESS TOWARDS ACHIEVING OUTPUTS Comment on factors that facilitated and/or constrained achievement of results.
				FC	PC	NC	
Output No. ___ / U___ : <i>(fill in output here)</i>							
Output Indicator:							
Total budget and expenditure							
Output Indicator:							
Total budget and expenditure							
Grand total budget and Xpend for this output							



**BAST FORM**  
**HANDOVER DELIVERY CERTIFICATE**  
**GRANTS IN FORM OF SERVICES**  
**The Implementation of UNFPA 8<sup>th</sup> Country Programme**  
**Fiscal Year xxxx**

On this DD/MM/YY, the undersigned:

- I. Name : Jose Ferraris  
 Position : Representative, UNFPA  
 Address : Menara Thamrin Building 7th Floor, MH Thamrin St. Kav.3  
 Central Jakarta

On this regard act for and on behalf of the grant provider i.e. UNFPA for the grant funded activity of the 8<sup>th</sup> Country Programme Output IDN8-Uxxx, hereinafter referred to as the FIRST PARTY

- II. Name : (IP)  
 Position :  
 Address :

On this regard act for and on behalf of IP's name, hereinafter referred to as the SECOND PARTY.

The FIRST PARTY and the SECOND PARTY together hereinafter referred to as the PARTIES, hereby agree to deliver the handover of grants amounting to **IDR xxx** that equals to **USD xxx** in accordance to grant agreement number 71509501 with the following explanation:

- a. FIRST PARTY acknowledges the provision and implementation of grant activity in form of services as follows:

No.	ACTIVITY	VALUE	
		US\$	IDR
1.	XXXX	xxx	XXXXXX
2.	XXXX	xxx	XXXXXX
3.	XXXX	xxx	XXXXXX
TOTAL			

- b. SECOND PARTY acknowledges the receipt of the aforementioned grants in point (a) that is supplemented with activity reports
- c. Any supporting documents/ receipts related to the implementation of activities mentioned in point (a) shall be kept by the FIRST PARTY and the responsibilities of all activities implementation and expenses occurred are held by the FIRST PARTY
- d. The currency follows the Bank Indonesia currency on DD/MM/YY which is USD 1 = Rp. xxxxx

This Handover Delivery Certificate is therefore made to be used appropriately.

First Party,

Second Party,

Jose Ferraris  
Representative, UNFPA

xxxxxxx  
xxxxxxxxxxxxx

Acknowledged by,

xxxxxxxxxxxxxxxxx  
xxxxxxxxxxx



BERITA ACARA REKONSILIASI  
HIBAH UNFPA-BKKBN CP8 TAHUN ANGGARAN 2012  
SATKER KEDEPUTIAN BIDANG KBKR - BKKBN  
BULAN JULI S/D SEPTEMBER 2012

Bagian Anggaran Badan Kependudukan dan Keluarga Berencana Nasional (BKKBN)  
Unit Eselon I (Kedepuitan Bidang KBKR)  
Kode Satker 068.01.649505

GENERAL INFORMATION				LINE MINISTRY				DONOR			
No.	Registration Number	Project Name	Value Date	Total Annual Work Plan (AWP)	DISBURSMENT JULY - SEPTEMBER			DISBURSMENT JULY - SEPTEMBER			
					Currency	Total	Reff	Currency	Total	Reff	
					REALISASI JULI - SEPTEMBER			REALISASI JULI - SEPTEMBER			
					UANG			UANG			
					MATA UANG	JUMLAH	Reff	MATA UANG	JUMLAH	Reff	
1	71509501	Country Programme Eight (CP8) Programme of Cooperation between Government of Indonesia - UNFPA 2011 - 2015	30 April 2012	5.003.468.000	Rupiah	1.517.304.745		Rupiah	1.517.304.745		

Keterangan:

- Untuk Hibah UNFPA-BKKBN CP8 T.A. 2012, Annual Work Plan (AWP) ditandatangani pada Tanggal 30 April 2012
- BKKBN mendapatkan alokasi tambahan anggaran (revisi - kegiatan dan penambahan kegiatan baru) sehingga total pagu anggaran setelah revisi sebesar Rp. 5.003.468.000,-

Kepala Biro Perencanaan,

Ir. Ambar Rahayu, MNS.

Deputi Bidang KBKR

Selaku Kuasa Pengguna Anggaran KBKR,

dr. Julianto Witjaksono, AS, MGO, SpOG, (K) Fer.

UNFPA Representative,

Jose Ferraris

NG

REKAPITULASI DATA PENERIMAAN HIBAH TINGKAT ESELON I  
 BULAN JULI S/D SEPTEMBER 2012

No.	GENERAL INFORMATION			Value Date	LINE MINISTRY				DONOR						
	Registration Number	Project Name	Entity		Total Budget Allocation	Entity Code	DISBURSMENT JULY - SEPTEMBER		DISBURSMENT JULY - SEPTEMBER		Currency	Total	Goods/Services	Reff	
1	2	3	5	6	7	8	9	10	11	12	13	14	15	16	17
					SATUAN KERJA										
			Total BA	Eselon	Kode Satker	MATA UANG	JUMLAH	MATA UANG	JUMLAH	Reff	MATA UANG	JUMLAH	MATA UANG	JUMLAH	Reff
			5,003,468,000	Deputi KBKR	068.01.649505	Rupiah	1.517.304.745				Rupiah	1.517.304.745			
1	71509501	Country Programme Eight (CPE8) Programme of Cooperation between Government of Indonesia - UNIPA 2011 - 2015		30 April 2012											

BERITA ACARA REKONSILIASI KEMENTERIAN/LEMBAGA DENGAN KEMENTERIAN KEUANGAN  
BADAN KEPENDUDUKAN DAN KELUARGA BERENCANA NASIONAL (BKKBN)  
BULAN JULI/D SEPTEMBER 2012

No.	Nomor Register	Nama Project	Tanggal Hibah	BKKBN						DIPU						
				SATUAN KERJA			REALISASI JULI - SEPTEMBER			REALISASI JULI - SEPTEMBER			REALISASI JULI - SEPTEMBER			
				Total Budget Allocation	Eselon	Kode Sakter	MATA UANG	JUMLAH	BARANG/JASA	Reff	MATA UANG	JUMLAH	BARANG/JASA	Reff	MATA UANG	JUMLAH
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1	71509501	Country Programme Eight (CP8) Programme of Cooperation between Government of Indonesia - UNFPA 2011 - 2015	30 April 2012	5.003.468.000	Deputi KBKR	068.01.649505	Rupiah	1.517.304.745	1.517.304.745			Rupiah	1.517.304.745			



**PROOF OF EXPENDITURES SAMPLE AND SUPPORTING DOCUMENT(S)**

## SUPPORTING DOCUMENT(S) OF FINANCIAL TRANSACTION

Meetings/ Workshops/ Trainings	
Meetings/ Workshops	<ul style="list-style-type: none"> <li>✓ Terms of Reference of Meetings/ Workshops including approved budget.</li> <li>✓ Attendee list signed by the participants</li> <li>✓ Minutes of the Meeting/ Workshops report.</li> <li>✓ Document related to the procurement of the venue (room rental and catering) in accordance with prevailing regulations.</li> <li>✓ Invoice/ Bill/ Receipt/ Proof of Payment (signed or valid computerized, dated, name of the payee, total unit(s), price per unit and total payment). For reimbursement of plane tickets make sure that the submitted tickets are valid and matched the passenger manifest from the airlines.</li> </ul>
Allowance for expert speakers/ facilitators/ translators/ recorder of the minutes of a meeting, etc.	<ul style="list-style-type: none"> <li>✓ Terms of Reference of Meetings/ Workshops including approved budget.</li> <li>✓ Curriculum Vitae/Bio data if the person has to undergo contract processing procedures.</li> <li>✓ Invoice/ Bill/ Receipt/ Proof of Payment by either cash or bank transfer (signed receipt if by cash, valid transfer bank transfer slip if by bank transfer, dated, name of the payee, total unit(s), price per unit and total payment).</li> </ul>
Wages/ Salaries	<ul style="list-style-type: none"> <li>✓ Documentation of the recruitment process, including the job advertisements, list of applicants, interviews, and results of written test in accordance with the requirements (archived).</li> <li>✓ Signed staff contracts describing duration of assignments, amount of salaries and allowances (if applicable).</li> <li>✓ Monthly attendance lists signed by the staff and his/ her superiors.</li> <li>✓ Payment slip/ salary slips signed by the staff stating the date, staff's name, position, amount of payment and total working days (in the case of daily wages).</li> <li>✓ Wage/ salary shall correspond to the signed employment contract and still in force.</li> </ul>

Business Travel	ToR or invitation(s) must be attached
Public transportation	<ul style="list-style-type: none"> <li>✓ Travel authorization form that has been approved.</li> <li>✓ Travel report stating the location, distance, time, purpose and outcome.</li> <li>✓ Invoice/ Bill/ Receipt/ Proof of Payment or original ticket from the transportation company.</li> </ul>
Vehicle rental (long term)	<ul style="list-style-type: none"> <li>✓ Documentation related to the selection process of vehicle rental company (quoted rate, summary of the selection process, etc.).</li> <li>✓ Lease agreement</li> <li>✓ Invoice/ Bill/ Receipt/ Proof of Payment from the vehicle rental company (signed, dated, name of payee, total units, price per unit and total payment).</li> </ul>
Vehicle rental (short term)	<ul style="list-style-type: none"> <li>✓ Travel authorization form that has been approved.</li> <li>✓ Travel report stating the location, distance, time, purpose and outcome.</li> <li>✓ Invoice/ Bill/ Receipt/ Proof of Payment from the vehicle rental company (signed, dated, name of payee, total units, price per unit and total payment).</li> </ul>
Air travel	<ul style="list-style-type: none"> <li>✓ Travel authorization form that has been approved.</li> <li>✓ Travel report stating the location, distance, time, purpose and outcome.</li> <li>✓ Ticket, boarding pass, and proof of payment of airport tax</li> <li>✓ Invoice/ Bill/ Receipt/ Proof of Payment from the transportation company (valid computerized or signed manually, dated, name of payee, total units, price per unit and total payment).</li> </ul>
Travel allowance (Per diem)	<ul style="list-style-type: none"> <li>✓ The amount of travel allowance shall correspond to the prevailing standard unit cost.</li> <li>✓ Travel authorization form that has been approved by his/ her supervisor.</li> <li>✓ Travel report stating the location, time, purpose and outcome.</li> <li>✓ Business traveler receipt per diem.</li> </ul>
Fuel cost (private and rental vehicle)	<ul style="list-style-type: none"> <li>✓ Travel authorization form that has been approved.</li> <li>✓ Travel report stating the location, distance, time, purpose and outcome.</li> <li>✓ Receipt of fuel purchase from the petrol station, with date and signed by the recipient/valid computerized, license plate of the vehicle filled with fuel, distance.</li> </ul>

### Office Supplies and Equipment

Office lease	<ul style="list-style-type: none"> <li>✓ Documentation related to the selection process in accordance with the prevailing regulations.</li> <li>✓ Lease agreement document from the legal owner, signed with stamp duty.</li> <li>✓ Invoice/ Bill/ Receipt/ Proof of Payment from the transportation company (signed, dated, name of payee, total units, price per unit and total payment).</li> </ul>
Purchase of durable goods and furniture	<ul style="list-style-type: none"> <li>✓ Documentation related to the selection process, including quoted bid, number of bids received, selection process in accordance with the prevailing procurement regulation.</li> <li>✓ Invoice/ Bill/ Receipt/ Proof of Payment from the transportation company (signed, dated, name of payee, total units, price per unit and total payment).</li> <li>✓ Equipment and serial numbers of electronic and information equipment (computer etc.) must be documented in the list of inventory, which will be reported in form C.</li> </ul>
Computer lease	<ul style="list-style-type: none"> <li>✓ Invoice/ Bill/ Receipt/ Proof of Payment from the leasing company (signed, dated, name of payee, total units, price per unit and total payment).</li> <li>✓ Avoid late payment since fine for such a delay will not be borne by the project, unless there is a delay in the delivery of funds for the activities.</li> </ul>
Utilities (Electricity, Water and Telephone)	<ul style="list-style-type: none"> <li>✓ Invoice/ Bill/ Receipt/ Proof of Payment from the transportation company (valid computerized or manually signed, dated, name of payee, total units, price per unit and total payment).</li> <li>✓ Avoid late payment since fine for such a delay will not be borne by the project, unless there is a delay in the delivery of funds for the activities.</li> </ul>



SAMPLE OF ACCOUNTING FORM AND BOOKKEEPING GUIDELINE

<b>Implementing Partner :</b>				
<b>Voucher Penerimaan</b>				
Nomor Proyek:				
Nomor Voucher:		Tanggal:		
Nama Penerima:				
Jumlah :		Rp. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>		
Tujuan transaksi		<input type="checkbox"/> Uang Muka <input type="checkbox"/> Pembayaran Barang & Jasa <input type="checkbox"/> Pertanggungjawaban Uang Muka		
Cara Pembayaran		<input type="checkbox"/> Cek                                  No.: _____ <input type="checkbox"/> Transfer                              No.: _____ <input type="checkbox"/> Kas/tunai		
No.	Keterangan	Account	Activity	Jumlah
			<b>TOTAL</b>	-
Disiapkan:				
Diperiksa & Diterima:				
Disetujui : *				
Dibayar :				











## Rekonsiliasi Bank

Tanggal Pelaporan:

IP:

Nomer Poyek.:

Nama Proyek :

**Per Buku Bank**

1.Saldo Awal Buku	_____
2.Setoran dan Kredit dalam bulan berjalan	_____
3.Subtotal	-
4.Dikurangi penarikan cek selama bulan berjalan	-
5.Saldo Akhir Buku Bank	-

**(BANK)**

6.Saldo rekening bank per tanggal ....	_____
7.Ditambah setoran dalam perjalanan	-
8.Subtotal	-
9.Penyesuaian (kalau ada, jelaskan selengkapnya dibawah ini)	_____
10.Saldo Buku Bank per tanggal....	-

**Penyesuaian:**

Cek Beredar			Setoran Dalam Perjalanan (setoran dalam transit)			Penyesuaian
Tanggal	Nomor Cek	Jumlah	Tanggal	Nomor Cek	Jumlah	Keterangan

**Bunga bersih:**

	Bunga Bank (a)	Pajak (b)	Biaya Adm (c)	Bunga Bersih (a-b-c)
Jan 07			0	-
Feb 07				
Mar 07				
.....				
<b>Total net interest</b>				-

Disiapkan Oleh:

Disetujui:

( ) ( )

**Terlampir buku bank yang memperlihatkan transaksi selama periode pelaporan**



**ACCOUNT CODE**  
**Applicable since October 2014**

Account Code	Description	Purpose
71205	Intl Consultants-Sht Term-Tech	This account is used to record the cost of international consultant(s), including fee, travel, DSA and all direct consultation cost.
71305	Local Consult.-Sht Term-Tech	Account is used to record the cost of local consultant(s) (contract enclosed), note taker fee/moderator/resource person (individual)
71405	Service Contracts-Individuals	Account is used to record the cost of salaries.
71605	Travel Tickets-International	Account is used to record the cost of international tickets for overseas business travel to non-learning related events/ training.
71610	Travel Tickets-Local	Account is used to record expenses for local tickets to non-learning related events/ training; Local transport for local participants/moderator/note taker.
71615	Daily Subsistence Allow-Intl	Account is used to record DSA/ travel allowance for international trips to non-learning related events/ activities; this account should not be used for assignment, re-assignment overseas business travel.
71620	Daily Subsistence Allow-Local	Account is used to record DSA / travel allowances for local trips to non-learning related events / activities; this account should not be used for assignment, re-assignment or repatriation travel.
71635	Travel - Other	Account is used to record terminals, visas and other travel related, incidental costs for non-learning related trips; this account should not be used for expenses associated with assignment, re-assignment or repatriation travel.

Account Code	Description	Purpose
72125	Svc Co-Studies & Research Serv	Account is used for recording expenses on study and research services rendered by companies; expenses for data collection, database development, monitoring and evaluation, taker/moderator/resource person fees (if these services rendered by a company)
72145	Svc C-Training and Educ Serv	Account is used to record educational advisory services rendered by companies; e.g. educational research, educational strategy development, curriculum development, etc. This account should not be used for any expenses associated with training & learning of UNFPA staff, SC-s and SSA-s. Also all costs associated with training of counterparts (IP-s, beneficiaries, government officials) must be charged to 75710.
72165	Svc Co-Social Svcs, Social Sci	Account is used for social services and social sciences-related consultancy services rendered by companies such as economic analysis, population services, advocacy, social development, etc.
72205	Office Machinery	Account is used to record purchases of generator(s), AC, projector(s) and photocopiers.
72220	Furniture	Account is used to record purchases of all furniture items such as chairs, filing cabinets, tables, bookcases, desks, etc.
72405	Acquisition of Communic Equip	Account is used to record purchases of communication equipment, such as PABX, cell phones, VSAT, audio- & video-conferencing equipment, fax machines, sat phones, HF / VHF radios, etc.
72410	Acquisition of Audio Visual Eq	Account is used to record purchases of camera/video equipment, photographic equipment, televisions, etc.
72415	Courier Charges	Account is used to record expenses for courier services.
72420	Land Telephone Charges	Account is used to record expenses for land telephone usage.



Account Code	Description	Purpose
72425	Mobile Telephone Charges	Account is used to record expenses for usage of mobile phones and sat phones.
72435	E-mail-Subscription	Account is used to record expenses for e-mail services.
72440	Connectivity Charges	Account is used to record expenses for internet services.
72505	Stationery & other Office Supp	Account is used to record expenses for non-IT related stationary and office supplies that fall below UNFPA's PPE capitalization threshold.
72510	Publications	Account is used to record expenses for purchased books, magazines, and other publications. It should NOT be used for expenses on production (such as printing, design, etc) of books, magazines, and other publications.
72520	Electronic Media	Account is used to record expenses for electronic media such as online magazine subscriptions, etc.
72635	UNFPA Grant by IP toSubGrantee	Account is used to record expenses for grants issued by UNFPA's implementing partners to sub-grantees.
72805	Acquis of Computer Hardware	Account is used to record purchases of IT equipment such as servers, UPS, Printers, Laptops and Desktops.
72810	Acquis of Computer Software	Account is used to record purchases of IT software.
72815	Inform Technology Supplies	Account is used to record expenses for IT supplies such as computer accessories, data input devices, computer displays and other items that are below UNFPA's PPE capitalization threshold.
73105	Rent	Account is used to record leasing/rental fees for office buildings/premises; account should NOT be used to record fees paid under finance-type leases where premises are under UNFPA control.

Account Code	Description	Purpose
73107	Rent - Meeting Rooms	Account is used to record rental fees and catering services/meeting package for meeting/conferences.
73110	Custodial & Cleaning Services	Account is used to record expenses for building maintenance and cleaning services.
73120	Utilities	Account is used to record expenses for utilities (water, electricity, heating, etc).
73305	Maint & Licencing of Hardware	Account is used for expenses on repair and maintenance of ITC equipment (laptops, desktops, photocopiers, fax machines, sat phones, VSAT, etc).
73310	Maint & Licencing of Software	Account is used for expenses on maintenance of IT software.
73315	Leasing of Hardware	Account is used for expenses on rental/leasing of ITC equipment (desktops, laptops, printers, fax machines, photocopiers, etc.)
73405	Rental & Maint-Other Office Eq	Account is used for expenses on rental/leasing of non-ITC equipment and furniture (e.g. generators, air-conditioners, chairs, desks,etc.)
73406	Maintenance of Equipment	Account is used for expenses on repair and maintenance of non-ITC equipment and furniture (air conditioners, generators, etc).
73410	Maint, Oper of Transport Equip	Account is used for expenses on repair and maintenance of transportation equipment.
73420	Leased Vehicles	Account is used for expenses on car rental.
74205	Audio Visual Productions	Account is used to record expenses for creation and broadcasting of audio & video products, such as TV documentaries, commercials, songs, radio programs, etc; expenses for digital media including development and hosting of websites and creation and running of online advertisements should also be recorded under this account.

Account Code	Description	Purpose
74210	Printing and Publications	Account is used to record the cost of design, printing and publishing services including expenses for printing of promotional materials and business cards; expenses for advertisements (non job related)/ articles in printed media should also be recorded under this account.
74215	Promotional Materials and Dist	Account is used to record expenses for production and distribution of promotional materials that cannot be recorded under account 74205 or 74210 (i.e. materials that are not audio and video productions or printed products) - e.g. T-shirts, mugs, billboards, signs, banners, etc.)
74220	Translation Costs	Account is used to record expenses for translation/ interpretation services.
74225	Other Media Costs	Majority of media costs should be recorded under accounts 74205 (for TV, radio & digital media costs) or 74210 (for printed media costs); therefore, use of account 74225 should be very irregular for non-promotional media costs that cannot be recorded under account 74205, 74210 or 74215.
74510	Bank Charges	Account is used to record expenses for non-investment related bank charges
74520	Storage	Account is used to record expenses for storage of goods (e.g. static inventory) such as rental fees for warehouse; however fees for storage of goods in transit (i.e. during transportation from suppliers to ordering FO) should be recorded under account 74725.
74525	Sundry	Account is used to record expenses for goods/ services that cannot be classified under any other account; since majority of goods/services procured by UNFPA are covered by specialized accounts, use of 74525 must be kept to a minimum; IP expenses recorded under this account should not exceed 1% of the annual total funds disbursed to this IP for an output.

Account Code	Description	Purpose
74560	UNFPA - Catering non hospitality	Refreshment in a hotel or other places
75709	Learning - training of counter	Account is used for travel-related expenses associated with training of counterparts (IP-s, government officials, beneficiaries)- e.g. air ticket, subsistence allowance, visas, etc.
75710	Participation of counterparts	Account is used for non-travel-related expenses associated with training of counterparts (IP-s, government officials, beneficiaries) - e.g. trainer's fees, venue rental, catering, production of training materials, etc.

## INTERNAL CONTROL FINANCIAL PROCEDURE

*This procedure is prepared to serve as a basic reference for the Implementing Partners (IP). Its implementation will be adjusted in accordance with the policy of each Implementing Partners with regard to their respective internal control mechanism.*

### Main Duties and Functions of the Relevant Staff

#### **Program Coordinators**

**PJOK** (*Penanggung Jawab Operasional Kegiatan*, Person in Charge of Operational Activities,)

1. The official in charge of expenditure and procurement of goods and services.
2. Supervising the works of PUMK and the FAA on financial management.
3. Reviewing and endorsing bookkeeping documents: bank/ cash proof of expenditure, bank/ cash receipt.
4. Reviewing financial and FACE report (Funding Authorization and Certificate of Expenditure) before giving its endorsement.

**PUMK** (*Penanggung Jawab Uang Muka Kegiatan*, Person in Charge of Advance Payment for the Activities)

1. In charge of assets in the form of cash, bank (cheque) and current assets, and is responsible for depositing such assets.
2. Reviewing and endorsing bookkeeping documents: bank/ cash proof of expenditure, bank/ cash receipt, general journal, ledger and bank reconciliation report.
3. Realizing payments by issuing cheques and cash payment in accordance with a valid instruction from the authorized officials.
4. Reviewing financial and FACE report (Funding authorization and certificate of expenditure) before endorsing.
5. Performing a surprise petty cash count.

**FAA** (Finance & Administrative Assistant)

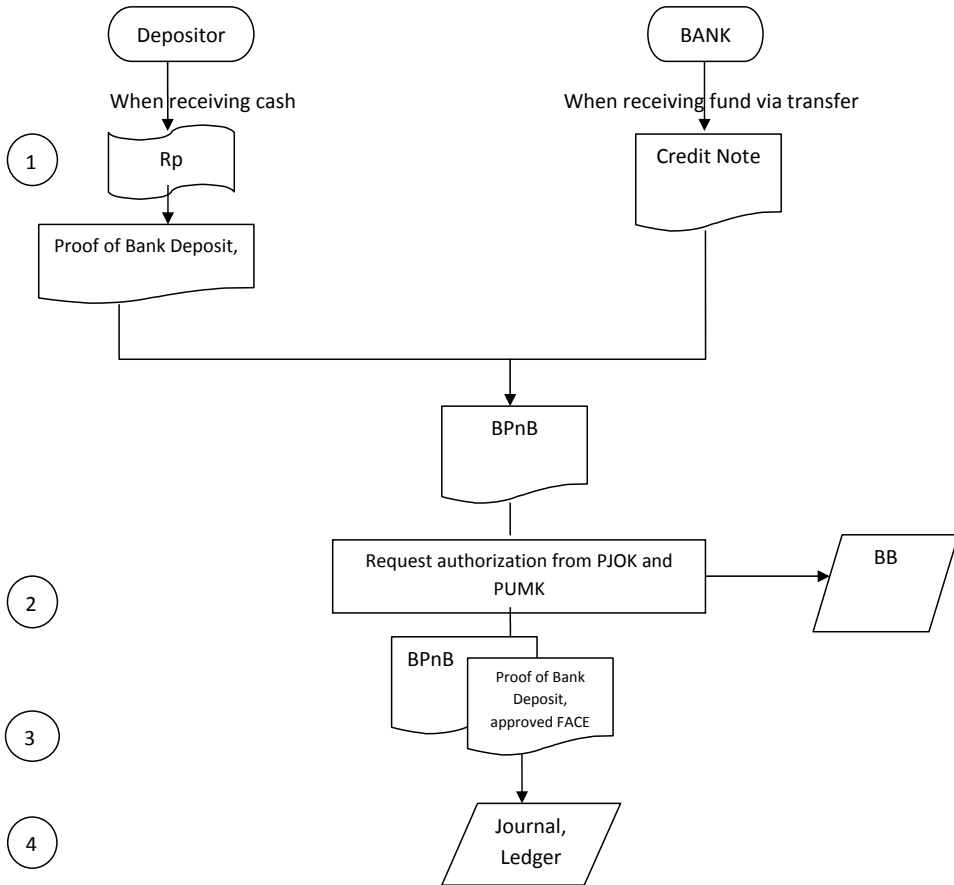
1. Reviewing the validity and accuracy of received financial documents.
2. Preparing proof of bank/ cash receipt and proof of bank/ cash expenditure.
3. Reviewing and verifying accountability report on advance payment.
4. Monitoring the utilization of advance payment including the duration of its circulation.

5. Recording all transactions in accordance with the accepted accounting procedures.
6. Preparing financial and bank reconciliation report.
7. Maintaining a limited petty cash for office operations.
8. Filing all proofs and bookkeeping documents in a neat and orderly manner.

#### 1. PROCEDURE FOR RECEIVING MONEY

No	Method of Control	Objectives
1.	IP shall open a special account to receive UNFPA grants.	To facilitate the monitoring and accountability of received fund.
2.	Received fund must be deposited before 30 days to IP's bank account.	<ol style="list-style-type: none"> <li>1. To prevent an unauthorized use of received fund.</li> <li>2. To improve the efficiency of management of received fund.</li> <li>3. To facilitate the accountability of transactions of received fund.</li> </ol>
3.	Voucher made/prepared by the FAA	To maintain the independence of supervisory function and avoiding conflict of interest in implementing supervisory activity on transaction related to received fund.
4.	Received cash fund shall be stored in a lockable cashbox with a restricted access.	<ol style="list-style-type: none"> <li>1. To prevent the mixing of program's fund and private fund.</li> <li>2. To ensure the security of the fund</li> </ol>
5.	Performing a periodic surprise petty cash count.	To ensure that the petty cash management is carried out in accordance with the prevailing procedure and policy.
6.	Preparing a Bank Reconciliation Report	<ol style="list-style-type: none"> <li>1. To reconcile bank balances on transactions carried out by the bank as an external party.</li> <li>2. To review the accuracy of bank record.</li> </ol>

FLOW 01  
 FLOWCHART ON RECEIVING MONEY  
 Executor: FAA



- Remarks :
- Rp : Cash Money
  - BPnB : Proof of Bank Receipt
  - BB : Bank's Book
  - JU : General Journal

**Narration 01 : Narration on Receiving Money**  
**Executor : FAA**

No.	Details of Activities	Remarks
1	When receiving fund in the form of cash money/ transfer form (Bilyet Giro, BG) or cheque, prepare a Proof of Bank Deposit, and to deposit such fund to the bank.	It is not necessary to wait for the due date of the BG/cheque.
2.	Preparing a Proof of Bank Receipt (BPnB) in one bundle and recording it in the Bank's Book (BB)	
3.	Requesting authorization from PJOK and PUMK.	
4.	Recording the authorized BPnB and attaching the Credit Note or Proof of Bank Deposit in the General Journal (JU) and in the Ledger.	

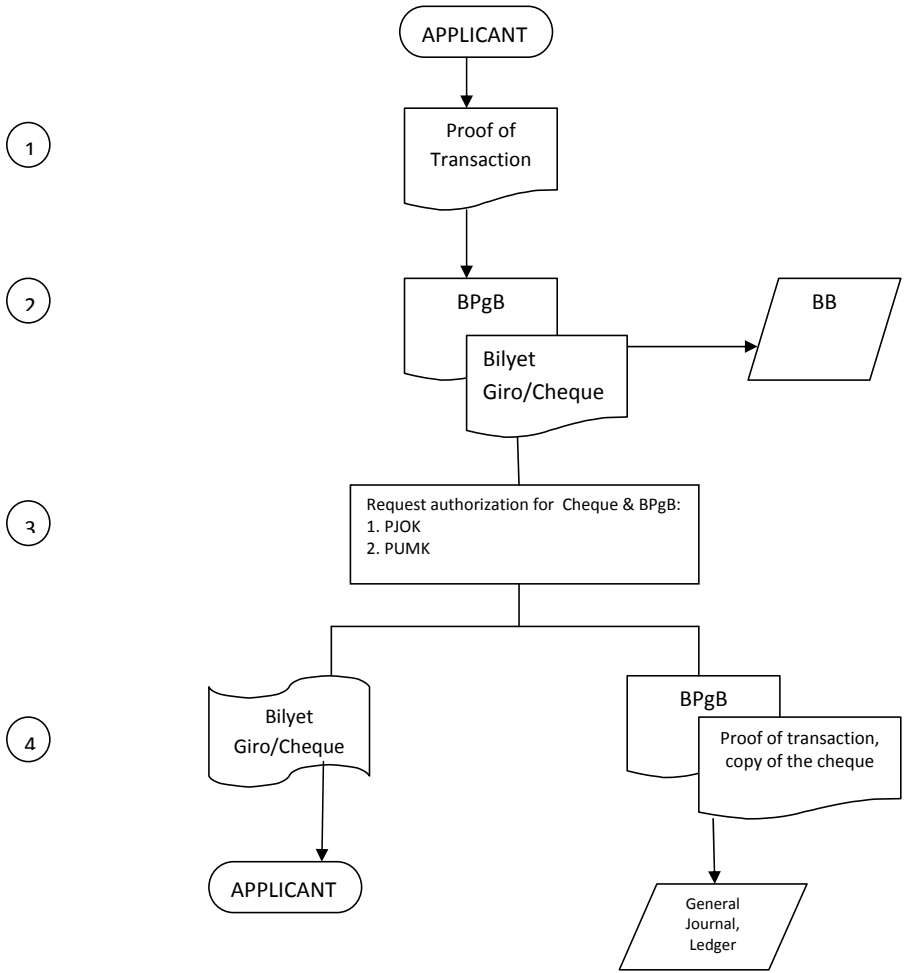


## 2. PROCEDURE FOR WITHDRAWING MONEY FROM THE BANK

The Internal Control System on Withdrawing Money from the Bank is applied as follows:

No.	CARA PENGENDALIAN	TUJUAN
1.	Using numbered voucher	To facilitate the access and tracing back to the archives.
2.	Voucher will be prepared by the FAA and endorsed by PUMK	To maintain a separation of authority and avoiding conflict of interest in implementing supervisory activity on transaction related to withdrawing money from the bank.
3.	All endorsement columns must be filled out in accordance with the prevailing procedure and policy.	<ol style="list-style-type: none"> <li>1. To prevent an unauthorized withdrawal of fund.</li> <li>2. To ensure the validity of transaction related to fund withdrawal from the bank.</li> </ol>
4.	The recipient column on each Bilyet Giro (and specifically a cheque) issued must be filled with name of the recipient, it shall not be left blank, and "pay to the bearer" must be crossed.	To ensure that the fund withdrawn from the bank will be received by the intended recipient.
5.	Withdrawal of fund must be jointly approved by at least 2 persons, in accordance with the provisions set forth in the LoU.	To ensure a crosscheck for each fund withdrawn from the bank.
6.	Cheque must be affixed with its nominal value before endorsement.	To prevent a withdrawal of fund beyond the intended amount.
7.	Affix the stamp "LUNAS" (PAID) on the form and on the supporting proof of payment for each fund withdrawn from the bank that has been paid.	To prevent the occurrence of double payment for a single transaction from the same bank.

FLOW 02  
 FLOWCHART ON WITHDRAWING MONEY FROM THE BANK  
 EXECUTOR : FAA



Remarks :  
 BPgB : Proof of Bank Withdrawal  
 BB : Bank's Book  
 JU : General Journal

**Narration 02 : Narration on Money Withdrawal from the Bank  
Executor : FAA**

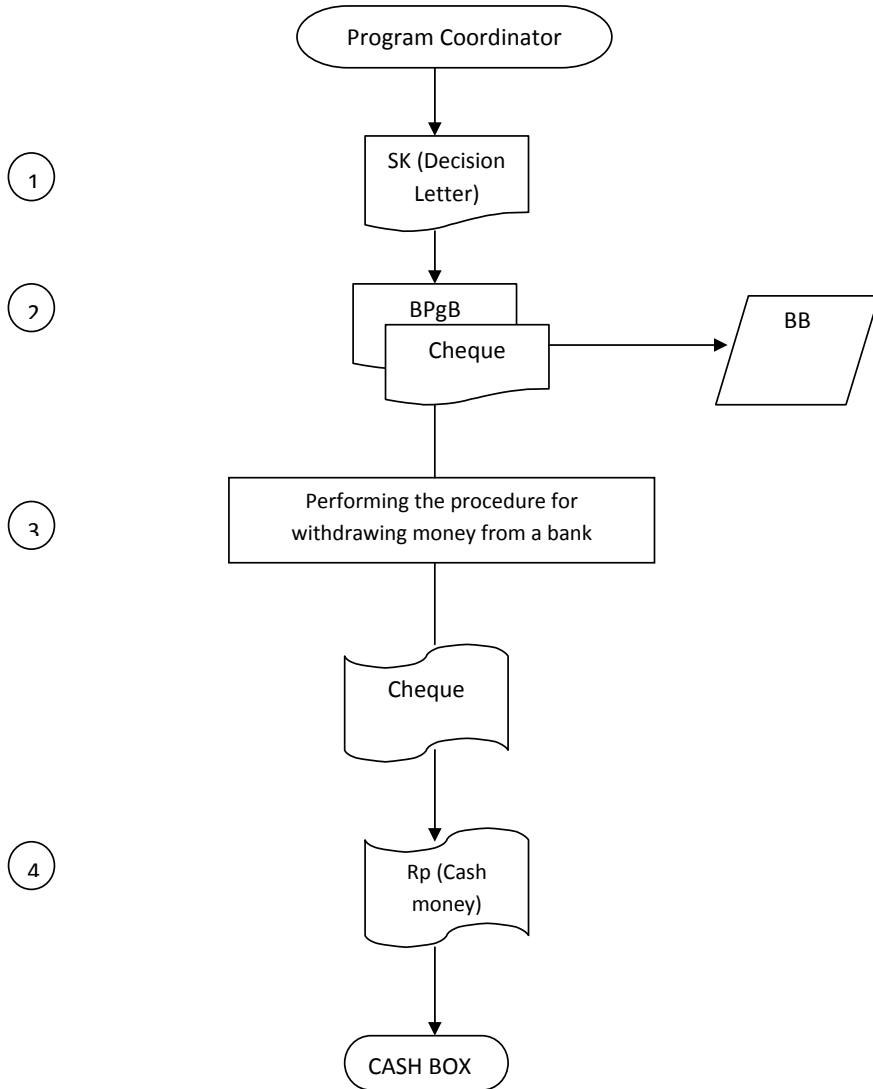
No.	Details of Activities	Remarks
1.	Obtain Proof of Transaction from the Applicant	Proof of Transaction may be in the form of receipts, notes/ invoices, proposal of activities, etc.
2.	Preparing Proof of Bank Withdrawal (BPgB) in 1 bundle and recording it in the Bank's Book (BB).	
3.	Submitting the BPgB and requesting a cheque from PUMK. The Cheque and BPgB must be endorsed by PJOK and PUMK.	The BG/ cheque must be signed by at least two authorized officials in accordance with the provisions set forth in the LoU.
4.	Hand over the endorsed cheque to the Applicant, make a copy of the cheque and receipt for the cheque (may be attached to BPgB).	
5.	Recording the authorized BPgB and attaching the Proofs of Transaction affixed with stamp "LUNAS" (PAID), attach copy of the cheque in the General Journal (JU) and in the Ledger.	

### 3. PROCEDURE FOR PETTY CASH

The procedure for petty cash is applied as follows:

No.	Method of Control	Objectives
1.	Using numbered voucher	To facilitate the access and tracing back to the archives.
2.	Voucher will be prepared by the FAA and endorsed by PUMK	To maintain a separation of authority and avoiding conflict of interest in implementing supervisory activity on transaction related to withdrawing money from the bank.
3.	All endorsement columns must be filled out in accordance with the prevailing procedure and policy.	<ol style="list-style-type: none"> <li>1. To prevent an unauthorized withdrawal of fund.</li> <li>2. To ensure the validity of transaction related to fund withdrawal from the bank.</li> </ol>
4.	Applying the imprest fund method.	<ol style="list-style-type: none"> <li>1.To minimize the risk of losing a large amount of fund.</li> <li>2.To facilitate the monitoring of petty cash fund.</li> <li>3.To facilitate recording/ bookkeeping journal.</li> </ol>
5.	Limiting petty cash withdrawal at Rp. 500.000 per transaction.	To prevent the risk of losing a large amount of fund.
6.	Separating petty cash fund from other cash fund.	To facilitate the accountability of each fund.
7.	Petty cash fund shall be stored in a lockable cashbox with a restricted access (accessible only to the person in charge of petty cash and PUMK).	<ol style="list-style-type: none"> <li>1. Keeping the fund in a secured media.</li> <li>2. To prevent the mixing of petty cash fund and other cash fund.</li> <li>3. To facilitate the accountability of petty cash fund.</li> </ol>
8.	Attaching supporting proofs in its entirety.	To prevent claims of fictitious transaction.
9.	Affix the stamp "LUNAS" (PAID) on the voucher and on the supporting proof of payment for each withdrawal of petty cash fund that has been paid.	To prevent the occurrence of double payment for a single petty cash fund transaction.

FLOW 03a  
FLOWCHART ON ESTABLISHING PETTY CASH FUND  
EXECUTOR : FAA



Remarks :  
BPgB : Proof of Bank Withdrawal  
BB : Bank's Book

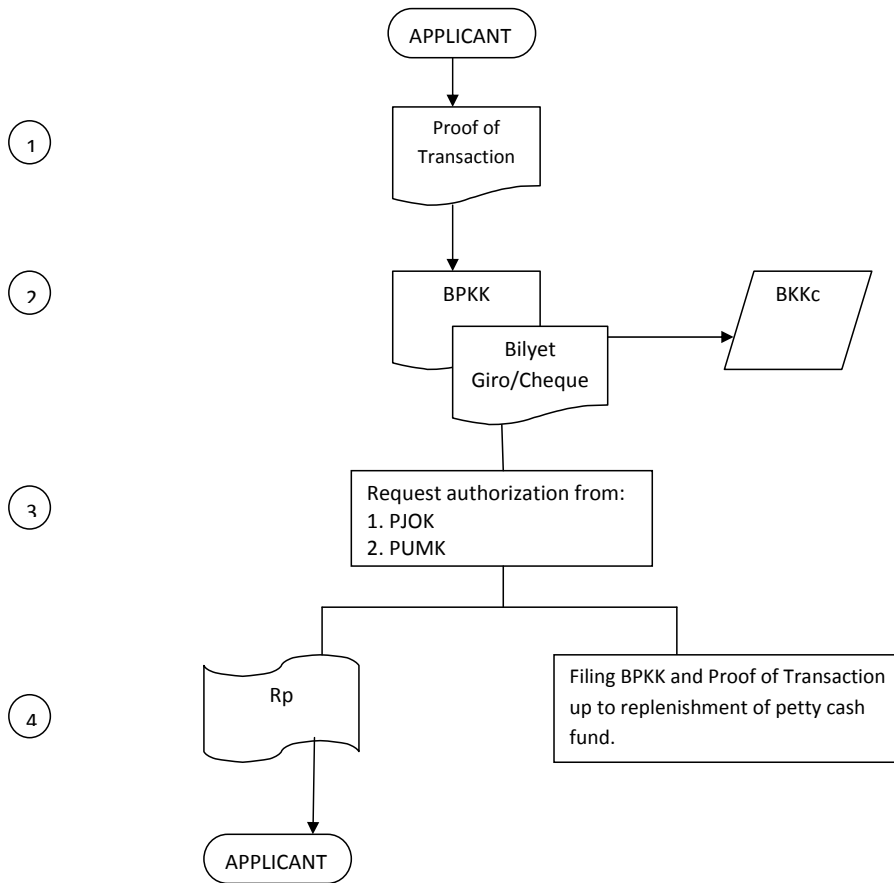
**Narration 03a : Narration on Establishing Petty Cash Fund**  
**Executor : FAA**

No.	Details of Activities	Remarks
1.	Accepting the Decision Letter (SK) from the program Coordinator on Establishing Petty Cash Fund.	The SK sets forth the amount of imprest fund, the maximum amount allowed for withdrawal, and the minimum amount when the petty cash fund must be replenish.
2.	Preparing Proof of Bank Withdrawal (BPgB) in 1 bundle, the cheque and recording them in the Bank's Book (BB).	
3.	Performing the procedure for withdrawing money from a bank and cashing a cheque.	
4.	Store money from the cashed cheque in the cash box.	

**Narration 03c : Narration on Replenishing Petty Cash**  
**Executor : FAA**

No.	Details of Activities	Remarks
1.	When the petty cash fund reaches its minimum balance where it must be replenished, then all Proof of Petty Cash Withdrawal (BPKK) must be taken out from the archive and recapitulated.	
2.	Preparing a recapitulation of Petty Cash Withdrawal (RPKK) in duplicate.	
3.	Requesting a written endorsement from PUMK.	
4.	Performing the procedure for withdrawing money from a bank.	
5.	-Cashing a cheque and keeping the money in the cash box. -Filing RPKK-2 -Recording RPKK-1 in the General Journal and in the Ledger.	

FLOW 03b  
 FLOWCHART ON PETTY CASH WITHDRAWAL  
 EXECUTOR: FAA



Remarks :  
 BPKK : Proof of Petty Cash Withdrawal  
 BKKc : Petty cash Book

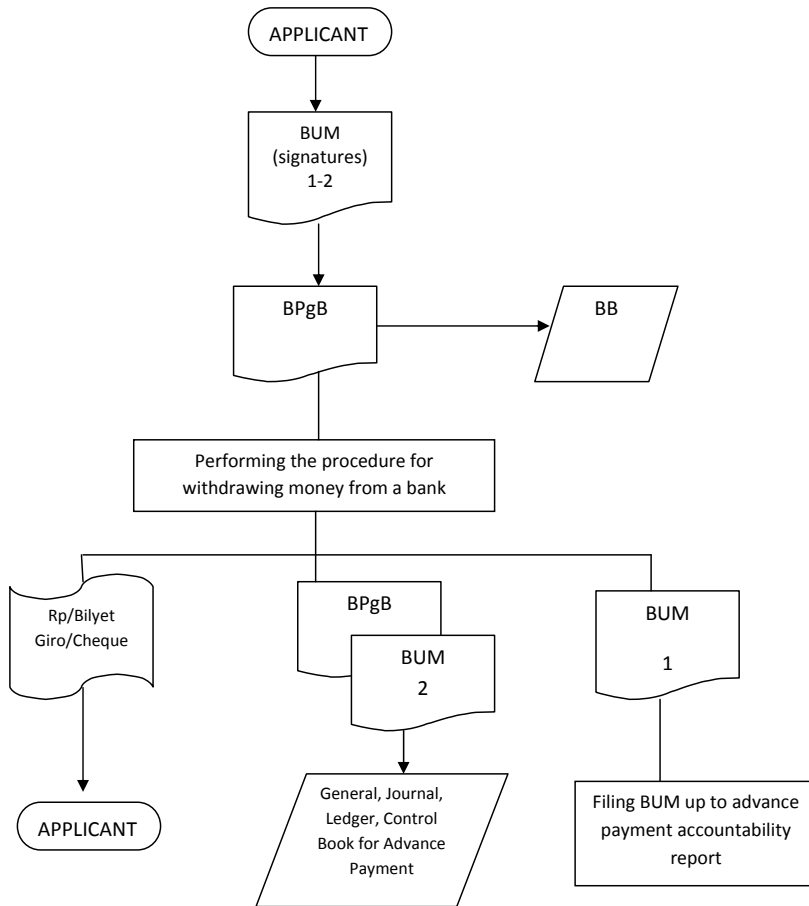
#### 4. ADVANCE PAYMENT FROM THE BANK

The Internal Control System on Advance Payment from the Bank is applied as follows:

No.	Method of Control	Objectives
1.	<p>Establishing Policy</p> <p>a. Restricting the disbursement of advance payment to Applicant who has yet to submit an accountability report for previous advance payment.</p> <p>b. Stipulating a time limit for submitting an accountability report (not more than 2 weeks)</p>	<p>a. To prevent any prolonged delay in submitting the accountability report for advance payment.</p> <p>b. To prevent a misappropriation of advance payment.</p>
2.	<p>Appointing an official to approve the withdrawal of advance payment from the bank.</p>	<p>1. To prevent an illegal withdrawal of fund.</p> <p>2. To ensure the validity of transaction with regard to the withdrawal of advance payment from the bank.</p>
3.	<p>An obligation to prepare the Accountability Report on Advance Payment by the Applicant (SPJ).</p>	<p>1. To facilitate the process of monitoring advance payment utilization.</p> <p>2. As an evidence of accounting bookkeeping.</p>
4.	<p>Attaching supporting proofs in its entirety.</p>	<p>To prevent claims of fictitious transaction.</p>
5.	<p>Affix the stamp "LUNAS" (PAID) on the voucher and on the supporting proof of payment for each withdrawal related to advance payment.</p>	<p>To prevent the occurrence of double payment for a single advance payment transaction.</p>



FLOW – 04a  
 PROCEDURE FOR ADVANCE PAYMENT FROM THE BANK  
 EXECUTOR: FAA



Remark :

BUM : Receipt for Advance Payment

BPgB : Proof of Bank Withdrawal

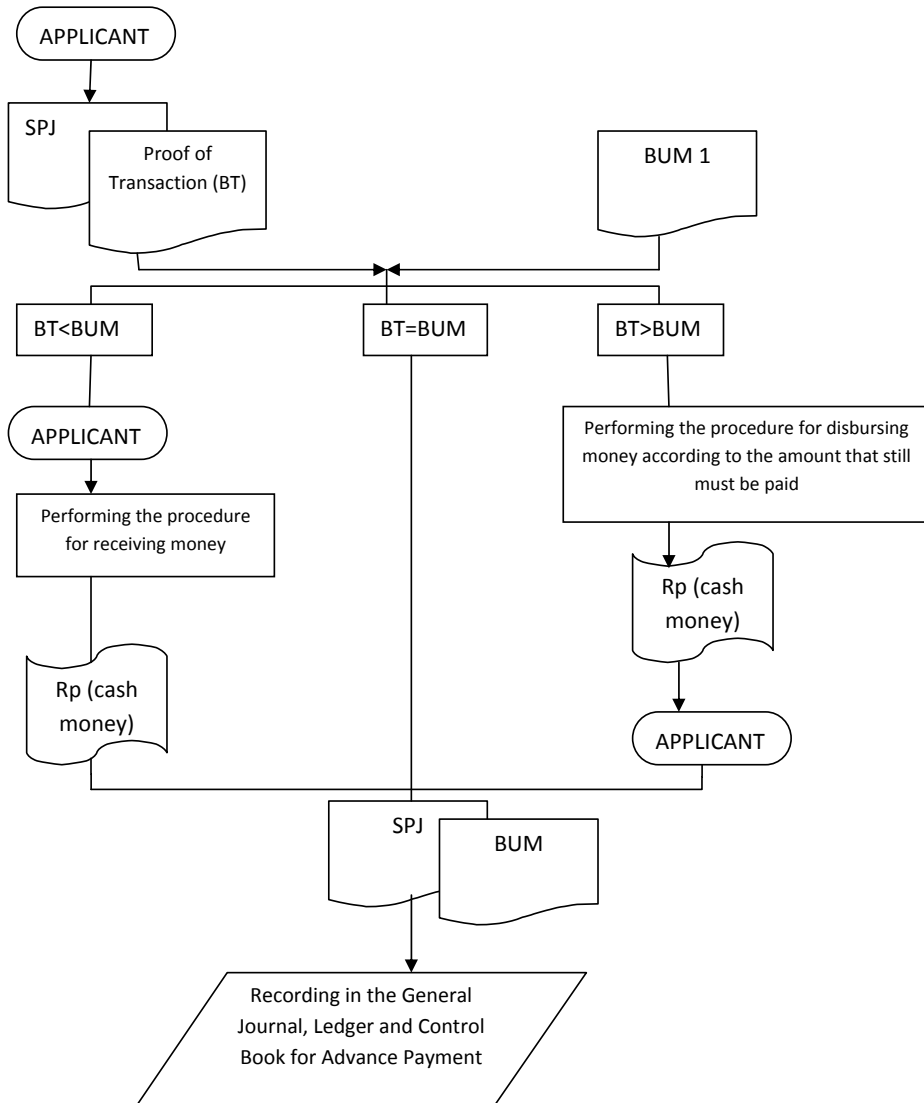
**Narration 04a : Narration on Advance Payment Application from the Bank  
Executor : FAA**

No.	Details of Activities	Remarks
1.	Accepting Receipt for Advance Payment (BUM) in duplicate from the Applicant, after it has been approved by PJOM and PUMK.	Attaching TOR and budget
2.	Preparing Proof of Bank Withdrawal (BPgB) in 1 bundle and recording it in the Bank's Book (BB).	
3.	Withdrawing money from the Bank	
4.	<ul style="list-style-type: none"> <li>• Hand over cash to the Applicant</li> <li>• Recording BPgB and BUM-2 in the General Journal and in the Ledger</li> <li>• Filing BUM-1 up to Advance Payment Accountability Report</li> </ul>	

FLOW – 04b.

PROCEDURE FOR ADVANCE PAYMENT FROM THE BANK

B. ACCOUNTABILITY



Remark:

SPJ :

BUM : Advance Payment Receipt

BT : Proof of Transaction

**Narration 04b : Narration on Accountability for Advance Payment from the Bank  
Executor : FAA**

No.	Details of Activities	Remarks
1.	<ul style="list-style-type: none"> <li>• Accepting Accountability Report for Advance Payment (SPJ) in 1 bundle and Proof of Transaction (BT) from the Applicant</li> <li>• Reviewing the conformance between BUM-1 with SPJ and BT from the Applicant</li> </ul>	
2.	<ul style="list-style-type: none"> <li>• If <math>BT &lt; BUM</math>, receive the balance of advance payment from the Applicant and performing the procedure for receiving money.</li> <li>• If <math>BT = BUM</math>, go straight to no.3</li> <li>• If <math>BT &gt; BUM</math>, Performing the procedure for disbursing money according to the amount that still must be paid</li> </ul>	
3.	Recording in the General Journal, Ledger and Control Book for Advance Payment	

**Notes on the SIKUBAH**  
**(Regulation of the Minister of Finance/PMK No. 40/PMK.05/2009)**

***Implikasi Penerapan SIKUBAH:***

Dengan menerapkan SIKUBAH, kementerian/ lembaga penerima hibah berkewajiban untuk mengadministrasikan hibah yang diterimanya, baik yang dikelola secara langsung maupun yang dikelola oleh pihak lain, dalam bentuk uang, barang dan/atau jasa.

Pada prinsipnya semua hibah yang diterima harus dicatatkan dalam APBN, baik yang mekanisme pencairannya melalui KPPN (dengan menggunakan DIPA) ataupun yang pencairannya tidak melalui KPPN.

Hibah yang mekanisme pencairannya melalui KPPN adalah hibah yang tergolong ke dalam hibah yang direncanakan, sedangkan hibah yang mekanisme pencairannya tidak melalui KPPN merupakan hibah langsung.

***Pengadministrasian Hibah:***

A. Hibah yang mekanisme pencairannya melalui KPPN secara umum pengadministrasiannya terdiri atas:

1. Sistem dan prosedur perencanaan hibah → mengikuti mekanisme perencanaan sebagaimana diatur dalam PP nomor 2 tahun 2006
2. Sistem dan prosedur pelaksanaan hibah → mengikuti mekanisme pencairan anggaran yang berlaku (naskah perjanjian→RKA-KL→DIPA→Laporan Realisasi Anggaran)

Adapun pencairan hibah dapat melalui tata cara:

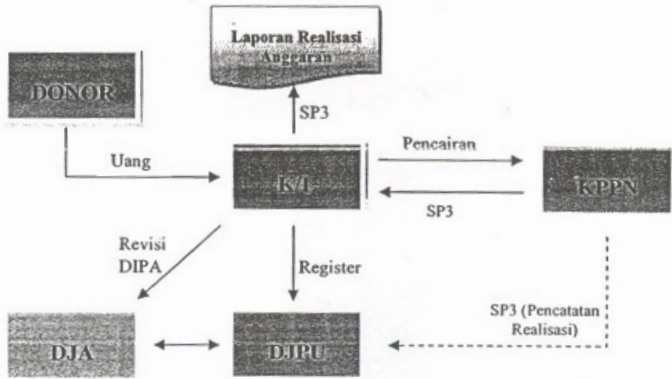
- Pembayaran langsung (*direct payment*);
- Rekening khusus (*special account*);
- Pembukuan *letter of credit*

B. Hibah yang mekanisme pencairannya tidak melalui KPPN (hibah langsung), pengadministrasian dibedakan berdasarkan bentuk hibah yang diterima:

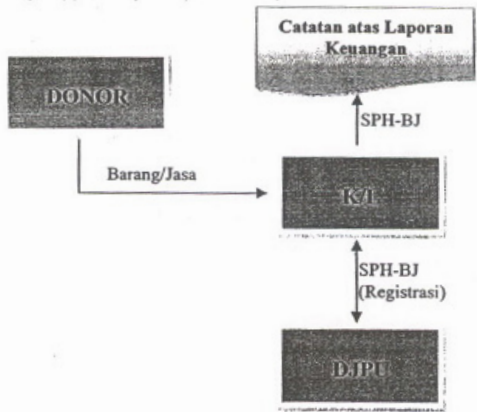
a) Hibah langsung berupa uang

Kementerian/ lembaga penerima hibah langsung berupa uang/kas berkewajiban untuk menatausahakan dokumen-dokumen terkait penerimaan hibah, antara lain dengan menyusun naskah perjanjian hibah, mengurus pembukaan rekening yang menampung hibah tersebut, mengurus nomor register hibah, dan melakukan revisi DIPA.

Selanjutnya berdasarkan penggunaan dana hibah tersebut kementerian/ lembaga mengurus pengesahan realisasi hibah ke KPPN Khusus Jakarta IV. KPPN akan menerbitkan Surat Perintah Pembukuan/Pengesahan (SP3) yang dapat dipergunakan oleh kementerian/ lembaga sebagai dasar untuk menyusun Laporan Realisasi Anggaran dari hibah tersebut. Penerbitan SP3 ini dapat dilakukan tanpa harus menunggu proses revisi DIPA selesai.



Gambar 1. Hibah Langsung Berupa Uang/Kas



Gambar 2. Hibah Langsung Berupa Barang dan/atau Jasa

b) Hibah langsung berupa barang/jasa

Kementerian/lembaga penerima hibah langsung berupa barang/jasa berkewajiban untuk menatausahakan dokumen-dokumen terkait penerimaan hibah, antara lain dengan menyusun naskah perjanjian hibah, mencatat penerimaan hibah berupa barang ke dalam neraca sebagai aset, menyiapkan Surat Pengesahan Penerimaan Hibah berupa Barang dan/atau Jasa (SPH-BJ) yang disampaikan kepada Ditjen Pengelolaan Utang, Dep. Keuangan (DJPU).

Berdasarkan SPH-BJ tersebut DJPU melakukan pengesahan realisasi hibah berupa barang/jasa. SPH-BJ yang telah disahkan dapat dipergunakan oleh kementerian/lembaga sebagai dasar dalam melaporkan penerimaan hibah ini ke dalam Catatan atas Laporan Keuangan-nya.

C. Rekonsiliasi Hibah

Rekonsiliasi hibah dilakukan untuk memastikan bahwa pencatatan pendapatan hibah dan belanja hibah telah dilakukan dengan benar.

***Hibah kepada Daerah:***

Dalam PMK nomor 40 tahun 2009 ini tidak banyak menyebutkan tata cara pengelolaan/pengadministrasian hibah yang diteruskan ke Pemerintah Daerah. Hanya mengatur dalam hal belanja hibah kepada daerah (khusus untuk hibah yang direncanakan) dilakukan melalui Ditjen Perimbangan Keuangan, Dep. Keuangan (DJPK) sebagai Kuasa Pengguna Anggaran. Seluruh pengadministrasian hibahnya dilakukan oleh DJPK.

## FORM AND EXAMPLE OF SP3 APPLICATION

**STATEMENT FOR RECEIVING GRANTS AND DIRECT EXPENDITURES IN  
THE FORM OF MONEY WITHOUT GOING THROUGH KPPN  
(UNFPA)**

Number: \_\_\_\_\_ Date : \_\_\_\_\_

Hereby, declare that I, on behalf of

Department/ Agency : \_\_\_\_\_  
 Name & Work Unit's Code : \_\_\_\_\_  
 Number & Date of DIPA : \_\_\_\_\_  
 Number & Date of DIPA's Third Revision : \_\_\_\_\_  
 Number & Date of Confirmation Letter : \_\_\_\_\_

assuming full responsibility for the receipt of and expenditures of overseas grant funding received directly from:

Donor : \_\_\_\_\_  
 Grant Agreement Number : \_\_\_\_\_  
 Registration Number : \_\_\_\_\_  
 Grant Value in 2010 : \_\_\_\_\_

without going through KPPN with details as follows :

Account	Limit (AWP 2010)	Realization			Balance
		Previous	Current	up to Now	
Grants Received					
Grants Expenditure					

The evidences related to the aforementioned subject are kept in accordance with the prevailing regulations at the Work Units of the Office of the State Minister PPN/ Bappenas to fulfill the administrative requirements and for review purposes by the functional supervisory official.

Hereby, this Statement is made truthfully and to be used as appropriate.

Jakarta,  
 Commitment Making Official

(PPK, Pejabat Pembuat Komitmen)



**RELEVANT GOVERNMENT REGULATIONS  
ON DIRECT GRANT MANAGEMENT WITH IMPLEMENTING PARTNER**

**A. Direct Grant Management with Implementing Partners (M/I)**

**1. Direct Grant Management in the form of Cash**

Submit request for Grant ID/registration number

- a. BAPPENAS as GCA will submit the request for Grant ID to the Directorate General of Debt Management cq. Director of Evaluation, Accounting, and Settlement, Ministry of Finance.
- b. The request should include as an attachment:
  - 1) Grant agreement or other documents of equal value; and
  - 2) Grant summary
- c. The request should refer to Forms 1 and 2(annex\_\_\_).
- d. The Grant ID received from the Directorate General of Debt Management at Ministry of Finance, should then be forwarded by BAPPENAS to the Echelon-1 level officials responsible for the UNFPA Programme in respective IPs.

Currently, the grant ID for the UNFPA CPAP 2011-2015 is registered as No. 71509501. This registration number can be used by every IP for accountability processes related to UNFPA funding.

**2. Grant Account Management**

- a. Based on the request by KPA (kuasa pengguna anggaran)/Head of Unit (SATKER) who is responsible for the programme, the KPA should submit a request to open a bank account, that will be used for the management of direct grants in the form of cash, to the Echelon-1 level official who will then send it to the Secretary General of the IP.
- b. The Secretary General of Ministries/Institutions should a request for approval to open a bank account, this request should be submitted to the Director General of Treasury cq. the Director of State Treasury Management.
- c. The request for approval to open a bank account should include supporting documents such as:
  - 1) The request for approval to open a bank account from KPA/Head of Unit signed by the Echelon I-level official, in accordance to Form 3

- 2) Statement of approving the request to open an account in accordance to Form 4
  - 3) A letter that acknowledges the registration of the bank account in the DIPA in accordance to Form 5
  - 4) Grant ID from the Directorate General of Debt Management.
- d. Based on the approval to open a bank account from the Director General of Treasury, then the KPA/Head of Unit should submit a request to the bank to open an account;
  - e. After opening an account, the KPA/Work Unit must report the account to the Secretary General of IPs to be forwarded to the Directorate General of Treasury in accordance to Form 6
  - f. The management of grant accounts is carried out by the treasurer of the relevant IP Work Unit.
  - g. Grant recipient units can directly use funds from direct grants while the DIPA is being revised.
  - h. Bank accounts that are no longer in use should be closed by the KPA/Work Unit.
  - i. The ending balance of item (h) should be transferred to UNFPA.
  - j. A bank account can be opened for grant funds in the programme location.
  - k. The bank account as mentioned in item (j) is managed by the treasurer or the assistant treasurer, upon permission to open an account from the Ministry of Finance.
  - l. In the instance where grant accounts have already been opened prior to obtaining permission from MOF, the work unit should submit a request to open an account (see items (a) to (k)).
  - m. SKPDs are not allowed to open a bank account for grant funds.

(ii) Grant Ceiling Adjustment in DIPA (Revised DIPA)

- a. Head of Work Unit through leader of Echelon I submits application on revised DIPA for Foreign Direct Grant in form of Money, to local Regional Office of Directorate General of Treasury with copies to planning unit and financial unit at respective M/I.
- b. Requirements to attach:
  - 1) Proposal on Budget Revision attached with Matrix of Amendment (before-after);
  - 2) SPTJM; and
  - 3) State Ministries Budget Work Plan Computer Data Archives/Budget Implementation Form Agency.

- c. Expense ceiling adjustment with fund coming from grant of DIPA at amount as planned to spend until end of current fiscal year and/or at expenditure realization, as highest as realization of grant receipt as received in the account.

Example:

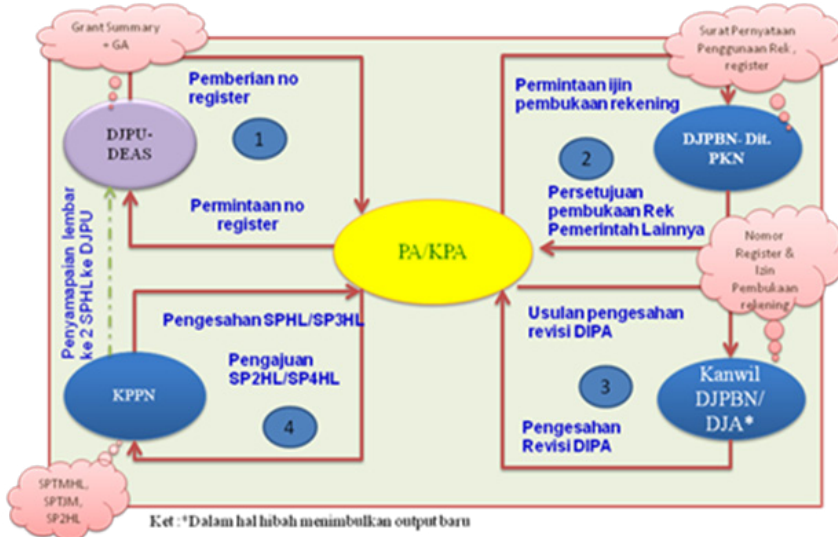
Direct Grant Agreement received in form of money at commitment value of USD1 million, transferred to treasurer's account USD800 thousands, expenditure plan USD700 thousands, then revised DP submitted by M/I amounts USD700 thousands or maximum USD800 thousands or if that will be spent amounts USD800 thousands.

### (iii) Revenue, Expenditure, and Refund Validation

#### a. Revenue and Expenditure funded from Cash Direct Grant Validation

- 1) PP-SPM performs validation test for SP2HL along with support documents received from PPK.
- 2) PP-SPM by using SPM application issues and submits SP2HL to KPPN pursuant to enclosed format (Form 7), by enclosing:
  - a) Copy of Latest Current Account for the Grant Account;
  - b) SPTMHL (according to Form 16);
  - c) SPTJM (according to Form 17); and
  - d) Copy of Approval to Account Opening for submitting the first SP2HL.
    - ➔ It is suggested that 15 days after Quarters I, II, and III end, KPA validates grant revenue and/or expenditure sourced from grant. At the same time, validation for quarter IV is performed by no later than end of current year.
- 3) PP-SPM submits SP2HL to KPA for stipulation. KPA submits SP2HL for any direct grant revenue in form of money at amount as received and expenditure sourced from domestic direct grant at amount as spent in current fiscal year to Special KPPN for Loan and Grant.
- 4) Based on SP2HL submitted by KPA to KPPN, KPPN issues SPHL in 3 (three) copies pursuant to Form 8.

Whereas proses of accountability for money grant is found in below scheme:



b. Validation to Money Direct Grant Revenue Refund (enclose example).

1) Remaining grant fund is returned to UNFPA

Grant fund has been validated for revenue (SP2HL/SPHL has been issued):

- 1) PP-SPM tests the correctness of SP4HL along with support documents from PPK.
- 2) Upon direct grant revenue refund, KPA submits SP4HL to KPPN Special for Loan and Grant by enclosing:
  - a) Copy of latest current account for the Grant Account;
  - b) Copy of transfer evidence/transfer to Granting Party; and
  - c) SPTJM (according to Form 17).
  - d) SP4HL Form is enclosed according to Form 9, and made by application provided by Directorate General of Treasury.
  - e) Based on SP4HL submitted by Work Unit, KPPN issues SP3HL in 3 (three) copies pursuant to Form 10.

KPA submits SP4HL to KPPN amounting at that returned to donor. Issuance of SP4HL is adjusted to date and year of refund to donor.

Example:

Receiving money amounting IDR1 billion, Expenditure IDR900 millions, and validated for revenue IDR1 billion, and Expenditure IDR900 millions. At year-end, remaining fund at IDR100 millions is submitted to donor.

Based on evidence on deposit, M/I submits SP4HL amounting IDR100 millions KPPN for Loan and Grant to obtain validation.

- 2) In case of remaining grant funds is not returned to UNFPA (still in the account of Ministries/Institutions), direct grant remaining in year 20XX can be directly used in year 20XX+1. Ministries/Institutions should submit adjustment to expenditure ceiling sourced from grant in DIPA for year 20XX.
- 3) It is possible that grant fund obtained from UNFPA is spent in form of goods/assets planned to give to other party (local government, NGO, Center of Population Study, etc.), PA/KPA must:
  - a. Record any expenses on goods/asset procurement into stock account.
  - b. Arranging minute of operating handover (BASTO) between PA/KPA and regional government.
  - c. Submitting application on goods/assets write-off upon goods/assets handed over to the local government.
  - d. Authority to write off:

Type of Writing-Off Activity	KPKNL	Regional Office of DJKN	PKNSI
• Land and/or building (Proposed NB)	up to 1 billion	1 – 5 billions	5 – 10 billions
• Other land and/or building (Proposed NB)	up to 500 millions	500 millions – 1 billion	1 – 5 billions

- e. Further, after permit of write-off is issued, the Minister of Finance, PA/KPA arranges Minute of Handover along with local government.
- f. Writing-off for goods/assets of stock in M/I balance sheet.

## 2. Mechanism of Direct Grant Management in Form of Goods/Services

### 2.1 Arrangement of Minute of Handover

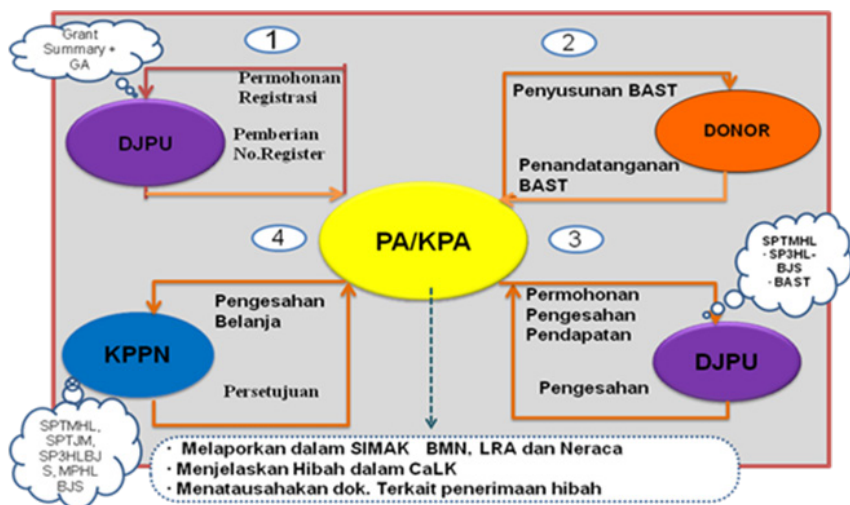
Leader of Work unit/official appointed to received grant in form of goods/services makes and to sign on BAST along with UNFPA. BAST at least contains:

- a. Date of handover
- b. Granting and granted party
- c. Objective of handover

- d. Nominal value (foreign currency and rupiah)
- e. Grant form (goods/services)
- f. Detailed price per item.

Documents related to grant acceptance must be administered by grant receiver. Form of Minute of Handover for goods and services is described in Forms 11 and 12.

BAST in form of services must enclose brief activity report as integrated part of BAST. Responsibility to goods/services procurement and price/cost put in the Minute of Handover is responsibility of UNFPA.



## 2.2 Validation

- a. Validation of Direct Grant Revenue in form of Goods/Services in SP3HL-BJS format
  - 1) KPA submits SP3HL-BJS according to Form 13 in 3 (three) copies to DJPU c.q. Director of Evaluation, Accounting, and Settlement by enclosing:
    - a) BAST; and
    - b) SPTMHL (according to Form 16).
  - 2) SPTMHL has contained value of goods/services received in IDR currency.
- b. Expenditure record having been funded by Grant in form of Goods/Services in MPHL-BJS format
  - 1) KPA submits MPHL-BJS (according to Form 14 ) for:
    - a) Expenditure of goods for Accounting stocks from grant;

- b) Capital expenditure for Accounting fixed assets or other assets from grant; at amount of goods/services as mentioned on SP3HL-BJS in current fiscal year to its work partner KPPN.
- 2) KPA submits MPHL-BJS to KPPN by no later than 3 (three) working days after SP3HL-BJS is received by enclosing:
    - a) SPTMHL (according to Form 16);
    - b) SP3HL-BJS second sheet; and
    - c) SPTJM (according to Form 17)
  - 3) At the Approval of MPHL-BJS (according to Form 15) received from KPPN Special for Loan and Grant or work partner KPPN, KPA books expenditure on goods for Accounting stocks from grant/capital expenditure for fixed property Accounting or other property from grant.
  - 4) Upon Grant Revenue and expenditure funded from grant, it is properly disclosed in CaLK.

### **3. RECONCILIATION AND REPORTING**

#### **A. Grant Reconciliation**

Reconciliation is performed gradually for at least once 3 (three) months. Grant reconciliation is made between:

1. Ministries/Institutions with grant provider upon realization of Grant Revenue (according to Form 20 );
  - a. Result of reconciliation is copied to Directorate of EAS DJPU
  - b. Reconciliation result of Work Unit with Granting Party shall be submitted to Echelon I for then being recapped and submitted to financial unit of Ministries/ Institutions for then being recapped and submitted to DJPU.
2. Work Unit of M/I and KPPN special for Loan and Grant or KPPN of expenditure related work unit funded from grant (pursuant to Form 23 ); and
3. Ministries/Institutions with DJPU upon Grant Revenue directly received in form of money, goods, and services (pursuant to Form 22). Upon recapitulation made by M/I work financial unit, M/I financial unit further reconciles with DJPU.

#### **B. Reporting**

Grant transaction is also presented in financial report by referring to applicable laws and regulation. Arrangement of Grant Accounting System (Sistem Akuntansi Hibah (SIKUBAH)) refers to Government Regulation Number 71 of 2010 regarding Governmental Accounting Standard.

KPA as accounting entity and reporting entity reports implementation of expenditure sourced from grant, in Budget Realization Report (LRA) and assets obtained from grant in the balance sheet. Further, for the obtained grant is explained in the notes on financial report (CaLK).

1. Reporting Period

Grant reporting is part of Budget Realization Report that at least submitted twice a year, namely Semester Annual Report and Year-End Annual Report.

2. Grant Report Components arranged by M/I Financial Unit

Grant Report consists of:

- a. Balance Sheet;
- b. LRA;
- c. CaLK

3. Balance sheet describes financial position of any reporting entity regarding assets, liability, and fund equity on certain date.

4. Budget Realization Report (LRA)

LRA presents summary of sources, allocation, and application of economic resources managed by the government, describing comparison between budget and its realization within one reporting period.

Elements directly included by LRA on the grant consists of expenditure sourced from grant. Grant revenue in form of goods/services as well as expenditure for Accounting grant in form of goods/services shall be non-cash.

5. Notes on Financial Report (CaLK)

- a. Information presentation regarding Grant policies, target achievement for Law on National Budget (APBN), along with any problems and obstacles faced in reaching intended targets;
- b. Presentation of summary of annually financial achievement;
- c. Presentation of information on the basics of financial report arrangement and accounting policies chosen to apply to other important transactions and events;
- d. Information disclosing required by Government Accounting Standard that is not yet presented on face sheet of the financial report;
- e. Elucidation to LRA and Balance Sheet;
- f. Presentation of measurement basis on the grant;
- g. More detailed presentation of grant sources or types; and
- h. Additional information provision as required for proper presentation.



### Annex XIX. Spot Check Work Plan Example

#### Spot Check Work Plan

*This is a minimum required template. It may be modified by agencies.*

<b>Programme title:</b>	
<b>Project title:</b>	
<b>Name of IP:</b>	
<b>Location of IP/programme:</b>	
<b>IP contact person and position:</b>	
<b>Start/end date of spot check (dd/mm/yyyy – dd/mm/yyyy):</b>	
<b>Dates covered by FACE form selected for testing (dd/mm/yyyy – dd/mm/yyyy):</b>	
<b>Date of last spot check (dd/mm/yyyy – dd/mm/yyyy):</b>	
<b>Member(s) of the spot check team (Name, designation, section/organization):</b>	
<b>IP staff whom the spot check team met and worked with during the spot check (names and titles)</b>	

**Internal Controls:** Complete the following table covering specific procedures regarding internal controls.

	<b>Procedure</b>	<b>Findings</b>
1	Compare documentation obtained describing the IP's financial management internal controls against the most recent micro assessment from the corresponding programme cycle. Document any changes or inconsistencies identified.	
2	Inquire of IP management whether there have been any changes to internal controls since the prior micro assessment from the current programme cycle. Document any changes identified.	

**Sample of Expenditures:** Complete the following table for details related to each sample

Sample expenditure description and voucher number	Sample expenditure amount reported	Documentation exists to support expenditure in accordance with IP's applicable rules and procedures and agreements with the agency? (Y/N)	Activity is related to expenditure in accordance with work plan? (Y/N)	Expenditure has been reviewed and approved in accordance with IP's applicable rules and procedures and agreements with the agency? (Y/N)	Expenditure was reflected on a certified FACE form submitted to the agency and in IP's accounting records and bank statement? (Y/N)	Supporting documents are stamped 'PAID from XXX grant', indicating which agency funded the transaction? (Y/N)	FACE form was submitted consistent with the periodicity-of-disbursement requirement in the HACT framework (within two weeks)? (Y/N)	Price paid for goods or services against United Nations agreed standard rates (if readily available)	Comment/ finding
Total sample expenditures:									
Total expenditures reported on FACE forms during period under spot check:									
Percentage coverage: (Total sample expenditures divided by total expenditures reported on FACE forms during period under spot check)									

## TERMS OF REFERENCE

**Financial Audit of Implementing Partners**  
**2012 Expenditures**

**List of Abbreviations**

AWPs	- Annual Work Plans
CCA	- Common Country Assessment
CDR	- UNDP Combine Delivery Report (expenditures statement)
CPD	- Country Program Document
CPAPs	- Country Program Action Plans
DCT	- UNICEF Direct Cash Transfer
FACE	- Funding Authorization and Certificate of Expenditures
FAO	- Food and Agriculture Organization
HACT	- Harmonized Approach to Cash Transfers to Implementing Partners Policy Framework issued in 2005
IAS	- International Accounting Standards
IP	- Implementing Partner
ISA	- International Standards on Auditing
ITOSAI	- International Organization of Supreme Audit Institutions
LPMA	- UNICEF Fund Utilization Report
M&E	- Monitoring and Evaluation
NIM	- National Implementation Modality (formerly NEX)
NPD	- National Project Director (legacy terminology, replaced by 'Executive at Project Board')
PM	- Project Manager
PMD	- UNICEF Programme Monitoring Document
PMIG	- Project Management Implementation Guideline
PMU	- Project Management Unit
PO	- Purchase Order
ProMS	- UNICEF Programme Manager System
QPR	- Quarterly Project (Progress) Report
QWP	- Quarterly Work Plans
SAI	- Supreme Audit Institution
SOP	- Standard Operating Procedures
TOR	- Terms of Reference
UN	- United Nations
UNCT	- United Nations Country Team
UNPDF	- United Nations Partnership for Development Framework
UNDG	- United Nations Development Group
UNDP	- United Nations Development Program
UNFPA	- United Nations Population Fund
UNICEF	- United Nations Children's Fund

## A. BACKGROUND

Originating from Common Country Assessment (CCA), the United Nations Partnership for Development Framework (UNPDF) has been developed and is the guiding framework for the UN in Indonesia for the period 2011-2015. Within this framework, UN Agencies prepare Country Programme Documents (CPDs) or equivalents, which are approved by the Agencies' respective Executive Boards at Headquarters. The approved CPD is further elaborated into the Agency's Country Programme Action Plan (CPAP) or equivalent. Subsequently, at the programme implementation level, the Annual Work Plan (AWP) is developed together with the Implementing Partner (IP). AWP are developed annually that address development challenges identified in the CPAP and revised as needed accordingly. Based on these AWP, funds are disbursed to the respective IPs using Harmonized Approach to Cash Transfer (HACT).

As part of the implementation of Rome Declaration on Harmonization and Paris Declaration on Aid Effectiveness, which call for a closer alignment of development aid with national priorities and needs, HACT has been adopted and implemented in Indonesia by UNDP, UNFPA and UNICEF since 2008. In addition, FAO in 2010 committed to implementing HACT for the UN-REDD joint programme. The approach allows collective efforts to focus more on strengthening national capacities for management and accountability, with a view to gradually shift to utilizing national systems. It also helps agencies shape their capacity development interventions and provide support to new aid modalities.

HACT facilitates a harmonized and clearly defined process for assessing risks at the macro and micro levels, for building assurance mechanisms into the AWP, and for adopting a standard financial expenditure reporting for all Agencies' implementing partners. More specifically, HACT shifts the management of cash transfers to IPs from a system of rigid controls to a risk management approach that aims at : 1) Reducing transaction costs pertaining to country programmes of the HACT-compliant agencies by simplifying and harmonizing rules and procedures as well as requesting and reporting on funds; 2) Strengthen the capacity of implementing partners to effectively manage resources; 3) Help manage risks related to the management of funds and increase overall effectiveness.

As part of HACT compliance, a macro and micro assessments have been conducted to determine levels of risk in transferring large amounts of funds to the IPs. The Macro assessment was completed and the assessment result was presented to the Government in May 2008; in the meanwhile, micro assessments have also been carried out for IPs. IP refers to institution that signs the Funding Authorization and Certificate of Expenditure (FACE) forms<sup>1</sup> as attached in [Annex 2](#), and it assumes responsibilities for ensuring adequacy of the overall supervision and management of projects funded by the agencies, within the framework of the CPAPs.

Along with the micro assessments, assurance activities, including spotchecks and programmatic monitoring visits are undertaken to get assurance that the resources disbursed to IPs are managed in accordance with the AWP and applicable rules and regulations. The Agencies will have their IPs audited in a coherent manner as part of the HACT implementation. To the extent possible, the IPs are audited by the state audit institution. Otherwise, an audit firm could be commissioned to do so. The IPs are responsible for the use of funds disbursed to them by the Agencies and are accountable to the Agencies for the entirety of the resources under their management. A list of auditable IPs is attached in [Annex 7](#). These IPs have been using FACE Forms to receive cash transfer from the Agencies on a quarterly basis. The list provides details related to the relevant contact persons and their addresses who manage the respective projects, the amount of the funds received in 2012.

## B. Audit Purpose & Objective

The main purpose of the audit is to assess the existence and functioning of an IP's internal controls for the receipt, recording and disbursement of cash transfers through a review of financial systems and the testing of a sample of expenditures as reported in the FACE forms. The Audit will also aim:

- To provide assurance to the Agencies that funds provided have been spent and managed by the IPs in accordance with the provisions of the CPAP, AWP or LoU (Letter of Understanding), and that the internal

<sup>1</sup> It is not expected that the sample will provide assurance for individual FACE forms.

control system in the IPs is satisfactory and in accordance with the established national and international standards.

- To identify any significant risks that might threaten the achievement of the programme and/or operational objective and make recommendations to strengthen internal controls over such risks.
- To examine the IP's activities and expenses, resources management, and budgetary revisions, if any, and the statement of reconciliation of the operating fund accounts.

Thus the overall objective is to obtain reasonable assurance that the resources used by the IPs were in accordance with the provisions of the AWP(s), the CPAP and/or the Letter of Understanding signed by the IP.

It should be underlined that within the framework of the HACT implementation, the focus of the audit will be on the assessment of the IP's internal controls for the receipt, recording and disbursement of cash transfers and the fairness of a sample of expenditures reported in the FACE forms. The financial audit of the IPs includes a sample of expenditures from different projects/awards that are part of the IP's portfolio which will be reviewed to determine the fairness and accuracy of expenditures reported in the FACE forms.

The audit requirements apply to all substantive, financial and custodial responsibilities assumed by the IPs. The risk based approach is applied in determining IPs to be audited. The risk-based approach audits implies that auditable IPs are selected based on the risk factors that include: a) results of the micro assessment of the IP, b) results of the previous audit, c) spot check results, d) review of the disbursement rate, e) review of the critical risk logs, f) review of the number of small grants within the project/s, and g) IPs that have not been audited before and no micro assessment made.

As the main reference, the auditors should rely on the terms of reference as outlined in the Annex 8: Technical Note No. 4 which is part of the HACT framework document. In essence, the audit will cover 1) a review of the IP's internal controls, 2) a review of the implementation of recommendations made in the micro-assessments and previous audits, 3) verification of a sample of transactions, drawn from a sample of FACE forms, and 4) recommendations to the IPs to improve their internal controls.

The list of IPs to be audited is attached as an [Annex 7](#). This list of auditable IPs provides details related to the contact person and addresses who manages the respective programmes/projects, and the amount of funds transferred/received during the year 2012.

## **C. Consultations with Concerned Parties**

Prior to the start and during of the audit work, the auditor is required to consult with the UNDP, UNFPA and UNICEF that have adopted HACT framework for firming up the plan of the audit, and discuss any emerging issues related to the conduct of the audit. The Auditor is expected to also consult with the IPs to elaborate the plan for the audit field work. The auditor will then proceed with more detailed planning and preparations for the audit. More specifically, the audit team will carry out the following:

- Participating in an entrance meeting organized collectively by the HACT Advisory Group and attended by the senior officials of the agencies, and the auditable IPs to discuss issues/concerns they may have.
- Upon completion of the draft report and management letter, the auditors should hold a debriefing meeting (known as the Exit Meeting) with the IP concerned and other related parties as appropriate, to discuss findings and recommendations for future improvements, as well as to seek their feedback. These meetings should be documented by the auditors and shared with the IP's and Agencies.
- The auditors will then meet with the relevant agencies to discuss the draft report prior to its finalization.

## **D. Description of Financial Report to be Audited**

The financial report that should be audited is the financial report of the IP on the basis of the duly completed

and signed FACE (Funding Authorization and Certificate of Expenditures) Form. FACE is a report prepared by the IP, while the Financial Statement is a report generated by the agencies. For example, UNDP has CDR (Combined Delivery Report) that is generated from ATLAS (the in-house accounting software package).

### **Description of the FACE Form**

FACE Form (as attached) consists of the following areas as detailed below:

#### ***1. Reporting Area***

The FACE is a dynamic form that must balance and reconcile from one reporting period to the next. The first column of the form, Column A, therefore repeats the last one, Column G, from the previously submitted and authorized FACE form. Note that Column C, D, F and G are shaded. They are blank when the FACE is submitted to UNDP, UNFPA and UNICEF. They are filled out by the Agencies prior to the financial processing of the form. All non-shaded Columns are to be completed by the IP.

*Column A – Authorized Amount:* Column A will be blank for the first request from an IP. It should include the date of the most recent previous authorization.

*Column B – Actual Expenditure:* Column B reports the actual expenditures by the IP for the period. The expenditures reported by the IP are, at this point, still subject to review and approval Agencies. The designated official of the IP is certifying that these expenditures are reported in accordance with the stipulation of the AWP (Annual Work Plan), CPAP (Country Programme Action Plan) and/or other related agreements with UNDP, UNFPA and UNICEF.

*Column C – Expenditures Accepted by Agency:* Column C is used by UNDP, UNFPA and UNICEF to review and approve, reject or request an amendment to expenditures reported by the IP. If the amounts are accepted as reported, no further adjustments to this part of the FACE or communication with the IP about these expenditure is required. However, if changes are made (e.g., to query or reject a reported expenditure), then the amount recorded by UNDP, UNFPA and UNICEF in Column C will differ from that reported in Column B. In this case, the change needs to be communicated with the IP.

*Column D – Balance:* Column D records the balance of funds authorized for use in the reporting period that remained unspent as of the date of the form. The term unspent can also reflect expenditures which are either known or ongoing as of the date of the FACE, but which cannot be certified by the Implementing Partner due to timing or internal reporting delays. The outstanding balance of funds authorized by activity can be carried forward, reprogrammed or refunded, according UNDP, UNFPA and UNICEF policy.

#### ***2. Requests / Authorizations Area***

*Column E – New Request Period & Amount:* Column E determines the period of the new request, which is normally contiguous to the last reporting period. The Column contains the requests for the authorization to spend or receive funds, by activity and for that period. Each time a request for new or additional funds is submitted, it will be accompanied by an itemized list of expenditures in line with the AWP. This column can also reflect any balance for an activity in column D, which is requested for reprogramming. This will reduce the total amount of the new disbursement request accordingly.

*Column F – Authorised Amount:* Column F is used by UNDP, UNFPA and UNICEF to establish the amounts of funds, by activity, to be disbursed for the new reporting period. This Column is filled in by UNDP, UNFPA and UNICEF. It can be used to accept, reject or modify the amounts requested in Column E. Any credits for reprogramming will be reflected in this column for reconciliation of the amounts.

*Column G – Outstanding Authorized Amount:* Column G is the sum of Columns D and F, and indicates the total outstanding authorized amount. For subsequent period reporting, the amount of this column will be carried forward

to the column A of the new FACE form

### 3. Certification Area

The Certification Area is used by the designated official of the IP to request funds and/or to certify expenditures. This area requires a date, the signature of the official and his/her title.

#### Description of the Statement of Expenditures (CDR and LPMA) and Supporting Documents

As described in more detail below, the statement of expenditures from three disbursement sources for a calendar year. The three disbursement sources:

a. Implementing Partners (IP)

UNDP, UNFPA and UNICEF procedures require that where funds are advanced to the IP, the IP must submit to the UNDP, UNFPA and UNICEF country offices, on a quarterly basis, a financial report including (1) the status of the advance (2) a list of the disbursements made since the previous financial report, and (3) a request for a new advance. The UNDP, UNFPA and UNICEF country offices enter the disbursements into In-house Accounting Package through the year as the financial reports are received. These IP disbursements are recorded in the *Government* expenditure column in the statement of expenditures.

b. UNDP, UNFPA and UNICEF (Country Office, Headquarters and Other Country Offices)

Disbursements made by UNDP, UNFPA and UNICEF from their own bank accounts are entered in-house Accounting Package by the UNDP, UNFPA and UNICEF country office. These UNDP, UNFPA and UNICEF disbursements are recorded in the UNDP, UNFPA and UNICEF expenditure columns the statement of expenditures. These disbursements may be classified as either *direct payments* or *UNDP, UNFPA and UNICEF Country Office Support Services (COSS)*. This distinction, while very important for audit purposes, is not apparent from the statement of expenditures and can only be provided by the UNDP, UNFPA and UNICEF country office as a supporting schedule/document. A brief description of each category is provided below:

- *Direct Payments*: This is where the IP is responsible for the expenditure but requested UNDP, UNFPA and UNICEF to effect payment to the vendor/consultant on its behalf. The IP is accountable for the disbursement and maintains all supporting documentation. UNDP, UNFPA and UNICEF simply effects payments on the basis of properly authorized requests and gives the IP a copy of the related disbursement voucher as evidence that payment is made. Therefore, this amount is part of the auditable amount.
- *Country Office Support Services (COSS)*: This is where the government and UNDP, UNFPA and UNICEF have agreed that UNDP, UNFPA and UNICEF will provide support services to the project. These support services must be described in the project document/annual work plan (AWP). UNDP is fully responsible and accountable for these expenditures and, accordingly, maintains all supporting documentations for the disbursement. Expenditures fall under this category should not be audited, as they are audited by UNDP Headquarters.

c. UN Agencies

The UN agency reports its expenditures to UNDP, UNFPA and UNICEF and to the government. The UNDP, UNFPA and UNICEF country office enters the statement of expenditures in in-house accounting package. These UN agency expenditures are recorded in the *UN Agencies* expenditure column in the statement of expenditures. The expenditures are audited by the UN agency concerned.

At the end of the year, after receiving the fourth quarter financial report from the IP and the year-end expenditure report from the UN agency, UNDP, UNFPA and UNICEF prepares the Statement Expenditures (the final CDR or LPMA) and submits it to the implementing partner for signature. UNDP, UNFPA and UNICEF will provide the auditor with the signed statement of expenditures together with the following supporting documentation.

- The quarterly FACE Form and financial report submitted by the IP.
- A list of the direct payments processed by UNDP, UNFPA and UNICEF at the request of the IP.

- A list of the disbursement made by UNDP, UNFPA and UNICEF as part of support services provided to the IP.
- The UN agency expenditure statement for the year.

## **E. Audit Service Required**

### **a. Scope of Audit**

IP receives cash transfers from UNDP, UNFPA and UNICEF. All IPs use the same standard format for requesting cash transfers and reporting on their use (Annex 2). Agencies will continue to account for cash transfers in accordance with their established policies and procedures.

The assessment would provide an overall assessment of the IP's financial management capacity and review funds flow, staffing, accounting policies and procedures, internal audit, external audit, reporting and monitoring and information systems. The audit will cover but not limited to the following:

#### **1. Review of the IP's programme management system**

In order to facilitate an overall review of the management of the AWP's implementation by the IPs, the auditors will:

- Review CPAP, AWP(s), FACE Forms and – where applicable – UNDP, UNFPA and UNICEF manuals, to determine whether periodicity of FACE form submissions was in accordance with the planned timeline, and whether requests for disbursements and reports on utilization of cash were provided for activities described in AWP(s).
- Through interviews and review of progress reports prepared by the IP, establish whether activities were implemented as planned. Where activities (timeliness, type, quantity) deviated significantly from the original AWP(s), establish whether this was by mutual agreement between the IP and UNDP, UNFPA and UNICEF.
- Determine and comment on the causes for significant delays or changes, if any.
- Review the IP's system of monitoring progress and review of reports, including field monitoring visit reports and progress reports, to assess whether the IPs met its responsibilities for monitoring as described in the CPAP and AWP's.
- Review whether recommendations recorded in field/project monitoring reports or minutes of meetings between the IPs and the UNDP, UNFPA and UNICEF have been implemented by the IP.
- Monitoring and reporting of activities and the progress towards expected results are undertaken and followed up as planned;
- Procurement and the custodial control and disposal of non-expendable equipment is in accordance with the procedures as specified in the Letter of Understanding; and
- Satisfactory measures have been taken by the implementing partner and the country office to comply with the recommendations of prior audits, in accordance with the agreed follow-up action plan;

#### **2. Assessment of the IP's internal controls**

The auditors will carry out specific tasks that will provide an overall assessment on the functioning of the IP's internal controls, with emphasis on:

- a) the effectiveness of the system in providing the IP's management with useful and timely information for the proper management of the AWP; and
- b) the general effectiveness of the internal control system in protecting the assets and resources provided for implementation of AWP activities.

These tasks will include:

- Conduct a general assessment of internal controls according to established internal control standards. An example of the established internal control standards is available from the Organization of Supreme Audit



Institutions (INTOSAI). The INTOSAI standards are intended to be used by government decision makers as a framework to establish effective internal control structures. For further information, the INTOSAI *Guidelines for Internal Control Standards* can be found on the INTOSAI Web site [www.intosai.org](http://www.intosai.org).

- Review whether recommendations made in the micro assessment or previous audit(s) were implemented or, if not, determine the implementation status and reasons.
- Review FACE Forms, including the records of requests for direct payments, to assess whether they were signed by designated officials of the IPs.
- Review the processes used by the IP for authorizing expenditures and assess whether they are in accordance with the CPAP and AWP.
- Expenditures were valid and are supported by adequate and valid documentation.
- Review whether appropriate and reliable systems for internal controls have been incorporated in the project and are being observed.
- Review whether financial reports have been accurately stated and fairly presented.
- Review whether Project assets have been accurately stated and fairly presented.
- Review whether Project cash position has been accurately stated and fairly presented.
- Review whether other substantive responsibilities of the IPs, including the submission of periodic monitoring and evaluation reports, have been adequately fulfilled.
- Review whether any major findings of the macro- and micro-assessments, and previous audits, or any observations from ongoing programme and financial monitoring have been appropriately addressed.
- Review whether each accounting and/or reporting in the following areas have been properly addressed:
  1. A review of the IP's internal controls.
  2. A review of the implementation of recommendations made in the micro-assessment and previous audits of the IP.
  3. Verification of a sample of transactions, drawn from a sample of the FACE Forms.
  4. Recommendations to the IP to improve its internal controls.
- Review the process for procurement/contracting of supplies and services and assess whether it is transparent and competitive.
- Review the use, control and disposal of non-expendable equipment and assess whether it is in compliance with government policies (or UNDP, UNFPA and UNICEF manuals, where so specified in the CPAP/AWP); and also, whether the equipment procured met the identified needs and whether it is used in accordance with intended purposes.
- Review relevant IT systems.
- Where UNDP's, UNFPA's, UNICEF's and FAO's funds pay for the personnel or consultants, review the process followed for recruiting the Implementing Partner's personnel and consultants and assess whether it is transparent and competitive.
- Review the IP's accounting records and assess their adequacy for maintaining accurate and complete records of receipt of funds provided by the UNDP, UNFPA and UNICEF and disbursements of cash.
- Interview officials of the IP, as necessary, to ensure full understanding of the functioning of the internal control system.

### **3. Review of a sample of FACE forms and transaction testing**

The audit team will examine the following documentation to determine whether they were designed to test compliance with the IPs internal controls:

- Assess whether the funds received from the Agency were deposited into the IP's bank account by verifying the bank statement.
- Reconcile the expenditure totals, per activity, on the FACE forms to the list of individual transactions (i.e. the IP's accounting records).
- The balance of operating fund account (OFA) as per the implementing partner's records agrees with the UNDP, UNFPA and UNICEF office's records in Atlas and there is an accurate reconciliation between these two balances, and the balance of unspent funds as per the final FACE and forms D and E;
- For each activity, review the nature of expenditure and assess the reasonableness. Discuss any concerns with management.

- Select a sample for the pre-audit risk assessment provided by UNDP, UNFPA and UNICEF during the initial consultation, and may depend on the ratings from the micro-assessments of the IP, previous audits, spot-checks, and any concerns that have arisen during the period under review, materiality, and required confidence level. The use of statistical sampling should be considered as a tool for the audit. Samples should be drawn from sets of transactions stratified by transaction type (including - UNDP, UNFPA and UNICEF to specify: procurement of supplies and services; institutional contracts; contracting of consultants; salary supplements, where applicable; per diems; travel related expenditure; other type of expenditures; locations) with emphasis on materiality/high value items. Alternatively, random sampling techniques could be considered.
- The audit includes a sample of expenditures from different projects that are part of the IP's portfolio which will be reviewed to determine the fairness and accuracy of expenditures reported in the FACE form.
- For this sample of transactions, carry out a verification of the accuracy and completeness of supporting documentation (e.g vouchers, invoices, purchase orders, receipt of goods, bank transfers/checks, bank statements) to assess whether they are properly authorized, documented, certified and accounted for; and are consistent with the description of the transaction (per the accounting records) and per the AWP.
- Verification of the accuracy and completeness of expenditures and receipt data recorded in a representative sample of recent FACE Forms, including the tracing of such data to source records and the organization's books or account; the mathematical accuracy of reported data; the validity of reported transactions with respect to relevant AWPs; and compliance with agreed budgets.
- Compare the price paid for goods or services against market benchmarks. Include other appropriate measures of value for money.
- The auditor will certify the previous year action plans
- The scope of the audit is limited to the implementing partner expenditures

## **b. Audit Report and Management Letter**

### **1. Audit Report**

The audit report which should be completed before the end of March 2011 should include and clearly indicate the auditor's observations. This would include at the minimum as follows:

- The audit will be carried out in accordance with either International Standards on Auditing (ISA) or the Organization of Supreme Audit Institutions (INTOSAI) auditing standards.
- The period covered by the observation.
- The amount of expenditure audited.
- An Opinion (see [Annex 4](#)) on the functioning of internal controls.
- An Executive Summary with the key findings, risks and recommendations (Annex 5)
- Specific Observations on the function of internal controls.
- A summary of the main identified risks to the management of agreed activities and the use of funds provided by the Agency, arising from weak internal controls.
- Any identified specific internal control weaknesses in the financial management of the IP.
- Recommendations on how the identified risks may be better managed, and how the IP's internal controls can be strengthened. Recommendations should clearly identify those responsible for their implementation within the IP. The comments of the IP should be included in report, under the recommendation.
- Comments on the follow-up to the recommendations from previous audits or assessments and the management response to those.
- Comments of the Implementing Partner should be included in report, under the recommendation.
- Whether the FACE Form and the statement of expenditures (CDR and LPMA) are adequately and fairly presented and reflecting the truth of valid source document. The disbursements made are in accordance with the purpose for which funds have been allocated based on agreed budget.
- A list of transactions tested. For any exceptions identified, the report should list the transaction details and the nature of the exception.
- If applicable, any "good practices" that was developed by the IP and could be shared with other IPs.
- An overall risk rating of the IPs internal controls and process to update the micro assessment data.

- The scope limitation (description and value) for those transactions that are the responsibility of UNDP, UNFPA and UNICEF (as part of support services) or a UN agency. **Important to note:** Such scope limitation should not be reason for a qualified audit opinion as such transactions would be, in general, excluded from the audit scope.

The auditor is required to express an opinion as to the overall financial situation of the IPs for the period 1 January to 31 December 2012 and will certify :

1. The statement of expenditure for the period from 1 January to 31 December 2012 (Annex 3.1) ;
2. The statement of assets and equipment held by the project as at 31 December 2012 (Annex 3.2);
3. The statement of cash position reported by the projects as at 31 December 2012 (Annex 3.3)

The auditor is required to, as applicable, report in monetary value, the net financial impact of any audit qualification (negative opinion: qualified, adverse, disclaimer) on the statement of expenditure where applicable.

Audit opinions must be one of the following: (a) qualified (negative), (b), unqualified (favourable), (c) adverse (negative), or (d) disclaimer (negative). If the audit opinion is other than “unqualified” (favourable) the audit report **must** describe both the nature and amount of the possible effects on the financial statements. The report should also make a reference to the section of the management letter with regard to the related audit observation number and the action taken or planned to be taken to address the issues underlying the qualification. A definition of audit opinions is provided in Annex 4.

## 2. Management Letter

The management letter should be attached to the audit report and cover the following topics/issues:

- A general review of a project’s progress and timeliness in relation to progress milestones and the planned completion date, both of which should be stated in the project document or Annual Work Plan (AWP). This is not intended to address whether there has been compliance with specific covenants relating to specific performance criteria or outputs. However, general compliance with broad covenants such as implementing the project with economy and efficiency might be commented upon but not with the legal force of an audit opinion.
- An assessment of a project's internal control system with equal emphasis on: (i) the effectiveness of the system in providing the project management with useful and timely information for the proper management of the project; and (ii) the general effectiveness of the internal control system in protecting the assets and resources of the project.
- A description of any specific internal control weaknesses noted in the financial management of the project and the audit procedures followed to address or compensate for the weaknesses. Recommendations to resolve/eliminate the internal control weaknesses noted should be included.
- The categorization of audit observations by risk severity: High, Medium, or Low. Definitions of these categories are given in Annex 5.
- Management comments/response to audit observations and recommendations (project management and/or UNDP, UNFPA and UNICEF, as applicable).
- Indication of observations that affect the audit opinion (when qualified, adverse or disclaimer opinion is given)

### Additional Verification for Final Year Audits

If an audit is conducted at the end of collaboration with the IP in the programme cycle, it should cover all activities and transactions during the collaboration and in addition to the requirements described above, the final audit should also verify that (a) the relevant IP bank account(s), if any, has been closed, (b) an appropriate refund, if any, has been made to Agency, and (c) all non-expendable property provided from the Agency funds during the course of the collaboration with the IP has been reassigned or transferred as specified in the Project Document/Letter of Understanding.

### Recommendation for Improvement

Recommendations should be directed to a specific entity so there is no confusion regarding who is responsible for implementation. The response of the entity should be included in the management letter, immediately following the recommendation.

Also, the auditor may wish to comment on “good practices” (if any) that were developed by the IP that should be shared with other project personnel.

#### **Available Facilities and Right of Access**

The IPs will avail to the auditor all records in respect of the implemented activities under the respective AWP. The records should include:

- The signed CPAPs and respective UN Financial Rules and Regulations pertaining to NIM modalities.
- Signed AWP, FACE Forms for all four quarters, financial transaction records and Bank Statements kept at the IP's offices and those that are located at other offices.

The auditor shall have full and complete access at any time to all records and documents (including books of account, legal agreements, minutes of committee meetings, bank records, invoices and contracts etc.) and all employees of the entity related to Agencies Fund only. The auditor has a right of access to banks, consultants, contractors and other persons or firms engaged by the IP's management.

#### **Audit Timeframe**

Audit for UNDP's Implementing Partners will be commenced in mid of February 2013 and the audit field work is scheduled to be completed within three working weeks. The draft audit report should be completed before mid-March 2013 and the final reports of the financial audit of the IPs should be submitted to UNDP before end of March 2013. Audit for IPs receiving fund from UNFPA and UNICEF will be commenced in the third quarter of 2013.

The Auditor shall submit 3 copies each to UNDP, UNFPA and UNICEF of Audited Financial Statements along with Auditors Report and management letter in English.

## **Annex 1 : Audit Services Required**

The audit will be carried out in accordance with either ISA or INTOSAI auditing standards.

The scope of audit services shall cover the overall management of the Implementing Partner's, monitoring and supervision. The audit work should include the review of work plans, progress reports, Implementing Partner resources, Implementing Partner budgets, Implementing Partner expenditure, Implementing Partner delivery, recruitment, operational and financial closing of Implementing Partners (if applicable) and disposal or transfer of assets. To this effect, the scope of the audit shall cover the following areas as they are performed at the level of the Implementing Partner:

### **Finance**

The audit work shall cover the adequacy of the accounting and financial operations and reporting systems. These include budget control, cash management, certification and approving authority, receipt of funds, and disbursement of funds, recording of all financial transactions in expenditure reports, records maintenance and control.

### **Budget control**

Cash received from UNDP, UNFPA and UNICEF should be used in accordance with the plans detailed in the Term of Reference and agreed budget. When a change of budget becomes apparent, written approval from UNDP, UNFPA and UNICEF Head Office or Senior Programme Coordinator in Jakarta should be in place, prior to the commencement of activity.

### **Cash Management**

The audit work shall cover all cash funds held by the Implementing Partner and sub implementer (if any) and review procedures for safeguarding of cash; cash advance to any sub implementer; liquidation; and cash and bank account administration and bank reconciliation systems.

### **Procurement**

The audit work shall cover the competitiveness, transparency and effectiveness of the procurement activities of the Implementing Partner in order to ensure that the equipment and services purchased meet the requirement of either the government or UNDP, UNFPA and UNICEF and include the following:

- As applicable, delegations of authorities, procurement thresholds, call for bids and proposals, evaluation of bids and proposals and approval/signature of contracts and purchase orders;
- Receiving and inspection procedures to determine the conformity of equipment with the agreed specifications and, when applicable, the use of independent experts to inspect the delivery of highly technical and expensive equipment
- Evaluation of the procedures established to mitigate the risk of purchasing equipment that do not meet specifications or is later proven to be defective;
- Management and control over the variation orders.
- The audit work in the area of procurement shall also cover the use of consulting firms and the adequacy of procedures to obtain fully qualified and experienced personnel and assessment of their work before final payment is made.

### **Asset Management**

The audit work shall cover the review of equipment (typically vehicles and office equipment) purchased for use of the Implementing Partner to support project activities. More specifically, procedures for receipt, storage, and disposal shall be reviewed.

### **Human resources**

The audit work shall cover the competitiveness, transparency and effectiveness of the recruitment and hiring of personnel and include performance appraisal, attendance control, calculation of salaries and entitlements, payroll preparation and payment, and management of personnel records.

### **General Administration**

The audit work shall cover travel activities, vehicle management, shipping services, office premises and lease management, office communications, and records maintenance.

**Information System**

The audit work shall cover the information and communication systems and the control and security of equipment and data.

**Inventory**

The audit work shall cover inventory of goods which supplied by UNDP, UNFPA and UNICEF and/or purchased by the IP itself. Review procedures of regular update and physical inventory check.

**Note**

The above scope shall cover those transactions performed at the level of the Implementing Partner to include direct payments made by the UNDP, UNFPA and UNICEF country office.

**Scope Limitation**

Transactions/actions that are performed by the UNDP, UNFPA and UNICEF office at the request and on behalf of the Implementing Partner (i.e. Agencies support services) are **not** to be included in the audit scope. **Important note:** Such scope limitation should not be a reason for issuing a qualified (negative) audit opinion by the auditors. Please refer to Section D., 2(b) for additional information.

# Annex 2 : FACE Form

Funding Authorization and Certificate of Expenditures		UN Agency: <u>XXXXXXXXXX</u>	Date: <u>DD/MM/YYYY</u>					
Country: <u>XXXXXXXXXXXXXXXXXXXXXXXXXXXX</u>	Project Code & Title: <u>XXXXXXXXXXXXXXXXXXXXXXXXXXXX</u>		Type of Request: <input type="checkbox"/> Direct Transfer (DOT)					
Responsible Office: <u>XXXXXXXXXXXXXXXXXXXXXXXXXXXX</u>	Implementing Partner: <u>XXXXXXXXXXXXXXXXXXXXXXXXXXXX</u>		<input type="checkbox"/> Reimbursement					
			<input type="checkbox"/> Direct Payment					
Currency: _____	<b>REPORTING</b>		<b>REQUESTS / AUTHORIZATIONS</b>					
Activity Description from AUP with Duration	Coding for UNDP, UNFPA and WFP	Authorized Amount	Actual Project Expenditure	Expenditures accrued by Agency	Balance	Net Request Period Amount	Authorized Amount	Outstanding Authorized Amount
		SI/AS/11/YYY A	B	C	D = A - C	E	F	G = D + F
<u>XXXXXXXXXXXXXXXXXXXXXXXXXXXX (SI/AS/11/YYY - MM/YYYY)</u>								
<u>XXXXXXXXXXXXXXXXXXXXXXXXXXXX (SI/AS/11/YYY - MM/YYYY)</u>								
<u>XXXXXXXXXXXXXXXXXXXXXXXXXXXX (SI/AS/11/YYY - MM/YYYY)</u>								
<u>XXXXXXXXXXXXXXXXXXXXXXXXXXXX (SI/AS/11/YYY - MM/YYYY)</u>								
<u>XXXXXXXXXXXXXXXXXXXXXXXXXXXX (SI/AS/11/YYY - MM/YYYY)</u>								
<b>Total</b>		0	0	0	0	0	0	0
<b>CERTIFICATION</b>								
The undersigned authorized officer of the above-mentioned implementing institution hereby certifies that:								
<input type="checkbox"/> The funding request shown above represents a genuine and verifiable use of per AUP and limited constraints attached.								
<input type="checkbox"/> The actual expenditures for the period stated herein has been disbursed in accordance with the AUP and previously approved limited constraints. The detailed accounting documents for these expenditures can be made available for examination, when required, for the period of five years from the date of the provision of funds.								
Date Submitted: _____	Name: _____		Title: _____					
NOTES: * (Disbursements to be completed by the UN Agency) and non-paid items to be completed by the contractor								
<b>FOR ALL AGENTS ONLY:</b>		<b>FOR UNICEF USE ONLY:</b>				<b>FOR UNFPA USE ONLY:</b>		
Approved by: _____	Account Charges	UNICEF Allocation	UNICEF Allocation	UNICEF Allocation	UNICEF Allocation	UNICEF Allocation	UNICEF Allocation	UNICEF Allocation
	UNICEF Allocation	UNICEF Allocation	UNICEF Allocation	UNICEF Allocation	UNICEF Allocation	UNICEF Allocation	UNICEF Allocation	UNICEF Allocation
Name: _____	Training (8000)	0	0	0	0	0	0	0
Title: _____	Travel (1000)	0	0	0	0	0	0	0
Date: _____	Equip. & Equip. (2000)	0	0	0	0	0	0	0
	Supp. & Supp. (3000)	0	0	0	0	0	0	0
	Comm. (100) (1000)	0	0	0	0	0	0	0
	Other (100) (1000)	0	0	0	0	0	0	0
	<b>Total</b>	0	0	0	0	0	0	0

### **Annex 3.1: Certification of Statement of Expenditures**

We have audited the accompanying Statement of Expenses (“the statement”) of the UNDP, UNFPA and UNICEF Reference number # \_\_\_\_\_ managed by [implementing partner code and name] for the period 1 January 2010 to 31 December 2010. The statement is the responsibility of the implementing partner. Our responsibility is to express an opinion on the statement based on our audit.

We conducted our audit in accordance with International Standards of Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statement. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the statement of expenses presents fairly (unqualified (positive audit opinion), in all material respects the expenses of \_\_\_\_\_ [insert amount in US\$] incurred by the project for the period 1 January 200\_\_ to 31 December 200\_\_ in accordance with UNDP, UNFPA and UNICEF accounting requirements.

#### **Or (qualified (negative audit opinion)**

In our opinion, the statement of expenses, except for (a), (b), (c), etc., presents fairly in all material respects the expenses of \_\_\_\_\_ [insert amount in US\$] incurred by the project for the period 1 January 200\_\_ to 31 December 200\_\_ in accordance with UNDP, UNFPA and UNICEF accounting requirements. The total net financial impact of this qualification is \_\_\_\_\_ [insert amount in US\$].

#### **Or (disclaimer (negative audit opinion)**

We were unable to obtain sufficient appropriate audit evidence and accordingly are unable to express an opinion on the statement of expenses of \_\_\_\_\_ [insert amount in US\$] incurred by the project for the period 1 January 200\_\_ to 31 December 200\_\_. The total net financial impact of this opinion is \_\_\_\_\_ [insert amount in US\$].

#### **Or (adverse (negative) audit opinion)**

We noted material differences between \_\_\_\_\_ and the statement of expenses. As such, we do not express an opinion on the statement of expenses, of \_\_\_\_\_ [insert amount in US\$] incurred by the project for the period 1 January 200\_\_ to 31 December 200\_\_. The total net financial impact of this opinion is \_\_\_\_\_ [insert amount in US\$].

This report is intended solely for the information and use of UNDP, UNFPA and UNICEF and the Government of Indonesia.

Name, signature and date of auditor

\_\_\_\_\_



**Annex 3.2: Certification of Statement of Assets & Equipment**

We have audited the accompanying Statement of Assets and Equipment (“the statement”) of the UNDP, UNFPA and UNICEF project number \_\_\_\_\_ managed by [*implementing partner code and name*] as at 31 December 200\_\_\_. The statement is the responsibility of the implementing partner. Our responsibility is to express an opinion on the statement based on our audit.

We conducted our audit in accordance with International Standards of Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statement. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the statement of assets and equipment presents fairly (unqualified/favourable), in all material respects the inventory balance of the project amounting to \_\_\_\_\_ [*insert amount in US\$*] as at 31 December 200\_\_ in accordance with UNDP, UNFPA and UNICEF requirements.

This report is intended solely for the information and use of UNDP, UNFPA and UNICEF and the Government of Indonesia.

Name, signature and date of auditor

\_\_\_\_\_

### **Annex 3.3: Certification of Statement of Cash Position**

We have audited the accompanying Statement of Cash Position (“the statement”) of the UNDP, UNFPA and UNICEF project number \_\_\_\_\_ managed by *[implementing partner code and name]* as at 31 December 200\_\_. The statement is the responsibility of the implementing partner. Our responsibility is to express an opinion on the statement based on our audit.

We conducted our audit in accordance with International Standards of Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statement. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the statement of cash position presents fairly (unqualified (positive audit opinion), in all material respects the cash balance of the project amounting to \_\_\_\_\_ *[insert amount in US\$]* as at 31 December 200\_\_ in accordance with UNDP, UNFPA and UNICEF requirements.

This report is intended solely for the information and use UNDP, UNFPA and UNICEF and the Government of Indonesia.

Name, signature and date of auditor

\_\_\_\_\_

## **Annex 4 : Definition of Audit Opinions**

Auditor will categorize the audit opinion/observation into 4 categories, which are:

### **1. Unqualified (Clean) Opinion**

An unqualified opinion should be expressed when the auditor concludes that the financial statements give a true and fair view or are presented fairly, in all material respects, internal control system is in place in accordance with the applicable financial reporting framework.

#### Modified Unqualified or Emphasis of Matter paragraph

In certain circumstances, an auditor's report may be modified by adding an emphasis of matter paragraph to highlight a matter affecting the financial statements which is included in a note to the financial statements that more extensively discusses the matter. The emphasis of matter paragraph would ordinarily refer to the fact that the auditor's opinion is not qualified in this respect, by adding a paragraph to highlight a material matter regarding an ongoing concern or problem or a significant uncertainty. An uncertainty is a matter whose outcome depends on future actions or events not under the direct control of the entity but that may affect the financial statements.

### **2. Qualified Opinion**

A qualified opinion should be expressed when the auditor concludes that an unqualified opinion cannot be expressed but that the effect of any disagreement with management, or limitation on scope is not so material and pervasive as to require an adverse opinion or a disclaimer of opinion. A qualified opinion should be expressed as being 'except for' the effects of the matter to which the qualification relates.

### **3. Disclaimer of opinion**

A *disclaimer of opinion* should be expressed when the possible effect of a limitation on scope is so material and pervasive that the auditor has not been able to obtain sufficient appropriate audit evidence and accordingly is unable to express an opinion on the financial statements.

### **4. Adverse**

An adverse opinion should be expressed when the effect of a disagreement is so material and pervasive to the financial statements that the auditor concludes that a qualification of the report is not adequate to disclose the misleading or incomplete nature of the financial statements.

**Annex 5 : Categorization of Audit Findings by Risk Severity**

<b>High</b>	Action that is considered imperative to ensure that UNDP is not exposed to high risks (i.e. failure to take action could result in major consequences and issues).
<b>Medium</b>	Action that is considered necessary to avoid exposure to significant risks (i.e. failure to take action could result in significant consequences).
<b>Low</b>	Action that is considered desirable and should result in enhanced control or better value for money.

**Annex 6 : Classification of possible causes of Audit Findings**

- Compliance** Failure to comply with prescribed UNDP regulations, rules and procedures
- Guidelines** Absence of written procedures to guide staff in the performance of their functions
- Guidance** Inadequate or lack of supervision by supervisors
- Human error** Mistakes committed by staff entrusted to perform assigned functions
- Resources** Lack of or inadequate resources (funds, skills, staff, etc.) to carry out an activity or function

**Annex 7 : List of IPs to be audited**

IMPLEMENTING PARTNERS OF UNDP	
1	Ministry of Forestry, Directorate general of inventarization and monitoring forest resources
2	National Development Planning Agency (BAPPENAS): Directorate for Environment
3	National AIDS Commission
4	Directorate for Politics and Communications, BAPPENAS
5	Directorate for Regional Arrangement, Special Autonomy and DPOD/Government of Aceh
6	Directorate for Regional Arrangement, Special Autonomy and DPOD
7	National Development Planning Agency - Director of Special Area and Disadvantaged Region
8	Ditjen PUM (MOHA) and BPBA - Banda Aceh
IMPLEMENTING PARTNERS OF UNFPA	
1	Bappenas/Director of Population, Women
2	MOH/Directorate General of Nutrition and Maternal & Child Health
3	BKKBN
4	Ministry of Women Empowerment and Child Protection
5	BPS/Social Statistics
6	BAPPEDA TTS
7	BAPPEDA MANGGARAI
8	BAPPEDA JAYAPURA
9	BAPPEDA MERAUKE
IMPLEMENTING PARTNERS OF UNICEF	
1	Bappeda Kab.Aceh Jaya
2	Bappeda Kab.Alor
3	Dit.Sepim. DK Kesehatan Masyarakat
4	Meneg PP
5	Bappeda Provinsi Papua
6	Bappeda Kab.Polewali
7	Bappeda Kab.Aceh Besar
8	DinKes Provinsi SulSel
9	Bappeda Kab.TTS
10	BLK Provinsi NAD
11	Dinas Pendidikan Papua Barat
12	Ditjen Banga
13	Bappeda Kab.Soppeng
14	KOMINFO
15	Direktorat PAUD, DitJen PNFI
16	Bappeda Kab.Brebes
17	Bappeda Kab.Mimika
18	Bappeda Provinsi Jawa Timur

## **Annex 8: Technical Note 4 - Terms of Reference for Financial Audit of Implementing Partners**

*Throughout this Technical Note the term "Implementing Partner" is used to refer to the institution that signs the Funding Authorization and Certificate of Expenditure (FACE) forms. The term "Agencies" is used to refer to the UNDG ExCom Agencies and any other UN Agencies that choose to adopt the Framework for Cash Transfers. This sample Terms of Reference (TOR) is intended to provide guidance to the Agencies and the Implementing Partners.*

### **Background Section and Scope of Audit**

The purpose of the audit is to assess the existence and functioning of an Implementing Partner's internal controls for the receipt, recording and disbursement of cash transfers and the fairness of a sample of expenditures reported in the Face forms<sup>2</sup>.

This section of the TOR should include:

- A broad description of the programme management arrangements (CPAP, AWP, FACE forms) between Agencies, the Implementing Partner and other relevant Government authorities or other partners.
- A summary of activities for which funding was provided by the Agencies under the AWP, the intended major results, budgets and total amount disbursed. This should enable the auditor to understand the overall purpose for which the funds were intended.
- Any major findings of the macro- and micro-assessments, and previous audits, or any observations from ongoing programme and financial monitoring that help to establish the scope of the audit.
- A statement that the audit will cover (1) a review of the Implementing Partner's internal controls (2) a review of the implementation of recommendations made in the (Micro-) assessment and previous audits of the Implementing Partner (3) verification of a sample of transactions, drawn from a sample of the FACE forms (4) recommendations to the Implementing Partner to improve its internal controls.
- A list of AWP and Face forms signed by the Implementing Partner.

### **Implementing Partner**

This section contains details of the Implementing Partner including:

- The physical address, telephone numbers, fax numbers, web sites and relevant e-mail addresses.
- An organization chart of the audited institution and – if appropriate – a chart showing the place of the institution/unit within the larger organization.
- A list of senior officers together with their contact details.
- A list of the contact persons responsible for accounting, financial management and internal audit together with telephone numbers and email addresses.

### **Consultations with Agencies and Implementing Partner**

This section describes the requirements for consultations, including:

- Prior to the start of work, the auditor should meet with the Agencies to hear their concerns.
- Prior to the start of work, the auditor should meet with senior officials of the Implementing Partner, to understand how cooperation with the Agencies is managed, and any issues of concern they may have.
- Upon completion of the draft report, the auditor should first hold a debriefing meeting with the Implementing Partner, to discuss findings and recommendations for future improvements, as well as to seek their feedback thereon.
- The auditor will then meet with the Agencies to discuss the draft report prior to its finalization.

### **Tasks:**

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<sup>2</sup> It is not expected that the sample will provide assurance for individual FACE forms.

### **1. Review of the Implementing Partner's programme management system**

This section describes the specific tasks that will facilitate an overall review of the management of the AWP implementation by the Implementing Partner. These tasks will include:

- Review CPAP(s), AWP(s), FACE forms and – where applicable – Agency relevant manuals, to determine whether periodicity of FACE form submissions was in accordance with the planned timeline, and whether requests for disbursements and reports on utilization of cash were provided for activities described in AWP(s).
- Through interviews and review of progress reports prepared by the Implementing Partner, establish whether activities were implemented as planned. Where activities (timeliness, type, quantity) deviated significantly from the original AWP(s), establish whether this was by mutual agreement between the Implementing Partner and the Agency(ies). Determine and comment on the causes for significant delays or changes, if any.
- Review the Implementing Partner's system of monitoring progress and review of reports, including field monitoring visit reports and progress reports, to assess whether the Implementing Partner met its responsibilities for monitoring as described in the CPAP and AWP.
- Review whether recommendations recorded in field/project monitoring reports or minutes of meetings between the Implementing Partner and the Agency(ies) have been implemented by the Implementing Partner.

### **2. Assessment of the Implementing Partner's internal controls**

This section describes the specific tasks that will provide an overall assessment on the functioning of the Implementing Partner's internal controls, with emphasis on (i) the effectiveness of the system in providing the Implementing Partner's management with useful and timely information for the proper management of the AWP and (ii) the general effectiveness of the internal control system in protecting the assets and resources provided for implementation of AWP activities.

These tasks will include:

- Conduct a general assessment of internal controls according to established internal control standards. An example of the established internal control standards is available from the Organization of Supreme Audit Institutions (INTOSAI). The INTOSAI standards are intended to be used by government managers as a framework to establish effective internal control structures. For further information, the INTOSAI *Guidelines for Internal Control Standards* can be found on the INTOSAI Web site [www.intosai.org](http://www.intosai.org).
- Review whether recommendations made in the micro assessment or previous audit(s) were implemented or, if not, determine the implementation status.
- Review FACE forms, including the records of requests for direct payments, to assess whether they were signed by designated officials of the Implementing Partner.
- Review the processes used by the Implementing Partner for authorizing expenditures and assess whether they are in accordance with the CPAP and AWP.
- Review the process for procurement/contracting of supplies and services and assess whether it is transparent and competitive.
- Review the use, control and disposal of non-expendable equipment and assess whether it is in compliance with government policies (or the Agency relevant manuals, where so specified in the CPAP/AWP); and also, whether the equipment procured met the identified needs and whether it is used in accordance with intended purposes.
- Review relevant IT systems.
- Where Agency's funds pay for the personnel or consultants, review the process followed for recruiting the Implementing Partner's personnel and consultants and assess whether it is transparent and competitive.
- Review the Implementing Partner's accounting records and assess their adequacy for maintaining accurate and complete records of receipt of funds provided by the Agency(ies) and disbursements of cash.
- Interview officials of the Implementing Partner, as necessary, to ensure full understanding of the functioning of the internal control system.

### **3. Review of a sample of FACE forms and transaction testing**



This section describes the specific tasks for the audit team, designed to test compliance with the Implementing Partner's internal controls. These tasks will include:

- Assess whether the funds received from the Agency were deposited into the Implementing Partner's bank account by verifying the bank statement.
- Reconcile the expenditure totals, per activity, on the FACES to the list of individual transactions (i.e. the Implementing Partner's accounting records).
- For each activity, review the nature of expenditure and assess the reasonableness. Discuss any concerns with management.
- Select a sample for testing considering the UNCT's assessment of risks. This pre-audit risk assessment will be provided by the Agency(ies) during the initial consultation, and may depend on the ratings from the Micro-assessments of the Implementing Partner, previous audits, spot-checks, and any concerns that have arisen during the period under review, materiality, and required confidence level. The use of statistical sampling should be considered as a tool for the audit. Samples should be drawn from sets of transactions stratified by transaction type (*including - Agency(ies) to specify: procurement of supplies and services; institutional contracts; contracting of consultants; salary supplements, where applicable; per diems; travel related expenditure; other type of expenditures; locations. Agency(ies) may also specify whether the sample shall include transactions made by certain or all Agencies*) with emphasis on materiality/high value items. Alternatively, the Agency(ies) may consider to allow for random sampling techniques.
- For this sample of transactions, carry out a verification of the accuracy and completeness of supporting documentation (e.g. vouchers, invoices, purchase orders, receipt of goods, bank transfers/checks, bank statements) to assess whether they are properly authorized, documented, certified and accounted for; and are consistent with the description of the transaction (per the accounting records) and per the AWP.
- (Optional) Compare the price paid for goods or services against market benchmarks. Include other appropriate measures of value for money.

### **Deliverables**

This section should describe the expected content of the audit report. It includes at the minimum:

- An Opinion on the functioning of internal controls.
- An Executive Summary with the key findings, risks and recommendations.
- A summary of the main identified risks to the management of agreed activities and the use of funds provided by the Agencies, arising from weak internal controls.
- Any identified specific internal control weaknesses in the financial management of the Implementing Partner.
- Recommendations on how the identified risks may be better managed, and how the Implementing Partner's internal controls can be strengthened. Recommendations should clearly identify those responsible for their implementation within the Implementing Partner. The comments of the Implementing Partner should be included in report, under the recommendation.
- Comments on the follow-up to the recommendations from previous audits or assessments and the management response to those.
- A list of transactions tested. For any exceptions identified, the report should list the transaction details and the nature of the exception.
- If applicable, any "good practices" that were developed by the Implementing Partner and could be shared with other Implementing Partners.

This section also states the expected delivery date of the draft report.

### **Available Facilities and Right of Access**

This section describes the nature and the location of all records related to the implemented activities under the AWP. This list should specify those records kept at the Implementing Partner's headquarters and those that are located at other offices.

This section states that the auditor will have full and complete access at any time to all records and documents

(including books of account, legal agreements, minutes of committee meetings, bank records, invoices and contracts, etc.) and all employees of the entity. The auditor should be advised that he/she has a right of access to banks, consultants, contractors and other persons or firms engaged by the Implementing Partner's management. If an auditor is to have access only to some records, individuals or location during the course of the audit, this restriction should be clearly stated in the TOR.

## SUPPLIES AND EQUIPMENT REQUEST FORM

Programme/Project \_\_\_\_\_

Contact Person \_\_\_\_\_

Implementing Partner \_\_\_\_\_

Address \_\_\_\_\_

Telephone &amp; Fax Number \_\_\_\_\_

Item No.	Item Description & Specification	Unit	Quantity	Estimated Cost ( In -----)		Remark
				Unit	Total	

LEMBARAN NEGARA  
REPUBLIK INDONESIA.

- No. 33, 1969. CONVENTION ON THE PRIVILEGES AND IMMUNITIES OF THE UNITED NATIONS, 1946. CONVENTION ON THE PRIVILEGES AND IMMUNITIES OF THE SPECIALIZED AGENCIES, 1947. AGREEMENT ON THE PRIVILEGES AND IMMUNITIES OF THE INTERNATIONAL ATOMIC ENERGY AGENCIES, 1959. PENGESAHAN Keputusan Presiden Republik Indonesia No. 51 tahun 1969 tentang Pengesahan Convention on the Privileges and Immunities of the United Nations, 1946; Convention on the Privileges and Immunities of the Specialized Agencies, 1947; Agreement on the Privileges and Immunities of the International Atomic Energy Agencies, 1959.

Presiden Republik Indonesia,

Membatja : Surat Menteri Luar Negeri tertanggal 20 Mei 1969 No. h219/69/01;

Menimbang :

- a. bahwa Sidang Umum Perserikatan Bangsa-bangsa pada sidangnya tanggal 13 Februari 1946 dan tanggal 21 Nopember 1947 telah mengesahkan :
  1. Convention on the Privileges and Immunities of the United Nations,
  2. Convention on the Privileges and Immunities of the Specialized Agencies;
- b. bahwa dengan terbentuknya Badan Tenaga Atom Internasional pada tahun 1956, maka pada tahun 1959 telah diadakan persetujuan tersendiri yang mengatur pemberian privileges dan immunities kepada Badan Tenaga Atom Internasional itu dinagara-negara anggotanya (Agreement on the Privileges and Immunities of the International Atomic Energy Agency);
- c. bahwa telah banyak kegiatan-kegiatan yang dilakukan oleh Badan Tenaga Atom Internasional di Indonesia semenjak Indonesia menjadi anggota Badan Tenaga Atom Internasional pada tahun 1957, dan oleh karenanya dipandang perlu Indonesia menjadi peserta pada Agreement on the Privileges and Immunities of the International Atomic Energy Agency, serta perlu segera mengesahkan Kompensi-kompensi dan Persetujuan tersebut dengan beberapa reservation.

Mengingat :

1. Pasal 4 ayat (1) dan pasal 11 Undang-undang Dasar 1945;
2. Undang-undang No. 25 tahun 1967 tentang Persetujuan Negara Republik Indonesia terhadap Anggaran Dasar dari Badan Tenaga Atom Internasional (Lambaran Negara Republik Indonesia tahun 1967, No. 66);
3. Keputusan Presiden Republik Indonesia No. 103 tahun 1968;
4. Amanat Presiden Republik Indonesia kepada Ketua Dewan Perwakilan Rakyat di Djakarta tanggal 22 Agustus 1960 No. 2026/HK/60;

M e m u t u s k a n :

Menetapkan :

P e r t a m a : Mengesahkan :

1. Convention on the Privileges and Immunities of the United Nations, 1946,
2. Convention on the Privileges and Immunities of the Specialized Agencies, 1947,
3. Agreement on the Privileges and Immunities of the International Atomic Energy Agencies, 1959;

disertai beberapa reservation sebagaimana terlampir pada Keputusan Presiden ini.

K e d u a : Keputusan Presiden ini mulai berlaku pada hari tanggal di tetapkannya.

Agar supaya setiap orang dapat mengetahuinya, memerintahkan pengundangan Keputusan Presiden Republik Indonesia ini dengan penempatan dalam Lembaran-Megara Republik Indonesia.

Ditetapkan di Djakarta  
pada tanggal 24 Djuni 1969.  
Presiden Republik Indonesia,

SOEHARTO.  
Djenderal T.N.I.

Diundangkan di Djakarta  
pada tanggal 24 Djuni 1969.  
Sekretaris Negara Republik Indonesia,

A. L. M. S. J. A. H.  
Major Djenderal T.N.I.

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## 22(1). PRIVILEGES AND IMMUNITIES OF THE UNITED NATIONS

### A.

RESOLUTION RELATING TO THE ADOPTION OF THE GENERAL CONVENTION ON PRIVILEGES AND IMMUNITIES OF THE UNITED NATIONS, AND TEXT OF THE CONVENTION.

*The General Assembly* approves the annexed convention on the privileges and immunities of the United Nations and proposes it for accession by each Member of the United Nations.

*Thirty-first plenary meeting, 13 February 1946.*

### CONVENTION ON THE PRIVILEGES AND IMMUNITIES OF THE UNITED NATIONS

*Whereas* Article 104 of the Charter of the United Nations provides that the Organization shall enjoy in the territory of each of its Members such legal capacity as may be necessary for the exercise of its functions and the fulfilment of its purposes and

*Whereas* Article 105 of the Charter of the United Nations provides that the Organization shall enjoy in the territory of each of its Members such privileges and immunities as are necessary for the fulfilment of its purposes and that representatives of the Members of the United Nations and officials of the Organization shall similarly enjoy such privileges and immunities as are necessary for the independent exercise of the functions in connection with the Organization:

*Consequently* the General Assembly by a resolution adopted on 13 February 1946 approved the following convention and proposes it for accession by each Member of the United Nations.

#### ARTICLE I

##### *Juridical Personality*

*Section 1.* The United Nations shall possess juridical personality. It shall have the capacity:

- (a) to contract;
- (b) to acquire and dispose of immovable and movable property;
- (c) to institute legal proceedings.

#### ARTICLE II

##### *Property, Funds and Assets*

*Section 2.* The United Nations, its property and assets wherever located and by whomsoever held, shall enjoy immunity from every form of legal process except in so far as in any particular case it has expressly waived its immunity. It is, however, understood that no waiver of immunity shall extend to any measure of execution.

*Section 3.* The premises of the United Nations shall be inviolable. The property and assets of the United Nations, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation and any other form of interference, whether by executive, administrative, judicial or legislative action.

*Section 4.* The archives of the United Nations, and in general all documents belonging to it or held by it, shall be inviolable wherever located.

*Section 5.* Without being restricted by financial controls, regulations or moratoria of any kind,

- (a) The United Nations may hold funds, gold or currency of any kind and operate accounts in any currency;
- (b) The United Nations shall be free to transfer its funds, gold or currency from one country to another or within any country and to convert any currency held by it into any other currency.

*Section 6.* In exercising its rights under section 5 above, the United Nations shall pay due regard to any representations made by the Government of any Member in so far as it is considered that effect can be given to such representations without detriment to the interests of the United Nations.

*Section 7.* The United Nations, its assets, income and other property shall be:

(a) exempt from all direct taxes; it is understood, however, that the United Nations will not claim exemption from taxes which are, in fact, no more than charges for public utility services;

(b) exempt from customs duties and prohibitions and restrictions on imports and exports in respect of articles imported or exported by the United Nations for its official use. It is understood, however, that articles imported under such exemption will not be sold in the country into which they were imported except under conditions agreed with the Government of that country;

(c) exempt from customs duties and prohibitions and restrictions on imports and exports in respect of its publications.

*Section 8.* While the United Nations will not, as a general rule, claim exemption from excise duties and from taxes on the sale of movable and immovable property which form part of the price to be paid, nevertheless, when the United Nations is making important purchases for official use of property on which such duties and taxes have been charged or are chargeable, Members will, whenever possible, make appropriate administrative arrangements for the remission or return of the amount of duty or tax.

#### ARTICLE III

##### *Facilities in respect of Communications*

*Section 9.* The United Nations shall enjoy in the territory of each Member for its official communications treatment not less favourable than that accorded by the Government of that Member to any other Government, including its diplomatic mission, in the matter of priorities, rates and taxes on mails, cables, telegrams, radiograms, telephotos, telephone and other communications; and press rates for information to the press and radio. No censorship shall be applied to the official correspondence and other official communications of the United Nations.

*Section 10.* The United Nations shall have the right to use codes and to dispatch and receive its correspondence by courier or in bags, which shall have the same immunities and privileges as diplomatic couriers and bags.

#### ARTICLE IV

##### *The Representatives of Members*

*Section 11.* Representatives of Members to the principal and subsidiary organs of the United Nations and to conferences convened by the United Nations, shall, while exercising their functions and during their journey to and from the place of meeting, enjoy the following privileges and immunities:

- (a) immunity from personal arrest or detention and from seizure of their personal baggage, and, in respect of words spoken or written and all acts done by them in their capacity as repre-

representatives, immunity from legal process of every kind;

(b) inviolability for all papers and documents;

(c) the right to use codes and to receive papers or correspondence by courier or in sealed bags;

(d) exemption in respect of themselves and their spouses from immigration restrictions, aliens registration or national service obligations in the State they are visiting or through which they are passing in the exercise of their functions;

(e) the same facilities in respect of currency or exchange restrictions as are accorded to representatives of foreign governments on temporary official missions;

(f) the same immunities and facilities in respect of their personal baggage as are accorded to diplomatic envoys, and also;

(g) such other privileges, immunities and facilities, not inconsistent with the foregoing, as diplomatic envoys enjoy, except that they shall have no right to claim exemption from customs duties on goods imported (otherwise than as part of their personal baggage) or from excise duties or sales taxes.

*Section 12.* In order to secure for the representatives of Members to the principal and subsidiary organs of the United Nations and to conferences convened by the United Nations, complete freedom of speech and independence in the discharge of their duties, the immunity from legal process in respect of words spoken or written and all acts done by them in discharging their duties shall continue to be accorded, notwithstanding that the persons concerned are no longer the representatives of Members.

*Section 13.* Where the incidence of any form of taxation depends upon residence, periods during which the representatives of Members to the principal and subsidiary organs of the United Nations and to conferences convened by the United Nations are present in a State for the discharge of their duties shall not be considered as periods of residence.

*Section 14.* Privileges and immunities are accorded to the representatives of Members not for the personal benefit of the individuals themselves, but in order to safeguard the independent exercise of their functions in connection with the United Nations. Consequently a Member not only has the right but is under a duty to waive the immunity of its representative in any case where in the opinion of the Member the immunity would impede the course of justice, and it can be waived without prejudice to the purpose for which the immunity is accorded.

*Section 15.* The provisions of sections 11, 12 and 13 are not applicable as between a representative and the authorities of the State of which he is a national or of which he is or has been the representative.

*Section 16.* In this article the expression "representatives" shall be deemed to include all delegates, deputy delegates, advisers, technical experts and secretaries of delegations.

## ARTICLE V

### Officials

*Section 17.* The Secretary-General will specify the categories of officials to which the provisions of this article and article VII shall apply. He shall submit these categories to the General Assembly. Thereafter these categories shall be communicated to the Governments of all Members. The names of the officials included in these categories shall from time to time be made known to the Governments of Members.

*Section 18.* Officials of the United Nations shall:

(a) be immune from legal process in respect of words spoken or written and all acts performed by them in their official capacity;

(b) be exempt from taxation on the salaries and emoluments paid to them by the United Nations;

(c) be immune from national service obligations;

(d) be immune, together with their spouses and relatives dependent on them, from immigration restrictions and alien registration;

(e) be accorded the same privileges in respect of exchange facilities as are accorded to the officials of comparable ranks forming part of diplomatic missions to the government concerned;

(f) be given, together with their spouses and relatives dependent on them, the same repatriation facilities in time of international crisis as diplomatic envoys;

(g) have the right to import free of duty their furniture and effects at the time of first taking up their post in the country in question.

*Section 19.* In addition to the immunities and privileges specified in section 18, the Secretary-General and all Assistant Secretaries-General shall be accorded in respect of themselves, their spouses and minor children, the privileges and immunities, exemptions and facilities accorded to diplomatic envoys, in accordance with international law.

*Section 20.* Privileges and immunities are granted to officials in the interests of the United Nations and not for the personal benefit of the individuals themselves. The Secretary-General shall have the right and the duty to waive immunity of any official in any case where, in his opinion, the immunity would impede the course of justice and can be waived without prejudice to the interests of the United Nations. In the case of the Secretary-General, the Security Council shall have the right to waive immunity.

*Section 21.* The United Nations shall co-operate at all times with the appropriate authorities of Members to facilitate the proper administration of justice, secure the observance of police regulations, and prevent the occurrence of any abuse in connection with the privileges, immunities and facilities mentioned in this article.

## ARTICLE VI

### Experts on Missions for the United Nations

*Section 22.* Experts (other than officials coming within the scope of article V) performing mis-

sions for the United Nations shall be accorded such privileges and immunities as are necessary for the independent exercise of their functions during the period of their missions, including the time spent on journeys in connection with their missions. In particular they shall be accorded:

(a) immunity from personal arrest or detention and from seizure of their personal baggage;

(b) in respect of words spoken or written and acts done by them in the course of the performance of their mission, immunity from legal process of every kind. This immunity from legal process shall continue to be accorded notwithstanding that the persons concerned are no longer employed on missions for the United Nations;

(c) inviolability for all papers and documents;

(d) for the purpose of their communications with the United Nations, the right to use codes and to receive papers or correspondence by courier or in sealed bags;

(e) the same facilities in respect of currency or exchange restrictions as are accorded to representatives of foreign governments on temporary official missions;

(f) the same immunities and facilities in respect of their personal baggage as are accorded to diplomatic envoys.

*Section 23.* Privileges and immunities are granted to experts in the interests of the United Nations and not for the personal benefit of the individuals themselves. The Secretary-General shall have the right and the duty to waive the immunity of any expert in any case where, in his opinion, the immunity would impede the course of justice and it can be waived without prejudice to the interests of the United Nations.

#### ARTICLE VII

##### *United Nations Laissez-Passer*

*Section 24.* The United Nations may issue United Nations *laissez-passer* to its officials. These *laissez-passer* shall be recognized and accepted as valid travel documents, by the authorities of Members, taking into account the provisions of section 25.

*Section 25.* Applications for visas (where required) from the holders of United Nations *laissez-passer*, when accompanied by a certificate that they are travelling on the business of the United Nations, shall be dealt with as speedily as possible. In addition, such persons shall be granted facilities for speedy travel.

*Section 26.* Similar facilities to those specified in section 25 shall be accorded to experts and other persons who, though not the holders of United Nations *laissez-passer*, have a certificate that they are travelling on the business of the United Nations.

*Section 27.* The Secretary-General, Assistant Secretaries-General and Directors travelling on United Nations *laissez-passer* on the business of the United Nations shall be granted the same facilities as are accorded to diplomatic envoys.

*Section 28.* The provisions of this article may be applied to the comparable officials of specialized agencies if the agreements for relationship made under Article 63 of the Charter so provide.

#### ARTICLE VIII

##### *Settlement of Disputes*

*Section 29.* The United Nations shall make provisions for appropriate modes of settlement of:

(a) disputes arising out of contracts or other disputes of a private law character, to which the United Nations is a party;

(b) disputes involving any official of the United Nations who by reason of his official position enjoys immunity, if immunity has not been waived by the Secretary-General.

*Section 30.* All differences arising out of the interpretation or application of the present convention shall be referred to the International Court of Justice, unless in any case it is agreed by the parties to have recourse to another mode of settlement. If a difference arises between the United Nations on the one hand and a Member on the other hand, a request shall be made for an advisory opinion on any legal question involved in accordance with Article 96 of the Charter and Article 65 of the Statute of the Court. The opinion given by the Court shall be accepted as decisive by the parties.

##### FINAL ARTICLE

*Section 31.* This convention is submitted to every Member of the United Nations for accession.

*Section 32.* Accession shall be effected by deposit of an instrument with the Secretary-General of the United Nations and the convention shall come into force as regards each Member on the date of deposit of each instrument of accession.

*Section 33.* The Secretary-General shall inform all Members of the United Nations of the deposit of each accession.

*Section 34.* It is understood that, when an instrument of accession is deposited on behalf of any Member, the Member will be in a position under its own law to give effect to the terms of this convention.

*Section 35.* This convention shall continue in force as between the United Nations and every Member which has deposited an instrument of accession for so long as that Member remains a Member of the United Nations, or until a revised general convention has been approved by the General Assembly and that Member has become a party to this revised convention.

*Section 36.* The Secretary-General may conclude with any Member or Members supplementary agreements adjusting the provisions of this convention so far as that Member or those Members are concerned. These supplementary agreements shall in each case be subject to the approval of the General Assembly.

##### B.

RESOLUTION RELATING TO NEGOTIATIONS WITH THE COMPETENT AUTHORITIES OF THE UNITED STATES OF AMERICA CONCERNING THE ARRANGEMENTS REQUIRED AS A RESULT OF THE ESTABLISHMENT OF THE SEAT OF THE UNITED NATIONS IN THE UNITED STATES OF AMERICA, AND TEXT OF A DRAFT CONVENTION TO BE TRANSMITTED AS A BASIS OF DISCUSSION FOR THESE NEGOTIATIONS.

1. *The General Assembly* authorizes the Secretary-General (with the assistance of a committee



composed of persons appointed by the governments of Australia, Belgium, Bolivia, China, Cuba, Egypt, France, Poland, United Kingdom, Union of Soviet Socialist Republics) to negotiate with the competent authorities of the United States of America the arrangements required as a result of the establishment of the seat of the United Nations in the United States of America.

2. The following draft convention is transmitted by the General Assembly to the Secretary-General for use in these negotiations as a basis of discussion.

3. The Secretary-General shall report to the General Assembly the results of these negotiations.

4. Any agreement apart from purely temporary agreements with the competent authorities of the United States resulting from these negotiations shall be subject to approval by the General Assembly before being signed on behalf of the United Nations.

*Thirty-first plenary meeting, 13 February 1946.*

**CONVENTION BETWEEN THE UNITED NATIONS AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA**

(This draft has been prepared on the assumption that there will be no private persons living within the zone containing the seat of the United Nations.)

**THE UNITED NATIONS AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA:**

Desiring to conclude a convention for the purpose of carrying out the resolution adopted by the General Assembly....., to establish the seat of the United Nations in..... and to regulate questions arising as a result thereof:

Have appointed as their plenipotentiaries for this purpose:

The United Nations.....  
*Secretary-General*

The Government of the United States of America.....  
who have agreed as follows:

**ARTICLE I**

*Definitions*

*Section 1.* In this convention:

(a) the expression "zone" means the area referred to in section 2, including any additions to it;

(b) the expression "law of the United States of America" includes federal, state, and local laws, however designated;

(c) the expression "Government of the United States of America" includes a State or a competent state authority wherever the context so requires;

(d) the expression "courts of the United States of America" includes federal and state courts;

(e) the expression "United Nations" means the International Organization established by the Charter of the United Nations.

**ARTICLE II**

*The United Nations Zone*

*Section 2.* The seat of the United Nations shall be the area situated..... and marked pink on the map which forms annex I. Additions may be made later to this area in accordance with the provisions of section 8.

*Section 3.* The Government of the United States of America undertakes, on the entry into force of this convention, to cause to be vested in the United Nations possession immediately and full ownership as soon as possible of all land in the zone as shown in annex I and of all buildings situated thereon at the time of transfer.

*Section 4.* The Government of the United States of America shall be responsible for expropriating and compensating so far as necessary and as soon as possible all interests in land and buildings conveyed to the United Nations.

*Section 5.* Having regard to section 4, the United Nations shall pay to the United States of America a fair price for any land and buildings conveyed to the United Nations. The amount so payable shall be credited to the United States of America in the accounts of the United Nations and shall be set off, during such period as may be fixed, against contributions due from the United States of America. In default of agreement, this price and this period shall be determined by an expert selected by the President of the International Court of Justice.

*Section 6.* The United Nations shall have exclusive rights over the subsoil of land conveyed to it, and in particular the right to make constructions underground and to obtain therefrom supplies of water. It shall not, however, have the right to exploit minerals.

*Section 7.* The United Nations may establish in the zone any type of installation which it deems necessary for the purpose of its work, and in particular may establish its own radio telegraph sending and receiving stations, including broadcasting, teletype, and telephoto services. The United Nations shall make arrangements with the International Telecommunications Union with regard to wavelengths and other similar matters.

*Section 8.* The Government of the United States of America shall, at the request of the Secretary-General acting in pursuance of a resolution of the General Assembly, cause to be vested in the United Nations possession immediately and full ownership as soon as possible over such further land as may be required for the purpose of constructing an airport, railway station, or radio telegraphic station or for such other purposes as may be required by the United Nations. The provisions of sections 4, 5 and 6 shall apply to land so conveyed.

*Section 9.* In the event of the land conveyed in accordance with section 8 not being contiguous to the remainder of the zone, the Government of the United States of America shall guarantee unimpeded communication and transit between parts of the zone.

**ARTICLE III**

*Law and Authority in the Zone*

*Section 10.* The zone, including the air space above it and the subsoil below it, shall be inviolable.

*Section 11.* Save as otherwise provided in this convention, the zone shall be under the control and authority of the United Nations.

*Section 12.* Without prejudice to the generality of section 11, the Government of the United States of America renounces jurisdiction over any matters relating to entry into the zone and to the

conditions under which persons may remain or reside there, and over any matters relating to the construction or removal of buildings in the zone.

*Section 13.* Officers or officials of any authority in the territory of the United States of America, whether administrative, judicial, military, or police, shall not enter the zone to perform any official duties therein except with the permission of and under conditions agreed by the Secretary-General. The service of legal process, including the seizure of private property, shall take place within the zone under conditions approved by the Secretary-General.

*Section 14.* Without prejudice to the provisions which are contained in annex II and subsequently in the General Convention referred to in section 32, and which relate to the immunities of officials of the United Nations and of the representatives of Members, the United Nations shall not permit the zone to become a refuge either for persons who are avoiding arrest under the law of the United States of America or are required by the Government of the United States of America for extradition to another country, or for persons who are endeavouring to avoid service of legal process.

*Section 15.* Subject to section 16, the law of the United States of America shall apply within the zone, and in particular the ordinary civil and criminal law.

*Section 16.* The United Nations may enact regulations making provisions of an administrative character for the zone. Any such regulation shall prevail over any provisions in the law of the United States of America which are inconsistent with it. It is agreed that within the zone the protection afforded by the Constitution of the United States to personal liberty and to the basic human freedoms of expression and worship shall not be lessened, and no form of racial discrimination shall be permitted.

*Section 17.* The courts of the United States of America shall, without prejudice to any provisions of annex II and subsequently of the General Convention referred to in section 32, have jurisdiction over acts done and transactions taking place in the zone, in the same manner as they have over similar acts and transactions taking place outside the zone.

*Section 18.* The courts of the United States of America, when dealing with cases arising out of or relating to acts done or transactions taking place in the zone, shall take cognizance of the regulations enacted by the United Nations under section 16, though they shall not be obliged to inflict penalties for infraction of such regulations unless the Government of the United States of America has agreed to these regulations before the infraction was committed.

#### ARTICLE IV

##### *Communications and Transit to and from the Zone*

*Section 19.* The Government of the United States of America shall guarantee at all times adequate means of communication to and from the zone through the territory of the United States of America, for the passage of persons, the transmission of postal correspondence and telegrams, and the transport of goods required for use and consumption in the zone.

*Section 20.* Representatives of Members, irre-

spective of the relations existing between their Government and the Government of the United States of America, officials both of the United Nations and of the specialized agencies, and the families of these representatives and officials, shall at all times enjoy the right of unimpeded and safe transit through the territory of the United States of America to and from the zone.

*Section 21.* The accredited representatives of news agencies, whether press, radio, or films, and of non-governmental organizations recognized by the United Nations for the purpose of consultation, shall also enjoy the rights referred to in section 20.

*Section 22.* Immigration and other regulations in force in the United States of America, regarding the entry and residence of foreigners, shall not be applied in such a manner as to interfere with the rights referred to in sections 20 and 21. Visas required by the persons referred to in those sections shall be granted without charge, without delay and without requirement of personal attendance for the issue of the visa.

*Section 23.* The Government of the United States of America shall give or cause to be given facilities for the issue of visas to, and for the use of the available means of transport by, persons coming from abroad (other than those referred to in sections 20 and 21) who desire to visit the zone. The Secretary-General of the United Nations and the Government of the United States of America shall, at the request of either of them, enter into discussion with regard to the application of this section.

*Section 24.* The provisions of this article shall not prevent the Government of the United States of America from taking precautions in the interests of national security, provided that such precautions shall not have the effect of interfering with the rights referred to in sections 19, 20 and 21.

#### ARTICLE V

##### *Resident Representatives to the United Nations*

*Section 25.* Persons accredited to the United Nations by Members as resident representatives and their staffs, whether residing inside or outside the zone, shall be recognized by the Government of the United States of America as entitled on its territory to the same privileges and immunities as that Government accords to the diplomatic envoys accredited to it, and the staffs of these envoys.

#### ARTICLE VI

##### *Police Protection of the Zone*

*Section 26.* The Government of the United States of America shall cause to be provided on the boundaries of the zone such police protection for the zone as is required, and shall be responsible for ensuring that the tranquillity of the zone is not disturbed by the unauthorized entry of bodies of persons from outside or by disturbances in its immediate vicinity.

*Section 27.* If so requested by the Secretary-General, the Government of the United States of America shall cause to be provided a sufficient number of police to perform duties inside the zone for the preservation of law and order therein, and for the removal of persons who have committed

or are suspected of having committed or of being about to commit offences, including infractions to the administrative regulations of the United Nations.

#### ARTICLE VII

##### *Public Services for and the Amenities of the Zone*

*Section 28.* The Government of the United States of America will exercise all the powers which it possesses to ensure that the zone shall be supplied on equitable terms with the necessary public services (including electricity, water, gas, post, telephone, telegraph, drainage, collection of refuse) and that these services shall not be interrupted. In case of any interruption or threatened interruption of any of these services, the Government of the United States of America will consider the needs of the zone as being of equal importance with the essential services of the United States Government itself. Consequently, in that event it will take all those steps which it would take in case of interruption or threatened interruption of these services to the essential Departments of the United States Government to ensure that the work of the United Nations is not prejudiced.

*Section 29.* The Government of the United States of America shall be responsible for ensuring that the amenities of the zone are not prejudiced and the purposes for which the zone is required are not obstructed by any use made of the land in its vicinity.

#### ARTICLE VIII

##### *Matters Relating to the Operation of this Convention*

*Section 30.* The Secretary-General and the Government of the United States of America shall settle by agreement the channel or channels through which shall be conducted correspondence relating to the application of the provisions of this convention and to other questions affecting the zone. If the Secretary-General so requests, the Government of the United States of America shall appoint a special representative for the purpose of liaison with the Secretary-General.

*Section 31.* In so far as the fulfilment of this convention requires co-operation and action by any state or other non-federal authority of the United States of America, the Government of the United States will conclude with that state or authority such agreements as are necessary for this purpose. The conclusion of these agreements, together with the enactment of any necessary legislation by the United States and by the state, shall be completed before the notice is given which is required under section 35 to be given by the Government of the United States of America before this convention enters into force.

#### ARTICLE IX

##### *Relation between this Convention and the General Convention*

*Section 32.* Until the Government of the United States of America becomes a party to the general convention relating to the privileges and immunities of the United Nations, the provisions of annex II shall apply between the United Nations and the Government of the United States of America. Thereafter, those provisions shall be replaced by the provisions of the General Convention, which shall continue in force so long as the present convention remains in operation.

*Section 33.* The provisions of this convention

shall be complementary to the provisions of the general convention and, until the Government of the United States of America becomes a party to the general convention, to the provisions of annex II.

*Section 34.* In so far as any provision of this convention and any provision of the general convention (or of annex II as the case may be) relate to the same subject matter, the two provisions shall, wherever possible, be treated as complementary, so that both provisions shall be applicable and neither shall narrow the effect of the other; but in any case of absolute conflict, the provisions of this convention shall prevail.

#### ARTICLE X

##### *Final Provisions*

*Section 35.* This convention, having already been approved by a resolution of the General Assembly, shall enter into force as soon as the Government of the United States of America notifies the Secretary-General that it has all the powers necessary to fulfil the provisions of the convention. The Government of the United States of America shall take every possible step to enable it to give this notification as soon as possible, and in any case not later than.....

*Section 36.* This convention shall remain in force so long as the seat of the United Nations is maintained in the territory of the United States of America.

*Section 37.* The seat of the United Nations shall only be removed from the territory of the United States of America if the United Nations should so decide.

*Section 38.* If the seat of the United Nations is removed from the territory of the United States of America, the Government of the United States of America shall pay to the United Nations an equitable sum for the land in the zone and for all buildings and installations thereon. An expert nominated by the President of the International Court of Justice shall decide, in default of agreement between the parties, what sum is equitable, having regard to

(a) the then value to the United States of America of the land, buildings and installations; and

(b) the cost incurred by the United Nations in acquiring the land and in erecting the buildings and installations.

*Section 39.* Any difference between the United Nations and the Government of the United States of America concerning the interpretation or application of this convention or of any supplementary agreement or agreement which is not settled by negotiation shall be referred to the arbitration of an umpire appointed for the purpose by the President of the International Court of Justice.

*Section 40.* Either party may ask the General Assembly to request of the International Court of Justice an advisory opinion on any legal question arising in the course of the proceedings referred to in section 39. Pending the receipt of the opinion of the Court, an interim decision of the umpire shall be observed by both parties. Thereafter the umpire shall render a final decision, having regard to the opinion of the Court.

IN WITNESS THEREOF THE ABOVE-MENTIONED PLENIPOTENTIARIES HAVE SIGNED THIS CONVENTION:

DONE THIS ..... DAY OF ..... AT ..... IN DUPLICATE.

## ANNEX I

### MAP (Not reproduced here)

## ANNEX II

### ARTICLE I

#### *Juridical Personality*

*Section 1.* The United Nations shall possess juridical personality. It shall have the capacity:

- (a) to contract;
- (b) to acquire and dispose of immovable and movable property;
- (c) to institute legal proceedings.

### ARTICLE II

#### *Property, Funds and Assets*

*Section 2.* The United Nations, its property and assets wherever located and by whomsoever held, shall enjoy immunity from every form of legal process except in so far as, in any particular case, it has expressly waived its immunity. It is, however, understood that no waiver of immunity shall extend to any measure of execution.

*Section 3.* The premises of the United Nations shall be inviolable. The property and assets of the United Nations, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation, and any other form of interference, whether by executive, administrative, judicial or legislative action.

*Section 4.* The archives of the United Nations, and in general all documents belonging to it or held by it, shall be inviolable wherever located.

*Section 5.* Without being restricted by financial controls, regulations of moratoria of any kind,

(a) the United Nations may hold funds, gold or currency of any kind and operate accounts in any currency;

(b) the United Nations shall be free to transfer its funds, gold or currency between the United States of America and any other State, and from one place to another within the United States of America, and to convert any currency held by it into any other currency.

*Section 6.* In exercising its rights under section 5 above, the United Nations shall pay due regard to any representations made by the Government of the United States, in so far as it is considered that effect can be given to such representations without detriment to the interests of the United Nations.

*Section 7.* The United Nations, its assets, income and other property shall be:

(a) exempt from all direct taxes; it is understood, however, that the United Nations will not claim exemption from taxes which are, in fact, no more than charges for public utility services;

(b) exempt from customs duties and prohibitions and restrictions on imports and exports in respect of articles imported or exported by the United Nations for its official use. It is understood, however, that articles imported under such exemption will not be sold in the United States of America except under conditions agreed with the Government of the United States of America;

(c) exempt from customs duties and prohibitions and restrictions on imports and exports in respect of its publications.

*Section 8.* While the United Nations will not, as a general rule, claim exemption from excise duties and from taxes on the sale of movable and immovable property which form part of the price to be paid, nevertheless, when the United Nations is making important purchases for official use of property on which such duties and taxes have been charged or are chargeable, the Government of the United States of America will, whenever possible, make appropriate administrative arrangements for the remission or return of the amount of duty or tax.

## ARTICLE III

#### *Facilities in respect of Communications*

*Section 9.* The United Nations shall enjoy in the territory of the United States of America for its official communications treatment not less favourable than that accorded by the Government of the United States of America to any other government, including its diplomatic mission, in the matter of priorities, rates and taxes on mails, cables, telegrams, radiograms, telephotos, telephone and other communications; and press rates for information to the press and radio. No censorship shall be applied to the official correspondence and other official communications of the United Nations.

*Section 10.* The United Nations shall have the right to use codes and to despatch and receive its correspondence by courier or in bags, which shall have the same immunities and privileges as diplomatic couriers and bags.

## ARTICLE IV

#### *The Representatives of Members*

*Section 11.* Representatives of Members to the principal and subsidiary organs of the United Nations and to conferences convened by the United Nations, shall, while exercising their functions and during their journey to and from the place of meeting, be accorded by the Government of the United States of America the following privileges and immunities:

(a) immunity from personal arrest or detention and from seizure of their personal baggage, and, in respect of words spoken or written and all acts done by them in their capacity as representatives, immunity from legal process of every kind;

(b) inviolability for all papers and documents;

(c) the right to use codes and to receive papers or correspondence by courier or in sealed bags;

(d) exemption in respect of themselves and their spouses from immigration restrictions, aliens registration or national service obligations in the State they are visiting or through which they are passing in the exercise of their functions;

(e) the same facilities in respect of currency or exchange restrictions as are accorded to representatives of foreign governments on temporary official missions to the Government of the United States;

(f) the same immunities and facilities in respect of their personal baggage as are accorded to diplomatic envoys, and also;

(g) such other privileges, immunities and facilities, not inconsistent with the foregoing, as diplomatic envoys enjoy, except that they shall have no right to claim exemption from customs duties on goods imported (otherwise than as part of their personal baggage) or from excise duties or sales taxes.

*Section 12.* In order to secure for the representatives of Members to the principal and subsidiary organs of the United Nations and to conferences convened by the United Nations, complete freedom of speech and independence in the discharge of their duties, the immunity from legal process in respect of words spoken or written and all acts done by them in discharging their duties shall continue to be accorded, notwithstanding that the persons concerned are no longer the representatives of Members.

*Section 13.* Where the incidence of any form of taxation depends upon residence, periods during which the representatives of Members to the principal and subsidiary organs of the United Nations and to conferences convened by the United Nations are present in the United States of America for the discharge of their duties shall not be considered as periods of residence.

*Section 14.* Privileges and immunities are accorded to the representatives of Members not for the personal benefit of the individuals themselves, but in order to safeguard the independent exercise of their functions in

connection with the United Nations. Consequently a Member not only has the right but is under a duty to waive the immunity of its representative in any case where the immunity would impede the course of justice, and it can be waived without prejudice to the purpose for which the immunity is accorded.

*Section 15.* The provisions of sections 11, 12 and 13 may not be invoked against the authorities of the United States of America:

- (a) by a national of the United States of America;
- (b) by a representative of the United States of America;
- (c) by a representative of another Member, when that Member has waived the immunity in question.

*Section 16.* In this article the expression "representatives" shall be deemed to include all delegates, deputy delegates, advisers, technical experts and secretaries of delegations.

#### ARTICLE V

##### *Officials*

*Section 17.* The Secretary-General will specify the categories of officials to which the provisions of this article and article VII shall apply. He shall submit these categories to the General Assembly. Thereafter these categories shall be communicated to the governments of all Members. The names of the officials included in these categories shall from time to time be made known to the Government of the United States of America.

*Section 18.* Officials of the United Nations shall:

- (a) be immune from legal process in respect of words spoken or written and all acts performed by them in their official capacity;
- (b) be exempt from taxation on the salaries and emoluments paid to them by the United Nations;
- (c) be immune from national service obligations;
- (d) be immune, together with their spouses and relatives dependent on them, from immigration restrictions and alien registration;
- (e) be accorded the same privileges in respect of exchange facilities as are accorded to the officials of comparable ranks forming part of diplomatic missions to the Government of the United States of America;
- (f) be given, together with their spouses and relatives dependent on them, the same repatriation facilities in time of international crisis as diplomatic envoys;
- (g) have the right to import free of duty their furniture and effects at the time of first taking up their post in the country in question.

*Section 19.* In addition to the immunities and privileges specified in section 18, the Secretary-General and all Assistant Secretaries-General shall be accorded in respect of themselves, their spouses and minor children, the privileges and immunities, exemptions and facilities accorded to diplomatic envoys, in accordance with international law.

*Section 20.* Privileges and immunities are granted to officials in the interests of the United Nations and not for the personal benefit of the individuals themselves. The Secretary-General shall have the right and the duty to waive the immunity of any official in any case where, in his opinion, the immunity would impede the course of justice and can be waived without prejudice to the interests of the United Nations. In the case of the Secretary-General the Security Council shall have the right to waive immunity.

*Section 21.* The United Nations shall co-operate at all times with the appropriate authorities of the United States of America to facilitate the proper administration of justice, secure the observance of police regulations, and prevent the occurrence of any abuse in connection with the privileges, immunities and facilities mentioned in this article.

#### ARTICLE VI

##### *Experts on Missions for the United Nations*

*Section 22.* Experts (other than officials coming within the scope of article V) performing missions for the United Nations shall be accorded such privileges and immunities as are necessary for the independent exercise of their functions during the period of their missions, including the time spent on journeys in connection with their missions. In particular they shall be accorded:

- (a) immunity from personal arrest or detention and from seizure of their personal baggage;
- (b) in respect of words spoken or written and acts done by them in the course of the performance of their mission, immunity from legal process of every kind. This immunity from legal process shall continue to be accorded notwithstanding that the persons concerned are no longer employed on missions for the United Nations;
- (c) inviolability for all papers and documents;
- (d) for the purpose of their communications with the United Nations, the right to use codes and to receive papers or correspondence by courier or in sealed bags;
- (e) the same facilities in respect of currency or exchange restrictions as are accorded to representatives of foreign governments on temporary official missions to the Government of the United States of America;
- (f) the same immunities and facilities in respect of their personal baggage as are accorded to diplomatic envoys.

*Section 23.* Privileges and immunities are granted to experts in the interests of the United Nations and not for the personal benefit of the individuals themselves. The Secretary-General shall have the right and the duty to waive the immunity of any expert in any case where, in his opinion, the immunity would impede the course of justice and it can be waived without prejudice to the interests of the United Nations.

#### ARTICLE VII

##### *United Nations Laissez-Passer*

*Section 24.* The United Nations may issue United Nations *laissez-passer* to its officials. These *laissez-passer* shall be recognized and accepted as valid travel documents, by the authorities of the United States of America, taking into account the provisions of section 25.

*Section 25.* Applications for visas (where required) from the holders of United Nations *laissez-passer*, when accompanied by a certificate that they are travelling on the business of the United Nations, shall be dealt with as speedily as possible. In addition, such persons shall be granted facilities for speedy travel.

*Section 26.* Similar facilities to those specified in section 25 shall be accorded to experts and other persons who, though not the holders of United Nations *laissez-passer*, have a certificate that they are travelling on the business of the United Nations.

*Section 27.* The Secretary-General, Assistant Secretaries-General and Directors travelling on United Nations *laissez-passer* on the business of the United Nations shall be granted the same facilities as are accorded to diplomatic envoys.

*Section 28.* The provisions of this article may be applied to the comparable officials of specialized agencies if the agreements for relationship made under Article 63 of the Charter so provide.

#### ARTICLE VIII

##### *Settlement of Disputes*

*Section 29.* The United Nations shall make provision for appropriate modes of settlement of:

- (a) disputes arising out of contracts or other disputes of a private law character, to which the United Nations is a party;

(b) disputes involving any official of the United Nations who by reason of his official position enjoys immunity, if immunity has not been waived by the Secretary-General.

#### C.

##### RESOLUTION ON THE PRIVILEGES AND IMMUNITIES OF THE INTERNATIONAL COURT OF JUSTICE.

1. *The General Assembly*, with a view to ensuring that the International Court of Justice shall enjoy the privileges, immunities and facilities necessary for the exercise of its functions and the fulfilment of its purposes, in the country of its seat and elsewhere, invites the members of the Court at their first session to consider this question and to inform the Secretary-General of their recommendations.

2. *The General Assembly* decides that the question of the privileges and immunities of the Court shall be considered as soon as possible after the receipt of the recommendations of the Court.

3. *The General Assembly* recommends that, until further action has been taken, the rules which have been applied to the Permanent Court of International Justice should be observed by Members in relation to the International Court of Justice.

*Thirty-first plenary meeting, 13 February 1946.*

#### D.

##### RESOLUTION ON THE CO-ORDINATION OF THE PRIVILEGES AND IMMUNITIES OF THE UNITED NATIONS AND THE SPECIALIZED AGENCIES.

*The General Assembly* considers that there are many advantages in the unification as far as possible of the privileges and immunities enjoyed by the United Nations and the various specialized agencies.

While recognizing that not all specialized agencies require all the privileges and immunities which may be needed by others, and that certain of these may, by reason of their particular functions, require privileges of a special nature which are not required by the United Nations itself, the General Assembly considers that the privileges and immunities of the United Nations should be regarded, as a general rule, as a maximum within which the various specialized agencies should enjoy such privileges and immunities as the appropriate fulfilment of their respective functions may require, and that no privileges and immunities which are not really necessary should be asked for.

*Therefore the General Assembly instructs the Secretary-General* to open negotiations with a view to the re-consideration, in the light both of the General Convention adopted by the United Nations and of the considerations above, of the provisions under which the specialized agencies at present enjoy privileges and immunities.

*Thirty-first plenary meeting, 13 February 1946.*

#### E.

##### RESOLUTION RELATING TO THE INSURANCE AGAINST THIRD PARTY RISKS OF MOTOR-CARS OF THE ORGANIZATION AND OF MEMBERS OF THE STAFF.

It has been found that a frequent source of difficulty is road accidents in which motor cars, owned or driven by persons possessing immunity from legal process, are involved.

It is the intention of the United Nations to prevent the occurrence of any abuse in connection with privileges, immunities and facilities granted to it under Articles 104 and 105 of the Charter and

the general convention on privileges and immunities, which determines the details of the application of these articles.

*Therefore the General Assembly instructs the Secretary-General* to ensure that the drivers of all official motor-cars of the United Nations and all members of the staff, who own or drive motor-cars, shall be properly insured against third party risks.

*Thirty-first plenary meeting, 13 February 1946.*

#### F.

##### RESOLUTION RELATING TO ARRANGEMENTS TO BE MADE SO THAT OFFICIALS OF MEMBERS WHO ARE TRANSFERRED OR SECONDED FOR SERVICE WITH THE UNITED NATIONS SHOULD NOT LOSE THEIR ACCRUED PENSION RIGHTS BY REASON OF SUCH TRANSFER OR SECONDMENT.

In order to facilitate the engagement, as members of the staff of the United Nations, of persons who have accrued pension rights as officials, either of the central government of Members, or of subordinate governmental or other administrative authorities within the territory of Members, it is desirable that arrangements should be made to secure that accrued pension rights are not lost when such persons accept posts on the staff of the United Nations, by way either of transfer or of secondment.

*Therefore, the General Assembly recommends that:*

after such discussion with the Secretary-General as may be necessary to settle details the governments of Members adopt such legislative or administrative measures as may be required to preserve such pension rights.

*Thirty-first plenary meeting, 13 February 1946.*

## 23(1). REGISTRATION OF TREATIES AND INTERNATIONAL AGREEMENTS

The Executive Secretary sent a circular letter to the Members of the United Nations on 8 November 1945 informing them that from the date of the entry into force of the Charter treaties and international agreements would be received and filed on a provisional basis until the adoption of detailed regulations prescribing the procedure to be followed in the registration and publication of treaties and international agreements under the provisions of Article 102 of the Charter. The Executive Secretary also invited the Governments of Members to transmit to the Secretariat for filing and publication treaties and international agreements not included in the treaty series of the League of Nations and entered into in recent years before the date of the entry into force of the Charter.

It is desirable, as a matter of practical convenience, that arrangements should be made for the publication of any treaties or international agreements which non-member States may voluntarily transmit and which have not been included in the treaty series of the League of Nations. These arrangements should not, however, extend to treaties or international agreements transmitted by any non-member State such as Spain, the Government of which has been founded with the support of the Axis powers and does not, in view of its origin, its nature, its record and its close association with the aggressor States, possess qualifications necessary to justify membership in the United Nations under the provisions of the Charter.

**ANNUAL REPORT OF FIXED ASSET (FORM C)**

UNITED NATIONS POPULATION FUND ANNUAL NON-EXPENDABLE PROPERTY REPORT - FORM C					
IMPLEMENTING AGENCY CODE: _____	IMPLEMENTING AGENCY: _____				
PROJECT ID: _____	PROJECT TITLE: _____				
FUND CODE: _____	DEPARTMENT ID: _____				
	YEAR ENDED: _____				
Date Acquired	Equipment No. & Description	Other Inventory/Serial No.	Reference No.	Cost/Currency	Remarks/Location
<b>TOTAL</b>				-	
<b>CERTIFICATION</b>					
<p>The undersigned authorised officer of the above-mentioned organisation hereby certifies that the property shown above is in the custody of the implementing partner; that an appropriate refund will be made to UNFPA in the event of a breach of its custodial responsibilities, and that information supporting procurement of this property will be available for audit, if requested.</p>					
Name:	_____				
Title:	_____				
Signature:	_____				
Date Submitted:	_____				

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