

# Multi-Year Partnership Agreement: Quick Start-up Guide

## Background

UNHCR is guided by strategic directions with the current period covering 2017-2021 and by the bi-annual planning and budget cycle. Operational plans are set at country level bi-annually. Nevertheless, funding, resource allocation, and authorisation of expenditures are done on an annual basis. UNHCR does not have a mechanism for carry-over of budgets and reprogramming of unspent balances for implementation from one year to a subsequent year.

Moreover, UNHCR receives only a fraction of the necessary funds under multi-year funding in a given year (in 2018, US\$268 million of US\$ 4.2 billion of the received voluntary contributions, i.e. 6.4%). The majority of multi-year funding is specifically earmarked to operations, mainly to Lebanon and Turkey (Syria Situation), Afghanistan (Afghan Situation), Pakistan (Afghan Situation), Bangladesh (Myanmar situation) and Colombia (Venezuela situation).

UNHCR entrusts about US\$1.4 billion annually to its partners for undertaking projects to serve persons of concern. Consequently, implementation plans, resource allocations, and financial commitments with partners, vendors and other service providers have been limited **to a single fiscal year**.

UNHCR has been shifting to a multi-year planning approach to guide its strategies with country operations. As of 2016, the approach was implemented in the following countries: Cameroon, Chad, Djibouti, Ethiopia, Mali, Niger, Rwanda, Senegal, Tanzania, Uganda, Brazil, Colombia, Mexico, RO Northern Europe, Ukraine, Algeria, and Mauritania. In late 2018, UNHCR launched the **Solutions Capital Initiative** which is a donor pact in the spirit of the New York Declaration, and consultations leading to the Global Refugee Compact as well as the Grand Bargain. UNHCR allocated US\$ 10 million for this initiative to be implemented in five operations, namely, Costa Rica, Ecuador, Ghana, Malawi and Kenya. Nevertheless, the annual programme review and resource allocation for these operations remain yearly as for all UNHCR operations.

As of 2019, a **Multi-Year Partnership Agreement (MY Partnership Agreement)** is made available for operations that have adopted **Multi-Year Strategies (MY Strategies)** including what is known as **Multi-Year/Multi-Partner, Protection and Solutions Strategies, Multi-Year response plans such as Operations with a RRP, etc.** In addition, any other operation that is interested in and willing to adhere to the conditions and procedures stipulated in this guidance can also use MY Partnership Agreements.

This Guidance provides the information necessary to assess whether an operation is suitable to undertake an MY Partnership Agreement and the processes that entail it.

## When can my operation use the MY Partnership Agreement?

The MY Partnership Agreement **is intended** to support multi-year strategies and plans with concrete measures towards sustainability and/or an exit strategy, **to enhance efficiency, increase predictability, and facilitate attainment of longer-term outcomes.** The aim should not be simply to sustain partnerships that are fully reliant on UNHCR funding, but rather to support joint visioning, planning and contributions towards multi-year outcomes and solutions.

Prior to entering into the MY Partnership Agreement, it is essential the operation have a long-term strategy, and a well thought out multi-year operation plan and budget. Hence, the MY Partnership Agreement with **not for profit partners** can be used where:

- Operations have **MY Strategies** that are valid until the end of 2020 or beyond;
- Operations have **secured Multi-Year donor contributions** such as a multi-year RRP, and
- Operations commit to the continuity of the projects, **prioritise resource allocation and secure an Operating Level Budget over the full period of the multi-year agreement.**

The MY Partnership Agreement is well suited to support planning of activities and to contribute to longer-term outcomes. Examples of projects are:

- Progressive achievement of resilience and solutions, and inclusion in or support to national systems;
- Developing and supporting community, local and national systems, service delivery and capacities;

- Developing multi-sectoral and/or area-based approaches to address the situation of the persons of concern to UNHCR;
- Generating data and information on persons of concern, supporting longer-term dialogue and advocacy, and
- Building on the legal and administrative bases for protection and solutions.

## Which Partner Can be engaged in the MY Partnership Agreement?

The partner signing a Multi-Year Agreement with UNHCR will need to have:

- fulfilled the partner selection process according to the criteria established by the operation;
- proven ability to formulate and undertake longer term projects, and
- acceptable past performance including effective and timely delivery of services with concrete outcomes and durable solutions, timely and accurate reporting, proper use of funds, potential for financial or in-kind contributions, and proper and ethical conduct.

The Partner must be registered through the UN Partner Portal.

In the piloting phase, MY Partnership Agreements will be of two **year duration**. They build on the existing policy for partner selection which already enables UNHCR to retain partners for up to four years.

## What does the MY Partnership Agreement include?

MY Partnership Agreements have the same annexes and reporting requirements as annual agreements, with some small modifications to **Annex A (Multi-Year Project Description)** and **Annex C (Indicative Instalment Plan)**. In addition to **Annex B (Budget from MSRP)**, a **full period offline budget will be developed to include the forecast** for the second year since UNHCR does not have a multi-year approved budget. Reporting requirements follow the same schedule as annual Agreements. However, the first annual report will be considered as **periodic** and operations will use the simplified **Periodic Progress Performance Report** for MY Partnership Agreements for this purpose. At the end of the second year of the implementation period, partners will submit a final report using a modified version of the (harmonized) **Project Performance Final Report (Annex D)**.

## How does the MY Partnership Agreement work?

The MY Partnership Agreement follows the same format as the current Partnership Agreement. **Article (3)** of the Agreement sets out the intention of the multi-year nature of the partnership, whereby parties agree to collaborate on a multi-year project, if UNHCR's financial contribution will be foreseen for the duration of the Agreement.

**The allocation of funds for the two years of the Agreement is subject to the availability of funds, operational needs and satisfactory performance by the partner. Since UNHCR resource allocation (OL) is the authorised budget for a single fiscal year, the first year of the Agreement is considered the "Current Budget Year" and the second year the "Forecast Budget Year".**

MY Partnership Agreements are concluded on the basis of joint long-term planning between UNHCR and the partner, and as part of an inclusive multi-year multi-partner approach. They should contribute to the progressive achievement of one or more of the strategic objectives of the Multi-Year Protection and Solutions Strategy. The process of negotiating the agreement will only need to take place once, provided that the partner has fulfilled the partner selection process for the entire implementation period. Adjustments, revisions and other changes to the Agreement throughout the multi-year implementation period will be handled through **Amendments of Agreement** as per the usual practice. In addition, the forecast year will be treated as a regular Amendment with the budget entered into Focus following standard practice, i.e. there will be no need to sign a full agreement for the second year.

The MY Partnership Agreement is organized around a **year of implementation** (the first year of the Agreement, the **Current Budget Year, i.e. within the approved OL**) and a **forecast year of implementation** (the second year of the Agreement). See the outline calendar for managing Multi-Year Agreements below.

The expected multi-year targets of the MY Partnership Agreement must be clearly set out in the project description and log frame, including the outputs that are expected to be delivered at the end of the first year. A forecast budget must be developed that sets out expected financial allocations for the second year in line with the expected outcomes. The forecast budget will not be entered into MSRP. The number of outputs must be kept to a bare minimum.

Before the end of the first year, operations will need to review, in addition to partner performance, the expected outputs and budgets for the forecast year in line with available funding, operational needs and project results to date, and confirm them or make necessary adjustments. **It is important that this review establishes what will be spent and achieved at the end of the first year and what remains to be done, re-programmed and budgeted into the second year. If Year 1 activities need to be rolled over into the second year, they must be included in the updated “forecast year” activities and budget.**

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### **Important Note**

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**Operations must ensure that provisions for the full budget for the second year are foreseen for the Operating Level Budget for that year. Re-programmed activities not implemented in the first year shall not imply an increase in the agreed budget for the second year. The budget for the re-programmed activities will be covered from the second year OL of the Operation. UNHCR Operations and Partners should be aware even if there approved OL, the availability of funds prevails.**

**The reviewed and revised budget and an updated work plan should be jointly discussed with the partner and concluded by 15 November of Year 1, and an Amendment to the Agreement with all annexes must be finalised and signed by all parties not later than 30<sup>th</sup> November to activate the second year of the MY Agreement. If this does not happen in time, the MY Agreement will automatically close as an annual Agreement.**

**There shall be no extension of liquidation and implementation period for the first year of the MY Partnership Agreement**

## **How do we get started?**

### **If your operation has already signed a Partnership Agreement with the partner in question**

Operations that have prepared the two year plans and budgets, and negotiated with its partners, will need to convert the Annual Agreements into the MY Partnership Agreement format based on multi-year planning with the partner(s). IPMS will support the process of conversion, as soon as **possible but no later than mid-June 2019**, allowing sufficient time for a well-managed transition.

### **If a Partnership Agreement is not yet signed**

Operations should immediately use the MY Partnership Agreement format with the corresponding annexes and ensure that the negotiation of the Agreement is informed by a joint understanding of the longer-term objectives and conditions of the partnership.

## What else will the pilot involve?

UNHCR has committed to integrate multi-year perspectives within its planning and budgeting systems as part of its Global Strategic Directions, and the ongoing **Results Based Management Renewal Project** will implement several changes to enable multi-year operations management. Operations piloting MY Partnership Agreements will be asked periodically to contribute their experiences and lessons learned to inform the process of adapting UNHCR's systems.

Based on the gained experience from the pilot and availability of multi-year funding and system-based budgeting facilities for multi-year programming, coverage might be expanded to a larger scale.

## Indicative Calendar

**Planning coordinators and/or the most senior programme staff** of operations interested in taking part in the pilot should contact their desk officer with the expression of interest as soon as possible but **not later than 30 April 2019**. Support to operations around the best-fit use of Agreements will be available any time from now. Operations taking forward MY Partnership Agreements should do so with the full agreement of their **Representative**.

Month	Action	Purpose	Who
First week of April	<b>Introductory Webinar</b>	Introduce purpose, benefits, limitations, processes and tools.	IPMS-IPS With: DRRM, DRS, RBM, Regional bureaux Field Operations
Soonest but not later than end April	<b>Expressions of Interest</b>	Notify intention to 'opt-in' to pilot and the possible partnerships that will be managed under a MY PA.	Field operations
April-June (for 2019-2020 agreements)	<b>Negotiations and conclusion of Agreements with partners</b>	Negotiations and signing Agreements with partners using the multi-year format for 2019 and 2020 and conclusion/conversion of agreements.	Field operations
New agreements: immediately		HQs advice on management process for MY PA including conversions of already signed Agreements into multiyear Agreements.	Field operations, Regional Bureaux, IPS, IPMS, DRRM
As of June	<b>Multi-Year Agreements Completed</b>	Multi-year Agreements for 2019-2020 in place.	Regional bureaux, IPMS, IPS/Operations
Not later than 15 November	<b>Status of Multi-year Agreements updated and HQS notified</b>	Review of progress, decide on cut-off of budget/ expenditure and conducted activities/ outputs under first year Budget Year, and adjustment and programming into the second year plan and budget (converting Forecast Year into Budget Year).	Field operations
Not later than 30 November	<b>Amendment for the second year signed</b>	Confirm continuance of Year two. Any operation that does not sign <b>the Multi-Year Agreement will automatically close as a single year Agreement.</b>	Field operations

January-March 2020	<b>Lessons gathered</b>	Learn and adapt on process of concluding, converting and amending Agreement for year two.	IPMS-IPS With: DRRM, DRS, RBM, Regional Bureaux
February-April 2021	<b>Lessons gathered</b>	Learn and adapt on management and closure of Agreement.	IPMS-IPS With: DRRM, DRS, RBM, Regional Bureaux

### Where can I get more information and support?

**Implementing Partnership Management Service:** [epartner@unhcr.org](mailto:epartner@unhcr.org) for management of partnership agreements

**Integrated Programme Service:** [hqdpsmps@unhcr.org](mailto:hqdpsmps@unhcr.org) for programming/reprogramming matters.

**Webinars:** Introducing the Multi-Year Agreement format will be organized the first week of April.

**Intranet:** (IPMS Page)