



UNHCR

United Nations High Commissioner for Refugees
Haut Commissariat des Nations Unies pour les réfugiés

To: National and International Non-Government Organizations signatories to 2020 project Partnership Agreement with UNHCR

From: Head, UNHCR Implementation Management and Assurance Service
Division of Strategic Planning and Results

Date: 15 April 2020

Subject: UNHCR's exceptional measures in the management of Partnership Agreements in light of the COVID-19 pandemic

This memorandum is addressed to national and international non-Government Organizations that held a valid Project Partnership Agreement with UNHCR as of 24 March 2020 (hereinafter referred to as “Partners” and “Partnership Agreements”).¹ This memorandum is intended to formalize several measures communicated by UNHCR internally on 24 March 2020 and which were referenced in the High Commissioner’s letter to the members of the International Council of Voluntary Agencies, InterAction, and the Steering Committee for Humanitarian Response dated 3 April 2020 (Annex 1).

As noted in the High Commissioner’s letter, UNHCR has embarked on a process of rapidly examining current programmes to make the necessary adjustments in response to emerging needs and vulnerabilities and to operational challenges being faced by UNHCR and its Partners. UNHCR is working in an inclusive manner with as many Partners as possible in conducting this examination, making every effort to apply the principle of “stay and deliver” which facilitates maintaining effective operations in an effort to deliver by strengthening risk management capabilities and by exploring innovative operational practices in the present context for refugees and others at risk.

UNHCR aims to work with existing Partners, where possible, providing them with the flexibility needed to make adjustments in their activities in light of social distancing measures and travel restrictions. UNHCR is waiving certain requirements, procedures and obligations that would otherwise hamper their ability to do so.

¹ Multi-year agreements; Bilateral Project Partnership Agreements; Tripartite Project Partnership Agreements; Small Scale Agreements; Special Agreement, Letter of Mutual Intent, Deployment Partnership Agreement, National Fundraising Partnership Agreement. It does not apply to agreements with Government Partners. It does not apply in respect of agreements that were due to expire on 31 December 2019 and which, on 24 March 2020, were implemented and were in the process of liquidation.

UNHCR is, furthermore, delegating greater authority to Country Representatives and Heads of Offices to make quick decisions and to implement measures that will provide flexibility to Partners to suit local needs and conditions. This memorandum sets out, and formalizes, those measures.

Overarching approach

UNHCR aims to work in dialogue with Partner organizations to find flexible, pragmatic solutions that allow us to stay and deliver together, and avoid the suspension or termination of current agreements, wherever possible.

The principle of “stay and deliver” is resulting in, amongst other things, essential UNHCR staff having to forego leave and rest-and-recuperation and other staff having to work remotely. UNHCR recognizes that it cannot dictate, for every Partner organization, that they apply the same human resources practices. But UNHCR expects the general principle to be applied and, where it is not possible for personnel to “stay,” that the Partner implements business continuity plans to ensure continued “delivery”. We ask that Partner organizations present and discuss business continuity plans with their UNHCR counterparts at the Country level.

Even with business continuity plans in place, UNHCR recognizes that Partners’ ability to deliver on project targets may be compromised. UNHCR has urged Programme and Project Control colleagues in Country Operations to establish and maintain an active and open dialogue with Partners about current projects, including scope, targets, budgets and core activities. Country Operations should provide appropriate assurances to Partners that UNHCR will treat requests in good faith, and will accommodate reasonable requests whenever doable.

Where possible, unimplemented activities/planned activities that will be delayed or cancelled should be identified for reallocation. Operations should initiate discussions with Partners on whether Partners can undertake priority actions within their existing budgets through reallocations.

Selection and retention of Partners

The High Commissioner has declared a Level-2 Global Emergency. This results in the following efficiencies:

- A Partnership Agreement may be signed with an organization before the organization is registered in the UN Partner Portal (in such cases, Partners are required to register through the Portal as soon as the situation permits).
- During the first 6 months of the emergency, the decision to waive a normal selection process is decentralized from HQ to the Country Operation’s Representative on the basis of the Country’s Implementing Partnership Management Committee (IPMC).
- To expedite the formalization and signature of a Partnership Agreement and release of funds, only minimum documentation is required prior to signature. In most cases, only

the Budget, key results, limited outputs and summary of deliverables are required prior to signature. The remaining annexes, including project description, workplan, instalment plan and Partner personnel annexes can be finalized within one month of agreement signature.

- Where a Partnership Agreement envisages more than US\$100,000 in procurement by the Partner organization, the Partner must obtain “Pre-qualification for Procurement” (PQP). However, in case of urgency and exceptional situations, a Partner that commits to submit its application for PQP within the first six months of the project, can be engaged for undertaking procurement of more than US\$100,000 under one Partnership Agreement.

Discretionary Budget Allocations

Standard agreements provide Partners with the authority to make discretionary budget line transfers “within an Output” provided that the change will not exceed 20% in value. Under normal circumstances, this provides a reasonable amount of flexibility for Partners. This threshold has been increased to 30% for 2020 Partnership Agreements only. This may reduce the need for some formal amendments to be made later in the year. It will not be necessary for Partnership Agreements to be amended to reflect the change from 20% to 30%. UNHCR will inform Project auditors of this measure.

Amendment of Agreements

Operations should expect most (if not almost all) Partnership Agreements will require one or more formal amendments in 2020. Given the uncertainties over the coming months and the administrative burden associated with amendments to Partnership Agreements, UNHCR operations are recommended to refrain from undertaking any formal amendments (unless absolutely necessary, as in the case of a budget increase) before at least a mid-year review can be undertaken. In the meantime, agreements on changes should be documented by email and archived until such time as a formal amendment is considered appropriate. But it is important to remember that formal amendment needs to be made before the end of the implementation period of a Project Agreement.

Agreement amendments will most often require revision of the relevant annexes: budget, project description, instalment plan etc. In case of urgency (not just emergency), only the agreement amendment (a simple three-page document) and the budget are required at the time of signature of an agreement amendment, which need to be agreed with the operation. The remaining annexes (as relevant) should be updated as soon as the situation permits, but not later than end of the implementation period.

Unrecoverable expenditure

Expenditures already incurred by Partners for foreseen activities that were not completed or undertaken because of the COVID19 pandemic and which the Partners have been unable to recover should be acceptable under the project.²

Overtime

UNHCR's Partner Personnel Policy dictates that UNHCR shall pay "maximum contribution rates" in respect of Partner personnel. The Policy further dictates that overtime for staff shall not be chargeable against Partner personnel budget lines. COVID-19 and related social-distancing may result in Partner organizations having to adjust normal operations and may result in Partner organizations being contractually obliged under their HR rules to pay overtime to some staff.³ Where overtime is necessary for the purpose of delivering the project in light of COVID-19-related factors, overtime may be charged to the Partner personnel budget in the project even if doing so will mean that the maximum contribution rate for that person is exceeded. This flexibility will apply in respect of overtime incurred after 1 February 2020.

Attendance records

The normal way of verifying that staff can be legitimately charged to a UNHCR project is by maintaining time/attendance sheets. This may be difficult under current circumstances and measures should be put in place to avoid later, unreasonable, findings during project verifications or audits that expenses are ineligible because of a lack of attendance documentation. We have encouraged Programme colleagues in Country Operations to engage with Partners and find out how they will be managing attendance. This can be documented in a Note for the File for each Partnership Agreement. Such Notes will be important reference documents during periodic verifications and for project audits.

Personal Protection Equipment

UNHCR is working to facilitate the procurement and delivery of Personal Protection Equipment to Partner personnel. In the meantime, if the Partner has procured, or needs to, procure such equipment for project personnel to enable it to continue work under the project, the costs associated with doing so will be considered an eligible expenditure under the project.

² *Example:* Booking fees for a seminar/training that was subsequently cancelled because of travel restrictions and social distancing requirements but which cannot be recovered by the Partner shall be considered admissible expenses under the project.

³ *Example:* Travel restrictions as a result of COVID-19 that delay the deployment of a staff member may result in another staff member having to work overtime to compensate for the absence.

Note: If a Partner's HR rules do not allow for the payment of overtime to staff, this flexibility will not apply to them unless/until the Partner changes its conditions of employment to create a contractual obligation.

Expenditure should be charged to an appropriate budget line other than Partner Personnel Costs.

Release of Instalments

Ordinarily, instalments (other than the first instalment after signature) should not be released before submission and clearance of a Project Financial Report for the current period. The Guidance issued to Country Operations allows Country Operations to release the next instalment under a Partnership Agreement before submission and clearance of the Project Financial Report for the current period. In exercising this discretion, Country Operations are to decide on such measures on a case-by-case basis after considering the risks of doing so in each case.

Project (financial and performance) verifications

Project Control in Country Operations have been encouraged to conduct financial verifications through remote/desk reviews. Project Control colleagues will continue to exercise their judgment in deciding whether the risk of a Partner/project warrants suspension of a periodical financial verification until such time as a normal verification can be made.

Otherwise, Project Control and Programme colleagues have been advised to discuss with Partner organizations initiatives to remotely monitor project delivery. In this regard, several Country Operations that do not traditionally experience access issues are now in immediate need of good practices in monitoring project delivery remotely and in real-time. UNHCR Headquarters has established a team to identify and replicate best practices in this area and we would welcome contributions from our Partners.

Workforce contracts

UNHCR has urged Country Operations not to apply pressure on Partners to terminate employment contracts of persons who had a valid contract funded under the project prior to 1 February 2020 solely because those persons are unable to attend work because of travel restrictions and social distancing measures. This includes refugee incentive workers. It is expected that Partner organizations will have developed business continuity plans that will balance the humanitarian imperative to protect the lives and well-being of refugees and others at risk, with their duty of care to personnel and families.

Reporting requirements

UNHCR recognizes the burden and challenges associated with generating reports during times of emergency – especially when there is a need for timely and accurate information on needs to develop and revise plans and to mobilize resources. UNHCR has asked programme colleagues in Country Operations to be diligent in avoiding asking for more than the minimum number of ad

hoc reports from Partners as per the signed Partnership Agreement. Reporting requirements should be kept to a minimum.

Submission of documentation and notices in electronic format⁴

Given the social distancing requirements and restrictions to movements around the globe and in line with the flexibility introduced by the High Commissioner with the declaration of a Global Emergency Level 2, the following constitute acceptable practices when Partners submit documents to UNHCR that require, under normal circumstances, a handwritten signature.

For the documents produced by the Partners related to the project management (such as performance reports, financial reports, amendment of agreements, and other formal notices to be delivered to the other party against an acknowledgment of receipt), if the traditional handwritten signature is not possible, the Partners are encouraged to use the electronic signatures, particularly a digitized image of a handwritten signature or a digital signature like the Adobe self-certified signature. With this last method, a formal set up process is required, and a password must be provided each time a new signature is attached. The required Adobe software solution is available to the public and free of charge.⁵

In case of limited capacity to sign electronically, the use of emails to express approval is acceptable under the following conditions: Documents submitted by email indicating the approval must be sent from the usual business/corporate email account as reflected in the Partnership Agreement (based on the fact that the email is sent by a person who has logged in with a unique ID and entered a password). The sender will include his/her contact details (the name, title, telephone number) as well as the contact details of the approver and copy the approver on the email sent to UNHCR.

Documents attached to emails should be in a format not easily modified (for example .pdf or .jpeg). Partners and UNHCR colleagues should keep in their own files a copy of the covering email along with the attachment.

For external documents produced and submitted to Partners by other organizations and/or the business community (such as invoices, delivery notes, reports for distribution of assistance, etc.), the following conditions apply:

- When documents are required to justify expenditures, Partners will receive the documents from their external parties with a traditional handwritten signature or an electronic signature as described above (email approvals are not allowed for such documents). For paper

⁴ For the sake of completeness, it is noted that UNHCR is currently working on developing a system that will enable electronic approvals or submission of electronic documents. This system will not, however, be in use until 2021.

⁵ Digital ID Frequently Asked Questions can be found on the Adobe website, including how to validate a digital signature at: https://helpx.adobe.com/acrobat/using/digital-ids.html#about_digital_ids; A User Guide can be found on the Adobe website at: <https://helpx.adobe.com/acrobat/using/choosing-security-method-pdfs.html>

copies, Partners then have the option to scan these documents when submitting the supporting documents to UNHCR and they shall keep the original documents with them for future reference during onsite verification visits or audit.

- If external parties are not able to deliver the supporting documents to the Partner and the Partner receives only a scanned copy of the documents, the Partners will be required to collect the original signed documents from the external parties as soon as possible without any undue risk to the Partner in consideration of the COVID-19 constraints or when this exceptional situation is over. When submitting such documents by email to the Partner, the external parties should use a company/business email address indicating the full contact details (name, title, business address, telephone number). When sending such documents to UNHCR, the Partner should add a copy of such emails.

If local laws still require certain documents to be issued using the traditional handwritten signatures (this may include the procedures for claiming the VAT), the Partners and their external parties will be expected to issue such documents in the required format as soon as possible or when the COVID-19 related conditions permit.

Project audits

UNHCR has asked project audit firms to limit travel in accordance with travel and social distancing restrictions. Auditors have been informed not to conduct any site visits to refugee camps or settlements until further notice. UNHCR has encouraged audit firms to determine whether they can adequately complete audits based on desk reviews or whether they will need to postpone the audit.

Curtailed and/or termination of Partnership Agreements

Some Partners have expressed concern that UNHCR may seek to abruptly terminate existing Agreements.

As noted above, UNHCR is committed to working with existing Partners, where possible, providing them with the flexibility needed to make necessary adjustments in light of social distancing measures and travel restrictions and to continue project delivery. In doing so, UNHCR hopes to avoid, to the extent possible, suspension or termination of existing Partnership Agreements.

If a Partner considers that COVID-19 and the related social distancing and travel restrictions will prevent the Partner from carrying out its obligations under the Agreement, it should give notice to UNHCR pursuant to the relevant provisions of the Agreement, including force majeure or the change in position clause. UNHCR and the Partner shall, in good faith, discuss and agree what arrangements, if any, shall be made to further implement, curtail or terminate the Agreement.

Otherwise, under the terms of the Partnership Agreement, termination of a Partnership Agreement without cause may be effected by either party giving ninety (90) days advance written notice to the other party.

Further, termination of a Partnership Agreement with cause may be effected immediately if, amongst other things, “a Partner refuses or fails to execute any substantial work, or separable part thereof”. In the current situation, UNHCR will not apply this provision to circumstances where a Partner is unable to implement work due to COVID-19 and the related social distancing and travel restrictions.

Clarification and questions

Partners are encouraged to engage actively with UNHCR Operations to discuss and agree upon business continuity plans and to resolve any disputes in good faith. Partners are encouraged to engage with UNHCR’s Regional Bureau in the event that they have any concerns over the application of the guidance that is outlined in this memorandum.

Partners may also write to the Implementation Management and Assurance Service at epartner@unhcr.org if they wish to seek clarification of this guidance or if they encounter circumstances that they believe require an organization-wide policy decision or approach.

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