



Malawi Business Operations Strategy

RCO Malawi, October 2013

1. Introduction

Following the High Level Panel Recommendations on System wide Coherence in 2007, Malawi became a self starter country for Delivering as One (DaO). The overall objective of this reform was to make the UN system more coherent, efficient and effective in its delivery of results, in support of national priorities. The key elements of DaO were; one programme, one leader, one budgetary framework, one voice and one premises. As part of the reform process, the UN Development Assistance Framework 2008-2011 was developed alongside a UN Business Plan 2009 which emphasized harmonization of internal UN business processes. The UN Business Plan 2009 was followed by the UN Transformation Plan 2010-2011 and the Current Transformation Plan 2012-2013, all aimed at ensuring the operational aspects of UN programming are streamlined in order to make the UN system more efficient and enhance delivery of results.

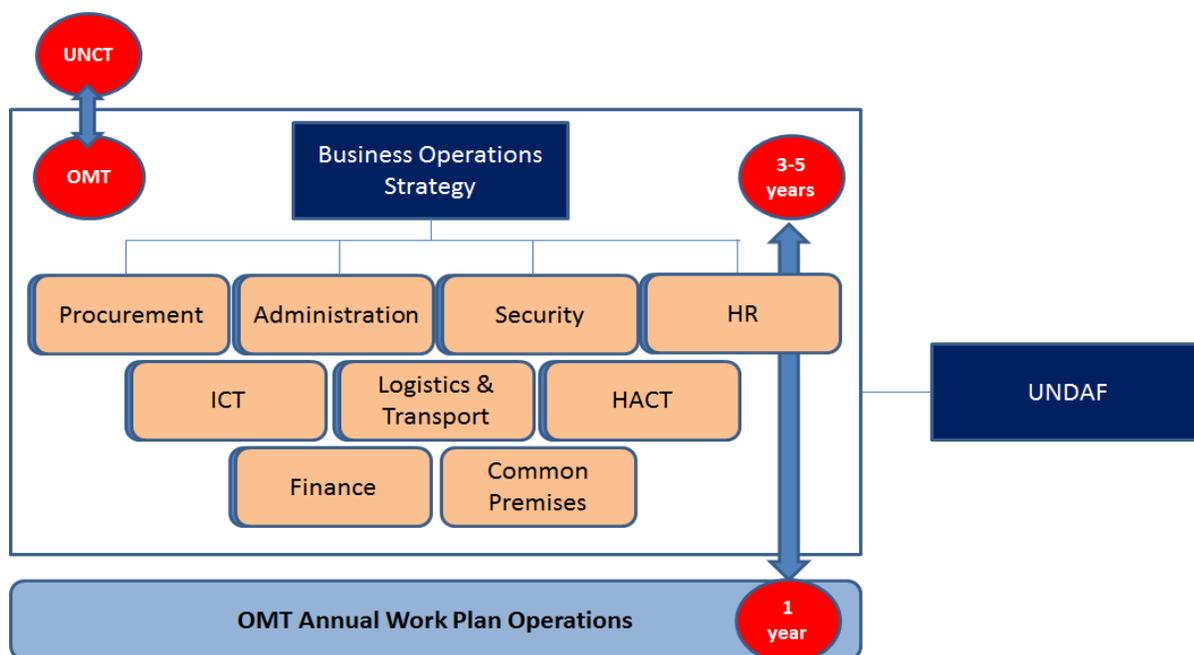
The focus of the three generational operation plans were in the areas of procurement, human resources, ICT, commons services on the operations side and consisted of technical working groups, aiming to offer advisory services towards programs, in the areas of gender, capacity development, aid effectiveness, human rights and Harmonization of Cash Transfer .

The activities of the operational aspects of the Business Plan and the Transformational Plans were implemented through the Operations Management Team (OMT), comprising of senior agency staff in operations and administration. The technical working groups which comprised of technical staff in the areas of focus were facilitated through the Resident Coordinator's Office, which played the role of a secretariat to the groups.

2. The UN Development Group BoS Framework.

A BoS derives partially from UNDAF/programmes; and it is a voluntary instrument to be used at the country level by UNCTs and OMTs. For DaO self-starter countries, this is a recommended requirement. It is developed in conjunction with the UNDAF; and covers Joint Business Operations initiatives. It provides strategic, medium term focus, same cycle as the UNDAF and provides the basis for Monitoring, Evaluation and Reporting of Business Operations

Malawi as a DaO self-starter country continually engages in a reform process that is guided by the UNDG recommendations and priorities including the BoS. The BoS is designed to run concurrently with the UNDAF process and covers strategic Joint Business Operations initiatives. It provides a strategic, medium term focus, and runs on the same cycle as the UNDAF. Diagram 1 below shows the key elements of BoS.



3. Adopting BoS in Malawi

In December 2012, the UNCT volunteered as a pilot country on BoS. OMT formed a Task Force to work alongside the RCO to formulate the BoS. However, since the UN in Malawi already had elements of the BOS in the Transformation Plan (2012 – 2013) and also due to the fact that the current UNDAF Programming cycle (2012 – 2016) was about to enter its second year, it was decided that a three year BoS that coincides with the remaining period of the current UNDAF cycle, would be appropriate and then a new 5 year BoS could be developed when the planning process for the third UNDAF starts in 2015/16.

The BoS is seen as a natural step for UN agencies in Malawi to take having learnt from the previous joint operations initiatives in the UN Business Plan and the two Transformation Plans. It was also seen that the BoS framework would enable UNCT/OMT to ably articulate targets with appropriate baselines.

The formulations of the 3 year BoS will be based on lessons learnt and a detailed operations analysis. Given challenges in obtaining accurate data it was resolved that 2013 should be used as the baseline year. In some cases the strategy will make reference to certain initiatives before 2012 in order to show the trend in progress. The main objectives of developing the BoS for Malawi are:

1. To pilot the UNDG framework and provide feedback for improvement.
2. To analyze operations performance and document efficiency savings from the joint efforts.
3. To use BOS as a resource mobilization strategy to attract funding for further improvement.

As part of the process to help UNCT's on the BoS the UNDG is providing offsite technical support to countries that are piloting the development of the BoS. Malawi was allocated two trained BoS experts to provide technical guidance on operational analyses, results and monitoring framework and the

narrative elements of the BoS.

4. Participating UN Agencies in the Business Operations Strategy:

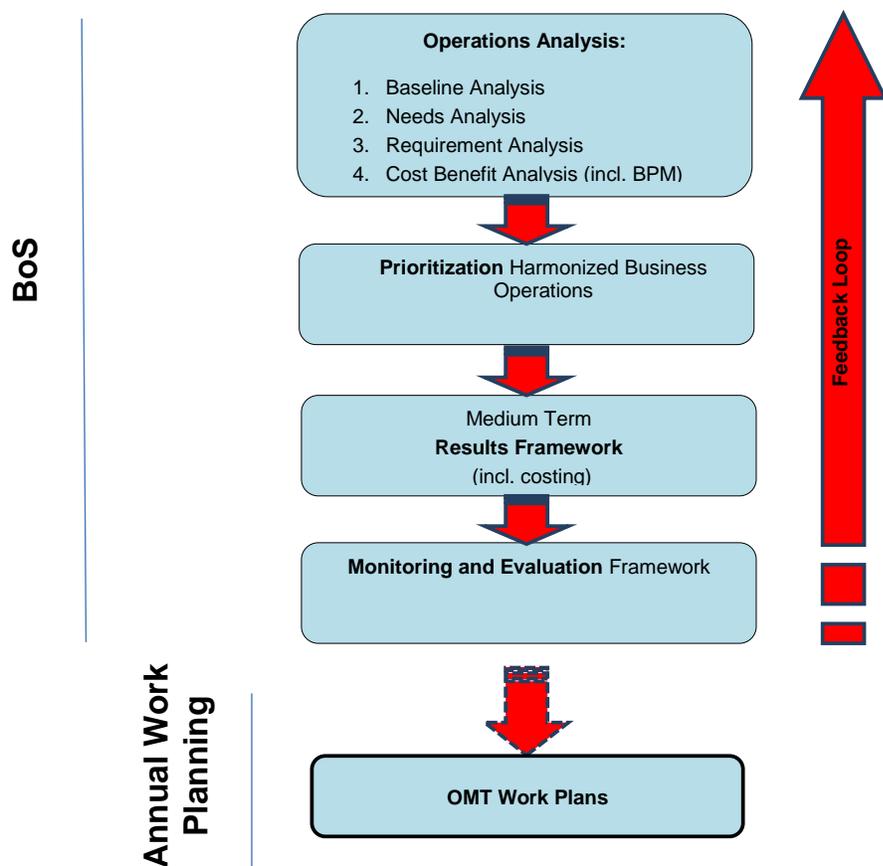
1. FAO Food and Agriculture Organization
2. ILO International Labor Organization
3. UN Women United Nations Entity for Gender Equality and the Empowerment
4. UNAIDS Joint United Nations Programme on HIV/AIDS
5. UNDP United Nations Development Programme
6. UNFPA United Nations Population Fund
7. UNHCR United Nations High Commissioner for Refugees
8. UNICEF United Nations Children’s Fund
9. WHO World Health Organization
10. UNESCO United Nations Educational, Scientific and Cultural Organization
11. UNEP United Nations Environment Programme
12. WFP World Food Programme
13. UNODC United Nations Office on Drugs and Crime
14. UNCDF United Nations Capital Development Fund
15. UN HABITAT United Nations Human Settlement Programme

5. Country Operations Analysis and Recommendations

The OMT has so far done the Country operations analysis using two main analytical tools drawn from UNDOCO with some degree of modification to determine the way forward. Given data challenges the baseline year for the BoS will be 2013 with other exceptions in a few procurement items which will be based on 2009/10 data produced from a Common Procurement Hub Analysis Survey. The baseline analysis tools will be supplemented by client satisfaction survey to assess the degree of agency satisfaction on LTAs and some common services.

The first tool was the baseline and needs analysis. This was aimed at providing an overview of the status of the current existing business operations initiatives including common services. Based on the analysis, recommendations will be made on expanding, downscaling, adjustment or modifications. The second tool was the business process mapping that was undertaken in procurement, human resources, and auditing and micro assessments. The mapping process compared the estimated agencies internal process cost to joint process costs. In each of the areas, the analysis was able to identify potential areas where internal process costs could be reduced when agencies agree to undertake a common process.

The diagram below shows the process OMT will follow in developing the BoS.



6. Summary of baseline Analysis

The objective of this assessment was to check current performance of the 42 Long Term Agreements and Common Services with a view to making recommendations for the BoS period.

Procurement

The UN OMT Procurement Taskforce was established in 2010 and tasked with enhancing common procurement management mechanisms. Currently there are a total of 42 joint or agency specific common Long Term Agreements (LTAs) which are open to other UN Agencies in Malawi. The utilization of these LTAs is resulting in reduced cost through reduced staff time in the procurement process and more advantageous pricing agreements.

The Lead agency approach has been used for the establishment of LTAs and joint procurement. In November 2012 a sizeable joint order for vehicle spare parts was placed off shore and it has been a good learning experience on how to undertake such arrangements. It is expected that going forward such processes will be streamlined and the goods categorization thorough to ensure shorter lead times and more financial savings.

Other high value and volume joint procurement/ LTA frameworks being considered include Office Stationery and Consumables as well as Air Travel.

In order to further the work under Joint procurement, the UNCT under the recommendation of the OMT and Procurement Taskforce assigned a dedicated person (IUNV) to coordinate Joint Procurement work for an initial period of one year starting from July 2013 to June 2014.

ICT

On ICT, the UN agencies resolved to go for an on-demand support service provision approach other than infrastructure heavy systems which have been seen not to bring in much cost gains. ICT Technical Working Group will continually providing insight to the various agencies and other technical working groups on the most efficient ways of delivering ICT solutions. So far the ICT TWG has been instrumental in the design and rolling out of the Consultants and Temporary Staff Database, which will be hosted by a third party (bringing cost savings of US\$15,000 per year in comparison to managing it in house) for the Human Resources Working Group and they have also been providing technical insights on Results Monitoring System and a Share-point facility (initiatives from the UNDAF M&E TWG and the UN PMT) which are at the procurement stage. It has also been agreed that agencies which do not have global corporate contracts for Internet Service Providers will ensure to have joint local ISP contracts as much as this is administratively feasible. Also, the OMT is exploring the feasibility of having an interconnected/common telephone system and business continuity policy with the view to reduce cost.

Harmonization of CASH Transfer

Six UN agencies, UNDP, UNICEF, UNFPA, WFP, UNAIDS and FAO have adopted the Harmonization of CASH transfer modality. The key requirements involve commitment to joint micro assessments and annual audits and joint monitoring plans. Collectively, these five agencies contribute over 80% of the UNDAF budget. Since 2011, there have been micro assessments of Implementing Partners involving 72 implementing partners with an additional 46 planned. 40 joint audits have been undertaken in the same period. More encouragement has also been seen with the movement of IPs from High Risk to Moderate and Low risk rating. These have been in part as a result of the joint IP Trainings in Financial Management, Procurement and Results Based Management enhanced by the assurance activities that the UN agencies are jointly implementing under HACT. The HACT joint approach has faced some challenges with regards to Audits and Micro-Assessment processes and timely contributions towards implementation of the activities. This year, HACT Audit sub-committee put together Audit and Micro Assessment SoPs that were approved by the UNCT and this is expected to enable the quick agreement of the AWP as well as fast tracking agency contributions thereby resulting in greater efficiency.

Analysis of cost savings that have accrued since the inception of HACT is underway and it is envisaged that this analysis will identify some bottlenecks and help identify innovations that will further enhance HACT undertakings.

Human Resources

On the Human Resources front, the UNCT has agreed a policy to ensure that UN staff annual review takes into consideration their role and contribution in DaO with all staff involved indicating one DaO deliverable as part of their five key results. This system was rolled out in 2013 and will be reviewed and refined. Further, a staff induction booklet is being developed to help facilitate newcomers' adjustment to UN Malawi and expedite their inclusion as productive members of the team. A web-based

Consultants and Temporary Database is also in the final stages of completion to support common recruitment for consultants and temporary GS category staff. It is anticipated that this tool will help cut procurement time thus cost and also avail all agencies with a readily available pool of quality expertise to call upon. On the remuneration of consultants and temporary personnel, a New Remuneration Scale for Service Contracts was carried out to align the UN rates with the market as well as to harmonise amongst the agencies. A harmonized scale was also set for local consultants and currently it is also under review. All these initiatives are being undertaken to ensure that the UN in Malawi remains competitive and derives value for money from such services.

It is envisaged that sharing of best HR practice across the agencies in Malawi will continue and the feasibility of common/generic adverts for FTA positions will be explored and developed where ever feasible.

Health Care Facility

The UN Health Service provider was outsourced in order to achieve a reduction in operating costs resulting from reduced staff costs (special medical personnel) and transaction costs for processing claims as well as other administrative issues and the associated overheads arising from building rentals, electricity etc. The Outsourcing for the Health Services ensures that the UN staff get the best medical treatment at the least possible cost in a country where health facilities are quite limited in the scope of services and most are at very high cost.

The contract is under review and the analysis of the cost gains is being carried out and it is envisaged that a significant saving was made and will continue to be made under the current outsourcing arrangement.

Common Premise

The UNCT in Malawi is committed to having common premises (One UN House) and the Government of Malawi already allocated land for this purpose. Currently, various Cost Benefit Analyses and assessments of the Private Public Partnerships project implementation modalities are being carried out for to ensure that the project is bankable and would yield the desired results for the UN in Malawi.

Security

For security the OMT through the Procurement Taskforce and employing the lead agency approach have standing LTAs with two UNDSS approved service providers engaged towards the end of 2012 and are open to all UN agencies. This approach gives agencies flexibility in terms of cost comparisons as well as service level/ performance. These LTAs will be regularly reviewed to ensure that the UN is getting the most value for money security service in the country. The issue is therefore not only finding new service providers where feasible but also finding innovative ways to ensure improvement of services. On the financial benefits that have accrued from having a common security services and the estimated benefits will be reported in December 2013.

Finance and Banking

In 2011, the UNCT endorsed the OMT recommendation of movement to one Banker. Most of the nine resident UN agencies in Malawi now bank with Standard Bank which was chosen following an OMT

banks market survey that focused on services provided, fees charged and the Value Added Services to be rendered once the switch was made.

Transport, logistics, hotels

Agencies maintain their own fleet of vehicles; maintenance and insurance agreements but there is an opportunity of having long term savings where cars would either be pooled or out sourced.

The recently agreed 26 LTAs for Workshop Hotels and Conferencing Facilities give the UN agencies a lot of opportunity to ensure cost gains. We also see exploring the possibility for these LTAs being extended to all UN personnel official travel which would further increase the gains envisaged under this arrangement.

Malawi's current unstable economic situation coupled with its landlocked status leads to erratic supply of fuel. Because of this, the UN put together a joint Emergency Fuel Storage Facility in (Fuel Contingency Plan) which was initiated in early 2010 and was fundamental in ensuring that UN operations continue smoothly through 2010 to mid-2012. The other benefit was that the fuel imported by the UN was duty free and therefore with a lower landing cost compared to the pump price. The forthcoming Tripartite General Elections scheduled for May 2014 necessitates that the Fuel Contingency Plan remains operational as the supply of the commodity might get erratic.

7. Summary of activity process mapping

The other analysis will involve activity process analysis covering the procurement (LTAs), Audits, Micro assessments and staff recruitment, Banking, security other common services. The objective is to determine the potential cost savings that could arise from adopting a common process. A summary of the current and future sub process including average times and cost are provided below:

It is envisaged from the operations experience of the BoS and Taskforce members that at least 40% savings in staff time could be realized when an LTA is used. Using the year 2013 as the base line, and the assumption that the 2012/2013 usage levels is maintained, analysis will the projected savings until end December 2016.

A second level of cost savings calculation based on discounts achieved via negotiating the LTA would be issued in December 2013. Based on the 2009 figures, a saving per year of at least 10% percent (US\$200,000) should be achieved by using conference facilities LTAs per year.

For micro assessments and audits we'll calculate the estimated internal cost for selecting a consultant and the consultants' cost. Then we will apportion the consultant's selection costs saving amongst the participating agents multiplied by the number of audits undertaken which will them give us the total amount of savings.

Similarly, for the recruitment the activity mapping process will come up with estimates of the savings per joint recruitment exercise. The proposal will focus on national recruitment and in areas where agencies have similar staffing requirements, for example drivers, finance and administrative staff. Since recruitment process has headquarters implications, progress in these sections would depend on identified actions in the DaO Standard Operating procedures.

8. UNCT and Business Operations Strategy Governance

The BoS process is a key element of the DaO SOP. Whilst it mainly supports the one programme, the effective delivery of the BoS depends on robust full implantation of the Management Accountability Framework under one leader; funding from the common budgetary framework and a reliance on communicating as one to promote efficiency savings. The OMT's agenda or the operating as one is therefore closely linked to the other reform areas. The OMT governance structure for BoS at the country level is as follows:

The UN Country Team (UNCT)

UNCT is composed of the RC, Agency Representatives or Country Directors or Coordinators of UN agencies, funds and programmes, including Non Resident Agencies. UNCT members are accountable to the RC and to each other for achieving results under the UNDAF and DaO reforms.

The UN Resident Coordinator (RC)

Accredited by the UN Secretary General, the RC represents the UNCT and leads its efforts towards a strategic positioning of the UN System in the national development context. The RC coordinates the UN development assistance in the country and enters into agreements with the Government, Donors and other counterparts on the UNCT's behalf.

The Operations Management Team (OMT)

Under delegated authority from the UNCT, the OMT leads efforts at the country level towards the simplification and harmonisation of business practices. The OMT's programmes are based on business mapping and process analysis targeted at reducing operational duplications and improving cost effectiveness to support the delivery of quality programmes. The OMT has oversight of 4 technical working groups on Procurement, Finance, ICT, Human Resources and Common Services which also includes ERT, Health Care Services and UN Cares. The OMT is composed of the most senior operation official from each resident agency and the chairs or coordinators for the various taskforces under the OMT's jurisdiction. The UNCT chooses a Chair of the OMT.

The Communication Group (UNCG)

The UNCG plans, produces and oversees communication products, services and activities that encompass the UN system bodies, including internal communications, branding, public information materials and media outreach. It works to ensure that the UN in Malawi "speaks with one voice", including on common operations with the help of tools and working methods that improve the coordination, efficiency and impact of the UN's communication work. The UNCG ideally coordinates advocacy campaigns on cross-cutting issues such as human rights, gender and the environment. The UNCG is made up of communications officers and focal points from all UN Agencies and the UN Communication Officer based in RCO acts as the Secretariat, while the chairmanship is decided by the UNCT but is rotational on a yearly basis.

9. Proposed Areas of Focus for Malawi BOS

Outcome 1: UNCT strengthens common local procurement management mechanisms.

Notwithstanding the progress, substantial work remains to be done in order to fully realize optimum harmonization and anticipated benefits. There is great potential to be realised and this is substantiated by a baseline and needs analysis shows potential savings in time and resources through increased use of LTAs; improved supplier monitoring; bulk procurement; and common consultancy pools. The OMT will strengthen mechanisms for common procurement processes, whilst exploring the business case for improved procurement arrangement to manage all UN procurement needs. Additional LTAs will be negotiated wherever practicable and a comprehensive catalogue of suppliers which is being developed will continually be developed. A performance monitoring system incorporating regular assessment forms, market survey and random checks will also be introduced.

Key Actions:

- a) Implement regular supplier monitoring mechanisms focusing on prices and quality.
- b) Develop operating procedures for managing common LTAs.
- c) Explore options for additional LTAs.

Outcome 2: UNCT would operationalize cost effective ICT solutions to support programme delivery.

Innovative ICT solutions will provide the mechanisms to support internal programme and operations information-sharing.

Key actions:

- a) Applications to support UN programme and operations management functions are developed and managed
- b) Voice and Data services are shared across the UNCT where feasible
- c) Common business continuity management strategy is formulated, adopted and regularly reviewed

Outcome 3: In-country Human Resources processes are harmonized, efficient and responsive to programme needs.

The OMT will explore measures to maximise staff motivation and performance across programmes and operations. This will entail harmonisation for selecting elements for the recruitment process, strengthening information-sharing and reducing process costs. Similarly, common approaches to job classification, with an emphasis on gender equity, will be initiated and a common appraisal and harmonisation of agency entitlements under the Host Country Agreement explored where feasible. Additional areas will include a common consultant, and staff database, as well as database for sharing of recruitment information.

Key actions:

- a) A harmonized approach to key in-country recruitment processes, job classification and

contractual compliance emphasizing gender equity is adopted.

- b) A harmonized approach to appraising staff contributions to inter-agency coordination is continually implemented and improved.
- c) A Common Consultants and Temporary Staff database is operationalized, regularly updated and its use monitored.

Outcome 4: UNCT operationalize cost effective solutions to reduce delays in Cash transferring and the subsequent reporting on results, and improve capacity of partners.

Across all operations, procedures would further be simplified, partner costs cut and joint assurance activities undertaken. Through the application of micro assessments and mitigation others required, risks to the appropriate utilization of funds would be reduced through regular activities such as spot checks (including joint visits) as well as audits and strict implementations of spot check findings and audit recommendations. In accordance with the Paris Declaration on Aid Effectiveness, reliance on national systems will be further promoted and capacity development support provided according to IP needs. Other areas include joint training and audit of IPs, address delays in transfer of funds to IPs, develop and implement a common assurance plan and monitor joint agreement on IP DSA and transport costs reimbursement.

Key actions:

- To continually develop and implement in timely manner common assurance plan
- To take steps to address delays in funds transfer by some UN agencies
- To identify opportunities to strengthen IP performance and accountability
- To take actions to strengthen the HACT WG.

Outcome 5: Logistics and Transport - UNCT has reduced logistics and transport cost involved in programming.

Key action:

- To develop LTA for vehicle maintenance.

Outcome 6: UNCT makes an investment decision on the common UN premise “One UN House Project”.

The pursuit of one location for the entire UN system in Malawi will remain a key objective for effective operations and programme delivery. It is envisaged that when constructed, the UN House will offer willing agencies shared offices, a common IT and telecommunications system, security arrangements and to some extent common procurement. During the BoS period all underlying analysis and process will be undertaken to make an investment decision on what resources will be required for the One UN House projects and then to source the funds required for this big undertaking.

Key actions:

- Undertake requirements analysis in line with TTCP guidelines.
- Undertake the Cost Benefit Analysis / Investment Appraisal for the Project to establish the bankability of the project
- Offer UNCT feasible options for the project’s implementation

10. Resources and Budgeting

For a start, the BoS will be funded from internal resources (agency contributions and savings from previous activities). A resource mobilization initiative will be undertaken thereafter.

11. Monitoring and Evaluation Framework

The BoS will be reviewed twice each year – in December and in June/July. The baseline data is taken from July 2013 and December 2009 (for some procurement items) for monitoring purposes. The Annual Review in December will report on progress made against targets and financial expenditure, major achievements and constraints. The procurement group will additionally report on key actions under the Global Compact Agreement. The OMT will provide a narrative summarizing progress against the desired outcomes.

Findings from the Annual Review will enable appropriate strategic, operational adjustments, as required, for reflection in subsequent planning. The Work Plans would demonstrate that lessons of the previous year have been learnt; the appropriate changes have been reflected going forward.

A detailed evaluation of BoS will be undertaken in early 2015 and 2016 with the findings will inform the planning of the next the BoSPlan starting from January 2017. Below is a draft results matrix for the BOS

Business Operations Strategy Outcome 1: Common Procurement			
Lead Agencies	To be allocated depending on item to be procurement		
Participating Agencies	UN	FAO, ILO, UNWOMEN, UNAIDS, UNDP, UNFPA, UNHCR, UNICEF, WHO,	
Outcome 1	UNCT strengthens common procurement management mechanisms and reduces costs		
Outcome Indicators	Baseline (2013 if not otherwise indicated)	Target 2016	Risks and Assumptions
Cost savings secured through reduced staff time spent in procurement	USD X.	USD 0.2 million	Risks: Procurement staff do not allocate sufficient time to the development and operation of common procurement systems and processes. Different technical standards for equipment required amongst agencies. Lack of input from agencies in solicitation process. Assumption: HoA ensure sufficient time is allocated to the
Cost savings secured through lower pricing of goods and services in LTA negotiations	USD x	USD x	

Web based common suppliers database operational	Agencies maintain individual suppliers' databases.	Web based common suppliers database developed; Reports on supplier performance available	development and operation of common procurement. Individual agencies include their needs in specifications for the development of LTAs
Key Actions		Lead agency	End date
Develop common LTAs according to 2012 UNDG common country procurement procedures ensuring inclusion of all relevant agencies input in solicitation process.		Procurement Taskforce & RCO	June 2014
Raise awareness of UN staff of LTAs available through circulation of a quarterly updated list and ensure all UN LTAs are available online.		Procurement Taskforce & RCO	June 2014
Introduce additional cost savings methodology; Undertake activity mapping and cost analysis			

Business Operations Strategy Outcome 2: ICT			
Lead Agencies	ICT TWG working with RCO		
Participating UN Agencies	FAO, ILO, UNWOMEN, UNAIDS, UNDP, UNFPA, UNHCR, UNICEF, WHO		
Outcome 2	UNCT operationalise cost effective ICT solution to support programme delivery		
Outcome Indicators	Baseline (2013 if not otherwise indicated)	Target 2016	Risks and Assumptions
Share point facility is operational	Inter-agency/Working Group information is shared via emails; No common share point facility in place	Working Group minutes, calendars, reports, TORs and AWP are available on the share point. DaO updates.	<u>Risks:</u> Agencies do not cover their cost of common ICT. The relocation to a joint UN house is delayed. <u>Assumptions:</u> Agencies fulfill their obligations as laid out in the MoU for the internet service provider..
Bandwidth	No cost sharing	To have at least 3 agencies sharing internet cost	
Costs savings secured	tbaX	tbaX	

through joint mobile phone tariff.			
% cost savings secured via common telephone and billing system	Agency specific telephone/billing (assessment underway)	X% savings for several willing agencies	

Business Operations Strategy Outcome 3: Human Resources			
Lead Agencies	HR Taskforce working with RCO		
Participating Agencies	UN	FAO, ILO, UNWOMEN, UNAIDS, UNDP, UNFPA, UNHCR, UNICEF, WHO	
Outcome 3	In-country Human Resources processes are harmonized, efficient and responsive to programme and staff needs		
Outcome Indicators	Baseline (2013 if not otherwise indicated)	Target 2016	Risks and Assumptions
Web-based common staff database operational	Agencies maintain individual staff records, with no inter-agency sharing	Web based common staff database developed; staff data available to all agencies.	<u>Risks:</u> Agencies unable to harmonize due to restrictions in HQ policies. <u>Assumptions:</u> Adequate political support and financial resources are made available to the UNCT.
Web based common recruitment database operational	Agencies maintain individual recruitment records, with no inter-agency sharing.	Web based common recruitment database developed; recruitment data available to all agencies.	
Joint recruitment undertaken at country level	Zero joint recruitment	Joint recruitment of drivers	
% cost savings secured through common job advertisements	0%	> 2%	
No. of common induction trainings for new staff/HoA per annum	Zero	3 common staff induction trainings	
Key Actions	Lead agency	End date	
Develop common consultancy database	RCO & UNICEF	31 October 2013	
Develop common advertisement template	WFP	30 June 2014	
Develop common LTA with newspapers for job	TBA	30 June 2014	

advertisements		
Advertise all recruitment on the common website	HR Taskforce	30 June 2014
Monitor that all relevant staff have DaO included in their appraisal.	HR Taskforce	30 November 2013
Coordinate planning and implementation of common trainings	HR Taskforce	Annually

Business Operations Strategy Outcome 4: HACT			
Lead Agencies	UNICEF		
Participating UN Agencies	FAO, IFAD, ILO, UNWOMEN, UNAIDS, UNDP, UNFPA, UNHCR, UNICEF, WHO,		
Outcome 4	UNCT operationalise cost effective solutions on cash transfer, reporting, and audits and training.		
Outcome Indicators	Baseline (2013 if not otherwise indicated)	Target 2016	Risks and Assumptions
Joint assurance plan operational	Agency specific common assurance plans	6 UN agencies utilise joint assurance plan	<u>Risks:</u> coordination challenges due to conflict between horizontal and vertical accountabilities. <u>Assumptions:</u> HoA will advocate for full adoption of HACT.
No. of agencies adopting HACT audits.	6 agencies	7 agencies	
Key Actions	Lead agency	End date	
Monitoring of reimbursement of harmonized transport allowance to IP.	HACT WG	Continuously	
Conduct annual Joint HACT audits for all relevant IPs across the UN system in a timely fashion	HACT WG	Annually – By November 30	
Development of HACT database for joint audit, implementation and reporting	HACT WG & RCO	Annually – By November 30	
Business Operations Strategy Outcome 5: Logistics and transport			
Lead Agencies	UNICEF, UNDP, WFP		
Participating UN Agencies	FAO, ILO, UNWOMEN, UNAIDS, UNDP, UNFPA, UNHCR, UNICEF, WHO,		
Outcome 5	UNCT has reduced logistics and transport cost involved in programming.		
Outcome Indicators	Baseline (2013 if not otherwise indicated)	Target 2016	Risks and Assumptions
% of cost savings secured through use of travel LTAs.	X%	X%	<u>Risks:</u> Over time the LTAs may not increasingly yield cost savings

% of cost savings secured through use of conference and hotel LTAs	X%	25%	<u>Assumptions:</u> Agencies will continually use the LTAs due to other justifications
Cost savings secured for fleet maintenance	X%	X%	