UNDG Concept Note Template

**I. Introduction**

*The establishment of a MDTF requires a clear articulation of the purpose of the proposed Fund, its key stakeholders and the financial viability of the Fund, taking into account the total. The purpose of the concept note template is to articulate the primary information that is needed to make a well informed decision on the establishment of a new MDTF.*

**II. Purpose and Scope of the [Name of MDTF]**

*Describe the purpose and scope of the MDTF including references to key policy documents (such as government policy papers, One UN Programme, UNDAF etc). Describe the key programmatic areas to be funded under the MDTF and an indication that the MDTF is established under the leadership of the Government and the UN Resident Coordinator (if applicable).*

**III. Description of the MDTF Arrangements**

1. ***Contributions to the MDTF***

*Description of who may make contributions to the MDTF. To ensure maximum flexibility and adaptation to national priorities, a guiding principle of resource mobilization under MDTFs would be that donors are strongly encouraged to contribute with multi-year, unearmarked resources. However, if this is not possible, earmarking by donors will be allowed up to the level of sectors in line with national priorities. Earmarking to a UN organization is not permitted. It is expected that the percentage of earmarked resources will diminish overtime.*

1. ***Eligibility for MDTF Funding***

*Description who is eligible to participate in the MDTF including UN Organizations and “non-UN entities” that have a similar international character. Where envisaged explain how other organizations will participate in the MDTF as Implementing Partners, receiving funding through UN Participating UN Organizations.*

1. ***Allocation Decision Making***

*Explain the proposed project/programme allocation processes envisaged, including review and approval processes. Provide details regarding the establishment, if applicable, of sectoral or thematic windows as basis for allocating resources. The criteria for funding should be elaborated as well as the governance mechanism that would make the decision. To support strategic use of MDTF mechanism, stakeholders should ensure that total fund contributions and distinct fund allocations are large enough to have meaningful impact on programme activities.*

1. ***Administrative Agent Functions***

*Indicate who will be requested to be the Administrative Agent and highlight any proposed deviations from the standard Administrative Agent functions outlined in the MOU.*

**IV. Governance Arrangements[[1]](#footnote-1)**

*Describe the primary role, responsibility and membership, if applicable, of each level in the following sections. If there are other levels of governance you may add additional sections. This section may also include a diagram illustrating the governance arrangements.*

1. *MDTF Steering Committee/Decision Making Body*
   * *Indicate the composition of the Steering Committee (UN, Government, may include donors, others); chairperson/s (UN or UN and Government); number representatives and if any are rotational;*
2. *Steering Committee Support Office (SCSO)/Technical Secretariat (TS) - optional*
   * *Indicate responsibilities; where it will be located; lines of supervision; how staff will be recruited and at what levels (including national and international);*
3. *Cluster or Sector Groups / Technical Committee - optional*
   * *Indicate responsibilities and if such structures already exist within the UNCT coordination arrangements or will need to be established;*
4. *Participating UN Organizations* 
   * *Indicate which UN Organizations and Non-UN entities that have a similar international character may become Participating UN Organizations in the MDTF.*
5. *Administrative Agent*
   * *Indicate which UN Organization will be selected to serve as AA;*
6. *Implementing Partners*
   * *Describe the role that implementing partners, i.e. national authorities and other national, regional or international organizations and NGOs, may play to implement projects/programmes.*

**V. Financial Viability**

*Based on the purpose and programmatic scope of the MDTF and the envisioned governance arrangements, indicate the anticipated minimum contributions necessary to make the MDTF financially viable.*

*Consideration may be given to the following items:*

* *Number years the MDTF is operational (start date - end date)*
* *Anticipated annual contributions*
* *Volume of transfers to and expenditures of Participating UN Organizations*
* *AA fee (1% of total contributions)*
* *Direct costs of Steering Committee Support Office /Technical Secretariat (staff and M&E)*

*If a MDTF does not anticipate mobilizing the necessary minimum resources to make the MDTF financially viable, but has a political or strategic importance outweighs concerns regarding the financial viability, provide further elaboration.*

1. The concept of Lead Agency is part of programmatic coordination and is not applicable to funding arrangements therefore the use of this concept is discouraged. In legal instruments related to MDTFs, UNDG agreed standard common governance arrangements should be used. [↑](#footnote-ref-1)