



Welcome!

Webinar on the Harmonised Approach to Cash Transfers to Implementing Partners (HACT) Framework 2014



KNOW



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- Welcome by DOCO
- Introduction of the revised UNDG HACT Framework – by HACT Advisory Committee Co-Chair, Mr. Darshak Shah
- Presentation on key revisions to the UNDG HACT Framework – by HACT Advisory Committee Co-Chair, Mr. Robert Jenkins
- Country experience sharing on HACT implementation
- Q&A

- Implementation of the HACT Framework of 2005 has not progressed as planned
- An independent assessment (2011) and a governance audit (2012) have identified specific bottlenecks
- In 2013, the agencies have revised the Framework to address these bottlenecks
- Both assessments and revision benefitted from extensive input by UNCTs and agencies
- Revised HACT Framework was endorsed by UNDP, UNFPA and UNICEF and is open to other agencies following adoption by UNDG on February 2014

- HACT objectives and principles reconfirmed
- HACT applies to every country and context (including emergency, crisis and post-conflict)
- Some agencies may require a transition period to fully roll-out the framework
- HACT standardizes the way the agencies work with IPs, but some thresholds are set by the agencies (*see next slide*)
- Each agency is accountable for implementing HACT. The RC and UNCT promote and coordinate.
- An oversight body at HQ is being established
- Financial audit is introduced for higher-risk IPs

Agencies decide individually (unless IP is shared) and according to their business model, assurance needs and risk appetite:

- Which IPs will be micro-assessed
- Frequency of spot checks and programmatic monitoring
- Coverage of expenditures in spot checks
- Reporting results of assurance activities to agency HQ
- Which cash transfer modality to use for each IP



Macro

Added items on SAI and economic context

Removed objective to develop capacity of PFM system

Requires UNCT to use results to inform UNDAF

Micro

Added procurement, improved methodology

Removed general threshold for selecting IPs to be assessed

Requires agencies to use results for programme design and risk management



IV. Audit and Assurance

Programme
Monitoring

Spot checks

Internal
Control Audit

Financial
Opinion Audit

For **all** IPs

For **all** IPs

For **lower-**
risk IPs

For **higher-risk**
IPs

Separately
with **agency**
TOR

Separately
with **standard**
TOR

Jointly with
standard TOR
(shared partners)



1. 2014: UNDP HACT Guidance & Implementation

- All UNDP Offices are expected to work on full implementation immediately;
- UNDP specific HACT POPP contents will be issued shortly, which articulates on UNDP specific threshold guidance and coverage for assurance activities;
- BOM/OFRM/CSTs for your respective region will become the direct support for implementation. Current HQ focal point will continue to assist during transition.

2. 2015 : UNDP Offices/HQ Divisions held accountable for full HACT implementation

1. 2014: UNICEF HACT Guidance & Transitional approach

- Guidance specifies minimum requirements for HACT; accountabilities; performance indicators;
- All UNICEF offices expected to work towards full implementation immediately;
- Joint operationalization for macro assessment; micro assessments and audits of shared partners as relevant. UNICEF can commission these if required.

2. 2015 : UNICEF Offices/HQ Divisions held accountable for full HACT implementation

1. Pilot of the revised Framework 2014 and 2015

- To assess whether the revised procedures result in sound IP management and adequate assurance over UNFPA funds
- Benin, Bhutan, Indonesia, Morocco, Nicaragua, Nigeria, Tajikistan, Tanzania, Viet Nam

2. Implementation by all other COs in 2014 and 2015

- Joint macro and micro assessments with the UNCT using the new tools (when IPs are shared)
- Coordinating assurance activities with the UNCT
- Undertaking NEX audit for all relevant UNFPA IPs

3. Global roll out 2016

- Upon successful completion of the pilot

Agency Focal Points at HQ (HACT Advisory Committee members):

- UNDP: Mitsuhiro Inaba at mitsuhiko.inaba@undp.org, BOM/OFRM
- UNICEF: Silvia Chiarucci at schiarucci@unicef.org, DPS
Andrea Suley at asuley@unicef.org, **DFAM**
- UNFPA: Mona Khurdok at khurdok@unfpa.org, DMS

HACT Webinar

Sharing Experiences – Mauritania

Summary

CONDUCT OF HACT PROCESS

What has been achieved so far ?

What yet to be achieved by mid 2015?

CHALLENGES AND DIFFICULTIES

Challenges and internal difficulties

Challenges and difficulties related to the context

CONDUCT OF HACT PROCESS

What has been achieved so far ?

- ✓ Macro and Micro assessments completed
- ✓ HACT clauses inserted into UNDAF Action plan and AWP
- ✓ UN staff and national partners staff trained
- ✓ FACE form in use by qualified partners
- ✓ Implementation plan for assurance activities completed and signed by the agencies for the transition period (Oct. 2013 to Jun. 2014)

What yet to be achieved by mid-2015?

- ✓ Micro assessment for new IPs (in progress)
- ✓ Implementation of the assurance activities by the UN agencies
- ✓ Data collection from the assurance activities in order to monitor IPs progress
- ✓ Assessment of the transition period and making of necessary adjustments

Challenges and difficulties

CHALLENGES AND INTERNAL DIFFICULTIES

- ✓ Difficulties to mobilize the TF members; TF has not been made formal and there is no designated permanent coordinator.
- ✓ UNDAF PM&E Group has not fully played its role in HACT.
- ✓ The time taken to understand that WFP cannot join the initiative
- ✓ Resistance to change . agency specific procedures and business as usual
- ✓ Difficulties to agree on the choice of cash transfer modalities and assurance activities for common IPs
- ✓ Implementing process done on an individual basis and in uncoordinated way.

Challenges and difficulties

CHALLENGES AND DIFFICULTIES RELATED TO THE CONTEXT

- ✓ The political crisis from 2008 to 2011 has changed the order of priorities for the Government as well as for the UNCT.
- ✓ Exchanges with senior government officials during this period were limited.
- ✓ The time for the Government to formally designate an official HACT focal point ; we have waited until 2013 for this nomination.
- ✓ Designated institution is different from UNDAF focal point; not involved in the mobilization / implementation / monitoring of UN agencies programs. Result : weak reactivity, no enthusiasm



Q&A Session

- More information on or ideas for the webinars:
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- Other questions : www.undg.org OR

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