

# Livelihoods and Food Security Multi-donor Fund Operational Guidelines

Revision 3

For Implementing Partners  
and the Fund Manager

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Date: September 2014

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Date: June 2017

Revision (3)  
Date: March 2023



## Livelihoods and Food Security Fund





## Preface

The LIFT Operational Guidelines (OG) were first released and shared with implementing partners in April 2011. Revision 1 (2014) to the OG takes into account the evolution of the LIFT Fund and the learning of the FMO in grant management. Revision 2 (2017), added learning and accountability in the chapter on M&E (chapter 6) and reviewed chapter 8 on communication and visibility. Revision 3 (2022) to the OG includes changes to LIFT’s purpose and structure based on LIFT’s refreshed [2019-2023 strategy](#), adds IP performance management under Grants Management (Chapter 4) and revisions to Capacity Assessments (Chapter 5) and Record Management (Chapter 15).

The Operational Guidelines revision 3 and the latest versions of all annexes are available on the LIFT website <http://lift-fund.org>, under “Grants”. Changes are captured in the configuration log. Revision 3 takes effect from October 2022.

## Acronyms

CFP	Call for Proposals
CPI	Corruption Perception Index
DC	Donor Consortium
DDA	Due Diligence Assessment
FB	Fund Board
FD	Fund Director
FM	Fund Manager
FMO	Fund Management Office
GSA	Grant Support Agreement
IAIG	Internal Audit and Investigation Group
IAA	Inter-Agency Agreement
IP	Implementing Partner
LIFT	Livelihoods and Food Security Fund
MEAL	Monitoring and Evaluation for Accountability and Learning
OG	Operational Guidelines
UNOPS	United Nations Office for Project Services



# Table of Content

<b>1 Introduction to the LIFT Operational Guidelines</b>	<b>4</b>
1.1 Purpose of the Operational Guidelines	4
1.2 Amendments to the Operational Guidelines	4
1.3 Key Contact	4
<b>2 Purpose and governance of LIFT</b>	<b>5</b>
2.1 Fund Governance	6
2.2 Code of Conduct	7
2.3 Dispute Resolution	7
<b>3 Grant Selection and Approval</b>	<b>8</b>
3.1 Grant Eligibility	9
3.2 Call for Proposals	10
3.3 Restricted Call for Proposals	11
3.4 Proposal requirements	11
3.5 Proposals with investment capital components	13
3.6 Small Grants (under USD 50,000)	14
<b>4 Grant Management</b>	<b>14</b>
4.1 Grant agreements	14
4.2 Sub-Grantees	15
4.3 IP Performance Management	15
4.4 Amendment of grant agreements	16
4.5 Completion or Termination of Grants	17
<b>5 Fund Management</b>	<b>19</b>
5.1 Disbursements to IPs	19
5.2 Financial Audits/ Expenditure Verifications	21
5.3 Due Diligence Assessments	21
5.4 Eligible Expenses	22
<b>6 Monitoring and Evaluation</b>	<b>24</b>
6.1 Overview of M&E roles	25
6.2 Implementing Partners	26
6.3 Fund Manager	28
6.4 Fund Board	30
<b>7 Reporting</b>	<b>31</b>
7.1 FM Reporting	31



7.2 Schedule of FM Reports	31
7.3 Implementing Partner Reporting	32
7.4 Reporting Schedule for IPs	33
7.5 Exceptions on Reporting	34
7.6 Approval of Reports	34
7.7 Guidelines on Financial Reports	34
7.8 Microfinance reporting requirements	35
<b>8 Communication and Visibility</b>	<b>36</b>
8.1 LIFT Visibility Guidelines	36
8.2 Media, Publications	36
8.3 UNOPS Logo	37
<b>9 Beneficiary Accountability</b>	<b>37</b>
<b>10 Anti-Fraud Policy</b>	<b>38</b>
<b>11 Policy on Prevention of sexual exploitation and abuse (PSEA)</b>	<b>39</b>
<b>12 Intellectual property</b>	<b>40</b>
<b>13 Confidentiality</b>	<b>40</b>
<b>14 Procurement</b>	<b>41</b>
14.1 Procurement by FM	41
14.2 Procurement by IPs	41
14.3 Sustainable procurement	42
14.4 Procurement Documentation	42
<b>15 Asset Management</b>	<b>43</b>
15.1 FM Asset Management	43
15.2 IP Asset Management	43
<b>16 Record Management</b>	<b>45</b>
<b>17 Annexes</b>	<b>46</b>
Forms and templates	46
Policies	46



# 1 Introduction to the LIFT Operational Guidelines

## 1.1 Purpose of the Operational Guidelines

This document describes the operational guidelines applicable to the Livelihoods and Food Security Fund (LIFT) in the implementation of Fund activities.

The purpose of the operational guidelines (“OG”) is to provide guidance for the operations of the Fund Manager and implementing partners in the key processes that they are expected to undertake during implementation, either directly or through the engagement of subcontractors.

The United Nations Offices for Project Services (UNOPS) provides the LIFT Fund Management Office (hereinafter “Fund Manager or FM”) and serves as trustee of the financial resources of LIFT. The functions of UNOPS include but are not limited to disbursing financial resources, reporting on all financial and operational aspects relating to LIFT, ensuring monitoring of the implementation of activities undertaken by Implementing Partners (IPs) and fulfilling other functions, as set out in the Contribution Agreements concluded with LIFT donors and in line with UNOPS financial rules and regulations.

In case of inconsistency between the OG and the grant agreement with an implementing partner, the terms of the grant agreement will prevail.

## 1.2 Amendments to the Operational Guidelines

To ensure they are up to date and relevant, the OG may be amended by the Fund Manager with the consent of the Fund Board. A configuration log is to be maintained to document the changes in the guidelines.

## 1.3 Key Contact

Subject	Source – contact details can be found at <a href="http://www.lift-fund.org">www.lift-fund.org</a>
All correspondence and reports regarding the implementation of Grant Agreements including but not limited to request for amendments. Via email or official letter	LIFT Fund Director Yangon, Myanmar
General queries regarding operational requirements of the Grant Support Agreements, request for amendments, general clarifications, or other contractual matters	Grants and Contracts Management Specialist Programme Management Office UNOPS, Yangon, Myanmar <i>Through: Grants focal point</i>



Queries on Programme Implementation	Programme Coordinator, through the respective Programme Officer, LIFT Fund
Queries on monitoring and evaluation	Programme Officer – Monitoring & Evaluation, LIFT Fund
Queries on visibility and communications	Communications Officer/Specialist, copying the respective Programme Officer LIFT Fund
Queries on Operational Guidelines	Grants and Contracts Management Specialist Programme Management Office UNOPS, Yangon, Myanmar <i>Through: Grants focal point</i>

## 2 Purpose and governance of LIFT

The Livelihoods and Food Security Fund (LIFT) is a multi-donor fund established in Myanmar in 2009. LIFT has received funding from 16 donors to date, in alphabetical order: Australia, Canada, Denmark, the European Union, France, Ireland, Italy, Luxembourg, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom, and the United States of America. From the private sector, the Mitsubishi Corporation has also provided funding to LIFT.

LIFT's purpose is to strengthen the resilience and sustainable livelihoods of poor and vulnerable groups in Myanmar, particularly women, internally displaced people, migrants, smallholder farmers, landless people, people with disabilities and those vulnerable to trafficking and forced labour.

LIFT's contribution to its goal and purpose will be measured through three impact-level outcomes:

1. Improved nutrition status, particularly of women and children
2. Increased household income and assets, with greater control by women
3. Reduced vulnerability of households and individuals to shocks, stresses and risks

LIFT will work toward the achievement of these outcomes through innovation, piloting and the generation of evidence-based interventions organised into four thematic areas that respond to the strategic shifts.

Programmes will sharpen LIFT's focus while building on its experience, core competencies and strategic advantage.



The four thematic areas are:

1. Nutrition
2. Financial inclusion
3. Agriculture, markets and food systems
4. Decent work and labour mobility

Grants funded under LIFT will be categorized under one of the above thematic areas.

The group of donors, the Donor Consortium, has appointed the Fund Board to act on its behalf and has engaged UNOPS as set out above as the Fund Manager.

Eligible implementing partners include international and national non-governmental organizations, United Nations agencies, other international organizations, academic or research institutions and private sector companies.

## 2.1 Fund Governance

### Donor Consortium (DC)

Each donor to LIFT will have a bilateral contribution agreement with the FM. These contribution agreements are the main mechanism through which each donor exerts fiduciary and legal authority over the funds they provide for LIFT. The overarching objective of the Donor Consortium (DC) is to provide a structured forum for donors to conduct a joint annual review of LIFT, including its achievements and challenges, its governance structure, performance of the Fund Board, and its main priorities for the coming year.

### Fund Board (FB)

The FB is a 5-8 member decision-making executive appointed from members of the DC. The FB will act with delegated authority of the DC, as a management committee on the DC's behalf, providing strategic leadership for and oversight of the implementation of LIFT. The FB will focus on strategic decisions, policy decisions, donor coordination and overall performance management of the FM. The FB also decides on the allocation of LIFT funds with guidance from the FM.

The Fund Board will elect a Chair from amongst its executive members. The Chair shall serve an initial period of one (1) year, after which they will be eligible for extension or re-appointment for a further one (1) year, after a review of their performance. The FB meets two times a year and makes decisions by consensus. It is the responsibility of the Chair to organise these meetings in consultation with members and the Fund Manager. Extraordinary meetings may also be called by the Chair if needed.



## Fund Manager (FM)

UNOPS has been engaged as the Fund Manager. The FM will be responsible for effective, transparent and efficient management of the Fund on behalf of the FB, and will have delegated authority for the management of the Fund under the rules and regulations of UNOPS, and in accordance with the strategy approved by the FB.

The FM will maintain independence from all recipients of Fund support.

## 2.2 Code of Conduct

The FM and the IPs shall abide by following code of conduct:

1. Activities engaged under the Fund will be undertaken without discrimination, direct or indirect, because of race, ethnicity, religion or creed, nationality or political belief, gender, sexual orientation, disability or any other circumstances.
2. The IP's will take appropriate measures to prevent irregularities, fraud, corruption or any other illegal activity. All suspected and actual cases of irregularity, fraud, and corruption related to the agreement must be reported without delay, see [section 10 on fraud](#).
3. The IP's will take all necessary precautions to avoid conflicts of interest, and will inform the FM without delay of any situation constituting or leading to any such conflict. Any such situations within the FM must be reported without delay to the FB.
4. The FM and IP have the obligation to ensure that they do not engage in, nor condone behaviour, which would constitute harassment, sexual harassment, or abuse of authority; and
5. The FM and IP will not engage in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child. The FM and IP will undertake to protect children from abuse of all kinds in the implementation of the funded activities. This provision in its entirety shall be adhered to by all sub- contractors or all sub-implementing partners. Refer to Article 25 of the General Conditions for the GSA.

## 2.3 Dispute Resolution

The rights and obligations of the parties regarding dispute resolution are stated in **[Article 20 of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on dispute resolution to the implementing partners. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

IPs and UNOPS shall to the fullest extent possible strive to resolve promptly and amicably questions of interpretation and application of agreements for the disbursement of funds and any disputes arising out of or in relation to disbursement agreements. The Chair of the FB may be involved as deemed necessary.



Should the IP be part of the UN system, any controversy or claim arising out of, or in accordance with agreements for the disbursement of funds which is not settled by negotiation will be resolved through consultation between the Executive Heads of each party..

### **3 Grant Selection and Approval**

UNOPS/LIFT will aim to select its implementing partners through transparent and competitive processes in line with UNOPS policies on Grant Management. An overview of the standard grant management process is illustrated below in Figure 1: Grant Management Process. To achieve a coherent and focused programme, funding opportunities will also be considered for grants to support strategic partnerships, innovation and research. In these cases, processes may include restricted calls for proposals.

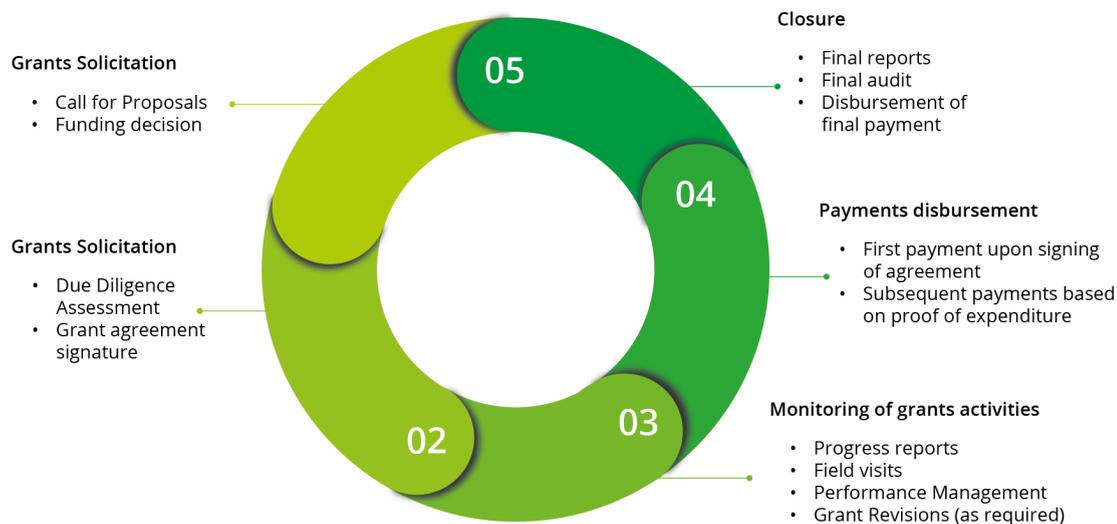
UNOPS in line with its policies and regulations may exceptionally approve pre-selection of grants provided that (a) all Funding Sources agree unanimously to the pre-selection of a Grantee, and (b) at least two funding sources have a Corruption Perception Index (CPI) score of 50 or above.

The DC has delegated the authority to endorse grantees and allocate funding to the FB. The FB will decide on the process best suited to support policies and priority action areas for Fund intervention.

The FM is responsible for implementing and managing effective and efficient processes to support the FB in selecting and approving applicants.

The FB may request advice from the FM before deciding on Fund priorities and funding allocations.

**Figure 1: Standard Grant Management Process for LIFT grants**



### 3.1 Grant Eligibility

Grant Support Project Activities are undertaken by Implementing Partners. An Implementing Partner is an entity to which UNOPS entrusts implementation of activities specified in a project agreement along with the assumption of full or partial responsibility and accountability for the effective use of financial assets and the delivery of outputs, as set forth in the project agreement. Grant Support Project Activities are undertaken by Implementing Partners, which in the UNOPS context include grantees, and United Nations system organizations. “Grantees” are a type of implementing partner and includes non-governmental organizations (NGOs), Community Based Organizations (CBOs), civil society organizations (CSO), grass-roots organizations; indigenous peoples organizations (IPOs), institutions or federations; ethnic organizations; academic and research institutions; charitable organizations; and foundations as well as individuals and for-profit entities. Grant Support is implemented by the provision of grants, credits or loans to Grantees. When an Implementing Partner is a United Nations system organisation the grant support activity is implemented through the provision of ‘funding’.

In grant support cases, the principal purpose of the relationship between UNOPS and the grantee is the transfer of funds that will be used for a public purpose supported by UNOPS' funding source, as evidenced in the relevant project agreement.

To be eligible for a grant, the activity must comply with three principles:

1. Purpose – The implementing partner shall have a mandate, goal or status that is aligned with LIFT objectives, as well as legitimacy or exposure to a particular development challenge and hence can secure local support, presence, knowledge, know-how and/or cooperation.



2. **Autonomy** – The implementing partner has independently formulated a grant support project proposal in response to a threat or opportunity that is aligned with LIFT objectives, and is entrusted with significant autonomy to pursue the formally agreed objective and implement the associated activities. The FM’s role is limited to the due diligence, oversight and monitoring of the implementing partner, and may provide guidance or support their capacity-building, as needed.
3. **Not-for-profit** – The grant or funding shall not have the purpose of producing a direct financial profit for the implementing partner.

## 3.2 Call for Proposals

### Call for Proposals (CfP)

LIFT will aim to allocate its funding using open Calls for Proposals or Concept Notes. Following guidance from the FB, announcements for a CfP will be communicated through email distribution lists, the LIFT and UNOPS website and public advertising in Myanmar- and English-speaking publications as necessary.

The details of the CfP may vary according to the nature, complexity and value of the requirements. The selection and application criteria will be defined by the FM and endorsed by the FB and included in the solicitation document.

### Principles of Transparency

All personnel involved in the grant selection process on behalf of the FM will ensure that:

1. During the pre-solicitation phase, information is available to the community at large and there is no specific or privileged information available to particular individuals or groups;
2. During the solicitation phase, all potential applicants will receive identical information and any clarifications on solicitation documents will be provided at approximately the same time to all;
3. Individuals having a personal or financial interest in a potential applicant responding to a solicitation must declare such a position and will be prohibited from any involvement in the grant selection and approval process.

### Evaluation of Proposals

To conduct the evaluation of submitted proposals or concept notes, an evaluation team will be identified and put in place by the FM. This team may include external experts. The actual number of people on the assessment team will depend on the nature, complexity and value of the CfP. All participants in the evaluation team will sign confidentiality statements and conflict of interest declarations.



The evaluation team will conduct a review of each proposal based upon the technical criteria defined in the solicitation document. All applications will be subject to a value-for-money assessment, a review of the evidence provided regarding the activities proposed and an analysis of the financial and organizational capacity of the submitting organisation. The FM will provide the final assessment of the technical and financial review to the FB.

Before making its final decision, the FB may seek additional information through the FM, including requests for further information from the applicants.

### **Approval of Proposals**

The FB will instruct the FM on its final decision on the selection of successful applicants. Non-successful applicants are able to request feedback on their submissions from the FM.

### **Grant Negotiations**

Negotiations between the FM and the applicant will take place after the selection of the applicants by the FB, and prior to the signing of the agreement. The purpose of negotiations will be to ensure clarity, consistency, and completeness of the technical and financial proposal, and to incorporate any changes specified by the FB and recommendations on good practices from the FM. Once the negotiations have come to a satisfactory result, the FM will proceed to request for an award and issue the grant agreement to the IP. The Fund Manager reserves the right to terminate the grant negotiations if a satisfactory result appears unachievable within a reasonable timeframe.

During or on completion of grant negotiation, the FM may conduct a Due Diligence Assessment (DDA) of successful applicants. Refer to [5.3 on Due Diligence Assessments](#).

### **3.3 Restricted Call for Proposals**

To achieve a coherent and focused programme, the Fund will also consider grants to support strategic partnerships, innovation, policy formulation and research. In such a case, the FB may instruct the FM to issue a restricted CfP to one or more potential applicants as nominated by the FB. The selection and application criteria will be defined by the FB and included in the solicitation document. A restricted CfP may also be administered by the FM at its discretion in light of potential risks related to security. Assessment and approval of the proposals follow the same principles as open CfP.



### 3.4 Proposal requirements

#### General requirements

It is the exclusive responsibility of the applying organization to ensure that it has appropriate authority to carry out the project in Myanmar and that appropriate authorizations are in place in the event of subcontracting implementation to a third party. The FM is not able to extend any assistance nor will it accept any responsibility for any such registration or authorization process. Proposals must be submitted in English or Myanmar language.

The costs of preparing a proposal and finalizing the grant agreement including any relevant communication or travel costs are not reimbursable and cannot be included as a direct cost of the grant.

Any previous or ongoing litigation cases involving the applicant or potential conflict of interest must be declared and explanations provided.

The FM reserves the right to decline the submission of a proposal if the applicant maintains outstanding commitments related to LIFT supported activities.

#### Budgeting requirements

The rights and obligations of the parties regarding allowable costs and revisions to the budget are stated in **[Articles 7 and 10 of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on the budget to the implementing partners. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

During the grant negotiations and subsequently in the grant agreement, the total budget amount for the grant is determined. The proposed budget must be in United States Dollars (USD). It needs to contain and explain the various cost factors in sufficient detail, with the following main budget headings and sub- headings (as applicable):

Budget headings	Subheadings
1. Human Resources	<ul style="list-style-type: none"><li>• Salaries International Staff</li><li>• Salaries National Staff</li><li>• Short-Term Technical Assistance</li><li>• Travel related costs</li></ul>
2. Operational costs	<ul style="list-style-type: none"><li>• Transportation costs, office rental and running costs, other operational costs</li><li>• Purchases of equipment and supplies for Operations</li></ul>



3. Programme Costs per output	<ul style="list-style-type: none"><li>• LIFT Output 1</li><li>• LIFT Output 2 etc.</li></ul>
4. Indirect costs	<ul style="list-style-type: none"><li>• Up to 6% of Total Direct Costs</li></ul>

The proposed budget is to be broken down into manageable periods (e.g. annual), which are based on the workplan of the entire project period.

### Cost-sharing of resources

IPs must have a clear and documented cost-sharing methodology that is applied consistently, treats all donors equally and fairly on a pro-rated basis, and that is based on actuals and that can be clearly linked to the respective donors' funding. Actual cost-shared resources charged to a LIFT-funded budget need to be activity based and unequivocally linked to the LIFT grant and be supported in documentation reflecting the level of effort actually spent on LIFT (e.g. time-sheets) or an equal apportionment rationale to all donors on basis of actual invoices (e.g. utilities of a shared office) that satisfy auditor's scrutiny.

### Projects with a rolling design

For some projects, particularly large ones, the Fund Manager and the IP may agree on a more flexible budgeting approach to enable projects to learn as they go, and respond quickly to lessons by adjusting resource allocations. In these cases, an annual review of progress and allocation of resources will be done jointly by the IP and the FM to facilitate budget re-allocations or re-allocations between major headings.

### Defining Direct and Indirect Costs

Direct costs are incurred costs that are:

1. Directly attributable to the action as outlined in the 'description of action'
2. Specifically provided for in the approved budget,
3. Supported by original and verifiable vouchers for the incurred period.

Indirect costs are incurred costs that:

1. May be overhead costs,
2. Do not require verifiable vouchers, and
3. Are calculated as a percentage against the total of incurred direct costs.

The maximum percentage for indirect costs cannot exceed 6% of the total direct costs. In partnerships and consortiums, the 6% indirect costs should be shared among implementing partner organizations, including local civil society organizations, proportionate to their



implementation budget (6% of their total budget). Please refer to [section 3.5](#) on indirect costs management for projects with an investment fund.

### 3.5 Proposals with investment capital components

Proposals with a loan portfolio or investment capital are accepted as part of LIFT's broader strategy of financial inclusion. The ownership of the loan portfolio and capital remains with LIFT and the IP shall return the capital fund after the completion of the project. However, the IP may request to retain the amount of the capital fund beyond the termination of the agreement. LIFT will bring such requests to the attention of the FB for approval. Should the FB reject the request, the IP shall return the funds within 30 days from the date of the notification of the decision by the FB or as otherwise agreed with the FB.

LIFT does not allow indirect costs on Microfinance capital funds of the proposed budget. Any organization wanting to receive indirect costs for capital funds will need to apply for it in the proposal and provide justification.

### 3.6 Small Grants (under USD 50,000)

Grants under the value of USD 50,000 may not be subject to all requirements under these Operational Guidelines. These flexibilities will be captured through the specific Grant Support Agreement for small grants. Regardless of the amount of total grant value that is managed by the IP, the capacity of all potential Grantees to prevent and mitigate the risk of sexual exploitation and abuse in the context of grant support activities shall be assessed by UNOPS before entering into an Agreement.

## 4 Grant Management

### 4.1 Grant agreements

The FM and the IP sign a grant agreement such as Grant Support Agreements (GSA) or Inter-Agency Agreements (IAA) for UN partners to formalize the outcomes of the proposal and negotiation phase.

The grant agreement includes standard UNOPS General Conditions for Grant Support Agreements with the description of action, budget and log frame attached as annexure. The IP is responsible for the achievement of outputs and objectives as stated in the annexure within set financial limits and obligations.

Where the results and outputs of the contribution funds are co-financed, it is the responsibility of the IP to make this explicit prior to approval of the grant agreement. Use of funds, budgets from the different sources and reporting requirements will be clarified in the grant agreement.



Subject to completion of grant negotiations, the grant agreement will be issued in two copies by the FM for signature by the IP. Both copies need to be initialled by the signatories personally on each page of the agreement. One signed copy must be returned to the FM within 7 days. If the signing authority for the IP organization is based outside of the country or the prevailing situation does not allow physical signature, an e-signed copy of the GSA shall be returned via email to the FM within 10 days. The electronic signature can only be done using “Adobe Acrobat Reader”. The digital image of the signature is to be created in Adobe Acrobat Reader by drawing it using a finger, stylus or mouse, or by uploading a scanned or photographed version of a handwritten signature in black ink on white paper. UNOPS will verify that the e-signed document has been done in accordance with these requirements. The grant agreement will come into effect upon the date of signature by both parties, unless otherwise specified in the agreement.

No expenditures or activities can be incurred or started **prior to, or after, the effective date** of the agreement.

The FM will post information on the project and budget of the awarded grants on the LIFT website.

## 4.2 Sub-Grantees

With reference to, and without limitation to Article 12 of the General Conditions outlined in the GSA, this section aims to provide additional operational level guidance on sub-grant agreements. The rights and obligations of the parties regarding sub-grant agreements are stated in **[Article 12 of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on the sub-grant process. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

LIFT encourages IPs to partner with sub-grantees, especially with local civil society organisations, to increase a grant’s coverage and capacity. Should an IP that is a grantee choose to sub-grant, then it is required to enter into a sub-grant agreement in line with the relevant stipulations of the UNOPS General Conditions for Grant Support Agreements between the grantee and sub-grantee(s). Similar requirements may also apply to other types of IPs depending on the terms of their agreement with the FM. The reporting responsibility, and financial and operational liability to the FM lies with the grantee. Refer to section 3.4 above on the FM recommendation on indirect cost for sub-grantees. All LIFT-funded sub-grantee expenditures are subject to an annual expenditure verification or audit in line with section 5.2 below, the responsibility in this regard falls to the grantee.

### 4.3 IP Performance Management

The performance management of the grants is a shared responsibility between the IP and FM, and is carried out through below processes:

1. Active risk management through maintenance of risk registers by both IP and FM
2. Semi-annual performance data returns by IP on target achievements against key indicators
3. Field monitoring and quality assurance visits
4. Due diligence assessments
5. Support forums, capacity building trainings, lessons learned reports and workshops

Further, a formal performance assessment of each IP is completed annually and at the end of the grant based on their annual or final report and audit performance. Feedback is provided to the IPs through a letter on the below five indicators as well as on qualitative feedback on overall performance and target achievement.

1. Implementation rate: Proportion of budget spent/ Proportion of project elapsed
2. Annual expenditure rate: Reported expenditure for the reporting year
3. Reporting (timeliness): Timely submission of annual report
4. Reporting (completeness): No. of LIFT log frame indicators reported on/No. of indicators previously agreed, completeness of information requested as per template for all reports (e.g. narrative report, financial report, M&E report, asset report, etc)
5. Management controls: No. of open audit observations from previous audit(s)

### 4.4 Amendment of grant agreements

With reference to, and without limitation to Articles 10 and 19 of the General Conditions outlined in the GSA, this section aims to provide additional operational level and process guidance and clarity on revision of agreement budgets and grant amendments. The rights and obligations of the parties regarding amendments to the legal agreement are stated in [Articles 10 and 19 of the General Conditions attached as Annex A to the legal agreement]. The following section contains information designed to provide operational guidance on the amendment process. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

IPs wishing to make an amendment to their agreement may submit a written request with sound justification to the FM at any time up to three months before the end of the agreement. Amendments are required for any changes in the agreement, including but not limited to:

1. Changes in the scope of the description of action, logframe, activity plan or workplan, including new or unplanned activities;
2. Any increase in the total budget;
3. Any variances at budget sub-heading level exceeding 10%;



4. Any changes in the duration of the agreement;
5. Any changes in the terms or schedules of the grant agreement.

Requests for grant amendments will be assessed by the FM against LIFT requirements. Any changes and/or adjustments shall be reasonable and justifiable in terms of cost, time and activities, with the aim to achieve the targeted impact of the project. Amendments shall not be used for substantial changes, (i.e., changes that are not aligned with the Grant objective and within the scope of activities or intervention identified in the initial Call for Proposals). The FM may refuse or adjust requested amendments. If they involve an increase to the approved budget, the FB's approval will be required.

Authorization must be formalized through an official amendment to the grant agreement and its annexes and signature by both parties.

No-cost extensions are allowable but require a strong justification from the IP to explain the reasons for not having been able to spend the budget as planned and how the budget in the no-cost extension is reallocated to ensure best value for money. The IP is responsible to manage the timely implementation of the project and its outputs. A no-cost extension will require a revised budget as supporting annex.

No expenditures or activities not authorized under the original agreement can be incurred or started prior to, or after, the effective date of the amendment. Any direct or indirect expenditure/cost amounting to greater than the approved grant amount will not be allowed.

### **Budget Revisions:**

Submissions for budget revisions must be provided to the FM at least three months before the end of a GSA or the end of the budget period, unless otherwise agreed with the IP. In such cases the IP must submit a proposed budget revision including a detailed justification to the FM. Budget revisions result in a grant amendment. Budget/expenditure variations are allowed without a budget revision as specified:

1. The expenditure on budget sub-headings does not exceed 10% of the original budget sub-heading over the entire project duration.
2. The variations are within the scope of the defined outputs and activities as specified in the logframe and the work plan, (i.e. not new or unplanned activities), and
3. The total amount approved by the FM is not exceeded (i.e. there must be savings from another budget line item).

### **4.5 Completion or Termination of Grants**

With reference to, and without limitation to Articles 9 and 18 of the General Conditions outlined in the GSA, this section aims to provide additional operational level and process



guidance and clarity on obligations of the grantee during grant closure or termination. The rights and obligations of the parties regarding closure or termination of the legal agreement are stated in **[Articles 9 and 18, among others, of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on the process of closing or terminating the legal agreement. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

The operational closure of the grant agreement refers to the last date of the agreement, or upon early termination of the agreement by either the IP or the FM as spelled out in the grant agreement to the other party. No activities or expenditures are to be incurred after this date. All funds which remain unutilized after completion of activities must be returned to the FM.

For the financial closure, the IP will submit the final reports as per the obligations of the grant agreement upon termination or expiry of the agreement. The FM will evaluate and approve the IP reports with emphasis on results and deliverables being in line with the obligations of the grant agreement.

Unless otherwise defined in the grant agreement, the financial closing of the grant is tied to the last payment which will be released based on the following:

1. Acceptance of the audit report of the final financial report by the FM and IP;
2. Acceptance of the final narrative report and M&E related data reporting by the FM, as well as the acceptance of any other pending reports as defined in the grant agreement;
3. Approval of the final evaluation report;
4. Approved asset transfer agreement between FM and IP;
5. Return (or deduction from final payment) of unspent funds and/or ineligible costs (if applicable);
6. All outstanding subcontracting issues have been settled;
7. There are no outstanding claims or investigations on the agreement;
8. Written agreement on the use of the investment capital (only for Microfinance / investment capital projects).

Once the final payment is completed, the FM archives the entire documentation of the project and declares it closed. Refer to [section 15 on Record Management](#).



## 5 Fund Management

With reference to, and without limitation to Articles 1 and 2 of the General Conditions outlined in the GSA, this section aims to provide additional operational level and process guidance on the requirements of the grantee and the FM. The role and general obligations of the IP are set out in [Articles 1 and 2, among others, of the General Conditions attached as Annex A to the legal agreement]. The following section contains information designed to provide operational guidance on the role and general obligations of the IP. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

The FM is responsible for ensuring financial management systems are established and used to ensure that funds are held, disbursed and accounted for in a timely, transparent and efficient manner. Specific responsibilities of the Fund Manager include:

1. Preparation of the LIFT annual budget and presentation to the FB by 15 November each year for approval by 31 December;
2. Presentation of a fund flow forecast at each FB meeting;
3. Preparation of budget amendments for the FB approval during the budget year if they exceed 15% variation within any of the main budget line headings<sup>1</sup> or if the overall total of the budget increases;
4. The FM will provide reports on expenditure of the FM budget. Any income earned on funds received from the Fund will be identified and accounted for in the FM's financial reports. Any income earned shall be used for the purposes as agreed by the FB. Income earned includes interest earned on funds;
5. Closing of the Fund at the end of its lifetime.

In the event of the end of the Fund, the FM will propose a formal close out plan in accordance to UNOPS closure procedures. This plan will be submitted to the FB for approval six months before the operational closure of the Fund.

The financial closure of the Fund will be confirmed by UNOPS HQ once all the pending requirements under UNOPS financial rules and regulations have been cleared.

### 5.1 Disbursements to IPs

With reference to, and without limitation to Articles 3 and 9 of the General Conditions outlined in the GSA, this section aims to provide additional operational level and process guidance on payments to grantees, bank accounts, payment advances, and refunds. The rights and obligations of the parties regarding disbursement of payments are stated in [Articles 3 and 9, among others, of the General Conditions attached as Annex A to the legal agreement]. The

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<sup>1</sup> Main budget line headings include 1. Human Resources, 2. Office Costs, Equipment and Supplies, 3. Other Direct Costs, 4. Unforeseen Contingencies, 6. Fund Board Expenses, and 7. LIFT Programme.



following section contains information designed to provide operational guidance on the process of disbursing payments. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement. The FM is responsible for managing fund disbursements and monitoring expenditure of IPs according to the grant agreements and subject to reviews of ongoing performance against the agreement.

The grant agreement includes a schedule for disbursements for the duration of the grant. Depending on grant size, the first payment may be requested up to a maximum of USD 249,000. All subsequent payments will be linked to progress/milestone reports demonstrating at least 70% expenditure or commitment of previously disbursed funds. Based on the schedule for disbursements, the IP is expected to submit a fund request together with a detailed activity plan and milestone reports (including proof of expenditure) to the FM to request the next disbursement. The FM may adjust or disapprove a disbursement request taking into account the achieved progress and results in outputs, the reported fund balance remaining from the previous disbursements and the proposed activity plan of the IP. The FM will ensure that all due reports have been received and approved by the FM before disbursements.

When an inception phase is defined as part of the project, the first disbursement will provide for the activities in the inception phase and the requirements of implementation until the second disbursement is due.

Fund requests should not exceed the maximum of 18 months of agreed budget costs for the requested period. All disbursements by the FM to IPs are subject to availability of funds. Under no circumstances shall the FM be expected to disburse funds in excess of the funds the FM has in hand.

### Clarification on percentages:

Bridging fund: Up to **8%** of the grant agreement amount can be paid as a bridging fund based on the programmatic requirements in addition to the amount requested, provided the amount for the first disbursement does not exceed USD 249,000. This additional amount allows covering the periods from the end of one reporting period to the next disbursement of funds. It will be deducted in the last fund request.

Last payment: The last payment of **5%** of the total grant amount will be payable after the acceptance by the FM of the final audited report and all other required documentation, or as defined in the grant agreement.

Indirect costs: indirect costs cannot exceed **6%** of the budgeted direct costs for the requested period, see also [Proposal requirements](#).



## 5.2 Financial Audits/ Expenditure Verifications

With reference to, and without limitation to Article 8 of the General Conditions outlined in the GSA, this section aims to provide additional operational level and process guidance on audits. The rights and obligations of the parties regarding audits of the grant are stated in [Article 8 of the General Conditions attached as Annex A to the legal agreement]. The following section contains information designed to provide operational guidance on the process of auditing an IP. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement. The fiduciary framework of LIFT requires the audit of financial statements related to the Fund. All programme expenditures are required to be externally audited or verified as appropriate on an annual basis.

### FM Audit

The FM will be audited annually by a team of auditors appointed by the UNOPS Internal Audit and Investigations Group (IAIG). The objective of the audit is to ascertain the effectiveness and efficiency of operations, including the economical use of resources in addition to verification of compliance activities of the office with the relevant UN and UNOPS rules and regulations.

### IP Audit

The FM will appoint auditors to ensure that the financial control systems of the IP are sound and that the accounting returns are true records. Audit and/or expenditure verification of the IP will be conducted annually and at the end of the project.

Costs relating to regular external audits undertaken by the FM will be borne by the Fund.

The IP audit reports will be submitted to the FM and the IP with a management letter from the qualified auditors, addressing adequacies of the accounting and internal control systems. Adverse and disclaimer opinions from auditors will result in suspension of any further disbursement to the IP by the FM until the IP satisfactorily demonstrates that issues identified have been resolved. The FM will follow up with IPs on implementation of the audit management plan which is part of the annual financial report. The FM will provide summary reports to the FB on audit recommendations and actions necessary to address the recommendations.

## 5.3 Due Diligence Assessments

With reference to, and without limitation to Articles 1 and 2 of the General Conditions outlined in the GSA, this section aims to provide additional operational level and process guidance on the requirements of the grantee and the FM. The role and general obligations of the IP are set out in **[Articles 1 and 2, among others, of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on the role and general obligations of the IP. For the avoidance of doubt,



nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

The FM will conduct a due diligence assessment (DDA) of each IP<sup>2</sup> as per UNOPS policy. A background check is conducted for the UNOPS sanction list as well as other applicable sanctions. The objective of the assessment is to evaluate the capacity of the IP's financial and operational procedures, internal controls and management, as well as governance structures to manage LIFT funding and define the level of risks for the LIFT fund management. The validity of the DDA is for a period of five years, however the FM may choose to reassess specific areas or follow up on recommendations within this five year period.

The assessment will be conducted prior to signing of the grant agreement or in the early stage of the project implementation and may be undertaken by FM staff or external experts. It will evaluate the IP's capacity and compatibility in relation to legal agreements, fund flow mechanisms, staffing, accounting policies and procedures, segregation of duties, management capacities, budgeting, payment procedures, asset management, audit mechanisms and reporting and monitoring. Where a similar assessment has been conducted by another UN agency, the findings of this assessment may be reviewed, evaluated and appropriate action taken. If a DDA or similar evaluation was conducted in the previous 5 years as part of the other Funds managed by UNOPS Myanmar, this requirement may be reviewed and waived.

In case of a major change in environment (e.g. significant changes in leadership, new procedures, and results of reviews), a second assessment may be required. The FM will endeavor to provide a standardized questionnaire to the IP prior to the assessment.

The DDA report will provide a detailed analysis of the risks in relation to the management capacity of the IP. Based on the findings, the report will propose an overall rating and will provide recommendations on how to address shortcomings and identified risks. The draft report will be discussed with the IP before submitting the final report to the FD for review and approval. The final report will be shared with the IP; recommendations will be binding to the IP and will be monitored by the FM.

## 5.4 Eligible Expenses

With reference to, and without limitation to Article 7 of the General Conditions outlined in the GSA, this section aims to provide additional operational level and process guidance on allowable costs. The rights and obligations of the parties regarding allowable costs are stated in [Article 7 of the General Conditions attached as Annex A to the legal agreement]. The following section contains information designed to provide operational guidance on allowable costs. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and

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<sup>2</sup> UN agencies do not require DDA, but may be requested to provide details on management structure and auditing procedures.



conditions of the applicable legal agreement.

The FM is under no obligation to reimburse IPs for costs incurred in excess of the total grant amount specified in the Agreement. The total grant amount under the Agreement is not subject to any adjustment or revision because of price or currency fluctuations or the actual costs incurred by IPs in the performance of the activities under the Agreement.

The expenditures claimed on IP financial reports shall be true and real, reasonable, and are included on the Agreement budget.

LIFT funds **must not be** used:

1. For international travel to conferences, training, workshops or any other activity outside the country not directly related to project implementation.
2. To cover exchange rate losses, or for/as disbursements to government agencies' bank accounts
3. For the following charges: taxes, duties and charges, customs duty, previous obligations, bad debts, fines and penalties, land and property, hospitality, and political and religious propaganda.
4. For the costs of developing proposals submitted for LIFT funding
5. For direct cost-shared resources that cannot be directly linked to the LIFT grant
6. To fund entities which appear on UN or donor sanctions lists



## 6 Monitoring and Evaluation<sup>3</sup>

The FM is responsible for designing, developing and implementing a monitoring and evaluation (M&E) system specific to the Fund to ensure that funds are used effectively and programmes are implemented as per the agreed proposal and work plan. As IPs have their own modalities of delivery and varying capacities, the M&E system will be built around a partnership approach.

LIFT's 2019-2023 Strategy sets out a broad set of priorities related to Monitoring and Evaluation and Knowledge Management. Taken together, these priorities focus on enhancing the contribution that evidence generated by LIFT and its partners can make to enhancing LIFT's impact, supporting inclusive development in Myanmar and informing the design and implementation of public-interest policies and programs in collaboration with non-state actors. It also sets out four key principles, underpinned by a commitment to strengthen partner MEAL capacity:

1. A more intensive outcome- and learning-oriented approach to MEAL at programme and implementing partner levels;
2. A stronger and more explicit thematic learning agenda tied to the four thematic programmes;
3. Improved tracking of contributions to policy development and its links with programmes; and
4. A more strategic and systematic approach to knowledge management to contribute to LIFT's effectiveness and Myanmar's development.

LIFT MEAL is a balancing act between three primary functions:

1. **Accountability:**
  - a. **Upward:** demonstrating the extent to which LIFT's investments are in line with its strategy and that key results were achieved efficiently, effectively and with good value for money;
  - b. **Downward:** being responsive to LIFT's partners and beneficiaries through feedback and adaptations to address emerging needs, challenges and concerns
2. **Learning and adaptive management:** generating, sharing and using evidence about what works and what does not to improve performance and make course-corrections;
3. **Contribution to policy and practice:** generating and using policy- and practice-relevant evidence to inform the design and implementation of public-interest policies and

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<sup>3</sup> Note: In light of the contextual changes related to Covid 19 pandemic (2020) and the Coup (2021) LIFT initiated a strategy reset in late 2021 resulting in a new strategy document, an updated TOC and new requirements for reporting and measurement. LIFT's MEAL system is being adapted to respond to the strategic priorities defined in LIFT's 2022-23 strategy reset. Once concluded, this will occasion some modifications on some elements of MEAL reflected in section 6.1 and 6.2 below.

programmes by non-state state actors, including donors, the international aid community, local NGOs and CSOs and ethnic administrations.

These functions are underpinned by **capacity support** to ensure that MEAL tools, processes and products are of sufficient quality and effective in supporting LIFT to achieve its accountability, learning/adaptive management and policy objectives.

## 6.1 Overview of M&E roles

IPs	FM	FB
IPs develop project theories of change, measurement frameworks, ELQs, and subsequent MEAL plans, all to be approved by the FM	The FM develops and revises as necessary the LIFT theory of change, logframe (indicators are discussed with IPs and other stakeholders), and MEAL framework	The FB approves the LIFT MEAL system and LIFT logframe  The FB conducts checks on the robustness of the LIFT MEAL system (on-going)
IPs report on selected LIFT indicators and ELQs in mid-year, annual, and final reports	FM reports on LIFT indicators and ELQs in semi-annual, annual, and final reports based on collated information from IPs and special studies	The FB approves FM semi-annual, annual, and final reports
IPs conduct baseline and end line surveys for their projects (unless an exception is approved by the FM) with related payments subject to FM review and “No Objection” letter	The FM commissions periodic LIFT wide and regional household, surveys covering all its operating areas	The FB reviews survey reports as appropriate
IPs assist and facilitate midterm project reviews	The FM commissions midterm project reviews where appropriate	The FB commissions interim reviews of the Fund as needed
IPs assist and facilitate independent end-of-project evaluations	The FM commissions end-of-project or end-of-programme evaluations unless an alternate arrangement is agreed with the IP	The FB commissions independent final evaluations of Fund performance
IPs conduct regular periodic monitoring according to their MEAL Plans	The FM conducts field visits to all IP projects	

<p>IPs establish feedback mechanisms for local partners and beneficiaries to ensure downward accountability<sup>4</sup>.</p>	<p>The FM establishes a beneficiary accountability framework including a feedback mechanism to beneficiaries.</p>	
<p>IPs share knowledge with each other on what works, what doesn't, etc., across contexts and thematic areas; and share harmonised tools and best practices</p>	<p>The FM commissions special studies on specific development themes, plus independent qualitative monitoring of LIFT activities.</p>	
	<p>The FM facilitates regional M&amp;E meetings and learning events Periodically</p>	

## 6.2 Implementing Partners

The IPs are responsible for conducting relevant MEAL tasks related to their respective projects, including M&E capacity development and assessing the performance of their partners.

### MEAL Plans and Reporting

As part of the proposal and contracting stages, IPs develop and refine a project theory of change, a measurement framework (MF), and a set of strategic evaluation questions (SEQs). After the contract is signed, IPs enter an inception period during which time they develop a full MEAL plan, that includes a further refined ToC, MF, and ELQs, and greater detail on how they plan to collect data and use their M&E findings. Guidelines for developing IP MEAL plans are available and IPs' MEAL plans are to be approved by the FM.

To facilitate tracking of results for the Fund, the FM and IPs will work together to define a set of output and outcome indicators to include in IPs' measurement frameworks and MEAL plans. For each of these indicators, IPs will set milestones for each calendar year and targets for the end of the project. IPs will report progress towards reaching these milestones and targets in six monthly narrative and quantitative reports to the FM.

For planning purposes, IPs also will provide details of the location of all IP villages, their populations, and planned numbers of household beneficiaries at the beginning of their project period. IPs will also update the number and type of beneficiaries in each location every 12 months.

<sup>4</sup> Exceptions may be granted by the FM for projects where such a feedback mechanism is inappropriate.



## Remote Monitoring Plans

Contextual changes experienced on the course of 2020-21 have imposed significant constraints to data collection owing to conflict induced insecurity and movement restrictions imposed by the local authorities. As part of its overall adaptation, LIFT partners introduced remote monitoring practices largely revolving around involving community-level actors in activity and output monitoring, and shifting toward mobile-based data collection. At the FMO level, the rapid phone survey has been adopted in lieu of the regular biannual household surveys to measure LIFT Logframe indicators. In addition, FMO shifted to conducting virtual data quality assessments focusing on IP MEAL systems to augment the routine monitoring processes. Building on these measures and successes obtained so far, LIFT commits to itself to prepare a remote monitoring plan that will document existing practices as well as other approaches that will be implemented to broaden the scope of remote monitoring activities that may be applicable in different contexts where LIFT activities are being implemented. Other MEAL systems tools such as the IP MEAL guidelines will also be updated with information pertaining to remote monitoring to provide adequate guidance to new IPs in setting up and operationalizing different aspects of remote monitoring that are relevant to their project interventions.

## Baseline and Endline Surveys, Mid-term Reviews, and End-of-Project Evaluations

Each IP is responsible for conducting a baseline survey and an endline survey, subject to approval by the FM. The FM will approve the questionnaire, terms of reference and reports of the baseline and endline surveys.

IPs are to assist the FM in carrying out mid-term evaluations and independent end-of-project evaluations. Mid-term reviews should make recommendations to improve the relevance, effectiveness, efficiency and sustainability of the project. End-of-project evaluations should, amongst other requirements, draw on the results of the baseline and endline surveys to assess project effectiveness and document key lessons. Both mid-term reviews and end-of-project evaluations also should contribute to addressing LIFT's evaluation and learning questions.

In some cases (e.g. very short, low value, or unusual projects), the FM may agree to reduce the requirements for project baseline and endline surveys, mid-term reviews and end-of-project evaluations.

The FM's Programme and M&E teams will provide the IPs with guidance on good practices on such issues as sampling, survey design, and capturing different types of data.



### 6.3 Fund Manager

The FM is responsible for aggregating the outputs and outcomes of the LIFT Fund and assessing the performance of IPs. The FM will ensure that IPs have indicators and targets set in line with the overall aims of LIFT.

#### Theory of Change, Logframe, and Reporting

Based on LIFT's overall strategy as set by the Fund Board, the FM is responsible for developing a relevant LIFT-level theory of change, logframe and set of evaluation and learning questions. The IPs' theories of change and measurement frameworks are to reflect LIFT's overall theory of change and logframe. The LIFT logframe indicators will not cover all IP activities. Similarly, not all IP / indicators will cover the full set of LIFT indicators. LIFT highly encourages the use of actor-centred Theories of Change that place the actors involved in change processes at the centre by framing outcomes in actor-oriented terms.

The LIFT logframe includes a set purpose, outcome and output indicators for each result in the TOC that LIFT is committed to reporting against as an organisation, with organisation-wide targets set for each indicator. Extrapolating from the milestones and targets in the IPs' measurement frameworks, the LIFT logframe will set milestones for each year and final targets for the end of the LIFT programme. These will be reviewed and revised periodically as required. The FM's annual, semi-annual, and final programme reports will include quantitative progress towards milestones and targets on all indicators.

Periodic Surveys: As part of the tools to measure the achievements of LIFT, the FM commissioned a baseline survey in 2011 to establish key data on initial livelihood and food security conditions of households prior to LIFT interventions in the Countrywide and Delta 2 sub-programs. The FM has subsequently commissioned a large population-based household survey every two years and a smaller tracking survey in the intervening years, and will continue to do so, to measure changes against the baseline, which are then used to estimate LIFT's contribution to changes in the target population.

LIFT surveys are independent sets of livelihood, food security, and nutrition measures that allow comparisons over time and between the main regions where LIFT programmes are implemented. The surveys use formal statistical sampling techniques to obtain representative samples, focusing on measuring output and outcome indicators at the household level, and consist of three separate but interrelated general, expenditure, and nutrition modules, which include the anthropometric measurement of children under five years old. Each survey round also includes a village profile to record common assets and conditions at the village level.



## LIFT learning agenda

The LIFT learning agenda is a curated set of LIFT-wide learning objectives that may be thematic or geographic in nature. It provides a central repository for tracking LIFT-wide learning priorities and evidence-generating processes and studies. Whereas evaluation questions focus on accountability and the policy questions focus on generating evidence to contribute to policy changes, the learning agenda is focused primarily on generating actionable knowledge that can be used to inform development policy and practice both within LIFT and amongst LIFT's partners. The LIFT learning agenda is the product of a series of interactions between the strategic, programme and project levels through which learning priorities/objectives and studies are jointly negotiated and agreed upon. As such it is intended to be dynamic in nature and will require regular/periodic review and updating in response to changing priorities at national, programme and project levels.

## Field Visits

The FM is expected to visit IP field offices and villages on a regular basis. The objectives of field visits include monitoring and mutual learning for the FM and IPs to produce strategic lessons on program delivery. A program of field visits will be drawn up by the FM every 6 months. Field visits can be performed virtually if the security situation does not allow for in-person field visit. Key aspects of FM field visits are as follows:

1. All IP projects will be visited up to two times each year by the FM. This may be reduced for some projects at the discretion of the FM.
2. All office and field visits will be scheduled in advance with IPs and a formal process of feedback undertaken.
3. The IP field office will be visited to collect project details and results. At the end of the field visit, there will be a debriefing with project staff.
4. A member of the IP's in-country headquarters' staff should attend the debriefing, to ensure agreement on follow up actions.
5. If possible, the FM should randomly select two villages to visit while conducting each site visit.
6. A field visit report will be prepared by the FM and shared with the IP within 20 working days after the field visit. The report will include a summary of the strengths and weaknesses of project management and implementation, provide recommendations, and address more strategic issues and lessons arising from the village and IP office visits.
7. The IP is welcome to provide comments and corrections on the field visit reports within 20 days of receiving it.



## Thematic Studies

On behalf of the FB, the FM will commission thematic studies to provide an important complement to the routine tracking of LIFT results.

Research topics may arise to answer LIFT's overarching Strategic Evaluation Questions SEQs, or from gaps in knowledge in sectors where LIFT is operating, or from the need to explore in greater depth issues identified from the MEAL system.

Thematic studies will be made available on the LIFT website. The costs of the studies will be charged to the budget of the FM.

## 6.4 Fund Board

The FB is responsible for monitoring the Fund's performance, assessing the LIFT programme, approving the LIFT MEAL framework, and approving the LIFT logframe.

The FB will review the overall progress and performance of LIFT against its strategic objectives and will approve the FM's semi-annual and annual reports. The FB will use commissioned M&E studies and other M&E information to take decisions about programme funding and strategic direction.

## Independent Mid-term and Final Evaluations

On behalf of the Donor Consortium, the FB will commission mid-term and final independent evaluations of the Fund's performance. The independent evaluations will reflect on LIFT's achievements and constraints. LIFT's achievements may also be compared with national estimates and other development programmes, as well as with surveys and studies undertaken by third parties.

The costs of the evaluations will be charged to the Fund.

## 7 Reporting

### 7.1 FM Reporting

The FM will keep the FB informed at all times of any development relevant to or affecting the delivery of programmes.

The FM will submit to the FB six-monthly narrative and financial reports based on the calendar year. Reporting formats and contents will be approved by the FB before submission to donors. Ad hoc reports can be addressed to the Board when necessary.

The FM will provide transparent summaries of the Fund throughout its lifetime to inform the FB, the donors, and stakeholders of the Fund.

1. **Financial Reports:** Financial reports will report on expenditure and income earned across the Fund against the approved budget.
2. **Certified Financial Statement:** Refers to UNOPS income and expenditure certified statement.
3. **Cash flow forecasts:** A cash flow forecast detailing donor commitments received and planned, updated financial expenditures of the Fund, and forecasts on future disbursements to IP and FM expenditures.
4. **Programme Report:** There are two programme reports, the semi-annual and the annual programme report. Both reports will include updates on implementation of the Fund with updates on results of headline indicators, M&E, research and policy issues, and aggregated programme results from IPs.

### 7.2 Schedule of FM Reports

Type of report and period covered	Area of reporting	Content
Progress Report (Jan – June) Due 30 <sup>th</sup> Sept	Finance:	Semi-annual Financial Report
	Programme:	Semi-annual report (Progress report)
Annual Report (Jan – Dec) Due on 30 <sup>th</sup> April	Finance:	Annual Financial Report
	Programme:	Annual Narrative Report
Certified Financial Statement (Jan-Dec) Due 30 <sup>th</sup> June	Finance:	Certified Annual Financial Statement
Final Report Due 6 months after operational closure of the project	Finance:	Final Financial Report with certified financial statement and Asset disposal / transfer report
	Programme:	Final Narrative Report



### 7.3 Implementing Partner Reporting

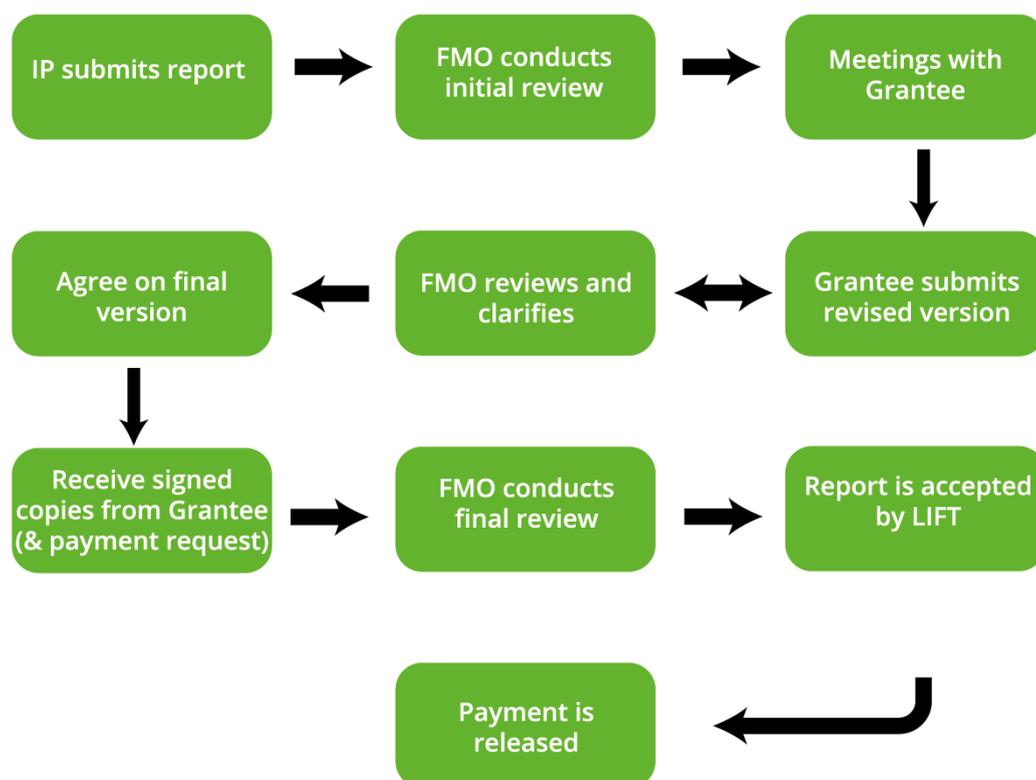
With reference to, and without limitation to Article 4 of the General Conditions outlined in the GSA, this section aims to provide additional operational level and process guidance on reporting. The rights and obligations of the parties regarding financial reporting are stated in [Article 4 of the General Conditions attached as Annex A to the legal agreement]. The following section contains information designed to provide operational guidance on financial reporting. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

The FM will define reporting requirements for the IP in the grant agreement. Reports submitted by IPs will be verified and approved by the FM. The process for report review by the FM is illustrated in Figure 2 below. The FM will consult with IPs on the reporting formats to ensure there is a common understanding of the requirements. The FM will coach IPs on preliminary report submissions as required. The reporting templates are uploaded onto the LIFT website<sup>5</sup>. All reports must be provided in English unless previously agreed with the FM. All reports shall be submitted in PDF and word/excel soft versions for ease of verification.

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<sup>5</sup> <https://www.lift-fund.org/en/guidelines>

**Figure 2: Report Review Process**



## 7.4 Reporting Schedule for IPs

The calendar year is used for the annual program and financial reporting. During the implementation of a grant, the following reports may be required depending on the duration and the type of the grant, and as specified in the grant agreement:

Type of report and period covered	Area of reporting	Content
<b>Inception Report</b> <i>Inception Phase (if applicable)</i>  <i>Report is due one month after end of Inception Phase</i>	Finance:	Certified Financial report for inception phase
	Project:	Inception phase report including: a baseline survey approved by FM; reporting on the progress of the activity  plan: M&E plan (including final Logframe or Results Framework, with all milestones and targets); and Fund  Request for subsequent project period

<b>Annual Report</b> 1 <sup>st</sup> January to 31 <sup>st</sup> December Due on 28 <sup>th</sup> February	Finance:	<ul style="list-style-type: none"> <li>• Certified financial annual report and</li> <li>• List of assets</li> </ul> <i>For Microfinance projects: see additional requirements under 7.8</i>
	Project:	Annual Narrative Progress Report with <ul style="list-style-type: none"> <li>• Report against Work Plan and Activity Plan outputs</li> </ul> and results of the previous year; <ul style="list-style-type: none"> <li>• M&amp;E Data sheets</li> <li>• Annual Work Plan and Budget for current year</li> </ul>
<b>Semi-Annual Report</b> 1 <sup>st</sup> January to 30 <sup>th</sup> June Due on 31 <sup>st</sup> July	Finance:	n/a
	Project:	Mid-Year Narrative Progress Report with M&E Data Sheets
<b>Quarterly Report</b> Q1 - 1st January - 31st March  Q3 - 1st July - 30th September	M&E Data	M&E data sheets for indicators
<b>Final Report</b>  Entire duration of the grant agreement Due 3 months after end date of grant agreement	Finance:	<ul style="list-style-type: none"> <li>• Certified final financial report and</li> <li>• annexed asset list</li> </ul>
	Project:	<ul style="list-style-type: none"> <li>• Final Narrative Report including final status of progress against outcome and output targets</li> <li>• Final Project Evaluation</li> </ul>

## 7.5 Exceptions on Reporting

IPs may be eligible for an exemption on the reporting schedule outlined above. The general guideline for exemption on reports is that when reports are due with less than 10 weeks of elapsed implementation, the FM may provide an exemption for submission of that report. This exception will be reflected either in the grant agreements, or in writing to the IP.

Additional reports can be requested by the FM if there is a requirement for closer monitoring of implementation. This will be communicated in writing to the IP with adequate time provided to prepare the report.

## 7.6 Approval of Reports

The process of approval will include a review and validation of reports by the FM. The FM may request further information and clarification of the IP in the review process.

Payments to IPs will not be made until the required reports have been approved by the FM as



meeting minimum quality requirements.

## 7.7 Guidelines on Financial Reports

The IP is responsible for maintaining clear, accurate, and complete financial records in respect of the funds received under the agreement to ensure accuracy and reliability of the financial information and reporting. Books and records must be maintained in such a manner that the receipts and expenditures can be shown separately in an easily accessible and transparent form. Financial reporting must be prepared in US Dollars using the LIFT template<sup>6</sup>. The grantee is responsible for managing the reporting contribution of all sub-grantees.

### Defining expenditures

Guidelines on expense reporting by budget lines headings are included in the reporting template. Any change in the method of recognizing expenses on financial reports must be clearly documented with the financial report. No inflation, exchange rate differences, and depreciation expenses are to be assumed in reporting expenditures. Only actual costs incurred may be reflected.

### Exchange Rate Definition

The agreed reporting currency is the United States Dollars (USD). The IP shall document the exchange rates applied and retain proof that the best possible rates are obtained.

It is recommended that IPs use an exchange rate for reporting purpose which is based on actual currency conversion rates. For an organization that does not have an exchange rate policy, it may apply FIFO or weighted average rate of actual conversions during the reporting period. These are the most commonly used methods and believed to have the least impact of exchange difference.

For UN Agencies, the official UN exchanges rates shall apply.

### Income Earned

Any income earned from implementation of activities granted under the grant agreements shall be identified and accounted for in financial reports. Income earned includes but is not limited to currency exchange gain and interest earned on funds received by the IP. Funds should be held in interest bearing accounts, unless due to an exception as mentioned in clause 9.1 of General Conditions of the GSA. Any income earned shall be returned to the Fund or used for the purposes as set forth in the approved work plan where agreed by the FM.

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<sup>6</sup> See <https://www.lift-fund.org/en/guidelines>



## 7.8 Microfinance reporting requirements

Implementing partners receiving any form of capital (loan, equity, grant funds) from LIFT for microfinance are required to report on such funds quarterly in addition to the yearly financial reporting requirements. This will include a quarterly report with submission of balance sheets, profit and loss accounts, and portfolio risk, as outlined in the grant agreement.

## 8 Communication and Visibility

Principle: The FM and IPs are required to publicly credit all LIFT-funded activities to the Fund. This requirement is compulsory.

### 8.1 LIFT Visibility Guidelines

All IPs and the FM are required to follow [LIFT's Visibility Guidelines](#) and any alterations as may be put in place due to emerging context for presenting LIFT's visual identity in written materials, presentations, visibility items, at events, on social media, websites, in press communications, on infrastructure and across other communications activities and materials.

The Visibility Guidelines also cover the use of LIFT logos and the IPs' responsibilities for sharing communication plans, photos, videos, stories, press coverage, project information, and LIFT-funded reports with the FM.

The Visibility Guidelines are updated as required, e.g. for the change of the donor logo and for alignment to LIFT's strategic priorities, and shared by the FM with IPs via email. It is the responsibility of the IPs to consult FMO Communications to ensure they follow the updated version. IPs are encouraged to consult the FMO Communications on any visibility questions for tailored advice.

### 8.2 Media, Publications

Authority to make statements on behalf of LIFT is limited to the Donor Consortium, the Fund Board, and the Fund Director. No IP can make statements on behalf of LIFT. Any requests from media received by IPs regarding LIFT should be referred to the LIFT Communications Officer. The IPs are required to consult LIFT Communications on their plans to mention or use LIFT identity in publications, media materials - electronic or print, or other communications materials or events.

The FM has been provided authorisation under the IPs' grant agreements to communicate or



publish the name of the IP, the maximum amount of the individual grant, and a description of the activities funded.

All public documents should be published in English and Myanmar. Specific guidance is provided in the Visibility Guidelines on the translation of key words like 'livelihoods' and 'food security'. In case of inconsistencies or discrepancies between English and Myanmar language, the English language version shall prevail.

### 8.3 UNOPS Logo

The use of the UNOPS logo is restricted to the FM and can be used for contractual agreements to reflect the legal status of the FM operations in Myanmar. IPs cannot use the UNOPS logo.

## 9 Beneficiary Accountability

In addition to the mechanisms that LIFT employ to ensure that LIFT-funded partners are accountable to the Fund Manager and to the donors of LIFT (regular field trips by the Fund Manager and the Fund Board, reports submitted to the Fund Manager twice a year, and audits carried out by an external audit firm), LIFT has a beneficiary accountability framework to encourage accountability to local partners and to beneficiaries at community level. This is a priority for the donors to LIFT who are guided by the Paris Declaration, the Accra Agenda for Action, and the Busan Partnership Agreement, which call for donors and partners to be mutually accountable for development results<sup>7</sup>.

The primary purpose of LIFT's accountability framework is to promote accountability to local stakeholders. The secondary purpose is to strengthen the ability of local partners and communities to voice their opinions/concerns and demand redress where needed.

There are four **"fields of accountability"** loosely based on the dimensions of other international accountability mechanisms<sup>8</sup>:

1. **Transparency:** Key information about LIFT and the projects it funds should be presented to stakeholders in languages, formats, and media that are accessible, comprehensible, and useful to them.
2. **Consent:** LIFT should ensure that stakeholders consent to their participation in projects, and that they are satisfied with their representation in project design, implementation, monitoring, and evaluation.
3. **Feedback/grievance:** All local LIFT stakeholders should be aware of their right to express

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<sup>7</sup> See [www.oecd.org/dac/effectiveness/busanpartnership.htm](http://www.oecd.org/dac/effectiveness/busanpartnership.htm) and [www.oecd.org/dac/effectiveness/parisdeclarationandaccraagendaforaction.htm](http://www.oecd.org/dac/effectiveness/parisdeclarationandaccraagendaforaction.htm)

<sup>8</sup> Interaction, Sphere and HAP Guidelines and Benchmarks were considered in preparing this Framework. In 2015, HAP became CHS Alliance <http://www.chsalliance.org>



feedback/grievance and of the channels for doing so, including direct access to the LIFT Fund Board and the Fund Manager.

4. **Competence:** LIFT representatives who interact with stakeholders should always behave professionally, should be trained and skilled in participatory approaches, and should promote and apply the LIFT Accountability Framework.

The above principles or fields of accountability should apply to all relationships within the chain that connects the donors to LIFT with its supported beneficiaries. This chain normally involves the following stakeholders:

1. Fund Board (appointed by the donors to LIFT);
2. Fund Manager (UNOPS);
3. Contracted implementing partners (IPs);
4. Local partners of contracted LIFT IPs (at national, regional, community levels, depending on the project); and
5. Beneficiaries of LIFT-funded activities.

The details of the accountability framework are available on LIFT's website. The accountability framework includes a detailed complaints and feedback mechanism.

## 10 Anti-Fraud Policy

With reference to, and without limitation to Articles 15, 16, 17, 24, and 25 of the General Conditions outlined in the GSA, this section aims to provide additional operational level and process guidance on Fund requirements for Fraud and PSEA. The rights and obligations of the parties regarding anti-corruption, anti- terrorism, child protection and the prevention of sexual exploitation and abuse are stated in **[Articles 15, 16, 17, 24, and 25, among others, of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on anti-corruption, anti-terrorism, child protection and the prevention of sexual exploitation and abuse. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

Fraud is defined as “as the intentional act by one or more individuals involving the use of deception to obtain an unjust or illegal advantage”. This definition and the required action applies to all recipients of LIFT funding, grantees, sub-grantees, companies, institutions, individual consultants, and staff.

As a mechanism for pooled funding, there is a need for UNOPS / LIFT to agree on a standard policy on financial risk and fraud. As LIFT allocation decisions are made by the Fund Board and translate into grants and contracts between UNOPS / LIFT and various other parties, this



common standard shall be based on the UNOPS Fraud Policy<sup>9</sup>. The UNOPS Fraud Policy is part of the wider risk management framework of UNOPS, which includes risk- and fraud-related provisions covering various areas and levels, including, but not limited to, procurement, staffing, financial regulations and rules, financial declaration statements, accountability and oversight, internal control, internal audit, and investigation.

Anyone suspecting a fraud case has a duty to immediately (within five days) report the fraud. Please refer to the [Livelihood and Food Security Fund Policy to Address Fiduciary Risk and Fraud](#), available on the LIFT website for details on types of fraud and reporting mechanisms. The Heads of all IPs or their delegates will need to attend a workshop on anti-fraud and anti-corruption organized by UNOPS at least once a year.

## 11 Policy on Prevention of sexual exploitation and abuse (PSEA)

UNOPS has zero tolerance for sexual exploitation and abuse, in line with the United Nations Secretary General Bulletin, 'Special measures for protection from sexual exploitation and sexual abuse' (ST/STG/2003/13). The term "sexual exploitation" means any actual or attempted abuse of a position of vulnerability, differential power, or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of another. Similarly, the term "sexual abuse" means the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions.

Implementing partner (and sub-partner) staff, including volunteers and contractors, are required to uphold the six IASC principles of prevention of sexual exploitation and abuse. These principles should be included in the organizational Code of Conduct, and sensitized to staff regularly. The principles are:

1. Sexual exploitation and sexual abuse constitute acts of serious misconduct and are therefore grounds for disciplinary measures, including summary dismissal;
2. Sexual activity with children (persons under the age of 18) is prohibited regardless of the age of majority or age of consent locally. Mistaken belief in the age of a child is not a defence;
3. Exchange of money, employment, goods or services for sex, including sexual favours or other forms of humiliating, degrading or exploitative behaviour, is prohibited. This includes any exchange of assistance that is due to beneficiaries of assistance;
4. Sexual relationships between United Nations staff, implementing partners (and sub-partners) staff and beneficiaries of assistance, since they are based on inherently unequal power dynamics, undermine the credibility and integrity of the work of the United Nations and are strongly discouraged;
5. Where a United Nations staff members, implementing partners (and sub-partners) staff develops concerns or suspicions regarding sexual exploitation or sexual abuse by a

<sup>9</sup> Refer to UNOPS website, <https://www.unops.org/about/governance/accountability/iaig>



fellow worker, whether in the same agency or not and whether or not within the United Nations system, he or she must report such concerns via established reporting mechanisms;

6. United Nations staff, implementing partners (and sub-partners) staff are obliged to create and maintain an environment that prevents sexual exploitation and sexual abuse. Managers at all levels have a particular responsibility to support and develop systems that maintain this environment.

All partners, sub-partners, and other downstream partners are required to act to minimize the likelihood of sexual exploitation and abuse. Partners shall be responsible for creating and maintaining an environment that prevents sexual exploitation and sexual abuse, and shall take appropriate measures for this purpose. Partners should have an accessible reporting mechanism at each project site, known to the community with staff trained to receive complaints and escalate where appropriate.

Partners are required to adequately respond to cases or suspected cases of sexual exploitation or abuse, including investigation, victim or survivor support, disciplinary action and referral to national authorities. Partners should have whistle-blower protections.

Partners shall appoint an official, at a sufficiently high level, to serve as a focal point for receiving reports on cases of sexual exploitation and sexual abuse.

The capacity of all potential Grantees to prevent and mitigate the risk of sexual exploitation and abuse in the context of grant support activities shall be assessed by the FM before entering into an Agreement.

## **12 Intellectual property**

With reference to, and without limitation to Article 5 of the General Conditions outlined in the GSA, this section aims to provide additional clarity on intellectual property. The rights and obligations of the parties regarding intellectual property rights are stated in [Article 5 of the General Conditions attached as Annex A to the legal agreement]. The following section contains information designed to provide operational guidance on intellectual property rights. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

LIFT promotes the principle that IPs should not make commercial profit from the intellectual property generated with LIFT funds. By default all Intellectual Property rights developed with LIFT funding are the sole property of the funding source. Ownership and licensing arrangements for intellectual property will be specified in each grant agreement.



## 13 Confidentiality

With reference to, and without limitation to Articles 6 and 23 of the General Conditions outlined in the GSA, this section aims to provide additional clarity on confidentiality. The rights and obligations of the parties regarding confidentiality are stated in [Articles 6 and 23, among others, of the General Conditions attached as Annex A to the legal agreement]. The following section contains information designed to provide operational guidance on confidentiality. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

While the FB and the FM are committed to having an open and transparent disclosure system in place, there are legal, operational, and practical considerations at times that may be necessary to preserve the Fund's, IPs', and beneficiaries' interests. In these cases, information will be received by or sent to IPs under the expectation of confidentiality.

## 14 Procurement

### 14.1 Procurement by FM

The FM will comply with UNOPS procurement regulations<sup>10</sup> based on the procurement principles of public procurement.

### 14.2 Procurement by IPs

With reference to, and without limitation to Article 11 of the General Conditions outlined in the GSA, this section aims to provide additional operational level and process guidance on procurement. The rights and obligations of the parties regarding procurement are stated in [Article 11, among others, of the General Conditions attached as Annex A to the legal agreement]. The following section contains information designed to provide operational guidance on procurement. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement. IPs need to ensure that they follow public procurement principles which are:

#### Best value for money

Application of the 'best value for money' principle in the procurement process means selection of the offer which presents the optimum combination of factors such as appropriate quality, service, life-cycle costs, and other parameters to best meet the defined needs.

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<sup>10</sup> [https://www.unops.org/english/Opportunities/suppliers/how-we-procure/Pages/default.aspx#PR\\_policies](https://www.unops.org/english/Opportunities/suppliers/how-we-procure/Pages/default.aspx#PR_policies)



## **Fairness, integrity and transparency**

The manner in which the procurement process is carried out must give all internal and external stakeholders of the organization the assurance that the process is fair, transparent, and conducted with integrity.

The IP must undertake all necessary precautions to avoid conflicts of interests, favouritism, or corrupt practices in the execution of procurement. Segregation of duties is an important basic principle of internal control.

## **Effective competition**

Effective competition is best explained as a situation in which at least three independent contractors acting on their own (not in collusion) effectively compete for the same business opportunity and submit a responsive bid. In the case of restricted sourcing of products or services, a Note to File should be prepared and signed by the approving authority of the IP. It will justify why a procurement process without a competitive process is required (for example, only a single source of livestock in township vicinity).

## **In the best interests of organizational objectives**

The definition of this principle is derived from the ultimate objective of the procurement, which is to add value to LIFT and its partners in fulfilling their goals and objectives.

## **14.3 Sustainable procurement**

Procurement is called sustainable when it integrates requirements, specifications, and criteria that are compatible and in favour of the protection of the environment, social progress, and economic development, namely by seeking resource efficiency, improving the quality of products and services, and ultimately optimizing costs. For reference, the UNOPS Sustainable Procurement Framework is available through this link: [https://www.lift-fund.org/en/unops-sustainable-procurement-framework./](https://www.lift-fund.org/en/unops-sustainable-procurement-framework/)

In the case of IPs not yet having adequate systems and/or procedures in place to adhere to these principles, the FM can advise the IP on acceptable procedures.

Procurement actions need to be within budget and shall not take place any later than three months before the end of the agreement unless agreed otherwise with the FM.

Cash grants provided to beneficiaries are not classified as procurement procedures. IPs are responsible for ensuring the 'correct use' and 'effective application' of cash grants to and by beneficiaries. Further guidance on cash grants will be developed by the FM.



## 14.4 Procurement Documentation

In line with the procurement principles of transparency and accountability, and in order to facilitate external audits of LIFT operations, every step in the procurement process must be documented and kept on file.

A standard filing system, as well as a numbering system to enable tracking of files, should be established by every IP according to their own standards in order to create an audit trail and to facilitate the management of procurement activities. Procurement files are to be kept by the IP for seven years after the close of the project.

## 15 Asset Management

### 15.1 FM Asset Management

The FM's asset management falls under the rules and regulations of UNOPS. The FM will submit a proposal on the transfer or disposal of assets to the FB three months before the closure of the Fund.

### 15.2 IP Asset Management

With reference to, and without limitation to Article 14 of the General Conditions outlined in the GSA, this section aims to provide additional operational level and process guidance on non-expendable equipment. The rights and obligations of the parties regarding asset management are stated in [Article 14, among others, of the General Conditions attached as Annex A to the legal agreement]. The following section contains information designed to provide operational guidance on asset management. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

For IPs, all equipment, property, and non-expendable materials valued at US\$500 per item or more and purchased by the IP under the grant agreement are considered as assets and belong to the FM until otherwise decided at the end of the grant agreement.

Items acquired by beneficiaries under the grant-in-kind schemes are not regarded as assets as such. The IP must be able to show handover documents that provide proof that the item was received by the target household or group.

The IPs are required to maintain complete and accurate records of supplies, equipment, and other property purchased with LIFT funds. All equipment should be recorded on an asset register with a description of the item, relevant serial numbers, location, purchase price and date, and a unique identification number. All items should be labelled or tagged. The asset list format includes a 'suggested list' of categories under which to report asset items, which can be



accessed in the template section on LIFT's website.

It is required that the IPs carry out a physical asset inventory check of LIFT assets at least twice a year. The purpose of the physical check is to confirm that all of the assets are in the location they were assigned and are in good working condition. Project audits will include audits of the asset management of the IP.

### **Asset Reporting**

The IPs will submit signed annual and final asset reports. Asset verification may be included in audits. At the end of the grant agreement, the IP shall include in their final report:

1. A list on any outstanding procurement actions which have been ordered but not yet delivered at the time of the completion of the project period or early termination;
2. A letter proposing on how the undelivered items and any remaining inventories not accounted for in the request for asset transfer will be used.

### **Asset Transfer**

All assets purchased with the LIFT funds shall remain the property of the Fund Manager unless a transfer of assets is formally approved. The Fund recognizes the rationale of continuing to use assets provided for the intended purposes beyond the implementation period of LIFT funded projects, and will allow the transfer of ownership to IPs (or an appropriate project partner) upon project closure if certain conditions are met and approved by the FM.

For the transfer of ownership of assets purchased by the IP, the following conditions must be adhered to:

3. The assets will be used exclusively for livelihoods activities designed for the benefit of poor and vulnerable people in Myanmar;
4. The receiving partner has an ongoing programme and adequate resources to maintain and operate the transferred assets;
5. The receiving partner has adequate controls in place to ensure that the assets are used for their intended purpose;
6. Any local requirements, regarding duties and taxes, or any other formalities, on transfer or disposal will be met by the receiving partner; and
7. Once the assets have reached the end of their useful life, they are disposed of safely to avoid any unnecessary environmental hazards, and written off through an auditable process.

For approval of asset transfer, the IP must submit a proposal to the FM three months prior to project closure. The proposal should outline how the above principles will be adhered to by the



organization designated to receive the assets. The FM will inform the IP in writing on approval of the asset transfer plan and the modalities to be followed. The IP will submit proof of reception to the FM once the transfer has taken place.

### Reporting on theft/loss of assets

In cases of damage, theft, or other loss of assets, the IP will provide the FM with a comprehensive report within one (1) month of the loss/damage and any other evidence giving full details of the event leading to the loss of the asset. The IP should provide an internal investigation report for any loss, theft or damage of assets duly approved by the Head of Organization. The FM may request for additional information and will inform the IP of action to be taken.

## 16 Record Management

With reference to, and without limitation to Article 8 of the General Conditions outlined in the GSA, this section aims to provide additional operational level and process guidance on records management. The rights and obligations of the parties regarding record management are stated in **[Article 8 of the General Conditions attached as Annex A to the legal agreement]**. The following section contains information designed to provide operational guidance on record management. For the avoidance of doubt, nothing contained in this section shall supersede or replace the terms and conditions of the applicable legal agreement.

The proper management by the FM and IPs of records, paper or electronic, is important in supporting the transparency and accountability of the Fund. Record management includes document retention, custody, archiving, and destruction of both paper and electronic records.

The FM will comply with UNOPS regulations on record management

### Document Retention by the IP

In addition to the documentation of financial, procurement, and inventories outlined in the OGs, the IP is required to maintain comprehensive files and records in respect of activities supported by the Fund, including, but not limited to:

1. the initial proposal submitted by the IP, and any documentation relating to the process leading up to an amended and final proposal;
2. the final proposal and final budget;
3. a copy of the IP grant agreements, signed by both parties;
4. any amendments to the IP grant agreement;
5. any approved budget revisions; and
6. copies of all reports submitted to the Fund Director

Based on the FB and the FM's requirements for transparency and accountability, the IP is



required to maintain and ensure key documents are accessible for seven years after closure of the project.

## **17 Annexes**

### **Forms and templates**

All forms and templates are available on the LIFT website, under “Information for grantees”, [www.lift-fund.org](http://www.lift-fund.org)

### **Policies**

Policies on fraud and visibility are available under “Project Resources” on the LIFT website, [www.lift-fund.org](http://www.lift-fund.org).