POLICY AND PROCEDURES FOR PROGRAMME AND FINANCIAL MONITORING AND REPORTING

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I. Overview

This policy ensures that UNFPA offices (global, regional and country) develop and use quality and results-based progress information to manage the implementation of UNFPA-funded programmes and interventions. This contributes towards the achievement of results at different levels, i.e. country programme outputs, country-level United Nations Development Assistance Framework (UNDAF) outcomes, global and regional interventions (GRI) outcomes and outputs, and ultimately UNFPA’s Strategic Plan and its integrated results framework.

The UNDG Results-Based Management Handbook defines “Monitoring as an important task in the life of a programme. It involves regular and systematic assessment based on participation, reflection, feedback, data collection, analysis of actual performance (using indicators) and regular reporting.”

This policy replaces the 2012 policy of the same name and applies to all UNFPA programming (country, regional and global), irrespective of whether an implementing partner is being used or UNFPA implements directly.

II. Policy

This policy outlines the programmatic and financial monitoring process which must be undertaken on all programmes supported by UNFPA. It recognizes that monitoring begins with proper planning, budgeting and good programme design. Programmes must clearly articulate intended results to be achieved and establish clear indicators, baselines, and targets. This facilitates the continuous collection and analysis of data and information necessary to determine whether activities have been completed as planned, and to assess progress made towards the achievement of results, i.e., outputs and outcomes.

The policy establishes the following:

1) Each programme supported by UNFPA must be monitored to ensure that funds are spent for the intended purposes, resources are managed efficiently, results are being achieved and programmes are adjusted based on lessons learned and evidence collected through the monitoring of activities.

2) Findings and observations of monitoring activities are used to inform decision making to improve and adjust all aspects of programmes (e.g., indicators, activity design, and budgets).

3) Monitoring is undertaken based on approved action plans that include outputs, indicators, means of verification, targets and baselines, and as well as detailed budgets.

4) Accountability for results and resources rests equally with national counterparts at country level and the UNFPA country offices. However, UNFPA is responsible for monitoring the

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1 The policy outlines activities undertaken after the approval of relevant programme documents, e.g., country programme document, GRI Strategic Framework, and the respective action and work plans.
management of funds as well as monitoring the progress towards achieving results using the appropriate reporting forms and procedures included in this policy.

5) The UNFPA head of unit\(^2\) has the overall accountability for programmatic and financial monitoring of programme implementation under their authority and for ensuring that UNFPA personnel in their business unit comply with this policy.

6) Monitoring is one of the primary tasks of programme managers, who are expected to lead all UNFPA monitoring efforts as outlined by this policy with the support of operational and technical colleagues.

7) Monitoring officers and focal points, finance and operations officers are responsible for providing guidance and monitoring expertise to programme managers and all other colleagues, as needed, for the implementing of the policy.

The mandatory completion and frequency of the monitoring and reporting activities are as summarized below:

<table>
<thead>
<tr>
<th>Type of Monitoring/Reporting</th>
<th>Frequency</th>
<th>Responsible Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continuous Monitoring</td>
<td>Throughout</td>
<td>UNFPA with Implementing Partner</td>
</tr>
<tr>
<td>Workplan Progress Report</td>
<td>Quarterly</td>
<td>Implementing Partner</td>
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<tr>
<td>FACE form</td>
<td>Quarterly</td>
<td>Implementing Partner</td>
</tr>
<tr>
<td>Annual Review Meeting</td>
<td>Annual</td>
<td>UNFPA with one or more Implementing Partner(s)</td>
</tr>
<tr>
<td>UNDAF or One Programme (DaO) Annual Review</td>
<td>As per UNDG and UNCT guidance</td>
<td>UNFPA Country Offices jointly with UNCT colleagues</td>
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<tr>
<td>Update of CPAP Planning Matrix for M&amp;E</td>
<td>Annual</td>
<td>UNFPA Country Offices</td>
</tr>
<tr>
<td>GRI-Specific Progress Report</td>
<td>Quarterly</td>
<td>Business units that receive GRI funds</td>
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</tbody>
</table>

\[2\] The UNFPA head of unit refers to the Representative, Division Director, Regional Director, Country Director or the Chief of Operations (or the delegated officer), as appropriate.
<table>
<thead>
<tr>
<th>[CO/RO/HQ] Annual Report</th>
<th>Annual</th>
<th>All UNFPA business units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual UN Country Results Report (DaO)</td>
<td>As per UNDG and UNCT guidance</td>
<td>UNFPA COs (as member of the Results Group(s))</td>
</tr>
<tr>
<td>Progress Reporting on Co-Financing</td>
<td>As per donor agreement</td>
<td>All UNFPA business units managing donor funds</td>
</tr>
</tbody>
</table>

Table 1: Summary of Monitoring and Reporting

In Delivering as One (DaO) countries and where the UNCT has set up Results Groups and implements Joint Work Plans (JWPs) as per the UNDG Standard Operating Procedures (SOPs), monitoring and reporting of results will be done at two levels: a) contribution to development progress and collective UNCT accountability towards outcome-level results; and, b) UNFPA’s accountability towards output-level results. In monitoring results stipulated in the JWPs of Results Groups and an UNDAF Action Plan, the country offices should integrate their monitoring activities into the joint monitoring plan/ UNDAF M&E plan to the extent possible, and conduct joint monitoring with relevant UN partners.

### III. Workplan-related Monitoring and Reporting

The Policy and Procedures for Preparation and Management of Workplans guides the design of workplans and their reflection within ATLAS. The section below describes the monitoring of workplan implementation.

Workplan monitoring takes stock of the management of resources and the implementation of workplan activities. It assesses progress made towards achieving the annual target(s), using the target indicator(s) as defined in the workplan. It also assess if the resources are being spent in accordance with the agreed budgets. Developing annual targets for workplan’ output indicator helps UNFPA offices and implementing partners in assessing the degree to which programme outputs are being achieved. Similarly, developing robust workplan budgets helps UNFPA offices and implementing partners in assessing the financial implementation of the planned activities.

There are circumstances in which the country office is unable to regularly monitor its work plans, e.g., due to natural/man-made disasters, or military conflict. In such situations the UNFPA representative provides a note-to-the-file explaining reasons for lack of, or limited monitoring and should conduct regular monitoring once the situation allows for it.

The elements of workplan-related monitoring and reporting are:

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3 Under the Standard Operating Procedures for Countries Adopting the “Delivering as one” Approach (SOPs), the UNDAF Action Plan is to be abolished. However, in the transitional years (particularly for the ongoing cycle of the UNDAF), UNDAF Action Plans may continue to be a relevant programming instrument.
A. Continuous Monitoring

‘Regular’ monitoring is mandatory for all programme activities regardless of whether implemented by a partner or by UNFPA directly. Regular monitoring includes an assessment on how the implementation of activities—programmatically and financially—is progressing compared to what was planned, and on how progress is made towards the intended workplan targets. Monitoring activities must inform decision making, i.e., if changes need to be introduced to the design of the workplan⁴ or to the monitoring framework.

Monitoring activities might include a meeting⁵ or conversation between relevant UNFPA office personnel and that of the implementing partner, or when implemented by UNFPA itself, between the head of UNFPA unit and programme personnel involved in the workplan activities. The purpose of such conversation is:

* To get an accurate assessment of activity implementation, and how this relates to what was agreed upon in the workplan. This includes the periodic assessment of programmatic progress “on the ground”, as well as of the actual financial spending compared to what was initially budgeted.
* To assess the progress towards annual targets specified in the workplan.
* To identify and resolve potential implementation shortfalls and obstacles, and to agree on remedial actions, if any.
* To adapt to changes in the external environment, if any.

In addition to having meetings between stakeholders, continuous monitoring might include visits to the office of the implementing partner or to the site(s) of activity implementation. When monitoring is conducted through site visit(s) or otherwise, UNFPA personnel should document their observations; this could be done by filling out the suggested Workplan Monitoring Report, or through a similar format that suits the same purpose. Any monitoring report should be shared with the implementing partner for their feedback and reactions. UNFPA programme managers are responsible for following up on the recommendations and action points listed in the Workplan Monitoring Report.

Ongoing monitoring also consists of keeping track of key programmatic/financial data in ATLAS⁶. The relevant UNFPA programme manager(s) should use the Cognos Project Monitoring report to ensure that funds are expensed as intended, in particular:

* Proper project IDs and activity IDs were used
* Project IDs are not overcharged (expenses greater than budget)
* Activities are not overcharged (expenses greater than budgets)

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⁴ See instructions on pages 11-12 in the Policy and Procedures for Preparation and Management of Workplans on how to revise workplans.
⁵ Virtual meetings are encouraged wherever technological conditions allow for it.
⁶ This applies also when UNFPA is self-implementing.
• Action is taken to avoid low implementation rate by project ID, and by activity compared to the respective budgets.

Programme managers, if needed with the support of operational colleagues, must alert the head of the unit if discrepancies occur, and should take remedial action, e.g., revise ATLAS budgets, accelerate implementation rate, undertake additional monitoring visits, or return respective funds if the planned implementation will not occur.7

Regional Offices are expected to exercise their role of oversight in ensuring that country offices indeed monitor and manage the above items. A quarterly review by Regional Offices is recommended.

B. Workplan Progress Report

The mandatory quarterly Workplan Progress Report must be prepared by the implementing partner for the IP-implemented workplans. The report must be submitted to the respective UNFPA office and should contain:

a) Expenses incurred against activities and their agreed budgets

b) Status of the implementation of activities, including justification for delays;

c) A brief description of the progress towards achieving the workplan annual target(s), using the target indicator(s). Additionally, the 4th quarter workplan progress report should reflect on the overall achievement of results during the full calendar year.

A Workplan Progress Report is not required when UNFPA is the implementing partner.

The Workplan Progress Report is the responsibility of the implementing partner who is accountable for the information provided, and must be able to provide the supporting documentation upon request. The relevant UNFPA programme manager(s), with the support of operational colleagues, are expected to thoroughly review the report—together with the FACE form—and to decide if the implementation of activities and the achieved progress are in line with the anticipated results and agreed budgets. Any discrepancy should be addressed by UNFPA personnel, e.g., through a revision of the workplan or other remedial action as outlined in the previous section.

UNFPA programme managers are responsible for carrying out quality assurance of the report prepared by the implementing partner, i.e., through subsequent follow-up conversation, or through conducting financial or programmatic spot checks8, if deemed necessary.

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7 It is important to realize a lack of financial implementation as early as possible, and not only at the end of a calendar year. With early action, resources might be reprogrammed, either within the office, or UNFPA-wide.

8 Financial spot checks could take the form of checking for receipts and additional supporting documents, whereas programmatic spot checks could be site visits as described in the section on Continuous Implementation Monitoring.
C. **Funding Authorization and Certificate of Expenditure (FACE) form**

The harmonized **FACE form** must be submitted quarterly—by the implementing partner to report on expenditures against the budgets agreed in the workplan, and, if needed, to request reimbursement of the previous quarter expenses or advances for the next quarter. Both documents should be thoroughly reviewed by the respective UNFPA programme manager(s) and operations colleagues, to ensure financial and programmatic accuracy of the reporting.

The FACE form must be used for direct cash transfers, and reimbursements to implementing partners. The FACE form can also be used for direct payments; however, as a more comprehensive alternative for direct payments, the implementing partners may utilize the **Direct Payment Request Form** to request UNFPA to pay a vendor selected by the implementing partner directly for goods and services as per the contract/invoice signed between the vendor and the implementing partner. UNFPA must ask for supporting documentation, before authorizing/approving the Direct Payment Request.

In order to be processed by UNFPA, the FACE form must be signed by an authorized official from the implementing partner as identified in the Implementing Partner Agreement. In cases where certification of the FACE is delegated to another official, the workplan must specify whether the central authority will process and sign a consolidated FACE, or whether individual FACE forms will be processed by other authorized officials from subordinate offices and implementing partners. The respective reporting relationship must be specified in the work plan.

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*In case if a funding period longer than three months, please refer to the Guidance Note on the reduction of the frequency of cash advances to implementing partners.*
When processing a payment to an implementing partner, a copy of the approved FACE form must be returned to the implementing partner along with the notice of disbursement, cheque, etc.

Further detailed guidance on the proper processing of FACE forms can be found in the Guidelines for the Use of FACE forms, and the FACE form Checklist. Figure 2 summarizes the process.

For cases with a funding period longer than three months, please refer to the Guidance Note on the reduction of the frequency of cash advances to implementing partners. Expenditures must always be reported at least quarterly, but may be reported more than once in a quarter. Funds may also be requested and released more than once in a quarter.
D. Annual Review Meeting

As stipulated in the Policy and Procedures for Preparation and Management of Workplans, UNFPA must carry out an annual review meeting with each implementing partner. This meeting can include one or more implementing partners. Programme managers are expected to initiate such meetings.

During the Annual Review Meeting, UNFPA together with the implementing partner(s), will review the implementation of the workplan activities, expenditures, and discuss progress made towards achieving the programme output(s) by using the established workplan indicators. In cases of a continued cooperation with the implementing partner, such as for multi-year workplans, the implementing partner and UNFPA will revise the workplan for the coming year(s), including activities, budget, output indicator(s) and annual target(s) reflecting lessons learned from previous years.

The Annual Review Meeting with an IP should be properly recorded, filed and maintained in the UNFPA office for future audit and programme evaluation purposes. The IP can be provided with the copy of the records, if requested.

IV. Higher-level Monitoring and Reporting

A. Update of CPAP Planning Matrix for Monitoring and Evaluation

All UNFPA country offices must review and update the Planning Matrix for Monitoring and Evaluation for their respective country programme at least annually as an integral part of programme/intervention management. This format is developed to facilitate proper tracking of results. In DaO countries where the CPAPs and UNDAF action plans have been replaced by the UNDAF and JWP, the country offices should be engaged in updating the relevant UNDAF/JWP M&E plans.

Updating the Planning Matrix for Monitoring and Evaluation must be made on the basis of annual progress review of outputs achieved and agreed during the Annual Review Meetings with Implementing Partners. The update of the matrix may include adding new data, and revising the existing one. The update should reflect actual achievement toward the planned annual target, Monitoring and Evaluation (M&E) activities completed during the year, relevant data gathered, and plans for M&E activities in the next year.

If significant change to the CPD or the CPAP Results and Resources Framework occur, e.g., in the event of a CPAP review, or a realignment of the Country Programme, then the Planning Matrix for Monitoring and Evaluation should be revised accordingly.
B. GRI-Specific Reporting

In the Strategic framework for UNFPA global and regional interventions, 2014-2017, UNFPA committed itself to conduct the below:

- All regional offices and respective headquarters divisions:
  o To submit to the Executive Committee, semi-annually, a dedicated progress report demonstrating how their GRI action plans are progressing and highlighting emerging issues. The Programme Division is responsible for sending out more detailed GRI-specific guidance.
  o To present quarterly updates to the Executive Committee that will serve as an early alert and response system to ensure that UNFPA identifies and addresses emerging implementation issues
- Provide a dedicated progress section on the GRI to the Executive Board, as part of the annual report of the Executive Director.

A midterm review of the global and regional interventions will be part of the overall midterm review of the UNFPA strategic plan, 2014-2017.

C. Annual Reporting

The annual reports are annual self-assessments of the performance of UNFPA units at country, regional and global levels on results achieved against targets set in the strategic plan and unit-specific plans, programmes and interventions, with the purpose of fulfilling UNFPA’s accountability to its Executive Board.

Submission of an annual report is mandatory for all UNFPA offices and units with a country programme, regional and global intervention, and must be developed using the guidelines provided by the Programme Division.

Information provided in the annual reports must be complete, accurate, timely and verifiable by supporting evidence and documentation. The annual reports must communicate results achieved, good practices, lessons learned and challenges from the implementation of UNFPA-supported programmes/interventions. In preparing the annual reports country, regional offices and headquarters units must draw on the data and information generated from monitoring and evaluation activities, in particular from quarterly workplan progress reports, annual review meetings, including the results of the CPAP and UNDAF Annual Review exercise.

Responsibility for information reported lies with the UNFPA head of unit, who assures the quality of the annual report by an electronic sign-off in the online system. Regional offices review the annual reports submitted by country offices within their regions to ensure that the information is complete, accurate, timely and verifiable. They further provide feedback for improvement, and clear before final submission to Programme Division.
For guidelines and quality assurance of annual reporting, please refer to Guidelines for the preparation of the UNFPA Annual Reports.

In DaO countries and those who have opted to use the UNDG SOPs, country offices will contribute to the UN Country Results Report, as part of the Results Groups, to demonstrate the collective contribution of the UNCT to national development goals.

D. UNDAF or One Programme (DaO) Annual Review

Once initiated by the UNCT, at the country level UNFPA must participate in the annual UNDAF or One Programme (for DaO countries) review processes, where applicable, to collaboratively assess the overall progress of UNDAF results and the UNCT contribution to achievement of national goals, as well as the continued relevance of the UNFPA CPAP—for countries that have one—in contributing to national development goals within the joint United Nations framework. In DaO countries this exercise is informed by a review of the joint workplans (JWPs) conducted by the Results Groups, which UNFPA must also actively participate in.

The UNFPA country office is directly responsible for follow-up action to the review conclusions. The UNDAF or One Programme (DaO) Annual Review report may also be transmitted to the Regional Office for follow-up on issues of concern or technical support needs, if any.

The UNFPA Representative has the overall responsibility for making sure the relevant parties involved in the UNFPA-funded programme(s) take action on those recommendations when designing the workplans for the following year.

E. Progress Reporting on Co-Financing

In cases of programmes with co-financing contributions from donors, the UNFPA business unit managing the contribution must provide quality progress reporting to the donors, as per the timeframe contained in the co-financing agreement.

There are two types of narrative reports:

A Progress Report (including provisional financial data): This report is prepared by the country/regional office or headquarters unit managing the co-financed contribution. The report is submitted in accordance with the co-financing agreement signed with the donors. UNFPA encourages annual reporting.

11 This paragraph may also be relevant for countries with UNDAF-like joint UN strategic planning instrument, including Integrated Strategic Framework (ISF). For further information on the Annual UNDAF Review process see the UNDG website. For further information on the ISF, please see the Integrated Assessment and Planning Handbook.
A Final Report (including provisional financial data): This report is also prepared by the country office/regional office or headquarters unit managing the co-financed programme. The report is submitted in accordance with the terms of the agreement (usually within six months of termination of the agreement). The word “provisional” must be added, when including financial progress reports as part of the narrative report, given that only UNFPA Finance Branch is authorized to issue and certify annual and final financial statements, which are produced after the annual accounts are closed.

A high-quality report submission is critical to establish a reliable professional representation of UNFPA’s work:

- For programmes implemented at country level, the representative/director (or equivalent) is responsible for ensuring the quality of reporting.  
- All reports sent to donors must be uploaded in the Donor Agreement and Tracking System (DARTS). Reporting dates are entered by the Resource Mobilization Branch based on the agreement and a dashboard system tracks timeliness and sends reminders on upcoming reporting deadlines.

A standard template for progress reporting to donors could be used in the absence of a donor-specific format. It can be found in the Multi-Donor Partnership Trust Fund Office Gateway, or by following these links for English and French, respectively.

The progress reports may be submitted to the donor at country or headquarters level depending on the donor’s preference and as specified in the co-financing agreement.

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For programmes at headquarters/regional level, this responsibility rests with the respective Director.

This template is normally also followed for UN joint programmes where UNFPA is a “Participating UN organization” in a pass-through fund management modality (unless the donors and the participating UN organizations agree otherwise).