

Terms of Reference

UNITED NATIONS VOLUNTARY TRUST FUND FOR VICTIMS OF TRAFFICKING IN PERSONS, ESPECIALLY WOMEN AND CHILDREN ("THE FUND")

I. Introduction

1. The Fund is established in accordance with resolution 64/293 the General Assembly of 12 August 2010 – United Nations Global Plan of Action to Combat Trafficking in Persons, which provides, in paragraph 38 of the Annex, as follows

Art. 38: Establish the United Nations Voluntary Trust Fund for Victims of Trafficking in Persons, Especially Women and Children, to provide humanitarian, legal and financial aid to victims of trafficking in persons through established channels of assistance, such as governmental, intergovernmental and non-governmental organizations, which shall operate as a subsidiary fund of the United Nations Crime Prevention and Criminal Justice Fund managed by the United Nations Office on Drugs and Crime, and shall be administered in accordance with the Financial Regulations and Rules of the United Nations and other relevant provisions, with the advice of a board of trustees composed of five persons with relevant experience in the field of trafficking in persons who shall be appointed with due regard to equitable geographical distribution by the Secretary-General in consultation with Member States and the Executive Director of the United Nations Office on Drugs and Crime.

II. Purposes and Principles

2. The overall purpose of the Fund is to provide humanitarian, legal and financial aid to victims of trafficking in persons through established channels of assistance (the implementing partners), such as governmental, intergovernmental and non-governmental organizations.

III. Governance

3. A Board of Trustees will be established to provide strategic guidance on the fund and to consider submitted Projects. The Board of Trustees is composed of five experts with relevant experience in the field of trafficking in persons. The members of the Board will be appointed with due regard to equitable geographical distribution by the Secretary-General in consultation with Member States and the Executive Director of the United Nations Office on Drugs and Crime (UNODC). The Fund Manager will serve as an *ex-officio* member of the Board of Trustees.

4. The Trustees appointed by the Secretary-General shall serve terms of three (3) years.

5. The Board of Trustees will elect a Chairperson to chair its meetings. The Chair will be determined by the Board by majority vote, and will be appointed for a one year renewable term. The Chair will be supported in its functions by the Fund Manager.

IV. Operational Arrangements

6. Donor contributions to the Fund will be used to finance activities ("Projects") carried out by the implementing partners recommended by the Board and approved by the Fund Manager. Projects will be funded within the framework of the Fund's Terms of Reference set forth in this document and the Financial Regulations and Rules of the United Nations, as well as the Financial Rules of the United Nations Office on Drugs and Crime.

7. To ensure efficient, transparent, and accountable Fund administration and to support uniform and consolidated reporting, the United Nations Office on Drugs and Crime is designated as the Fund Manager for the Fund. UNODC will administer the Fund in accordance with the Financial Regulations and Rules of the United Nations, the Financial Rules of the United Nations Office on Drugs and Crime and the relevant policies and procedures promulgated by the Secretary-General, and the present Terms of Reference of the Fund.

8. The Fund Manager will undertake a technical review of the proposed Projects submitted by the implementing partners to ensure that they are in line with the purposes and principles of the Fund; ensure that the proposed Projects are in accordance with the relevant Financial Regulations and Rules and Staff Regulations and Rules and other rules and policies of the United Nations; the Financial Rules of the United Nations Office on Drugs and Crime; and manage the technical and administrative review and submission of proposed Projects to the Board of Trustees. The Fund Manager will draw on appropriate expertise within the UN system to conduct the technical review of the proposed Projects, taking into consideration any conflict of interest. To mitigate actual and potential conflict of interest the Board of Trustees must promptly disclose any personal affiliations and/or associations with entities applying for support from the Trust Fund. Once conflict of interest is determined, to ensure fair and unbiased review of proposed Projects such entities shall not be put forward for recommendation.

9. The submissions to the Board will be based on the technical criteria agreed upon by the Board and Fund Manager. In the event the Board, or a Board Member, wishes to view an application not submitted to it, the Board or that Board Member retains the right to request the Fund Manager to supply any applications that fulfilled the eligibility criteria but had not been shortlisted. The Board will provide recommendations on proposed Projects to be supported by the Fund, and on the level of funding to individual proposed Projects (i.e. in full, in part, or rejected) with due regard, amongst other considerations, to the level of financial resources available in the Fund, taking also into consideration a required level of operating reserves.

10. The Board of Trustees shall aspire to make recommendations by consensus as much as possible. However, final recommendations will be made by a quorum of three (3), should consensus not be attainable.

11. Upon receiving the recommendations of the Board of Trustees, the Fund Manager will decide whether to approve the allocation of funds. The allocations may be time bound. The Fund Manager will endeavor to be guided to the maximum extent possible by the recommendations of the Board. The Fund Manager will only approve proposed Projects that have been recommended by the Board of Trustees and for which the required supporting documentation (see paragraph. 12) has been submitted. In the event that the Fund Manager cannot approve the allocation of funds, the Fund Manager will record information on such decisions in the official records of the Fund, and inform the Board accordingly.

12. Where Projects have been approved to be financed by the Fund, a Memorandum of Understanding or other appropriate agreement (“agreement”) shall be concluded between the implementing partner selected to execute the Project and the United Nations, represented by the Fund Manager. The agreement shall set out the purpose of the project; a breakdown of the budget, terms, conditions and modalities for the transfer of the funds to the implementing partners; the implementing partner’s accountability for the use of the funds and for the execution of the Project. Transfer of the funds to the implementing partner shall be effected only upon the issuance of written authorization in the form of an allotment/allocation advice or a grant.

13. Cost plans, which represent a detailed budget plan and a plan of action, clearly outlining the purpose, timing of delivery and distribution of funds must be prepared by the submitting implementing partner.

14. The proposals submitted to the Fund which are selected to receive funds will be implemented by the implementing partners in accordance with their applicable financial regulations, rules, directives and procedures, as long as they are in accordance with the provisions of this Terms of Reference and the terms and conditions provided in the project implementation agreement.

15. The Fund Manager, in consultation with the Board of Trustees, will establish and review the schedule of Board meetings. The number of meetings of the Board will depend on the volume of funding received but the Board shall meet at least once every 12 months. Recognizing that the Fund’s purpose is to supply direct support to victims, the Fund, where possible, will organize Meetings of the Board via video conference and/ or teleconference. To the extent the Board feels the need to meet in person, costs related to hosting of Meetings of the Board will be financed by the Fund, including participation in meetings of the Board, to the extent financial resources for such expenses are available and the Fund Manager approves the use of those funds for that purpose. All accommodation, travel and subsistence allowance will be in accordance with the established travel polices of the United Nations.

16. The Board of Trustees will be responsible for:

- Provision of strategic guidance on the Fund;
- Providing advice on criteria for technical review of proposed Projects;
- Providing recommendations on proposed Projects, after a technical review undertaken by the Fund Manager;
- Reviewing periodic progress reports submitted by the Fund Manager;
- Taking note of the operating budget of the Fund;
- Endorsing an annual report to the Secretary-General noting the status of funding as well as progress of project implementation
- Fund-raising as may be required by the needs of the Fund, including communication amongst Board Members and the Fund Manager about the status of fund-raising;

17. As the Fund Manager, UNODC will be responsible for:

- Accepting financial contributions from donors;
- Administering funds received, in accordance with the UN Financial Regulations and Rules and the Fund's Terms of Reference;
- Assisting the Board in establishing a set of criteria for technical review;
- Ensuring its technical review notes whether the required supporting documentation has been submitted for all proposed Projects, and the proposed Projects are in accordance with the relevant Financial Regulations and Rules and Staff Regulations and Rules of the United Nations and other relevant UN rules and policies;
- Disbursing funds to implementing partners recommended by the Board of Trustees following the final review described above and the procedure described in paragraph 11;
- Consolidating statements and reports, based on submissions provided to it by the Project managers and grantees and provide this information to relevant donors and the Board of Trustees;
- Overseeing the overall monitoring and evaluation function as well as tracking of the progress of Projects, including communication with the Members of the Board about the status of projects, evaluations and overall progress;
- Preparing an annual report on the Fund to the Secretary-General noting the status of Fund as well progress of project implementation;
- Preparing an operating budget of the Fund;
- Providing final reporting to the Board of Trustees, including notification that the Fund has been operationally completed.

18. The Fund Manager and the Board of Trustees will be jointly responsible for mobilization of resources for the Fund.

V. Contributions to the Fund

19. Contributions to the Fund may be accepted from governments, intergovernmental or non-governmental organizations, private-sector organizations and the public at large, in accordance with the United Nations Financial Regulations and Rules. Acceptance of funds from the private sector will be guided by criteria stipulated in the UN Secretary-General's guidelines on cooperation between the UN and Business Community (<http://www.un.org/partners/business/otherpages/guide.htm>).

20. Contributions to the Fund may be accepted in United States dollars or any fully convertible currency. Such contributions shall be deposited into the UNODC bank account and recorded under the Fund created for this purpose by the Fund Manager, as per the banking information provided herewith:

For payment in USD:

Title of account:	United Nations Office on Drugs and Crime
Bank name:	JP Morgan Chase Bank
Account number:	485 00 1594
Bank address:	International Agencies Banking 270 Park Avenue, 43rd floor New York, NY 10017-2014, USA
ABA number:	021 000 021
SWIFT:	CHASUS33

For payment in Euro:

Title of account:	United Nations Office on Drugs and Crime
Bank name:	Bank Austria Creditanstalt
Account number:	012 7010 7400
Bank address:	Vienna International Centre Wagramer Strasse 5 A-1400 Vienna, Austria
Bank code:	Austrian BLZ code 12000 SWIFT/BIC: BKAUATWW IBAN: AT41 1100 0012 7010 7400

21. The value of a contribution payment, if made in currency other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Gains or losses on currency exchanges shall be recorded in the Fund established by the Fund Manager.

VI. Administrative Charges to the Fund

22. The Fund will be charged cumulative 13% of all expenditures in respect of programme support services for the implementation of Projects. Programme support cost incurred by implementing partners and their sub-contractors while executing projects will form part of the above mentioned service charges and would not constitute an additional burden to the Fund.

23. The Fund will also be charged with an amount equivalent to one per cent of the remuneration or net salary of persons whose engagement is financed by the Fund, to provide a reserve of coverage for any claim for service-incurred death, injury or illness, under the applicable United Nations regulations and rules. The reserve shall not be refunded to donors.

VII. Reporting, Transparency and Accountability

24. For each Project approved for funding from the Fund, the recipients shall provide the Fund Manager with the following statements and reports prepared in accordance with the reporting procedures of the Fund:

- Annual narrative progress reports, to be provided no later than three months (31 March) after the end of the calendar year.
- Annual financial statements and reports as of 31 December with respect to the funds disbursed to it from the Fund account, to be provided no later than two months (28 Feb) after the end of the calendar year.
- Certified final financial statements and final financial reports after the completion of the activities in the approved programmatic document and including the final year of the activities in the approved programmatic document, to be provided no later than two months (28 Feb) of the year following the financial closing of the Fund.
- Final narrative reports, after the completion of the activities in the approved programmatic document and including the final year of the activities in the approved programmatic document, to be provided no later than four months (30 April) of the year following the financial closing of the Fund. The final report will give a summary of results and achievements compared to the goals and objectives of the Fund.

25. The Fund Manager will prepare annual consolidated narrative progress and financial reports, based on the reports referred above, and will make them available to the Board of Trustees as well as to the donors upon request.

26. The Fund Manager shall also provide to the Board of Trustees an annual certified financial statement on its activities as Fund Manager ('Report on Sources and Use of Funds') no later than four months (30 April) after the end of the calendar year, as well as a certified financial statement no later than four months (30 April) of the year following the financial closing of the Fund.

27. Should it choose to do so, the Board reserves the right to make audio or video recordings of Meetings of the Board.

VIII. Public Disclosure

28. The Fund Manager will ensure that performance and financial statements of the funds are publicly disclosed on the Fund Manager's website (www.unodc.org). [The Board recognizes the importance of public disclosure, and understands that to protect the

privacy of the Fund's beneficiaries; it is prohibited from making public more information than mentioned in the Terms of Reference, without prior approval from the Fund Manager.

IX. Ownership of Equipment, Supplies and Other Property

29. Ownership of equipment, supplies and other property financed from the Fund shall vest with the United Nations unless project agreements stipulate otherwise. Matters relating to the transfer of ownership to the implementing partners shall be administered in accordance with UN rules and regulations, policies and procedures and the project agreement concerned.

X. Audit

30. The Fund will be subject to the internal and external audit procedures of the United Nations. No other additional or special audit arrangements shall be made with donors.

XI. Closure of the Fund

31. The Fund Manager will notify the Controller when, in the opinion of the Fund Manager, the purpose for which the Fund was established has been realized.

32. The Fund shall be terminated upon completion of activities financed therefrom after the satisfaction of all commitments and liabilities incurred in the implementation of the completed activities.

Any balance remaining at the time the Fund is closed shall be disposed of in a manner consistent with the purpose of the Fund and the Financial Regulations and Rules of the United Nations.

1st August