

OSD Guidelines for FAO country offices providing office space to IFAD

1. FRAMEWORK AGREEMENT

The International Fund for Agricultural Development (IFAD) and FAO have entered into a broad bilateral understanding of cooperation and consultation by framework agreement in 1977.

Since 2007, the two agencies have also been in cooperation in relation to FAO willingness to provide office space and administrative/logistic support to IFAD in a number of countries.

The last global framework agreement between IFAD and FAO to set forth general principles and terms related to FAO's Representations providing Office Space to IFAD's Country Offices was signed on 27 February 2013. It covers the following topics:

- IFAD's staff (internationally and nationally recruited)
- Allocation by FAO of office space and management of the premises
- FAO national staff employed in the IFAD country office
- Disclosure policy

Financial Requirements and other considerations

The Framework Agreement has to be complemented by a country-specific agreement in those duty stations where FAO is hosting IFAD.

The present guidelines by the FAO Office of Support to Decentralization (OSD) are meant for use by FAO Representations. They complement the principles stated in the framework agreement, by providing additional information on how the FAO-IFAD country office arrangements are to be managed, mostly in relation to the financial requirements.

Role of Country offices

Allocation and Management of office space

The Country office agreement envisages that FAO offices hosting IFAD on its premises identifies suitable and MOSS compliant office space within its premises or in a suitable building under the management of FAO. Such office space should consist of the minimum requirement for the staff strength of IFAD and be for the exclusive use of IFAD.

IFAD country staff should have access to common areas such as meeting rooms, toilets, parking areas, corridors, elevators, cafeteria, stairways etc..

Administrative and other services

In cases where FAO has to provide administrative and logistical services to IFAD, all such service should be clearly established during planning and the transaction costs estimated along the same lines as the cost incurred by FAO. All services performed on behalf of IFAD should follow FAO's policies and procedures.

A Country Office that has engaged in the discussion of provision of premises to IFAD should contact OSD for clearance by different units of the Country Office Agreement.

Budgeting, Financing and reporting of costs

IFAD will pay into the FAO corresponding account, the budget amount corresponding to its annual rental share for the allocation of space, its pro-rated share of utilities, other common services, cleaning, security charges, IT services etc.. This budget represents the flat fee.

A servicing fee of 10% will be paid by IFAD to FAO for any specific request outside of the flat fee. The 10% service cost should cover the administrative costs of individual transactions.

FAO will maintain a separate account for IFAD transactions. FAO will provide a Project Status Report to IFAD on six-monthly basis or whenever there is a need for call for funds.

2. OSD ROLE

The function to manage the IFAD-FAO country office arrangements was transferred to OSD in 2014.

In order to support the FAO Representations concerned, OSD – in agreement with OSP and CSFE – has set up a number of country-specific trust funds to receive the contributions by IFAD and allow the FAO Representations to manage them.

OSD has also created an “umbrella” facility in the FAO Field Programme Management Information System (FPMIS) in order to facilitate corporate monitoring/reporting on this exercise and foster a network approach across all the FAO Representations concerned.

3. THE FPMIS “UMBRELLA” FACILITY

The “umbrella” facility established and managed in FPMIS by OSD (ADMA/GLO/003/UMBR) is the first one in the Organization created for administrative purposes and has the following characteristics:

- It is a non-field and a non-project FPMIS entity (this is why it uses the symbol “ADMA”) and does not include any budget at the global level;
- It functions as an overall management, monitoring and reporting facility for the FAO Representations involved;
- It has an ad-hoc FPMIS qualifier called “IFAD-FAO Administrative Facility”;

- It includes all of the country-specific Trust Funds assigned to the FAO Representations involved.

Umbrella page

Title	Account for Administrative Facility - IFAD Framework Agreement	
Objectives	Account for Administrative Facility	
Release to public	<input type="checkbox"/>	
Symbol	ADMA/GLO/003/UMBR	Oracle Activity
Entity Number	629852	FINSYS
Recipient	Global	Donor
LTU	OSD	LTO Unit
Expected Starting		Expected Ending
Funding (Funding Org)	TF/GCP 21 @@ (OSDDD)	Source of funds
Qualifiers		
Last modified on 06 May 2014 Type of Information: Header By: Mathews Azees		
FPMIS Programmes/Umbrella Information		
Projects Linked to the Partnership Programme/Umbrella		
Symbol	Title	
ADMA/SIL/004/IFA	Account for Administrative Facility - FAO/IFAD Framework Agreement in Sierra Leone	
ADMA/RWA/002/IFA	Account for Administrative Facility - FAO/IFAD Framework Agreement in Rwanda	
ADMA/MOZ/003/IFA	Account for Administrative Facility - FAO/IFAD Framework Agreement in Mozambique	
ADMA/MAG/001/IFA	Account for Administrative Facility - FAO/IFAD Framework Agreement in Madagascar	

Country Trust Funds
(linked to the Umbrella)

4. THE COUNTRY-LEVEL TRUST FUNDS

Each FAO Representation hosting an IFAD country office has a separate (non-project) Trust Fund under the OSD-managed “umbrella” facility. The Budget Holders of the Trust Funds are the relevant FAO Representatives and the Funding Liaison Unit is OSD.

The Trust Funds include the indication of recipient country and of the donor (IFAD) in the project symbol (example: ADMA/MAG/001/IFA).

As non-project in nature, the trust fund does **not** utilize the following FPMIS features (related to the FAO project cycle):

- Concept Note
- Logical Framework and Work Plan

The trust fund instead utilizes fully the following FPMIS features/modules:

- Project core page and linkage to the Strategic Framework
- Task force/responsibilities

- Project documentation and comments
- The Budget Module (the budget is created in FPMIS and transmitted to GRMS)
- Qualifier (“IFAD-FAO Administrative Facility”) and link to the “umbrella”.

5. SUPPORT COST REGIME (PSC RATE) FOR THE IFAD CONTRIBUTIONS

The 2013 framework agreement stipulates that FAO shall charge IFAD for hosting the country office in the following way:

- For each country, a yearly flat rate for the use of the FAO premises, other logistics and administrative costs, basic supplies and utilities. The **PSC rate for the flat rate is 0%**, as the cost of administering the services covered by the flat rate is included in the rate itself (Article VI, Section 1 of Framework Agreement).
- For each country, one-time capital costs not covered by the flat rate. **The PSC rate for these costs is 10%**.

Prior to the beginning of each year, FAO Representations are invited to develop an annual work plan with the IFAD country office counterparts to identify the amount to be included in the flat rate and – if required – the additional one-time capital costs.

The work plan – as well as other relevant background documentation 0 should be uploaded in the “documentation” section of the FPMIS core page of each Trust Fund.

Documentation ?		Admin
⊞ Funding Agreement		
⊞ AOS Document		
⊞ Project Agreement		
⊞ Mission Report		
⊞ Other type of documents		

Use the “admin” icon
to upload new
documents

The table below includes indication of which items can fall under the two different categories, as defined in the 2013 Framework Agreement.

Examples of items falling under the flat rate (0% PSC)	Examples of items falling under the one-time capital costs (10% PSC)
<p>Use of premises and other logistics and administrative costs:</p> <ul style="list-style-type: none"> • Use of space • Meeting room • Security costs • Travel arrangements • Basic procurement • Financial reporting • Medical services <p>Basic supplies and utilities:</p> <ul style="list-style-type: none"> • Basic stationary • Office supplies • Electricity • Air conditioning • Heating • Gas • Water • Cleaning • Postal, courier and pouch services • Local phone charges 	<ul style="list-style-type: none"> • Purchase of computer equipment • Purchase of software and licenses • Purchase of furniture and other equipment • Special/unique supplies or special printing requirements • Use of FAO vehicle or driver • Purchase of cellular phones and their charges • Special communication requirements • Travel cost of IFAD staff • IFAD training and workshop costs • Cost of FAO national staff employed by the IFAD country office

In order to take into account the differentiated PSC rates (0% and 10%), each country-specific Trust Fund under the facility has been set up by OSD in the following way:

- With a **child account** having a 10% PSC rate, to be used for the budget/expenditures related to the one-time capital costs;
- With a **baby account** having 0% PSC rate, to be used for the budget/expenditures for the yearly flat rate agreed with IFAD.

Example of the Madagascar Trust Fund:

- **Parent:** TF2G45**MG**14179 (aggregation-only account)
- **Child (00):** TF2G45**00**14179 (10% PSC)
- **Baby (01):** TF2G45**01**14179 (0% PSC)

The FPMIS budgets for both the child and the baby accounts are in “annualized” format, in order to allow capturing the IFAD contributions on yearly basis.

Results Based Budget [ADMA/MAG/001/IFA BABY01] (Template: Results Based) (Annualized)

Organization Codes

Project and Budget Information

Project EOD: 28-APR-2014 Project NTE: 29-APR-2019

Revision Date: 16-APR-2014

Revision code: Original Budget

Justification: ---

Description: [Funding Agreement - FAO-IFAD Framework Agreement \(size: 789 k\), loaded by Bagnardi, Mariangela \(FOMOD\)](#)

Remarks History:

Stephen B. (24/04/2014 15:46:42) - Endorsed

Bagnardi M. (16/04/2014 19:34:30) - Submitted for approval: Dear Bintia, I am submitting for approval. The Budget Holder (Mr Talla) has been notified about this submission. Regards, Mariangela

Bagnardi M. (16/04/2014 19:24:11) - Work in progress

Budget Start Year: 2014 Budget End Year: 2019

Import Budget from DiWH Open all Close all Endorsed (24-Apr-2014)

+ Component Specific Inputs (45,240)

+ Other (0)

Summary

	2014	2015	2016	2017	2018	2019	Grand total
Currently approved budget	45,240	0	0	0	0	0	45,240

Annualized budget

6. REPORTING REQUIREMENTS TOWARDS IFAD

According to the 2013 Framework agreement, no certified financial reporting is required on the utilization of the flat rate contribution.

FAO instead shall provide a financial statement for the one-time capital costs incurred which are not covered by the flat rate, for the six-month period ending 30 June and the year ending 31 December of every year, within 60 days of period end.

In relation to the country-specific Trust Funds, this entails that Financial Reports to IFAD will be on the Child Account only (00) only.

The reports will be checked by the Funding Liaison Unit (OSD) prior to dispatch to the FAORs. The respective

FAORs will transmit the standard report (Project Status Report - PSR) to IFAD.

The Framework Agreement includes the schedule format to be used at the beginning of the year and against which the reporting should be prepared.

Schedule format included in Framework Agreement

Annual Budget Schedule of Hosting IFAD in FAO Premises

Flat Rate + Staff + Others

Country Office in: _____

A.	FLAT RATE	Unit Cost	Budget	Comment
	Use of Premises and Other Logistics and Administrative Costs			Use of space, meeting room, security costs, travel arrangements, basic procurement, financial reporting, medical services, etc.
	Basic Supplies and Utilities			Basic Stationery, office supplies, photocopies, electricity, air-conditioning, heating, gas, water, cleaning, postal, courier and pouch services, , local phone charges, etc.
	FLAT RATE			
B.	One-Time Capital Cost			
	ONE-TIME COST			
C.	Other Services Not Covered by the Above Flat Rate *		To be Identified	
	5013 Consultants (Parent Account)			
	5014 Contracts (Parent Account)			
	5020 Locally Contracted Labour (Parent Account)			
	5021 Travel (Parent Account)			
	5023 Training (Parent Account)			
	5024 Expendable Procurement (Parent Account)			
	5025 Non Expendable Procurement (Parent Account)			
	5026 Hospitality (Parent Account)			
	5027 Technical Support Services (Parent Account)			
	5028 General Operating Expenses (Parent Account)			
	5029 Support Costs (Parent Account)			Calculated as 10% of all costs not covered by the flat rate charge, including staff costs
	5040 General Overhead Expenses (Parent Account)			
D.	Personnel Requirement to be Recruited and Handled by FAO	Unit Cost	Budget	Comment
	National Professional Officer (N-2)	\$ -	-	
	General Service (G-5)	\$ -	-	

7. INTERNAL MONITORING AND REPORTING REQUIREMENTS

The FAO Representations are not required to prepare any specific internal progress report for OSD.

The FAO Representations are however required to:

- Monitor and maintain the budget of the Trust Funds for their country of assignment, including submitting budget revisions in FPMIS as necessary;
- Keep the “comments” section in the FPMIS core page of the Trust Fund of their country of assignment up to date, at least on a six-monthly basis.

The comments provided, as well as other information included in FPMIS, is automatically consolidated into an “umbrella”-level progress report which is accessible by OSD and by all the concerned FAO Representations in the FPMIS “umbrella” page (ADMA/GLO/003/UMBR).

“Documentation” section on the FPMIS core page of ADMA/GLO/003/UMBR

“Umbrella” report

A sample of the “umbrella” report is included below.

Project Symbol	Project Title	Donor	Total Budget	Total Delivered	Cash Received	Status	NTE	Funding Office	BH	General Comment
ADMA/GLO/003/UMBR	Account for Administrative Facility - IFAD Framework Agreement	IFAD		0	0 P3			Stephen, B.	Sholi, V.	This is a non-project trust fund facility Last modified by: Bagnardi, M. on 16 Apr 2014
ADMA/MAG/001/IFA	Account for Administrative Facility - FAO/IFAD Framework Agreement in Madagascar	IFAD	45,240	11,141	22,620 OA	Apr 2019	Stephen, B.	Talla Takoukam, P.		This is a non-project trust fund for the FAO-IFAD Framework Agn Last modified by: Bagnardi, M. on 16 May 2014
ADMA/MAG/001/IFA BABY01	Baby Account for Administrative Facility - FAO/IFAD Framework Agreement in Madagascar	IFAD	45,240	11,141	22,620 OA	Apr 2019	Stephen, B.	Talla Takoukam, P.		
ADMA/MOZ/003/IFA	Account for Administrative Facility - FAO/IFAD Framework Agreement in Mozambique	IFAD	79,690	102,915	79,690 OA	Apr 2019	Stephen, B.	Camarada, C.		This is a non-project trust fund for the FAO-IFAD Framework Agn Last modified by: Bagnardi, M. on 13 May 2014
ADMA/MOZ/003/IFA BABY01	Baby Account for Administrative Facility - FAO/IFAD Framework Agreement in Mozambique	IFAD	79,690	102,915	79,690 OA	Apr 2019	Stephen, B.	Camarada, C.		
ADMA/RWA/002/IFA	Account for Administrative Facility - FAO/IFAD Framework Agreement in Rwanda	IFAD	53,000	22,838	53,000 OA	Apr 2019	Stephen, B.	Maica, A.		This is a non-project trust fund (Account for Administrative Facili Last modified by: Bagnardi, M. on 09 May 2014
ADMA/RWA/002/IFA BABY01	Baby Account for Administrative Facility - FAO/IFAD Framework Agreement in Rwanda	IFAD	53,000	0	53,000 OA	Apr 2019	Stephen, B.	Maica, A.		
ADMA/SIL/004/IFA	Account for Administrative Facility - FAO/IFAD Framework Agreement in Sierra Leone	IFAD	30,800	0	0 OA	Apr 2019	Stephen, B.	Rugalema, G.		This is a non-project trust fund Last modified by: Bagnardi, M. on 24 Jun 2014
ADMA/SIL/004/IFA BABY01	Baby Account for Administrative Facility - FAO/IFAD Framework Agreement in Sierra Leone	IFAD	19,800	0	0 OA	Apr 2019	Stephen, B.	Rugalema, G.		

8. RESPONSIBILITIES AND CONTACTS

As stated above, the FAO Representatives in the concerned duty stations are the Budget Holders of the country-specific Trust Funds. As Budget Holders, the Representatives are by default included in the FPMIS “responsibilities” section of the core pages of the Trust Funds. They are also encouraged to include in the list any other staff in the FAO Representation acting as focal point for the FAO-IFAD country office arrangement.

Responsibilities section



Responsibilities ?	
Role	Officer(E-mail)
Pipeline Task Manager	Bagnardi, Mariangela
Budget Holder	Talla Takoukam, Patrice
Task Force Member	Fabbrini, Roberta
Task Force Member	Muhigirwa, Louis
Task Force Member	Abrina, Angelica
Task Force Member	Cruz, Cynthia
Task Force Member	Conti, Elisabetta
Task Force Member	Rahariiaona Randrianasolo,
Funding Liaison Officer	Stephen, Bintia

FAO Representations are also encouraged to directly liaise with the other Representations involved in the FAO-IFAD country office arrangements, in order to share experiences and lessons learned. The full list of countries with an operationally active Trust Fund is available in the “umbrella” report described above.

OSD is acting as overall manager of the “umbrella” facility and as Funding Liaison Unit, including keeping contacts with IFAD.

OSD is also providing support to the FAO Representations, in consultation with CSFE and OSP as required.

Contacts:

- ***Ms Bintia Stephen-Tchicaya, Programme Officer, OSD***
- ***Ms Mariangela Bagnardi, Programme Officer, OSD-FOM***