

OPERATIONAL INSTRUCTION REF. OI.LG.2019.01

HOSTING SERVICES

1. Authority

1.1. This Operational Instruction (OI) is promulgated by the General Counsel under OD.LG.2018.01 – Legal, on the basis of a delegation of authority from the Executive Director.

2. Purpose

2.1. The purpose of this OI is to provide instructions to regarding the provision by UNOPS of hosting services to our Partners (as defined in OD.EO.2017.02 – Management of UNOPS Partners and Resulting Agreements), in particular the requirements for entering into, and implementing, hosting agreements.

3. Effective Date

3.1. This OI shall become effective immediately.

4. Consequential Changes

4.1. This OI shall abolish and supersede OD 44 – Hosting Services of 27 June 2016 and AI/LG/2016/01 – Hosting Services of 15 July 2016.

_____[signature redacted]_____
James Provenzano, General Counsel

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1. Introduction

1.1. UNOPS provides services to its Partners that support and enable them to operate and deliver projects and programs. Among these is the provision of hosting services, whereby UNOPS, through the conclusion of a hosting agreement (Hosting Agreement), offers a platform to enable a multi-stakeholders initiative without legal personality to transact and operate legally (the Hosted Initiative), typically together with human resources services to engage secretariat personnel that will be responsible for the implementation the Hosted Initiative's operations (the Hosted Initiative Secretariat), as well as additional services by UNOPS to support the Hosted Initiative Secretariat personnel in implement the Hosted Initiative's operations (together, Hosting Services).

2. Requirements

2.1. The provision of Hosting Services and the conclusion of a Hosting Agreement between UNOPS and Partners shall be subject to the following requirements:

- **No Legal Personality:** the Hosted Initiative shall not have legal personality.
- **An Initiative in line with the UN and UNOPS Mandates, Values and Principles:** the Hosted Initiative shall be in line with the mandates, values and principles of the UN and UNOPS, including as defined in UNOPS Executive Director Principles.
- **A Regional or Multi-regional Initiative with Multiyear Funding and Multiple Funding Sources:** when UNOPS assists a Partner in implementing a program or project that is scoped, budgeted and time-bound, UNOPS is able to assess the implications prior to commitment. While it may have a thematic agenda, a Hosted Initiative is open in nature, covers one or several regions, and is funded for multiple years by multiple funding sources.
- **A Need for Programmatic Autonomy:** while the Hosted Initiative is legally hosted by UNOPS and therefore operates as any other UNOPS project, the Hosted Initiative shall enjoy programmatic autonomy and its operations shall be implemented by the Hosted Initiative Secretariat pursuant to an annual programmatic agenda approved by a board or steering committee (Board/SC). UNOPS role shall be to oversee alignment between the activities conducted and the agreed annual programmatic agenda, and between said agenda and the provisions of the Hosting Agreements and UN and UNOPS Mandates, Values and Principles.
- **Compliance with UNOPS Legislative Instruments:** the conclusion of a Hosting Agreement between UNOPS and its Partners, and the implementation of the Hosted Initiative's operations, shall be done in accordance with UNOPS Legislative Instruments (as defined in EOD.ED.2017.01 – Legislative Framework) and UNOPS related process requirements.

3. Governance

- 3.1. The governance of the Hosted Initiative shall comply with UNOPS Legislative Instruments, and shall be based on a clear segregation of duties and boundaries for decision making, thus enabling a culture of accountability and transparency while at the same time facilitating the implementation of the Hosted Initiative's operations.
- 3.2. The governance of the Hosted Initiative shall include a Board/SC. The structure, composition and principles governing the Board/SC, and the creation of any other relevant committees/bodies under the Board/SC, shall be set out in the Hosting Agreement. The Parties to the Hosting Agreements shall appoint and approve the Board/ SC representatives. A UN system organization with the programmatic mandate relevant for the Hosted Initiative agenda shall be represented at the Board/ SC in order to ensure that the Hosted Initiative operates within the UN mandate and values as pertaining to the programmatic content. The UN system organization's representative shall have equal or higher seniority than the Head of the Hosted Initiative Secretariat to ensure appropriate leverage.
- 3.3. In addition, the programmatic autonomy of the Hosted Initiative calls for a clear definition of the respective roles and responsibilities of the entities and personnel responsible for the implementation of the Hosted Initiative's operations, its programmatic oversight and administrative support.
 - The **Parties**, UNOPS and funding sources, to the Hosting Agreement shall be responsible to appoint/ approve the Board/ SC representatives.
 - The **Board/SC** shall be responsible to approve the annual programmatic agenda and budget of the Hosted Initiative and other prerogatives as set out in the Hosting Agreement. It shall meet at least once a year to review the implementation of the Hosted Initiative's operations and ensure and confirm in that such implementation complies with the annual programmatic agenda and funding agreements.
 - The **Head of the Hosted Initiative Secretariat** shall be a staff member appointed by the UNOPS Executive Director on the recommendation of the Board/SC. His/her position shall be funded by the funds allocated to the Hosted Initiative. He/she shall be responsible for the management of the Hosted Initiative operations. He/she shall have a dual reporting line: to the Chair of the Board/SC on matters related to programmatic agenda and budget allocations; and the UNOPS Executive Director or his/ her representative on all other matters.
 - The **Hosted Initiative Secretariat** personnel shall be engaged in accordance with UNOPS Legislative Instruments and process requirements, and shall be responsible to implement the Hosted Initiative's operations under the supervision of the Head of Hosted Initiative Secretariat. All such personnel shall be UNOPS personnel.
 - The **UNOPS Executive Director** is ultimately responsible for the activities and conduct of the Hosted Initiative as a part of UNOPS operations. The UNOPS Executive Director, the UNOPS General Counsel or his/her representative, shall, on the initiatives governing meeting to be held annually as prescribed in Hosting Agreement, present an annual report to the Partners and the Board/SC on the implementation of the Hosted Initiative' operations, the efficiency, operational

and management maturity of the Hosted Initiative Secretariat, and his/her recommended actions and measures.

- A **UNOPS Regional Director** shall be responsible for the overall oversight of, and administrative support to, the Hosted Initiative on behalf of the UNOPS Executive Director and to monitor compliance of the Hosted Initiative with UNOPS Legislative Instruments. His/her position shall not be under the direct budgetary control of the Hosted Initiative to ensure his/her independence in his/her oversight functions. The UNOPS Regional Director, or his/ her representative, shall participate as a non-voting *ex officio* member of the Board/SC, with the role to advise the Board/SC on UNOPS perspective on any contemplated Board/SC actions.
- The **UNOPS Support Team** shall be responsible to provide administrative support to the Hosted Initiative Secretariat, including by providing the Hosted Initiative Secretariat with human resources, procurement, financial and other technical support and advisory services, as defined in the Hosting Agreement. While the UNOPS Support Team shall be funded by the funds allocated to the Hosted Initiative, it shall report to the UNOPS Regional Director or the UNOPS Country Director/ Manager as decided by the Regional Director.

Internal Audit

- Internal audit of the Hosted Initiative's operations and administration shall be done by IAIG as part of UNOPS oversight and/ or under its supervision in accordance with the Hosted Initiative's audit plan as approved by the Board/SC and UNOPS Legislative Instruments. The audit plan can be multiyear and adjusted to funding cycles, but shall cover crucial elements of the Hosted Initiative over a reasonable time period. IAIG submit its audit report to the UNOPS Executive Director, as well as to the UN Board of Auditors.

4. Transfer of Existing Hosted Initiatives to UNOPS

- 4.1. In some cases, the conclusion of a Hosting Agreement between UNOPS and its Partners may require the transfer of the Hosted Initiative to UNOPS from another entity. In such cases, any conclusion is to be preceded with a full Due Diligence as well as all other relevant UNOPS legislative instruments.
- 4.2. In such cases, the transfer of any contracts entered into by the previous entity to UNOPS on behalf of the Hosted Initiative shall be done in accordance with UNOPS Legislative Instruments, in particular those relating to procurement and personnel management.

5. Delegations of authority

- 5.1. The Hosted Initiative Secretariat personnel may hold a delegation of authority (DOA) to be issued in accordance with UNOPS Legislative Instruments.

6. Hosted Initiative Secretariat Personnel

- 6.1. As the Hosted Initiative is legally hosted by UNOPS, the Hosted Initiative Secretariat personnel shall be engaged by UNOPS in accordance with UNOPS Legislative Instruments.
- 6.2. The Hosted Initiative Secretariat personnel shall be entitled to the same benefits as other UNOPS personnel in accordance with UNOPS Legislative Instruments.

7. Full cost recovery

- 7.1. The Hosted Initiative Secretariat shall submit its annual budget and work plan to the Board/SC for approval and shall periodically report on the implementation thereof to the Board/SC.
- 7.2. Pursuant to UNOPS Legislative Instruments, the Hosted Initiative shall operate on the basis of full cost recovery. Accordingly, the Hosted Initiative shall mobilise all required funds to support its activities, including costs relating to personnel. Agreements entered into with the Funding Sources for the receipt of contributions shall, to the extent possible, follow UNOPS templates.

8. Pooled Funding

- 8.1. In the event funds allocated to the Hosted Initiative are to be pooled, rather than allocated to a specific project, the agreements between the Funding Sources and UNOPS shall include a provision stating that the Funding Sources agree that their contribution will be commingled with those from other funding sources and thus their contribution will not be separately identified or administered. These agreements shall also state that financial reports will be provided based on all of the pooled funds, not the funding source's specific contribution. In addition, all such funds should be subject to the same terms with respect to the activities for which the funds will be used.
- 8.2. In the case of a transfer of funds from the previous hosting entity to UNOPS on behalf of the Hosted Initiative, how such funds shall be treated shall be addressed in the Hosting Agreement.

9. Disbursement of Funds and Pre-selection

- 9.1. Disbursement of funds in support of the Hosted Initiative shall be done in accordance with UNOPS Legislative Instruments.
- 9.2. As pre-selection of fund recipients may only be done in accordance with UNOPS Legislative Instruments and by an entity with legal personality other than UNOPS, so that it is able to accept liability for the pre-selected entity's performance, The Board/SC shall be unable to pre-select fund recipients since it does not possess legal personality, even if they comprise representatives of the Funding Sources.
- 9.3. Thus, if the Funding Sources wish to pre-select a fund recipient, each of the Funding Sources shall delegate authority to pre-select to an individual or another entity with legal personality sitting on the Board/SC, which will accept liability for the pre-selected entity's performance on behalf of the funding sources.

10. Intellectual property

- 10.1. As a Hosted Initiative, by definition, lacks legal personality, it is unable to acquire assets and thus cannot on its own possess intellectual property rights.
- 10.2. Accordingly, any intellectual property rights accrued by the Hosted Initiative shall vest in UNOPS. However, to the extent that materials have been developed by or for the Hosted Initiative, any use of such materials by UNOPS shall be made in consultation with the Board/SC. In the event that a Hosted Initiative is transferred to another entity than UNOPS, arrangements shall be made for the assignment of any intellectual property rights to the new hosting entity.

11. Use of UNOPS name, logo and email addresses and resources

- 11.1. Given their differing need for programmatic autonomy and support, the Hosting Agreements shall specify the right of use of UNOPS identity and resources.
- 11.2. As a default, Hosted Initiatives shall have their own branding, including logo, website, email addresses, business cards, etc. However, as Hosted Initiatives are legally hosted by UNOPS, a reference to UNOPS must be included on their website and all official's communications and contractual documents.
- 11.3. As a default, UNOPS provides no support and/ or resources, nor may the Hosted Initiative use UNOPS name, logo and email addresses, beyond what is specified in this instruction, unless otherwise agreed upon.