

UNFPA

Policy Title	Policy and Procedures for Implementing Partner Review and Sanctions
Previous title (if any)	N/A
Policy objective	The purpose of the present policy is to summarize Implementing Partner review and sanctions by UNFPA following the issuance of an investigation report by the Director, Office of Audit and Investigation Services (“O AIS”).
Target audience	Division for Management Services (“ <u>DMS</u> ”), Legal Unit, Policy and Strategy Division, Coordinator for Protection from Sexual Exploitation and Abuse and Sexual Harassment, all personnel working with partners and other administrative units of UNFPA as needed or useful
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UNFPA

Policies and Procedures Manual

Implementing Partner Review and Sanctions

Partnerships

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POLICY AND PROCEDURES FOR IMPLEMENTING PARTNER REVIEW AND SANCTIONS

I. Purpose

1. The purpose of the present policy is to summarize implementing partner review and sanctions by UNFPA following the issuance of an investigation report by the Director, Office of Audit and Investigation Services (“OAIS”)

II. Policy

2. This policy establishes the Implementing Partner Review Committee (IPRC) as the internal body at UNFPA that enforces contract and other remedies as well as Sanction proceedings following the issuance of an investigation report by the Director, OAIS to management.
3. In spending public resources for or in connection with its activities, UNFPA, a subsidiary organ of the United Nations, aims to meet the highest standards of integrity, competency and accountability including to affected populations, and demands the same from implementing partners undertaking programme activities for UNFPA. UNFPA, therefore, will not fund activities by or transfer programme supplies or non-expendable equipment to implementing partners that do not meet those high standards of integrity and competency, including implementing partners involved in or responsible for Proscribed Practices such as corrupt practices, fraudulent practices, and practices involving sexual exploitation and abuse or sexual harassment.
4. For clarity, UNFPA commercial vendors are subject to the terms of the Policies and Procedures Manual (“PPM”), Vendor Review and Sanctions. (Specific provisions of the PPM, Vendor Review and Sanctions, are incorporated by reference into the present document; see section III C: ”Applicability of the UNFPA PPM, Vendor Review and Sanctions”.)

5. Definitions

The term:

- (a) “Implementing Partner” is defined in UNFPA Financial Regulation 2.1 k).¹ The Implementing Partner is responsible for the conduct of its employees, officers, advisers or representatives.
- (b) “Implementing Partner Agreement” is the agreement concluded between UNFPA and the Implementing Partner in accordance with UNFPA Financial Rule 109.3(c), setting out the rights and obligations of the parties.

¹ For clarity, an entity that is a party to a Programme Supplies Distribution Agreement is also considered an Implementing Partner for purposes of this document.

- (c) “[Programme Supplies Distribution Agreement](#)” or “[PSDA](#)” means the agreement concluded between UNFPA and a non-government entity, civil society organization or government entity in lieu of the standard form of Implementing Partner Agreement for the distribution of programme supplies to beneficiaries.
- (d) “[HACT](#)” means the Harmonized Approach to Cash Transfer Framework (February 2014) of the United Nations Sustainable Development Group (“[UNSDG](#)”), available at <https://unsdg.un.org/resources/harmonized-approach-cash-transfers-framework> or at such other URL as UNSDG may from time to time decide, and the policies and procedures established by UNFPA to operationalize the HACT Framework.
- (e) “[Last Mile Assurance](#)” or “[LMA](#)” means the UNFPA process to provide assurance that UNFPA programme supplies are adequately managed and safeguarded by Implementing Partners across all levels of the supply chain, minimizing waste and fraud, and reaching the service delivery points in a timely and effectively manner where beneficiaries can access the supplies, available at <https://www.unfpa.org/last-mile-assurance>, and the policies and procedures established by UNFPA to operationalize the Last Mile Assurance Framework.
- (f) “[Proscribed Practices](#)” means corrupt, fraudulent, collusive, coercive, obstructive and unethical practices. These terms are defined in the [UNFPA Oversight Policy](#) as approved and from time to time amended or revised by the UNFPA Executive Board;
- (g) “[SEA](#)” means sexual exploitation and sexual abuse. These terms are defined in [ST/SGB/2003/13](#).
- (h) “[Sanction](#)” means an administrative determination, including any necessary measures or rehabilitative requirements, made by the Deputy Executive Director (Management) (“[DED/M](#)”) based on the recommendation of the Implementing Partner Review Committee (“[IPRC](#)”), intended to ensure compliance with UNFPA regulations, rules and procedures, applied by UNFPA as a result of demonstrated Implementing Partner engagement in a Proscribed Practice.

III. Procedures

A. Implementing Partner Review Committee (IPRC)

6. The IPRC is an administrative body of UNFPA. The IPRC manages Implementing Partner review following the issuance of an investigation report by the Director, OAIS, the enforcement of contract and other remedies, as well as any Sanction proceedings.

It collaborates as needed and is not a sitting group. It decides on its own procedures unless expressly provided for under the present policy.

7. IPRC membership is functional, not personal. Depending on the matter under consideration, members may include the Division for Management Services (“DMS”), Legal Unit, Policy and Strategy Division, Coordinator for Protection from Sexual Exploitation and Abuse and Sexual Harassment, and other administrative units of UNFPA as needed or useful.
8. The Director, DMS, or in her/his absence, the Officer-in-Charge of DMS, is the Chair of the IPRC and reports in this capacity to the Deputy Executive Director (Management). DMS serves as the IPRC Secretariat.

B. Contract Remedies, HACT, LMA

9. The IPRC may consider, apply and enforce a broad range of remedies based, inter alia, on the terms of the Implementing Partner Agreement, the terms of the PSDA, the HACT and the LMA. These include:
 - (a) Establish and seek recovery of any level of indebtedness from the Implementing Partner, by payment, offset or otherwise;
 - (b) Establish and seek recovery of the value of programme supplies transferred to the Implementing Partner and/or the return of programme supplies not yet distributed or consumed by the Implementing Partner;
 - (c) Suspension of the Implementing Partner Agreement or any workplan;
 - (d) Termination of the Implementing Partner Agreement or PSDA, including for corrupt, fraudulent or other Proscribed Practices;
 - (e) Non-renewal of the Implementing Partner Agreement;
 - (f) Risk mitigation for remaining and/or future cash transfers under the Implementing Partner Agreement and HACT, e.g. monitoring, exclusion of procurement, direct payments to Implementing Partner’s vendors, reduction of cash transfer amounts;
 - (g) Risk mitigation for remaining and/or future transfers of programme supplies, including suspension of any transfers of programme supplies, alternative arrangements for the management, safeguarding, transportation and distribution of programme supplies;

- (h) Risk mitigation in cases of credible allegations of SEA, including in accordance with the United Nations Protocol on Allegations of Sexual Exploitation and Abuse involving Implementing Partners;
 - (i) Use of assurance activities in accordance with the relevant terms of the Implementing Partner Agreement or PSDA (e.g. more frequent spot checks, Implementing Partner audit);
 - (j) Demand or require the submission of further information under the Implementing Partner Agreement;
 - (k) Written or verbal reprimand, censure, warning or similar interventions;
 - (l) Disclosure to other United Nations agencies of investigation findings, as appropriate.
10. Referral to a member state for consideration of criminal accountability will be done by the UNFPA Legal Unit, in accordance with established practices for such referrals.

C. Sanction Proceedings

11. In addition and without prejudice to the remedies outlined above, the IPRC may institute Sanction proceedings in respect of any Proscribed Practices by a local or international non-Government organization or academic institution acting as Implementing Partner (UNFPA Financial Regulation 2.1 k) (d) and (e); “Respondent”). In deciding whether to institute such proceedings, the IPRC will consider the specific circumstances of the matter, including: (i) the financial amount, value or materiality of the alleged fraudulent, collusive or other Proscribed Practices; (ii) the degree to which the alleged modus operandi was corrupt, egregious or otherwise seriously objectionable; (iii) the degree to which the allegations indicate systemic or organized wrongdoing; (iv) any remedial or other appropriate actions taken by the Implementing Partner; (v) the interests of UNFPA and the United Nations system; (vi) practicality and passage of time; and (vii) any mitigating or aggravating factors prima facie applicable in the matter.
12. *Notice of Administrative Action.* If the IPRC has decided to bring Sanction proceedings, it will prepare a Notice of Administrative Action (“NAA”). The NAA shall:
- (i) identify each individual or entity that may be subject to Sanctions;
 - (ii) identify the alleged Proscribed Practices;
 - (iii) summarize relevant facts that form the basis for the allegations;

- (iv) state that the Respondent has an opportunity to respond to the NAA in writing within thirty (30) calendar days and that failure to do so may result in the IPRC considering that the NAA has been admitted in full;
 - (v) state that the IPRC may recommend that the DED/M may impose Sanctions;
 - (vi) state that UNFPA may request, after Sanctions have been imposed, that the Respondent be included in the Ineligibility List;
 - (vii) specify any other information that the IPRC finds relevant to the allegations; and
 - (viii) state that any information or data provided by UNFPA is confidential and only intended for the purposes of these proceedings, that the IPRC work product is privileged, that UNFPA is not required to provide further information or documentation, and that nothing in or related to the NAA shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including its subsidiary organs.
13. The IPRC Chair will sign the NAA and the IPRC Secretariat will ensure service on the Respondent.
14. The IPRC Secretariat may extend the 30-day deadline for the Respondent's reply as it deems appropriate under the circumstances.
15. **Respondent's Reply.** The Respondent may reply to the NAA in writing and submit supporting documentation, any admissions it may wish to make, and provide explanations on any mitigating circumstances. If the Respondent does not provide any reply, the Sanction proceedings shall nevertheless proceed.
16. The IPRC will review the Respondent's reply, if any. It may request additional information or clarifications from the Respondent, OAIS, the relevant country or regional or headquarter office or any other administrative unit of UNFPA. (OAIS, consistent with its operationally independent status, is not required to accommodate the IPRC request for additional information or clarifications.)
17. **IPRC Proceedings.** The IPRC will make its recommendations based on the information and documentation provided. IPRC deliberations are closed and Respondents shall have no right to a hearing. The IPRC may, at its discretion, hold hearings when it deems them necessary, and shall determine their duration and form. The IPRC may, if it so requires, obtain the assistance of internal or external specialized advisors.
18. The Respondent shall not be entitled to request any additional information or documentation from UNFPA other than provided in or with the NAA.

19. The IPRC Secretariat will retain relevant documentation, submissions and correspondence related to Sanction proceedings in accordance with the UNFPA document retention schedule.
20. UNFPA will maintain the confidentiality of relevant information. Information or documentation subject to professional privilege is exempt from disclosure. UNFPA may withhold any information or documentation if there is a reasonable basis to conclude that providing the information or documentation may endanger the life, well-being, safety or health of any person or entity, or that is otherwise sensitive or confidential.
21. Any IPRC records and work product are confidential and protected from disclosure as part of the archives of UNFPA under United Nations privileges and immunities.
22. **Final Decision.** If the IPRC determines that there is sufficient basis to find that the Respondent was involved in Proscribed Practices, the IPRC Chair will issue a written report to the DED/M summarizing its determination and stating a recommendation on Sanctions. The DED/M will take the final decision, which shall take effect immediately. The IPRC Secretariat will inform the Respondent of the final decision. However, if the IPRC determines that there is insufficient basis to find that the Respondent was involved in Proscribed Practices, the IPRC will close the Sanction proceedings.
23. **Settlement.** Either party may at any time propose terms of a settlement or compliance arrangement. The IPRC Chair takes the final decision on settlement or compliance agreements.
24. **Applicability of the UNFPA PPM, Vendor Review and Sanctions.** The following provisions of the UNFPA PPM, Vendor Review and Sanctions, apply *mutatis mutandis* to Sanction proceedings against Implementing Partners: Definitions (paragraph 2.3); Reports of Proscribed Practices to OAIS; Investigation by OAIS (section 4); Sanctions (section 14); Disclosures (section 15); Disclosures to other possibly affected international organizations (section 17); Common actions (section 18); Monitoring (section 19); Exigency (section 20); Exceptions (section 21); Rehabilitation (section 22). Reference to the VRC means the IPRC; Chief, PSB means Director, DMS; and CPO means DED/M.