

# UNHCR Innovation Funds – Programme 101

*All you need to know about how the Innovation Funds – which sit at the heart of UNHCR's Innovation Incubator – work programmatically.*

This Innovation Fund is open to colleagues in UNHCR Country Operations, Multi-Country, Regional, and HQ entities. Financial resources unlocked by this Fund are made available by charging UNHCR Innovation's Cost Centre/PTEO and therefore do not require operations to have OL space to accommodate the activities. OL transfers are therefore generally not required but in certain cases, they can be made based on a mutual agreement between UNHCR Innovation and the respective entity provided these are approved by the Representative and respective Regional Bureaux or relevant director in HQ.

Based on agreement, options for project delivery/implementation include: 1) Project Partnership Agreements (PPAs), which can be split across multiple cost centres in accordance with the UNHCR relevant system Procedures; 2) Direct Implementation, which also covers procurement of goods and services; or 3) Blended/Hybrid Approach, which combines elements of the previous two options. This funding is not usually used to cover staffing but may – to an extent and if justified – be used to bring on board temporary workforce (e.g., affiliate workforce, JPOs), or, in very exceptional circumstances, cover existing staff. The inclusion of any staff costs will be assessed on a case-by-case basis, and the project team should share a clear rationale, not represent a high percentage of the overall budget and must be dedicated to the development and testing of the solution.

As the timeline for implementation is up to 18 months, many pilots are multi-year projects. A budget allocation is made per calendar year in agreement between the endorsed team and UNHCR Innovation based on the expected workplan. In accordance with the budget allocation per year (for multi-year projects), all commitments pertaining to the interventions that were decided to be feasibility implementable in the current year must be raised before UNHCR's internal global year-end deadlines or the relevant implementation year (e.g., purchase orders). In certain cases, additional deadlines aimed at enabling various processes (e.g. early booking of funds) may be requested by UNHCR Innovation's Programme Management Unit (PMU) in coordination with the respective projects' focal points.

## **Access to financial resources**

Financial resources secured through the Innovation Fund will be accessed by charging UNHCR Innovation's Cost Centre/PTEO or as agreed with the project's focal points, including Programme. If not used, funds approved for the respective year of the initial allocation are not necessarily or automatically carried over to the following year. Each year's funds are approved in consideration of available resources and agreed upon set of interventions. During the last quarter of each implementation year, performance achievements as well as financial expenditures and commitments will be assessed against the overall approved project's budget and activities. The outcome will support UNHCR Innovation and the relevant project team in determining the set of activities to be implemented in the following year and its corresponding budget. Subsequently, UNHCR Innovation will work towards making available the needed resources through fundraising efforts.

## Direct Implementation

For activities implemented by UNHCR directly, Country Operations/HQ entities will be required to charge the costs to the Innovation Service PTEO Codes (Project, Task, Expenditure Type, and Expenditure Organization). Raising of REQs and generation of POs are done in conformity with the standard UNHCR deadlines for the relevant budget year (please refer to this page), and/or as authorized to the relevant Country Operation or HQ entity. Unused requisitions that are not converted to Purchase Orders prior to the deadline must be cancelled, resulting in resources not being utilized, as originally planned for the relevant project, with no guarantee about availability of funds in the following year. It is the responsibility of the project team that is implementing the project to ensure adequate tracking of expenditures, including commitments and obligations. Furthermore, the project's technical and Programme focal points should inform UNHCR Innovation's Programme focal point and PMU team of any challenges, including projected under/overspent as early as possible to allow time to resolve issues.

## Partnership Agreements

Often, UNHCR teams deliver projects through Project Partnership Agreements (PPAs). Please note that if an Innovation Project is endorsed, this does not constitute endorsement of the identified partner (or vendor, in the event of a collaboration with the private sector entity). The partnership selection and/or procurement processes should be led and managed by the Operation in close collaboration between the project team and the operation's or other HQ entity's Programme and other relevant stakeholders and must follow the formal procurement or partnership selection processes as well as UNHCR rules and regulations. This means that even if the project team has collaborated with an entity during the application/submission process, the final partner selection will follow established procedures to ensure the best entity for implementation of the project is selected.

## Deadlines

In accordance with the budget allocation per year (for multi-year projects), commitments and obligations must be made before circulated deadlines for the respective budget year – with no exceptions. The financial resources provided are made available through earmarked contributions from our various state and private sector donors only. Extensions of implementation will only be considered under exceptional circumstances and based on operational exigencies. The project focal point should submit a request in writing for any requested extension of implementation duration. UNHCR Innovation has the right to reallocate funds if not committed by the Country Operation or Regional/HQ entity.

## Technical Guidance

PMU-specific walk-in sessions will be conducted on a monthly basis. At these sessions, instant support on procedural and technical issues will be provided by the most senior Programme Management staff member of UNHCR Innovation. Also, support can be sought through e-mails and Teams exchanges.

## Financial Monitoring

Once projects are approved, fixed deadlines will be communicated, by which all project technical/Programme focal points must submit financial details – including expenditures and system-recorded obligations – for the relevant reporting periods, using the designated UNHCR Innovation templates. In principle, for each 12-month period of implementation (from January to December), there are three reporting deadlines plus a submission deadline in March of the following year, whereby the latter reflects end-of-project financial reporting.