

THE WESTERN BALKANS SALW CONTROL ROADMAP MULTI-PARTNER TRUST FUND

Terms of Reference

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1. Introduction

The Western Balkans Small Arms and Light Weapons (SALW) Control Roadmap Multi-Partner Trust Fund is set up to support the implementation of the [Roadmap for a sustainable solution to the illegal possession, misuse and trafficking of Small Arms and Light Weapons and their ammunition in the Western Balkans by 2024](#) (the Roadmap).

While significant progress has been made in recent years, the scale of accumulation of SALW and ammunition, inadequate storage conditions, widespread illicit possession and gaps in implementation continue to limit the effectiveness of firearms/SALW control efforts in parts of the Western Balkans. Additionally, the region remains one of the sources of illicit arms trafficking.

To address these challenges, the Roadmap for a sustainable solution to the illegal possession, misuse and trafficking of Small Arms and Light Weapons and their ammunition in the Western Balkans was developed as a follow up to the High-Level Meeting on SALW control in South East Europe held on 1 February 2018 in Podgorica, Montenegro. The meeting was attended by Deputy Ministers of Interior and Deputy Ministers of Foreign Affairs in South East Europe who adopted the [Joint Statement](#), and the Roadmap Elements. The Roadmap was developed by the SALW commissions of the Western Balkans in the framework of the Franco-German donor coordination initiative on illicit firearms trafficking in the Western Balkans and with the technical assistance of the South Eastern and Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons (SEESAC). The Roadmap was finalized at the Regional meeting of SALW commissions on 29 of May in Tirana and adopted on 10 July 2018 at the 5th Western Balkans Summit in London.

The Roadmap is a testimony of the consensus reached among all stakeholders in the region about the current challenges, the overall targets to be reached, and timeline of actions to be taken. It provides an overall platform for commonly agreed levels of performance, and outlines the commitment required at the strategic, policy and operational level amongst the beneficiaries, building on the political commitment to the UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects as well as legal obligation stemming from the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components and Ammunition.

The United Nations 2030 Agenda for Sustainable Development, adopted on 25 September 2015, affirmed that sustainable development cannot be realized without peace and security and that illicit arms flows are amongst the factors which give rise to violence, insecurity and injustice. The UN Member States undertook to strengthen partnerships and cooperation at all levels in preventing and combating the illicit trade in SALW, and to promote and strengthen border cooperation and regional and sub regional coordination at the third UN conference to review progress made in the implementation of the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects, held in June 2018.

In reaching its goals, the Roadmap primarily contributes to the achievement of the Sustainable Development Goal (SDG) 16, *Promote just, peaceful and inclusive societies*, and secondly to SDG 5, *Achieve gender equality and empower all women and girls*. Specifically, the Roadmap is mainly linked to SDG target

16.4 *By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime.* The Roadmap aims at supporting countering the illicit trafficking and misuse of firearms through improved SALW control legal frameworks and evidence-based policies, increased national capacities for detection, seizure and confiscation of misused firearms, increased public awareness about the dangers of firearms misuse, and strengthened capacities for inspection systems and implementation of life cycle management of SALW and ammunition.

Additionally, the Roadmap can be also linked to the following targets:

- 16.1. *Significantly reduce all forms of violence and related death rates everywhere.* Through its goals and targets, the Roadmap envisions a safer Western Balkans with continuously fewer intentional homicides committed by firearms, and increased public feeling of safety in relation to armed violence across the region.
- 5.2. *Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation.* The Roadmap acknowledges that the misuse of firearms can have differentiated effects on women, men, girls and boys, and encourages gender responsive polices that address the specific needs of women and girls in terms of safety and security

2. Rationale and Fund's Functions:

The Fund's primary rationale is to ensure a donor coordinated approach in the implementation of the Roadmap for a sustainable solution to the illegal possession, misuse and trafficking of Small Arms and Light Weapons and their ammunition in the Western Balkans: Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, Republic of Serbia and The Republic of North Macedonia. It will enable a platform to strengthen coordination, planning and communication among the donors, implementing partners and national authorities, and develop synergies among different players involved in this programmatic area. It also reduces risks to governments and financial contributors through a comprehensive risk and results-based management system.

3. Theory of Change and Scope of the Fund

The objective of the Fund is to contribute to the implementation of the Roadmap for a sustainable solution to the illegal possession, misuse and trafficking of Small Arms and Light Weapons and their ammunition in the Western Balkans. The Roadmap's vision is that the Western Balkans is a safer region, and an exporter of security, where comprehensive and sustainable mechanisms, fully harmonized with the European Union and other international standards, are in place to identify, prevent, prosecute, and

* *References to Kosovo shall be understood to be in the context of Security Council Resolution 1244 (1999).*

control the illegal possession, misuse and trafficking of firearms, ammunition and explosives. This will be achieved through 7 Roadmap goals:

- GOAL 1. By 2023, ensure that arms control legislation is in place, fully harmonized with the EU regulatory framework and other related international obligations and standardized across the region.
- GOAL 2. By 2024, ensure that arms control policies and practices in the Western Balkans are evidence based and intelligence led.
- GOAL 3. By 2024, significantly reduce illicit flows of firearms, ammunition and explosives (FAE) into, within and beyond the Western Balkans.
- GOAL 4. By 2024, significantly reduce the supply, demand and misuse of firearms through increased awareness, education, outreach and advocacy.
- GOAL 5. By 2024, substantially decrease the estimated number of firearms in illicit possession in the Western Balkans.
- GOAL 6. Systematically decrease the surplus and destroy seized small arms and light weapons and ammunition.
- GOAL 7. Significantly decrease the risk of proliferation and diversion of firearms, ammunition and explosives

The Roadmap defines the overall targets for the achievement of these goals, as well as baselines and expected timeframes.

The Roadmap strategy is **that if** legislative and regulatory framework on SALW/firearms control in the Western Balkans is fully harmonized with the European Union framework and other international agreements, which will consequently enable the compatibility of arms control laws and procedures amongst the Western Balkans, **then this** will lead to standardization of SALW/firearms control procedures and practices allowing for a better and more efficient response to the firearms related threats at both national, regional and EU level.

The Roadmap strategy is also **that if** policies are based on data and analytical assessments, **this will** lead to better prevention and managing of risks in countering the illicit trafficking and misuse of firearms and enable better response to old and new arms control challenges, such as new technologies, ever changing modus operandi as well as the dynamic social, political and security environments.

Also, if SALW control strategies and policies are gender responsive - addressing the differentiated impact that the illegal possession and use of firearms have on women and men, then this will lead to better prevention and response to incidents committed with firearms, and reduced firearm-related violence towards women and men.

Furthermore, considering that majority of weapons are legally produced but many of them are diverted later into illicit use, the project strategy is **that if** detection and risk profiling capacities are strengthened, as well as rate of adjudication of misuse and trafficking of firearms cases increased, capacities for prevention of diversion of legal trade strengthened as well as regional cooperation facilitated, **then this** will lead to significant reduction of illicit flows of firearms, ammunition and explosives.

Furthermore, **if** awareness of general population about the dangers of misuse of firearms is increased, then this will lead to reduced supply, demand and misuse of firearms.

Also, **if** there is increased seizure, conditions in place for legalization and voluntary surrender, and systematic use of deactivation, and destruction, **then** this will lead to substantial decrease of firearms in illicit possession in the Western Balkans and decreased surplus.

The Roadmap strategy is also that **if** capacities for inspection systems and implementation of life cycle management of SALW and ammunition are in place, **then** this will lead to significant decrease of the risk of proliferation and diversion of firearms.

Progress of the implementation of the Roadmap will be measured through the following key performance indicators:

1. Number of legal frameworks on arms control throughout the Western Balkans fully harmonized with the EU legislation, the Arms Trade Treaty and the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components and Ammunition (The Firearms Protocol);
2. Number of evidence-based arms control policy documents, developed in each jurisdiction of the Western Balkans, that are also addressing needs of men, women, boys and girls;
3. Number of cases, individuals and quantity of misused and trafficked firearms, ammunition and explosives (FAE) prosecuted and adjudicated in comparison to the number of law enforcement reports on seizures;
4. Number of cases and quantity of FAE seized inland compared to the number of cases and quantity of FAE seized at the borders;
5. Number of reported cases of FAE seized at the borders of the European Union and traced to the Western Balkans, compared to the number of FAE seized throughout the European Union and traced to or diverted from the Western Balkans;
6. Number of FAE for which export licenses were issued by the Western Balkans identified as diverted through post-shipment control procedure;
7. Firearms Focal Points established and operational in each jurisdiction of the Western Balkans;
8. Number of inter-institutional cooperation cases at operational level, including investigation, prosecution and pretrial phases;
9. Number of cases of operational cooperation sourced from intelligence information including ballistic intelligence in the fight against firearms related crimes, with authorities in the region, EU member states and agencies as well as international law enforcement agencies;
10. Number of incidents involving firearms and victims affected by the misuse of firearms, disaggregated by gender and age, in each jurisdiction of the Western Balkans;
11. Number of FAE voluntarily surrendered, as well as firearms legalized or deactivated;
12. Number of reported SALW/firearms, ammunition, and explosives confiscated or surplus systematically destroyed;

13. Number of SALW/firearms and their ammunition storage facilities in line with international safety and security standards;
14. Percentage of citizens satisfaction (disaggregated by age and gender) or feeling of safety on armed violence across the Western Balkans.

A detailed Results and Resources Framework (RRF) will be developed by the Secretariat and approved by the Steering Committee within the first 3 months after the operationalization of the Trust Fund.

4. Fund Governance and Coordination

The fund governance will consist of a Steering Committee and a Secretariat.

The **MPTF Steering Committee** will be chaired by UNDP and will consist of representatives of the Participating Organizations, France and Germany (as co-chairs of the donor coordination initiative on illicit firearms trafficking in the Western Balkans), top three donors to the Fund and all other donors who are granted the observer status (with no voting right), for increased transparency, access to information and provision of inputs. Additionally, the EU is granted the ex-officio membership with full voting rights considering the political and significant financial contribution for the Roadmap implementation. The Steering Committee will also include the MPTF Office as the Administrative Agent of the Fund, as ex officio member without the right to vote.

The functions of the Steering Committee will include the following:

- i. Provide general oversight and exercising overall accountability of the Fund;
- ii. Approve the strategic direction of the Fund and its overall results framework;
- iii. Approve Fund risk management strategy and review risk monitoring regularly;
- iv. Review and approve proposals submitted for, ensuring their conformity with the requirements of the Fund Terms of Reference (TOR);
- v. Decide the allocation of funds;
- vi. Request fund transfers to the Administrative Agent (signed off by UN member of the Steering Committee);
- vii. Review Fund status and oversee the overall progress against the results framework through monitoring, reporting and evaluation;
- viii. Review and approve the periodic progress reports consolidated by the Secretariat based on the progress reports submitted by the Participating Organizations;
- ix. Commission mid-term and final independent evaluations on the overall performance of the Fund;
- x. Approve direct costs related to fund operations supported by the Secretariat;
- xi. Approve Fund extensions and updates to the Fund TOR, as required.

Secretariat

The South Eastern and Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons (SEESAC) project hosted by UNDP will function as the Secretariat of the Fund. The Secretariat is responsible for the programmatic coordination and monitoring of the Fund, providing technical and management support. The costs incurred to the Secretariat in providing this support will be charged as direct costs to the MDTF with the approval of the Steering Committee, as per the MDTF MoU. The budget for the Secretariat is agreed and approved annually by the Steering Committee. Over the lifetime of the Fund, the Secretariat budget should not exceed 3% of contributions received.

The Secretariat is responsible for:

- i. Advise the Steering Committee on strategic priorities, programmatic and financial allocations;
- ii. Provide logistical and operational support to the Steering Committee;
- iii. Organize calls for proposals and appraisal processes;
- iv. Ensure the monitoring of the operational risks and Fund performance;
- v. Consolidate annual and final narrative reports provided by the Participating UN Organizations and share the consolidated reports with the Steering Committee for review;
- vi. Consolidate the quarterly progress reports submitted by the Participating Organizations into updates submitted to the Steering Committee on a quarterly basis;
- vii. Facilitate collaboration and communication between Participating UN Organizations to ensure programmes are implemented effectively.
- viii. Liaise with the Administrative Agent on fund administration issues, including issues related to project/ fund extensions and project/fund closure.

The Administrative Agent

The Fund is administered by the MPTFO under the pass-through management modality. The Fund's administration services, whose costs are 1% of received contributions[†], include:

- (i) The Fund's setting up: support to the Fund's design (Terms of Reference and Operation Manual), and development of legal instruments; and
- (ii) The Fund's administration: receipt, administration and release of funds to Participating Organizations in accordance with decisions from the Steering Committee, and financial report consolidation.

The MPTFO is responsible for the following functions:

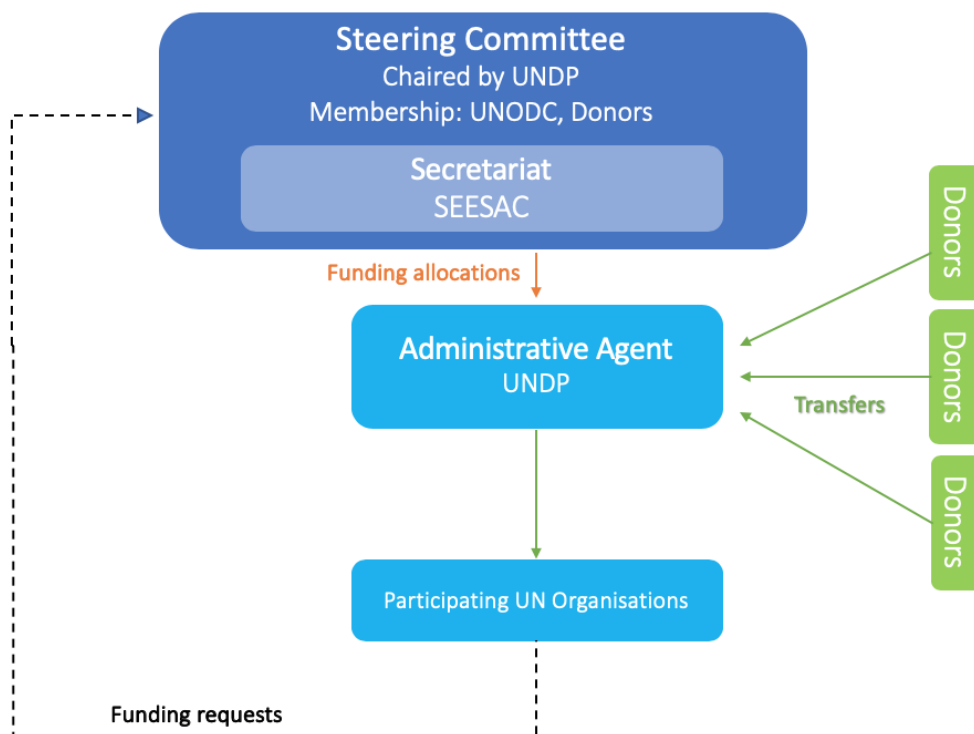
- Provide support to the design of the Fund;
- Sign a Memorandum of Understanding (MOU) with UNS Participating Organizations;

- Sign Standard Administrative Agreements with donors that wish to contribute financially to the Fund;
- Receive and manage funds included those of the Fund's closure;
- Invest and reinvest Fund's resources according to investment policies, practices and procedures. Any profits will be added to the Fund's resources and will not be credited to the contributions of a particular donor.
- Provide updated information to the Steering Committee regarding the regular resource availability;
- Subject to the availability of resources, transfer funds to Participating Organizations in accordance with the Steering Committee decisions;
- Consolidate the annual and final financial reports submitted by Participating Organizations;
- Submit annual consolidated narrative and financial reports to the Steering Committee, donors, and the Participating Organizations;
- Submit the final consolidated narrative report and the final consolidated financial report to the Steering Committee, donors and the Participating Organizations;
- Provide a Fund's final financial report which included a notice of the Fund's closure;
- Release funds as direct costs for the running of the Secretariat, based on the Steering Committee decisions. The Administrative Agent will annually notify the Steering Committee about the amounts used to that end.
- Release funds for additional expenses that the Steering Committee decide to allocate;
- Provide tools for fund management to ensure transparency and accountability.

The Participating UN Organizations

Resources will be allocated to Participating UN Organizations (i.e. the UN organizations that have signed the MoU with the Administrative Agent). Each Participating UN Organization will assume full programmatic and financial accountability for the funds disbursed to it by the Administrative Agent. Such funds will be administered by each Participating UN Organizations in accordance with its own regulations, rules, directives and procedures and indirect costs of the Participating UN Organizations recovered through programme support costs will be harmonized at 7%. Implementing Partners, consisting of Government institutions and NGOs can receive funding from the Fund through Participating UN Organizations.

Figure 1: Governance Architecture



5. Contributions

Contributions to the Fund may be accepted from Member States, regional bodies, inter-governmental organizations, non-governmental organizations, businesses, foundations and individuals. Prior to agreeing to accept a contribution from a non-State actor, the Administrative Agent will conduct due diligence to ensure that these planned contributions are in line with the United Nations policies on the contributions from non-State actors. Due diligence process will include consultations with the Fund Secretariat and may include consultations with participating United Nations organizations.

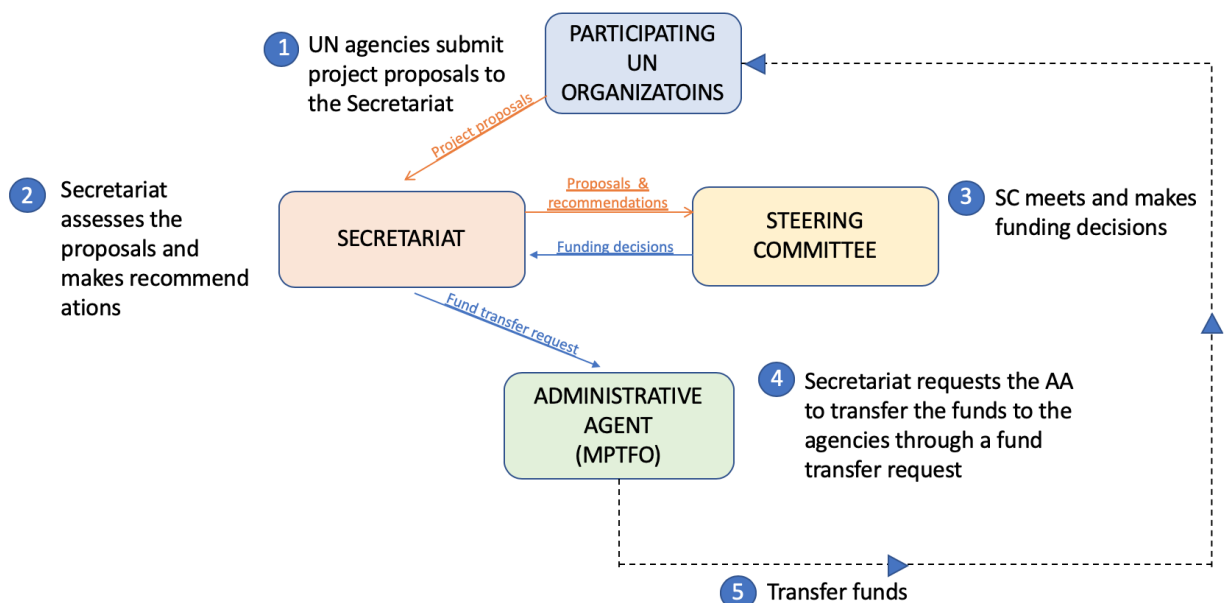
Contributors will provide un-earmarked contributions (with light earmarking possibilities at country level, once the minimum USD 5mil threshold has been reached), which will be programmed by the Steering Committee, supported by the Secretariat.

Contributions may be accepted in fully convertible currency. Such contributions will be deposited into the bank account designated by UNDP MPTF Office. The value of a contribution payment, if made in other than US dollars, will be determined by applying the United Nations operational rate of exchange in effect on the date of payment.

6. Program and Project Approval Process

The participating UN organizations of the Fund will submit project proposals to the Secretariat based on agreed criteria and at intervals agreed by the Steering Committee. Project proposals should be gender-responsive and integrate the gender perspective across their results and activities. The Secretariat assesses the project proposals against the agreed criteria and submits recommendations to the Steering Committee. The Steering Committee meets and makes funding decisions based on the priorities of the Fund and considering the recommendations by the Secretariat. Following the funding decisions by the Steering Committee, the Secretariat requests the Administrative Agent to transfer funds to the Participating UN Organizations through a fund transfer request (in order to reduce transaction costs, the value of each transfer from the Administrative Agent to the Participating UN Organizations should not be below \$100,000). The Administrative Agent transfers the funds to the Participating UN Organizations which can further transfer the resources to other Implementing Partners.

Figure 2: Project approval cycle



7. Risk management

As a pooled fund, the Fund is a risk sharing mechanism among all stakeholders. It can also assist in establishing a common understanding of risks and can provide more efficiently and strategically for risk mitigation and adaptation measures. Risk sharing is a key element of the due diligence and operationalization of the Fund, and it is understood that the residual risk is shared among all stakeholders. Three types of risks – contextual, programmatic, and institutional – will be considered and provisions for the identification, monitoring, tolerances, and risk responses will be elaborated as part of the Fund risk management strategy.

A risk management strategy, including a risk ranking matrix is to be developed by the Fund Secretariat in the first six months after establishment of the fund for approval by the SC. It will capture the hierarchy of risk at different levels, allowing an assessment of the most appropriate responses to the identified risks, particularly to those risks most likely to impede success (very high and high).

8. Monitoring, evaluation and reporting

Monitoring and Evaluation (M&E) of the Projects:

Monitoring and Evaluation of the agency-specific projects and joint programmes funded under the Fund will be undertaken in accordance with the provision contained in the agency-specific projects and joint programmes submitted by concerned Participating UN Organizations, which are consistent with the respective rules, regulations and procedures of the Participating UN Organizations. In the case of NGOs accessing funding through the MA, the rules, regulations and procedures of UNDP will apply.

Evaluation:

The SC, through the Secretariat, should contract independent evaluations on the overall performance of the Fund, charged to its general expenditure. These evaluations will be conducted (at a minimal) in the mid-term and at the time of the Fund's closure, but if the fund is extended more evaluations could be commissioned. The objective of these evaluations is to analyze the Fund's performance, thus testing the theory of change described in the Results Matrix. The intermediate evaluation(s) will provide specific recommendations to the SC regarding the matrix of results and the underlying theory of change, including its revision if deemed necessary.

Reporting:

The responsibilities related to reporting are gathered and detailed in the Memorandum of Understanding (section IV) and Standard Administrative Agreements (SAA) (section V).

Narrative report

The participating UN organizations will submit the following reports to the Secretariat for consolidation and further transmission to the Administrative Agent:

- (a) The participating UN organizations will submit quarterly narrative reports to the Secretariat within one month after the end of the quarter;
- (b) Annual narrative reports to be provided no more than three months (March 31st) after the end of the calendar year;
- (c) Final narrative reports after the end of activities contained in the program-related approved document, including the final year of such activities, to be submitted no more than four months (April 30th) after the end of the calendar year in which the operational closure of the activities in the approved programmatic document occurs.

Annual and final reports will exhibit results based on evidence. Annual and final narrative reports will compare actual results against estimated results in terms of outputs and outcomes and they will explain the reasons of higher or lower performance. The final narrative report will also include the analysis of how the outputs and outcomes have contributed to the Fund's global impact.

The Administrative Agent will send the annual narrative reports to the SC members, other donors and the Participating Organizations by 31 May every year, and the final narrative report within six months (30 June) after the year in which the operational closure of the Fund occurs.

Financial Report

The Participating United Nations Organizations will submit the following financial statements and reports (all reports and statements will be broken down by the harmonized UNDG budget categories):

- (a) Quarterly financial reports to the Secretariat, within one month after the end of the quarter. Quarterly financial reports will be based on provisional financial data;
- (b) Annual financial reports to December 31st, regarding released resources by the Fund to them to the Administrative Agent; these shall be provided no more than four months (April 30th) after the ending of the calendar year;
- (c) Final certified financial statements and financial reports after the completion of activities contained in the program-related approved document, including the final year of such activities to the Administrative Agent, to be submitted no more than five months (May 31st) in the following year after the financial closure of the activities in the approved programmatic document occurs.

Based on the reports mentioned in sub-sections (b) and (c) above, the Administrative Agent will prepare consolidated financial reports which will submit to each of the Fund's Contributors and to the Steering Committee as per the schedule established in the Standard Administrative Agreement, as well as to the Participating Organizations. The annual consolidated reports shall be sent by 31 May every year, while the final consolidated financial report by 31 May after the year of the financial closing of the Fund.

9. Accountability and transparency

These clauses are detailed in the legal instruments that will govern the Fund (MOU, MOA and SAA).

Accountability:

The participating UN Organizations will provide implementation services in accordance with their own financial regulations, rules and policies.

For each project or program approved for funding, each implementing entity will provide the Secretariat and the MPTFO annual and final reports and financial statements prepared in accordance with their accounting system and reporting procedures, as stated in the legal agreements signed with the Administrative Agent.

Financial audit: the Administrative Agent and the Participating UN organizations will be audited according to their own financial rules and regulations, in line with the audit framework for multi-donor funds, as agreed by the Audit Internal Services of the UN implementing bodies and endorsed by UNDG in September 2007.

Transparency:

In line with the standard MOU and SAA, all stakeholders should take appropriate measures to promote the Fund. Information shared with the press regarding fund beneficiaries, official notices, reports and

publications shall acknowledge the Fund's role. More specifically, the AA shall ensure that the role of the contributors and relevant stakeholders is fully acknowledged in all external communications related to the Fund.

The MPTFO website, Gateway (<http://mptf.undp.org>), is a web-based service portal that provides real-time financial data issued directly from the UNDP accounting system. Once established, the Fund will have a separate page in the Gateway portal which will allow partners and the public at large to follow the Fund contributions, transfers and expenses, and access key documents and reports.

10. Operations Manual

The Fund's Terms of Reference is accompanied by an Operations Manual that details all operating details of the Fund.

11. Amendments, duration and termination

The Steering Committee will be able to modify any of the provisions of these terms of reference in writing as it deems necessary, including the extension.

The Fund was established for an initial duration of 3 years with an end date of 31 December 2021 and was initially extended until 30 June 2023. For technical reasons and without prejudice to the duration of the Western Balkans SALW Control Roadmap, the Steering Committee agreed, during its meeting in February 2023, to a further extension of the Fund until 31 December 2025. If needed and justified, and based on the approval by the Steering Committee, the fund will be further extended provided that it maintains an appropriate level of capitalization.

The last date to transfer funds to the Participating UN Organizations will be conducted with maximum six (6) months before the end date of the Fund. Completion of all operational activities should happen by the end date of the Fund. The dissemination of the final narrative report by the Administrative Agent to the Steering Committee, donors and the Participating Organizations will be by 30 June after the end of the calendar year in which the operational closure of the Fund occurs.

All Participating UN Organizations will provide certified final financial reports of financially closed projects no later than five (5) months (31 May) after the end of the calendar year in which the financial closure of the activities in the approved programmatic document occurs, or according to the period specified in the financial regulations and rules of the Participating UN Organization, whichever is earlier.

The dissemination of the certified final financial statement ("Source and Use of Funds") is to be provided no later than five months (31 May) after the end of the calendar year in which the financial closing of the Fund occurs.

Notwithstanding the completion of the initiatives financed from the Fund, any unutilized balances will continue to be held in Fund Account until all commitments and liabilities incurred in implementation of the programmes have been satisfied and programme activities have been brought to an orderly conclusion.

As per the standard MOU and SAA, any balance remaining in the Fund Account upon completion of the Fund will be used for a purpose mutually agreed upon or returned to the Donor in proportion to its contribution to the Fund as decided upon by the Donor and the Steering Committee.

Annex 1: Roadmap for a sustainable solution to the illegal possession, misuse and trafficking of Small Arms and Light Weapons and their ammunition in the Western Balkans by 2024