**Designation and Responsibilities of Signatories**

1. **Signatory Panels**
2. Under Financial Rule 125.03, the Treasurer shall designate the initial signatories to operate UNDP bank accounts and the staff authorized to amend the signatory panels.
3. Signatories are staff who have been designated by the Treasurer to operate UNDP bank accounts. The Signatory Panel for any UNDP bank account is made up of those individuals designated by the Treasurer or under the delegated authority, by the Head of the Office (HO/RR) to operate that UNDP bank account. Structure Element – Procedures
4. The Treasurer delegates to the Head of the Office the responsibility to designate and maintain the panel of signatories for locally domiciled bank accounts.
5. Treasury maintains a central database of signatories to all UNDP accounts. Changes approved by the Head of the Office should be communicated to the Treasurer through the established channel immediately together with the title, index number, and contract status of the nominated signers. The Treasurer retains the responsibility to maintain the signatory panel for zero-balance accounts (ZBA).
6. In line with Financial Rule 125.06(b), the operation of UNDP bank accounts requires two signatories. Exceptions to this rule require the written approval of the Treasurer, subject to adequate safeguards implemented by the Country Office.
7. **Types of Signatories**

For the purpose of this policy, the signatories that operate a bank account are defined as “Transactional Signers.” Transactional Signers are only authorized to sign written payment instructions (such as cheques or transmittal letters) to the bank. Transactional Signers do not have the authority to Open or Close Bank Accounts. Such authority remains with the Treasurer and HQ Treasury officials separately designated by the Treasurer with such authority. Such Treasury signers may be referred as “Legal Entity Signer” or “Constitutional Signers” or “Authorized Signers.”

1. **Bank Accounts with no Transactional Signers**

With the increased use of Electronic Fund Transfers (EFT) as a Straight-through-Process (STP), such as Host-to-Host, and usage of bank accounts domiciled in different locations; there may not be a need for the use of Cheques or signed written payment instructions to the bank. For such bank accounts, for example, bank accounts with 100% EFT use, a virtual bank account, or Zero Balance Accounts (ZBA) domiciled outside the Country Office locations where Cheque payment is not used, it is acceptable to not designate any Transactional Signers, provided it is also acceptable to the respective Bank. Doing so would reduce administrative work, and reduce risk by eliminating the potential unauthorized and unintended use of manual instructions. Such bank accounts will be identified by Treasury in consultation with the country offices and will be controlled by the HQ Treasury Signers for overall control and management.

Where offices use banks’ online platforms to electronically approve payment instructions, the payment instruction approval must be executed by at least one of the existing Transactional Signers. If there are no Transactional Signers nominated for the office’s local accounts, but approval rights need to be granted for the online platform, the nominated online approvers must meet the ICF definition of the Disbursing Officer, the third authority.

1. **Selection of the Panel**
2. The Head of the Office is accountable for the selection and performance of the panel member. The Head of the Office should nominate only those individuals who he/she feels demonstrate the integrity, and competency to perform the responsibilities of the role.  All signatories must be chosen based on the following guidelines:

* Signatories must hold a UNDP FTA or TA contract.
* Locally recruited staff may be signatories.
* Two JPOs cannot sign jointly.
* Personnel Services Agreement holders (I-PSA/N-PSA), UNV contract holders, and the consultants cannot be signatories.
* Staff of other UN Agencies cannot be signatories.

1. Signatory Panels are necessary to proper functioning of “Internal Controls” and function as one of the three authorities outlined in the Internal Control Framework. Consequently, Signatory Panels must be reviewed routinely to ensure that the information is current and that there are sufficient – but not too many – signatories to ensure the smooth functioning of the office. The Head of the Office must also ensure compliance with the segregation of duties for the role described in the Internal Control Framework, i.e., a bank signatory must not prepare the bank reconciliation, nor create A/P vouchers or deposits; and where only one bank account signatory is authorized by the Treasurer, the signatory cannot also be a supplier approver (i.e., cannot hold a Supplier Maintenance role in IDAM).
2. UNDP staff cannot serve as signatories on the bank accounts of other UN entities or national execution (NEX/NIM) project.
3. **Responsibilities of the Signatory**

Signatories must ensure that UNDP bank accounts are used for UNDP business only. Signatories must ensure that all disbursements from UNDP bank accounts are valid and approved payments. This responsibility is executed when signatories sign checks and/or approve bank transfers.

1. **Designating Signatories for Zero Balance Accounts**
2. The Head of the Office will recommend suitable staff to be designated members of the signatory panel for the Zero Balance Account (ZBA) for his/her office. The Treasurer will designate these staff as signatories to operate the Zero Balance Account after receiving the request from the Head of the Office on the Bank signatory update form (See Main Procedures: Designating Signatories for Zero Balance – Bank signatory update form and BoA ZBA Signature Card).
3. Requests to add signatories to the ZBA must be accompanied by the title, index number and contract status of the individual along with a legible copy of a currently valid and signed Laissez Passer or national passport.
4. If the office is not issuing Cheques from the ZBA Account, no Transactional Signers will be maintained for such Zero Balance Account (ZBA).