Consolidated Annual Financial Report on Activities Implemented under the South Sudan Common Humanitarian Fund

Report of the Administrative Agent of the South Sudan CHF for the period 21 February – 31 December 2012

Multi-Partner Trust Fund Office
Bureau of Management
United Nations Development Programme

http://mptf.undp.org

15 May 2013

PARTICIPATING UN ORGANIZATIONS

	Food and Agriculture Organization (FAO)
	United Nations Educational Scientific and Cultural Organization (UNESCO)
	United Nations Children's Fund (UNICEF)
	United Nations Development Programme (UNDP)
	United Nations Department of Safety and Security (UNDSS)
	United Nations Mine Action Service (UNMAS)
	United Nations Office of the High Commissioner for Refugees (UNHCR)
	UN Office for the Coordination of Humanitarian Affairs (OCHA)
	United Nations Office for Project Services (UNOPS)
	United Nations Population Fund (UNFPA)
	World Food Programme (WFP)
	World Health Organization (WHO)

PARTICIPATING NON-UN ORGANIZATIONS

	International Organization for Migration (IOM)

CONTRIBUTORS

	Australian Agency for International Development (AusAID)
	Denmark
	Irish AID
	Netherlands
	Norway
	Swedish International Development Cooperation (Sida)
	UK Department For International Development (DFID)

DEFINITIONS

Approved Project
A project document, including budget that is approved by the Humanitarian Coordinator for fund allocation purposes.

Delivery rate
A financial indicator of the percentage of funds that have been utilized by comparing the expenditures reported by a Participating Organization against the 'net funded amount' (i.e. the amount transferred to the Participating Organization by the MPTF Office, less any refunds transferred back by the Participating Organization). The delivery rate may be calculated for an individual project within a Fund or for a Participating Organization across a Fund.

Contributor Commitment
An amount intended to be contributed by a contributor to a Fund based on a signed Standard Administrative Arrangement (SAA) with the UNDP Multi-Partner Trust Fund Office (MPTF Office), in its capacity as the Administrative Agent of the South Sudan CHF. The commitment may have been fulfilled through a deposit received from the contributor to the Fund or expected to be fulfilled through a future deposit.

Contributor Deposit
A deposit of cash for the Fund received and applied by the UNDP MPTF Office.

Indirect support costs
A general cost that cannot be directly related to any particular project or activity of the Participating Organizations. As per UNDG policy, all UN entities may charge a maximum of 7 percent as indirect costs.

Managing Agent
A UN Organization that has signed the MOU as a Participating UN Organization (PUNO) and performs an oversight function vis-à-vis NGOs receiving funding. In the case of the South Sudan CHF UNDP is the Managing Agent. The Managing Agent has the same obligations as any other PUNO that has signed the MOU, including for reporting.

Net funded amount
The amount transferred to a Participating Organization by the MPTF Office, less any refunds transferred back by the Participating Organization.

Participating Organizations
The Organizations that have signed a Memorandum of Understanding with the MPTF Office.

Project Expenditure
The sum of expenses reported by all Participating Organizations irrespective of which basis of accounting each Participating Organization follows.

Total Approved Budget
Amount approved by the Humanitarian Coordinator.

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1. INTRODUCTION

This First Consolidated Annual Financial Report of the South Sudan Common Humanitarian Fund (South Sudan CHF) is prepared by the United Nations Development Programme (UNDP) Multi-Partner Trust Fund Office (MPTF Office) in fulfillment of its obligations as Administrative Agent of the South Sudan CHF, contained under the South Sudan CHF Terms of Reference (TOR), the Memorandum of Understanding (MOU) signed between the UNDP MPTF Office and the Participating Organizations, and the Standard Administrative Arrangement (SAA) signed with contributors.[1]

The MPTF Office, as Administrative Agent for the South Sudan CHF, is responsible for concluding an MOU with Participating Organizations and SAAs with contributors. It receives, administers and manages contributions from contributors, and disburses these funds to the Participating Organizations in accordance with the decisions of the Humanitarian Coordinator (HC). The Administrative Agent prepares and submits annual consolidated financial reports, as well as regular financial statements on the South Sudan CHF account to the HC, for transmission to contributors.

This consolidated financial report covers the period 21 February to 31 December 2012 and provides financial data on progress made in the implementation of projects funded by the South Sudan CHF. It is posted on the MPTF Office GATEWAY (http://mptf.undp.org/factsheet/fund/HSS10).

[1] This Report has been shared by the Administrative Agent with the Humanitarian Coordinator for South Sudan, and OCHA for inclusion in the final South Sudan CHF Annual Report. For increased public transparency, it is posted on the MPTF Office GATEWAY (mptf.undp.org).

2. FINANCIAL OVERVIEW

The South Sudan CHF Fund was established in February 2012, as a funding mechanism for the Consolidated Appeals Process (CAP) The CAP covers the activities of the UN Agencies, IOM and Non-Governmental Organizations (NGOs) which participate in the nation-wide coordination structures facilitated by OCHA in close consultation with Government authorities.

By the end of 2012, total contributions of US$ 118.27 million have been received from seven contributors as further described in Section 3.

Table 1 provides an overview of the overall sources, uses, and balance of the South Sudan CHF as of 31 December 2012. Out of US$ 118.27 million received from contributors, US$ 97.58 million has been transferred to the Participating Organizations.

Apart from contributions, the South Sudan CHF also receives funds from interest income earned on the balance of funds. Earned interest comprises two sources of interest income: (1) interest earned on the balance of funds held by the Administrative Agent; and (2) interest earned on the balance of funds held by Participating Organizations where the Financial Regulations and Rules of the Participating Organization permit remittance of interest. By the end of 2012, the earned interest amounted to US$ 63,072. All interest credited to the Fund is used for additional projects as determined by the Humanitarian Coordinator.

The Administrative Agent fee is charged at the standard rate of 1 percent of contributions received. As of 31 December 2012, the AA fees charged to the South Sudan CHF totaled US$ 1.18 million.

Table 1: Financial Overview for the period ending 31 December 2012 (in US Dollars)

	Annual 2011	Annual 2012	Total
Sources of Funds			
Gross Contributions	-	118,272,755	118,272,755
Fund Earned Interest Income	-	63,072	63,072
Interest Income received from Part Organizations	-	-	-
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MPTF		-	-
Other Revenues	-	-	-
Total: Sources of Funds	-	**118,335,827**	**118,335,827**
Use of Funds			
Transfer to Participating Organizations	-	97,581,772	97,581,772
Refunds received from Participating Organizations	-	-	-
Net Funded Amount to Participating Organizations	-	**97,581,772**	**97,581,772**
Admin Agent Fees	-	1,182,728	1,182,728
Direct Costs: (Secretariat…etc.)	-	-	-
Bank Charges	-	623	623
Other Expenditures	-	-	-
Total: Uses of Funds	-	98,765,123	98,765,123
Change in Fund cash balance with Admin Agent	-	**19,570,704**	**19,570,704**
Opening Fund balance (1 January)	-	-	-
Closing fund balance (31 December)	-	**19,570,704**	**19,570,704**
Net Funded Amount to Participating Organizations	-	97,581,772	97,581,772
Participating Organizations' Expenditure	-	50,727,381	50,727,381
Balance of Funds with Participating Organizations	-		**46,854,391**

3. PARTNER CONTRIBUTIONS

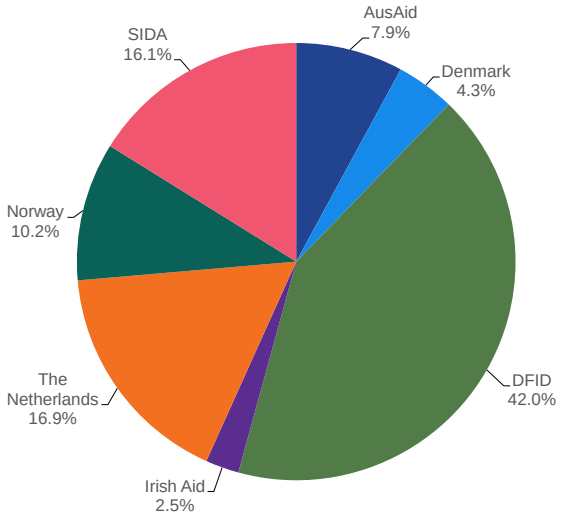
Table 2 displays the breakdown of the received contributions. The South Sudan CHF is currently being funded by seven contributors that have signed SAAs, namely the Governments of Denmark, the Netherlands, and Norway, the Australian Agency for International Development (AusAID), the UK's Department for International Development (DFID), Irish Aid, and the Swedish International Development Cooperation Agency (Sida). **In 2012 South Sudan CHF received US$ 118.27 million in contributions**.

Table 2: Contributor Deposits (in US Dollars)

Contributors	Deposits		
	Prior Years as of 31 Dec 2011	Current Year Jan – Dec 2012	Total
Australian Agency for Int'l Development	-	9,345,700	9,345,700
Denmark	-	5,123,826	5,123,826
Department for International Development (DFID)	-	49,695,300	49,695,300
Irish Aid	-	2,918,900	2,918,900
Netherlands	-	20,000,000	20,000,000
Norway	-	12,106,630	12,106,630
Swedish International Development Cooperation (Sida)	-	19,082,399	19,082,399
Grand Total	**-**	**118,272,755**	**118,272,755**

As shown in Figure 1, the four biggest contributors to the South Sudan CHF have been DFID (42.0 percent), Netherlands (16.9 percent), Sida (16.1 percent) and Norway (10.2 percent).

Figure 1: Deposits by Contributor, cumulative as of 31 December 2012 (in percentages)



4. INTEREST EARNED

Table 3 provides a summary of the interest earned.

Table 3: Earned Interest (in US Dollars)

Interest Earned	Prior Years as of 31 Dec 2011	Current Year Jan – Dec 2012	Total
Administrative Agent			
Fund Earned Interest and Investment Income	-	63,072	63,072
Total – Fund Earned Interest	**-**	**63,072**	**63,072**
Participating Organizations (PO)	-	-	-
Total – Interest Income received from PO	**-**	**-**	**-**
TOTAL	**-**	**63,072**	**63,072**

4.1 ADMINISTRATIVE AGENT (FUND-LEVEL) EARNED INTEREST

During the reporting period, the South Sudan CHF AA (Fund-level) earned interest income was US$ 63,072.

4.2 INTEREST EARNED BY PARTICIPATING ORGANIZATIONS

All interest earned by the Participating Organizations is credited to the South Sudan CHF account unless the governing bodies of the said Participating Organizations have approved decisions that govern the specific use of interest earned on contributions. No interest earnings were reported by Participating Organizations for the reporting year, because most of the Participating Organizations would pay their 2012 earned interest in the following year.

5. TRANSFER OF FUNDS

With the overall aim of improving the timeliness and coherence of the humanitarian response, upon the decision of the Humanitarian Coordinator transfers are made to projects in twelve Clusters of the Fund namely: Common Services and Coordination, Education, Emergency Telecommunications, Food Security and Livelihoods, Health, Logistics, Mine Action, Multi-sector (Emergency and Refugees), Non-food Items (NFIs) and Emergency Shelter, Nutrition, Protection, and Water and Sanitation (WASH).

5.1 TRANSFERS TO PARTICIPATING ORGANIZATIONS

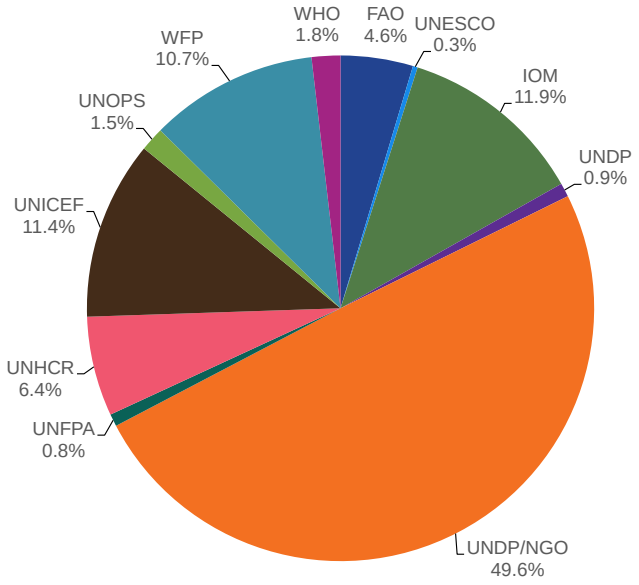
Thirteen Participating Organizations have signed the MOU for the South Sudan CHF since its inception in February 2012. **In 2012 the Administrative Agent, based on the approval of the HC, transferred US$ 97.58 million to ten Participating Organizations.** The distribution of transferred funding, consolidated by Participating Organization, is summarized in Table 4. The term "Net Funded Amount" refers to amounts transferred to a Participating Organization by the MPTF Office less any refunds transferred back by the Participating Organization.

Table 4: Transfers, Refunds and Net Funded Amount by Participating Organization (in US Dollars)

Participating Organization	Prior Years as of 31 Dec 2011			Current Year Jan - Dec 2012			Total		
	Transfers	Refunds	Net Funded Amount	Transfers	Refunds	Net Funded Amount	Transfers	Refunds	Net Funded Amount
FAO	-	-	-	4,500,064	-	4,500,064	4,500,064	-	4,500,064
IOM	-	-	-	11,605,946	-	11,605,946	11,605,946	-	11,605,946
UNDP/NGO	-	-	-	48,414,211	-	48,414,211	48,414,211	-	48,414,211
UNDP	-	-	-	856,000	-	856,000	856,000	-	856,000
UNESCO	-	-	-	300,000	-	300,000	300,000	-	300,000
UNFPA	-	-	-	770,100	-	770,100	770,100	-	770,100
UNHCR	-	-	-	6,220,709	-	6,220,709	6,220,709	-	6,220,709
UNICEF	-	-	-	11,144,788	-	11,144,788	11,144,788	-	11,144,788
UNOPS	-	-	-	1,500,000	-	1,500,000	1,500,000	-	1,500,000
WFP	-	-	-	10,485,002	-	10,485,002	10,485,002	-	10,485,002
WHO	-	-	-	1,784,952	-	1,784,952	1,784,952	-	1,784,952
Grand Total	**-**	**-**	**-**	**97,581,772**	**-**	**97,581,772**	**97,581,772**	**-**	**97,581,772**

UNDP serves as a Managing Agent (MA) for funds approved by the HC for implementation by NGOs. As shown in Table 4 and Figure 2, in 2012 UNDP as a Managing Agent received the largest share of funding for the NGO projects (US$ 48.41 million or 49.6 percent), followed by IOM (US$ 11.60 million or 11.9 percent), UNICEF (US$ 11.14 million or 11.4 percent), WFP (US$ 10.49 million or 10.7 percent), UNHCR (US$ 6.22 million or 6.4 percent), FAO (US$ 4.50 million or 4.6 percent), WHO (US$ 1.78 million or 1.8 percent), UNOPS (US$ 1.50 million or 1.5 percent), UNDP (US$ 0.86 million or 0.9 percent), UNFPA (US$ 0.77 million or 0.8 percent) and UNESCO (US$ 0.30 million or 0.3 percent) as shown in Figure 2.

Figure 2: Net funded amount by Participating Organization for the period of 21 February to 31 December 2012 (in percentages)



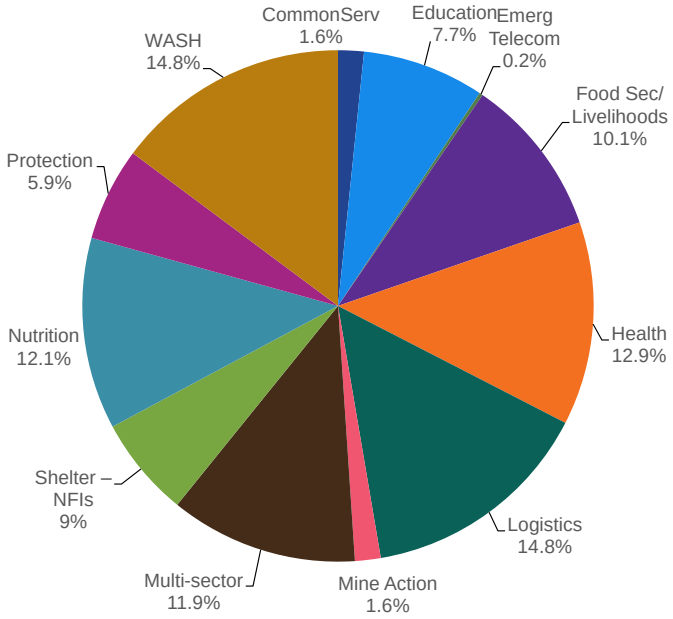
5.2 TRANSFERS BY CLUSTER

Table 5 and Figure 3 show the approved funding by Cluster. In 2012 funding was provided to all twelve clusters. The clusters receiving the largest share of funding in 2012 were: WASH (US$14.46 million or 14.8 percent), Logistics (US$14.40 million or 14.8 percent), Health (US$ 12.55 million or 12.9 percent), Nutrition (US$ 11.82 million or 12.1 percent), and Multi-sector (Emergency Returnees and Refugees) (US$ 11.59 million or 11.9 percent).

Table 5: Net funded amount by Cluster (in US Dollars)

Clusters	Total Net Funded Amount
Common Services & Coordination	1,589,325
Education	7,531,783
Emergency Telecommunication	210,248
Food Security and Livelihoods	9,895,223
Health	12,545,520
Logistics	14,402,537
Mine Action	1,586,867
Multi-sector (Emrg Ret & Refugees)	11,590,848
Non-food Items & Emerg Shelter	6,200,283
Nutrition	11,818,658
Protection	5,755,379
WASH	14,455,101
Total	**97,581,772**

Figure 3: Net funded amount by Cluster as of 31 December 2012 (in percentages)



6. EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATIONS

Project expenditures are incurred and monitored by each Participating Organization and are reported as per the agreed upon categories for inter-agency harmonized reporting. In 2006 the UN Development Group (UNDG) set six categories against which UN entities must report project expenditures. Effective 1 January 2012, the UN Chief Executive Board modified these categories as a result of IPSAS adoption to comprise eight categories. All expenditure reported from 1 January 2012 are presented in the new eight categories. The old and new categories are noted to the right.

The reported expenditures were submitted to the MPTF Office by the Participating Organizations via UNEX – the MPTF Office's expenditure reporting tool. The 2012 expenditure data has been posted on MPTF Office GATEWAY and can be found in this report in Tables 6 and 7.

2012 CEB Expense Categories

1. Staff and personnel costs
2. Supplies, commodities and materials
3. Equipment, vehicles, furniture and depreciation
4. Contractual services
5. Travel
6. Transfers and grants
7. General operating expenses
8. Indirect costs

2006 UNDG Expense Categories

1. Supplies
2. Personnel
3. Training
4. Contracts
5. Other direct costs
6. Indirect costs

6.1 OVERALL EXPENDITURE AND FINANCIAL DELIVERY RATES

Table 6a shows the net funded amount, expenditures incurred and the financial delivery rates with breakdown by Participating

Table 6a: Expenditure with breakdown by Participating Organization (in US Dollars)

Participating Organization	Current Year Jan-Dec 2012		Total		Delivery Rate (%)
	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	
FAO	4,500,064	2,267,517	4,500,064	2,267,517	50
IOM	11,605,946	6,016,042	11,605,946	6,016,042	52
UNDP/NGO	48,414,211	20,302,075	48,414,211	20,302,075	42
UNDP	856,000	842,363	856,000	842,363	98
UNESCO	300,000	0	300,000	0	0
UNFPA	770,100	57,424	770,100	57,424	7
UNHCR	6,220,709	4,306,235	6,220,709	4,306,235	69
UNICEF	11,144,788	6,053,561	11,144,788	6,053,561	54
UNOPS	1,500,000	1,068,734	1,500,000	1,068,734	71
WFP	10,485,002	9,256,596	10,485,002	9,256,596	88
WHO	1,784,952	556,835	1,784,952	556,835	31
Total	**97,581,772**	**50,727,381**	**97,581,772**	**50,727,381**	**52**

Table 6b: Expenditure with breakdown by Cluster (in US Dollars)

Clusters	Current Year Jan-Dec 2012		Total		Delivery Rate (%)
	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	
Common Services & Coordination	1,589,325	107,142	1,589,325	107,142	7
Education	7,531,783	4,138,846	7,531,783	4,138,846	55
Emergency Telecommunication	210,248	210,248	210,248	210,248	100
Food Security & Livelihoods	9,895,223	4,043,883	9,895,223	4,043,883	41
Health	12,545,520	5,558,418	12,545,520	5,558,418	44
Logistics	14,402,537	12,641,192	14,402,537	12,641,192	88
Mine Action	1,586,867	810,424	1,586,867	810,424	51
Multi-sector (Emrg Ret & Refug)	11,590,848	7,017,975	11,590,848	7,017,975	61
Non-food Items & Emerg Shelter	6,200,283	2,046,626	6,200,283	2,046,626	33
Nutrition	11,818,658	5,339,571	11,818,658	5,339,571	45
Protection	5,755,379	2,971,783	5,755,379	2,971,783	52
WASH	14,455,101	5,841,273	14,455,101	5,841,273	40
Total	**97,581,772**	**50,727,381**	**97,581,772**	**50,727,381**	**52**

Organization, and Table 6b shows the net funded amount, expenditures incurred and the financial delivery rates, by cluster. In 2012, US$ 97.58 million was transferred to Participating Organizations. The Participating Organizations **reported US$ 50.72 million in expenditure**. The **delivery rate** as of 31 December 2012 is **52 percent.** When interpreting this delivery rate it is important to note that due to the late deposits of some contributions, the funding for 2nd Standard Allocation of 2012 representing 34.4 percent (or US$ 33.54 million) of net funded amount for the year was transferred to Participating Organizations in two tranches between October and December 2012, while another tranche of US$ 7.74 million was transferred in January 2013.

The Clusters that have reported the highest expenditure cumulatively were Logistics with US$ 12.64 million in expenditure; WASH with US$ 5.84 million in expenditure; Health with US$ 5.56 million and Nutrition with US$ 5.34 million.

Figure 5 depicts the delivery rates by Cluster, which vary from 7 percent to 100 percent.

Figure 5: Delivery Rate by Cluster as of 31 December 2012 (in percentages)

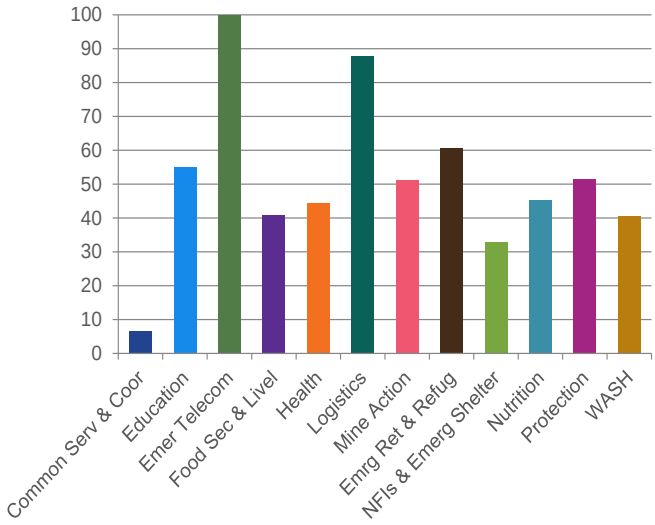
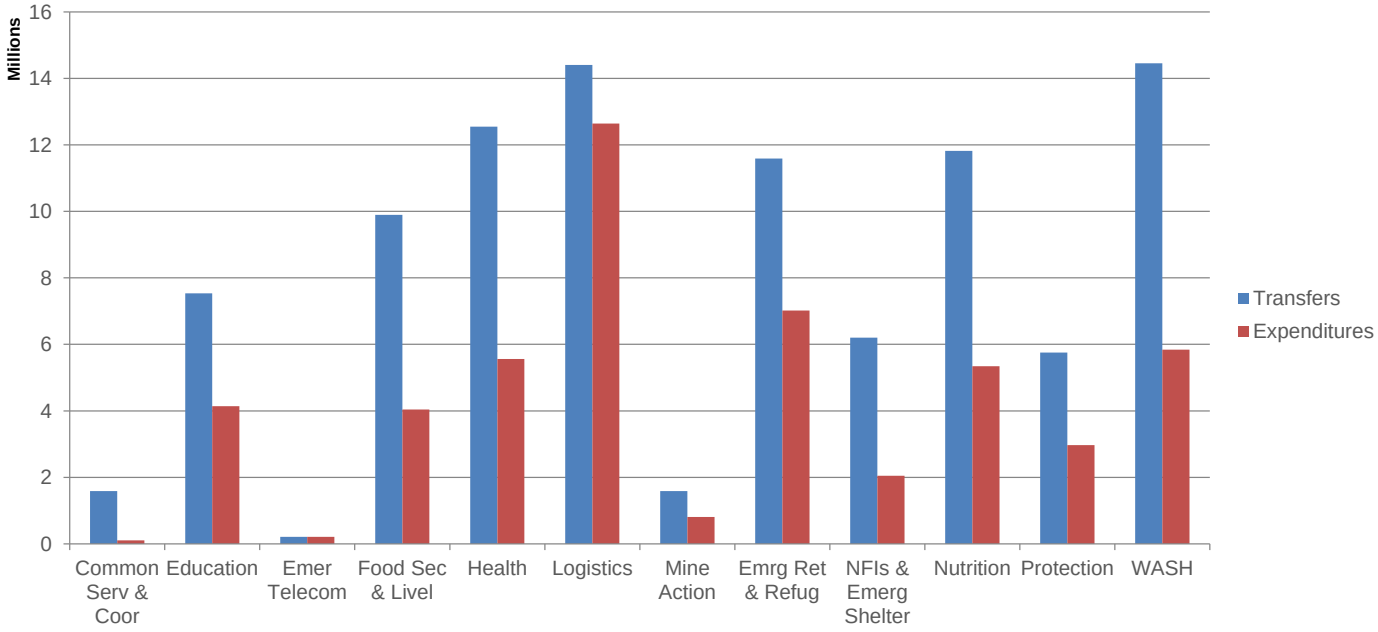


Figure 4: Cumulative Net Funded Amount and Expenditure with Breakdown by Cluster



6.2 TOTAL EXPENDITURE REPORTED BY CATEGORY

Table 7 shows the expenditure of the South Sudan CHF as per the agreed upon reporting categories. The highest amounts of expenditure in 2012 were: Supplies, Commodities, and Materials (US$ 13.70 million or 28.9 percent), followed by Contractual Services (US$ 12.14 million or 25.6 percent) and Travel (US$ 7.56 million or 16.0 percent).

Figure 6 reflects amounts expended in each of the new UNDG categories.

Figure 6: Expenditure by new budget category 21 February through 31 December 2012 (in percentage)

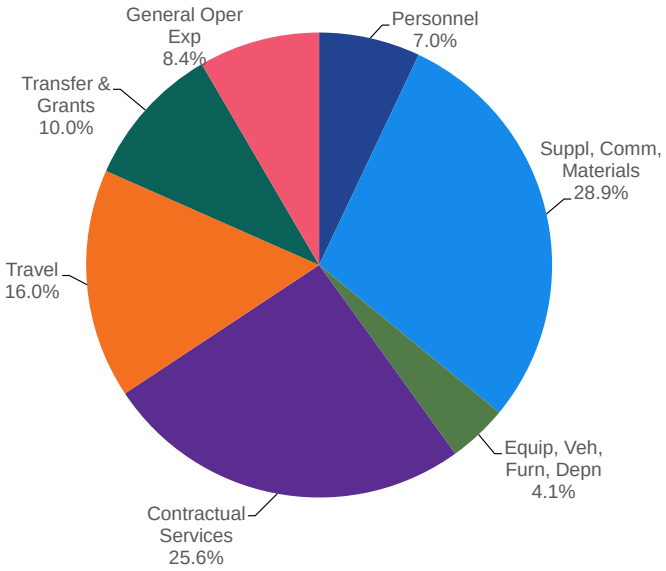


Table 7: Total Expenditure by Category (in US Dollars)

Category	Expenditure			Percentage of Total Programme Cost
	Prior Years as of 31 Dec 2011	Current Year Jan-Dec 2012	TOTAL	
Staff & Personnel Cost (New)	-	3,334,103	3,334,103	7.03
Supplies, Comm, Materials (New)	-	13,697,487	13,697,487	28.90
Equipm, Vehicles, Furniture, Depn (New)	-	1,958,969	1,958,969	4.13
Contractual Services (New)	-	12,139,814	12,139,814	25.61
Travel (New)	-	7,560,486	7,560,486	15.95
Transfer and Grants(New)	-	4,727,950	4,727,950	9.97
General Operating Expenses (New)	-	3,980,942	3,980,942	8.40
Programme Costs Total	**-**	**47,399,750**	**47,399,750**	**100.00**
Indirect Support Costs Total	-	3,327,631	3,327,631	7.02
Grand Total	**-**	**50,727,381**	**50,727,381**	

7. COST RECOVERY

The cost recovery for the South Sudan CHF is guided by the applicable provisions of the South Sudan CHF TOR, the SAAs concluded by the UNDP MPTF Office, as the AA of the South Sudan CHF, with contributors, and the MOU concluded with the Participating Organizations.

For the period ending 31 December 2012, the actual costs were as follows:

a) The AA fee of US$ 1.18 million, charged for the entire duration of the fund, is one per cent of total contributions deposited in the fund bank account as per the SAA and the MOU, and is in line with the AA fee charged by UNDP MPTF Office for administering similar funds.

b) The cumulative indirect support costs of the Participating Organizations as of 31 December 2012 were US$ 3.33 million, which represents 7 percent of total programme costs.

This information is presented in Tables 1 and 7.

8. ACCOUNTABILITY AND TRANSPARENCY

The MPTF Office continued to provide information on its GATEWAY (http://mptf.undp.org)—a knowledge platform providing real-time data, with a maximum two-hour delay, on financial information from the MPTF Office accounting system on contributions, programme budgets and transfers to Participating Organizations. All MPTF Office reports are published on the MPTF Office GATEWAY which provides easy access to nearly 9,600 relevant reports and documents, with tools and tables displaying financial and programme data. By providing easy access to the growing number of progress reports and related documents uploaded by users in the field, it facilitates knowledge sharing and management among UN Organizations. It is designed to provide transparent, accountable fund-management services to the UN system to enhance its coherence, effectiveness and efficiency. The MPTF Office GATEWAY has been recognized as a 'standard setter' by peers and partners.