



*Empowered lives.  
Resilient nations.*

# **Consolidated Annual Financial Report on Activities Implemented under the Central African Republic Common Humanitarian Fund**

**Report of the Administrative Agent of the CAR CHF for the  
period 1 January to 31 December 2014**

Multi-Partner Trust Fund Office  
Bureau of Management  
United Nations Development Programme  
**GATEWAY: <http://mptf.undp.org>**  
May 2015

**PARTICIPATING ORGANIZATIONS**



Food and Agriculture Organizat



International Org Migration



Office for the Coordination of  
 Humanitarian Affairs



United Nations Development  
 Programme



United Nations Educational, Sc



United Nations Population Fund



UN High Commissioner for  
 Refug



United Nations Children's Fund



World Food Programme



World Health Organization

**CONTRIBUTORS**



DENMARK, Government of



DEPARTMENT FOR INT'L DEVELOPMENT  
 (DFID)



IRISH AID



LUXEMBOURG, Government of



NETHERLANDS, Government of



NORWAY, Government of



SWEDISH INT'L DEVELOPMENT  
 COOPERATION



SWITZERLAND, Government of

## DEFINITIONS

### **Approved Project/Programme**

A project/programme including budget, etc., that is approved by the Humanitarian Coordinator for fund allocation purposes.

### **Contributor Commitment**

Amount(s) committed by a donor to a Fund in a signed Standard Administrative Arrangement with the UNDP Multi-Partner Trust Fund Office (MPTF Office), in its capacity as the Administrative Agent. A commitment may be paid or pending payment.

### **Contributor Deposit**

Cash deposit received by the MPTF Office for the Fund from a contributor in accordance with a signed Standard Administrative Arrangement.

### **Delivery Rate**

The percentage of funds that have been utilized, calculated by comparing expenditures reported by a Participating Organization against the 'net funded amount'.

### **Indirect Support Costs**

A general cost that cannot be directly related to any particular programme or activity of the Participating Organizations. UNDG policy establishes a fixed indirect cost rate of 7% of programmable costs.

### **Managing Agent**

The Participating UN Organization that has signed the MOU and performs an oversight function vis-à-vis NGOs receiving funding. The Managing Agent has the same obligations as any other PUNO signing the MOU, including for reporting. UNDP is the Managing Agent in CAR.

### **Net Funded Amount**

Amount transferred to a Participating Organization less any refunds transferred back to the MPTF Office by a Participating Organization.

### **Participating Organization**

A UN Organization or other inter-governmental Organization that is an implementing partner in a Fund, as represented by signing a Memorandum of Understanding (MOU) with the MPTF Office for a particular Fund.

### **Project Expenditure**

The sum of expenses and/or expenditure reported by all Participating Organizations for a Fund irrespective of which basis of accounting each Participating Organization follows for donor reporting.

### **Project Financial Closure**

A project or programme is considered financially closed when all financial obligations of an operationally completed project or programme have been settled, and no further financial charges may be incurred.

### **Project Operational Closure**

A project or programme is considered operationally closed when all programmatic activities for which Participating Organization(s) received funding have been completed.

### **Project Start Date**

Date of transfer of first instalment from the MPTF Office to the Participating Organization.

### **Total Approved Budget**

This represents the cumulative amount of allocations approved by the Steering Committee.

### **US Dollar Amount**

The financial data in the report is recorded in US Dollars and due to rounding off of numbers, the totals may not add up.

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## INTRODUCTION

This Consolidated Annual Financial Report of the CAR Common Humanitarian Fund is prepared by the United Nations Development Programme (UNDP) Multi-Partner Trust Fund Office (MPTF Office) in fulfillment of its obligations as Administrative Agent, as per the 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.<sup>1</sup>

The MPTF Office, as Administrative Agent, is responsible for concluding an MOU with Participating Organizations and SAAs with contributors. It receives, administers and

manages contributions, and disburses these funds to the Participating Organizations. The Administrative Agent prepares and submits annual consolidated financial reports, as well as regular financial statements, for transmission to contributors.

This consolidated financial report covers the period 1 January to 31 December 2014 and provides financial data on progress made in the implementation of projects of the CAR Common Humanitarian Fund. It is posted on the MPTF Office GATEWAY (<http://mptf.undp.org/factsheet/fund/HCF10>).

The financial data in the report is recorded in US Dollars and due to rounding off of numbers, the totals may not add up.

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<sup>1</sup> This Report has been shared by the Administrative Agent with the Humanitarian Coordinator for CAR, and OCHA for inclusion in the final CAR CHF Annual Report. For increased public transparency, it is posted on the MPTF Office GATEWAY (<http://mptf.undp.org>).

## 2014 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the CAR Common Humanitarian Fund using the pass-through funding modality as of 31 December 2014.

### 1. SOURCES AND USES OF FUNDS

As of 31 December 2014, **eight** contributors have deposited US\$ **95,200,068** in contributions and US\$ **707,143** has been earned in interest,

bringing the cumulative source of funds to US\$ **95,907,212**.

Of this amount, US\$ **81,392,514** has been transferred to **11** Participating Organizations, of which US\$ **64,195,907** has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ **952,001**. Table 1 provides an overview of the overall sources, uses, and balance of the CAR Common Humanitarian Fund as of 31 December 2014.

**Table 1. Financial Overview, as of 31 December 2014 (in US Dollars)**

	Annual 2013	Annual 2014	Cumulative
<b>Sources of Funds</b>			
Gross Contributions	9,598,800	38,434,598	95,200,068
Fund Earned Interest and Investment Income	11,038	21,080	372,557
Interest Income received from Participating Organizations	-	-	334,586
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MDTF	-	-	-
Other Revenues	-	-	-
<b>Total: Sources of Funds</b>	<b>9,609,837</b>	<b>38,455,678</b>	<b>95,907,212</b>
<b>Use of Funds</b>			
Transfers to Participating Organizations	8,446,104	28,045,292	81,392,514
Refunds received from Participating Organizations	(106,669)	(173,892)	(315,666)
<b>Net Funded Amount to Participating Organizations</b>	<b>8,339,435</b>	<b>27,871,400</b>	<b>81,076,849</b>
Administrative Agent Fees	95,988	384,346	952,001
Direct Costs	384,339	478,649	862,988
Bank Charges	372	599	1,567
Other Expenditures	-	-	51,715
<b>Total: Uses of Funds</b>	<b>8,820,134</b>	<b>28,734,994</b>	<b>82,945,120</b>
<b>Change in Fund cash balance with Administrative Agent</b>	<b>789,704</b>	<b>9,720,684</b>	<b>12,962,092</b>
Opening Fund balance (1 January)	2,451,704	3,241,408	-
<b>Closing Fund balance (31 December)</b>	<b>3,241,408</b>	<b>12,962,092</b>	<b>12,962,092</b>
Net Funded Amount to Participating Organizations	8,339,435	27,871,400	81,076,849
Participating Organizations' Expenditure	4,597,310	16,133,665	64,195,907
<b>Balance of Funds with Participating Organizations</b>			<b>16,880,942</b>

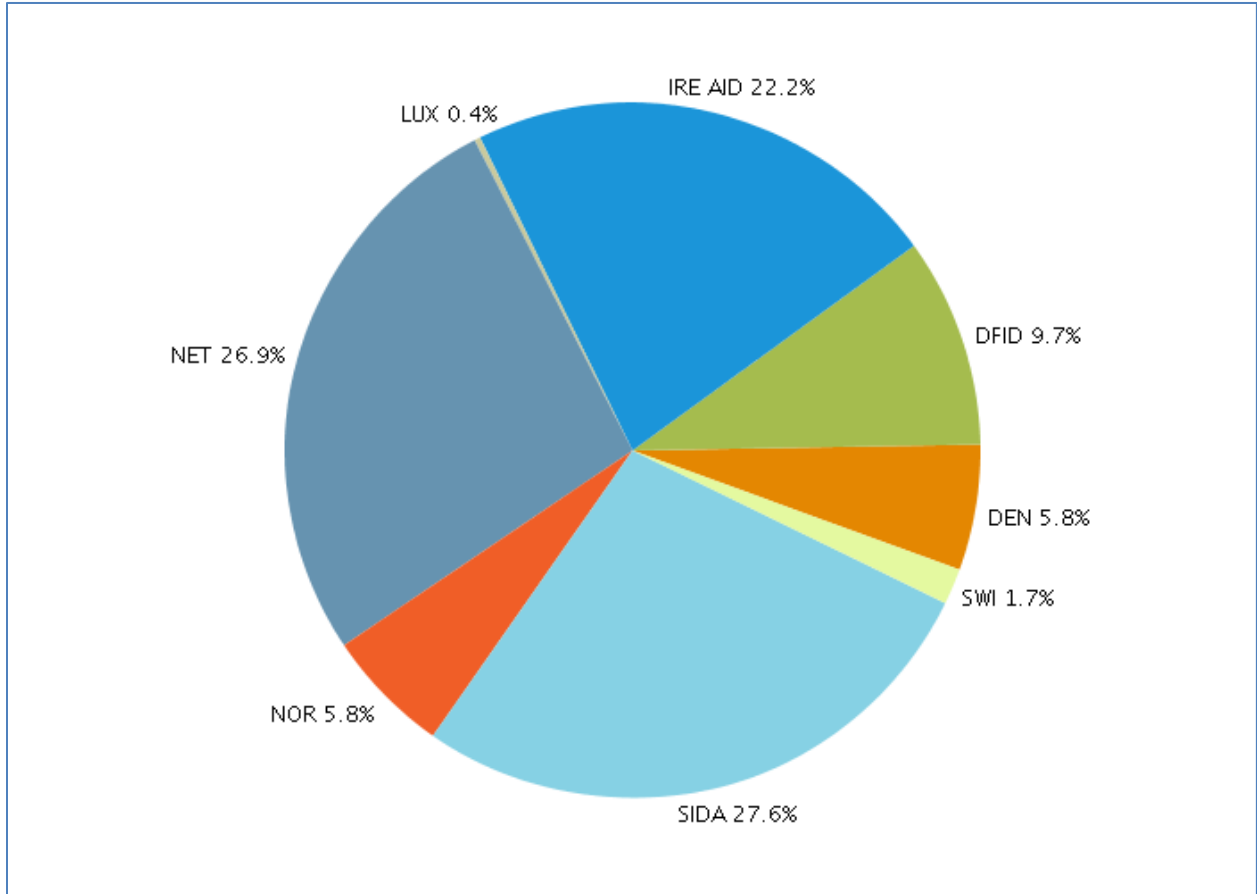
## 2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this Fund as of 31 December 2014. The CAR CHF is currently being financed by eight donors that have signed SAAs, namely the UK's Department for International Development (DFID), Irish Aid, the Governments of the Netherlands, Denmark, Norway, Switzerland and Luxembourg, and the Swedish International Development Cooperation (Sida). In 2014, the CAR CHF received **US\$ 38.4 million** in donor contributions, bringing the total fund contributions to **US\$ 95.20 million**.

**Table 2. Contributors' Deposits, as of 31 December 2014 (in US Dollars)**

Contributors	Prior Years as of 31-Dec-2013	Current Year Jan-Dec-2014	Total
DENMARK, Government of	-	5,549,197	5,549,197
DEPARTMENT FOR INT'L DEVELOPMENT (DFID)	7,525,080	1,671,682	9,196,762
IRISH AID	17,123,400	3,988,800	21,112,200
LUXEMBOURG, Government of	-	341,525	341,525
NETHERLANDS, Government of	8,890,078	16,688,500	25,578,578
NORWAY, Government of	592,675	4,912,846	5,505,521
SWEDISH INT'L DEVELOPMENT COOPERATION	22,634,238	3,667,250	26,301,488
SWITZERLAND, Government of	-	1,614,798	1,614,798
<b>Grand Total</b>	<b>56,765,470</b>	<b>38,434,598</b>	<b>95,200,068</b>

Figure 1: Deposits by contributor, cumulative as of 31 December 2014





### 3. INTEREST EARNED

Interest income is earned in two ways: 1) on the balance of funds held by the Administrative Agent ('Fund earned interest'), and 2) on the balance of funds held by the Participating Organizations ('Agency earned interest') where their Financial Regulations and Rules allow return of interest

to the AA. As of 31 December 2014, Fund earned interest amounts to US\$ **372,557** and interest received from Participating Organizations amounts to US\$ **334,586**, bringing the cumulative interest received to US\$ **707,143**. Details are provided in the table below.

**Table 3. Sources of Interest and Investment Income, as of 31 December 2014 (in US Dollars)**

Interest Earned	Prior Years as of 31-Dec-2013	Current Year Jan-Dec-2014	Total
<b>Administrative Agent</b>			
Fund Earned Interest and Investment Income	351,478	21,080	372,557
<b>Total: Fund Earned Interest</b>	<b>351,478</b>	<b>21,080</b>	<b>372,557</b>
<b>Participating Organization</b>			
UNDP	121,747		121,747
UNFPA	5,704		5,704
NGO/UNDP	205,435		205,435
UNESCO	1,700		1,700
<b>Total: Agency earned interest</b>	<b>334,586</b>		<b>334,586</b>
<b>Grand Total</b>	<b>686,064</b>	<b>21,080</b>	<b>707,143</b>

#### 4. TRANSFER OF FUNDS

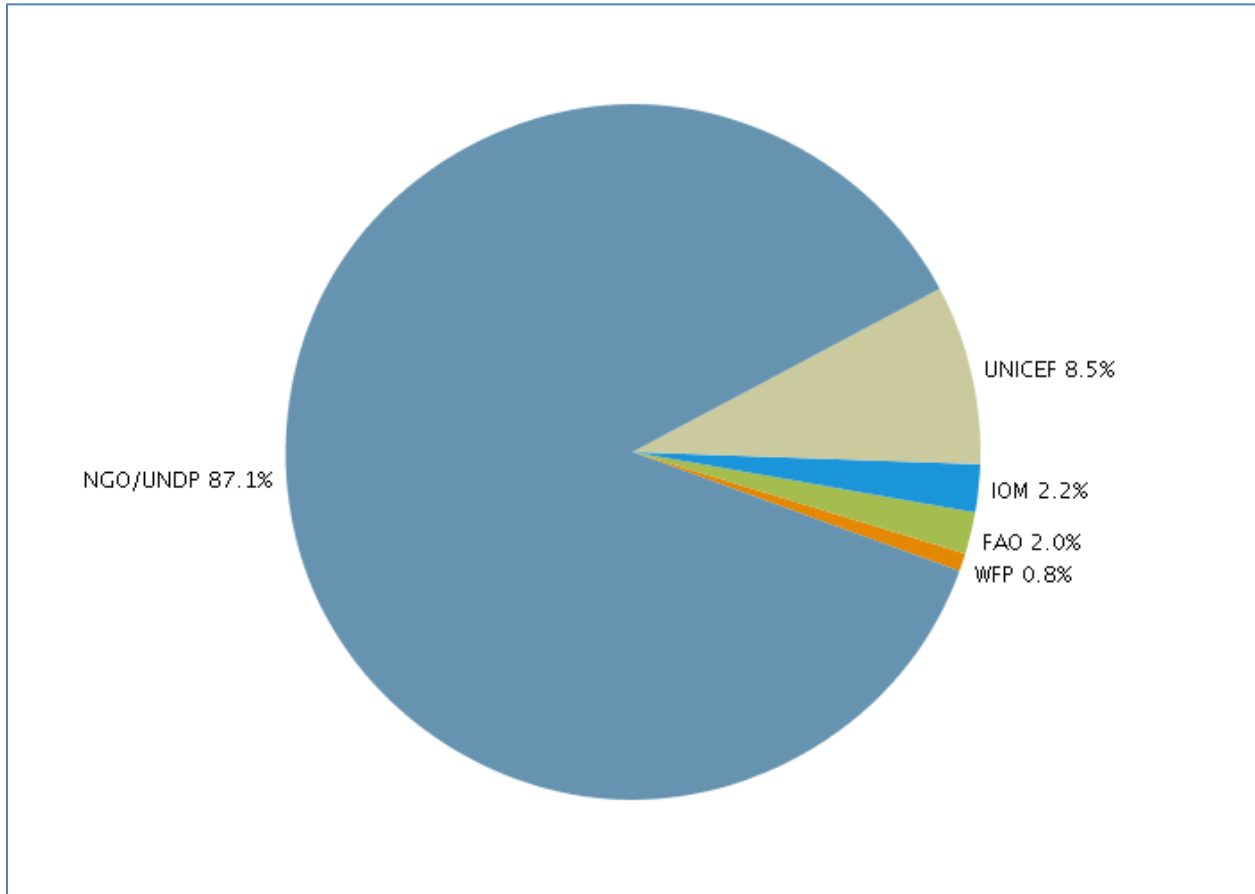
Allocations to Participating Organizations are approved by the Humanitarian Coordinator and disbursed by the Administrative Agent. As of 31 December 2014, the AA has transferred US\$ **81,392,514** to **11** Participating Organizations (see list below). Table 4 provides additional information on the refunds received by the MPTF Office, and the net funded amount for each of the Participating Organizations.

UNDP serves as a Managing Agent for funds approved by the HC for implementation by NGOs. In 2014 UNDP received the largest share of funding for NGO implemented projects (US\$ 24 million or 87 percent), followed by UNICEF (US\$ 2 million or 8.5 percent), IOM (US\$ 600,000 or 2.2 percent) and WFP (US\$ 219,264 or 2 percent), as shown in Figure 2.

**Table 4. Transfer, Refund, and Net Funded Amount by Participating Organization, as of 31 December 2014 (in US Dollars)**

Participating Organization	Prior Years as of 31-Dec-2013			Current Year Jan-Dec-2014			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
FAO				546,131		546,131	546,131		546,131
IOM				600,000		600,000	600,000		600,000
NGO/UNDP	43,678,648		43,678,648	24,282,346		24,282,346	67,960,994		67,960,994
OCHA	529,669		529,669		(152,542)	(152,542)	529,669	(152,542)	377,127
UNDP	242,108		242,108				242,108		242,108
UNESCO	169,800	(8,711)	161,089				169,800	(8,711)	161,089
UNFPA	276,611	(14,157)	262,454				276,611	(14,157)	262,454
UNHCR	533,000		533,000				533,000		533,000
UNICEF	4,241,376	(29,338)	4,212,038	2,397,550	(21,351)	2,376,199	6,638,926	(50,689)	6,588,237
WFP	2,410,762		2,410,762	219,264		219,264	2,630,026		2,630,026
WHO	1,265,248	(89,567)	1,175,681				1,265,248	(89,567)	1,175,681
<b>Grand Total</b>	<b>53,347,222</b>	<b>(141,773)</b>	<b>53,205,449</b>	<b>28,045,292</b>	<b>(173,892)</b>	<b>27,871,400</b>	<b>81,392,514</b>	<b>(315,666)</b>	<b>81,076,849</b>

**Figure 2: Net funded amount by Participating Organization for the period of 1 January to 31 December 2014**



#### **4.1. TRANSFER BY CLUSTER**

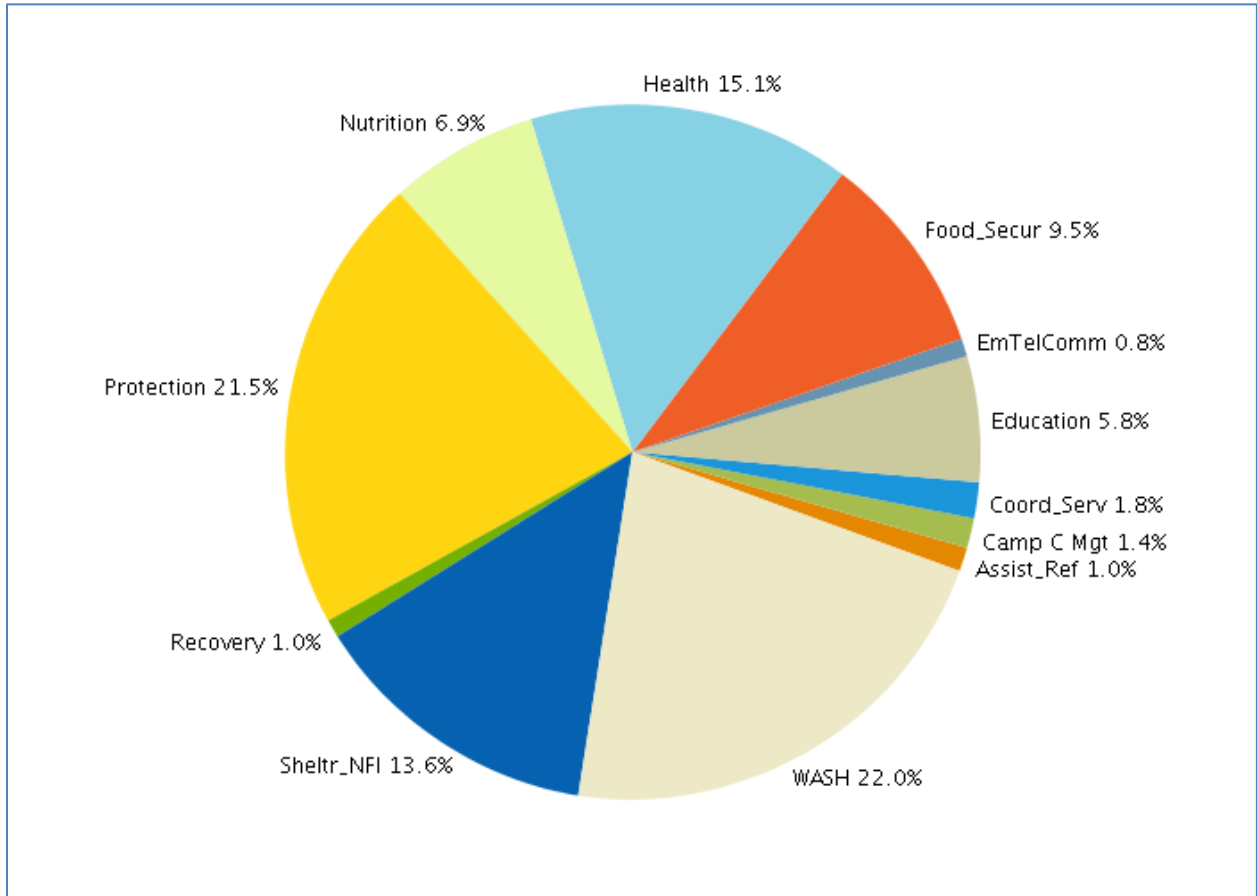
Table 4.1 shows the total Net Funded Amount by Cluster. Prior to 2011 all the transfers and expenditure for the CAR CHF were recorded against the JP-CAR Emergency Response Fund sub-fund code. In 2013, this sub-fund code was separated into two sub-fund codes: 1) CAR Emergency Response Fund (US\$ 4 million); and 2) CAR CHF 2008-2010 (US\$ 20.5 million). This is to reflect transfers that were made when the fund was first created as an Emergency Response Fund in 2007.

As shown in Figure 3, in 2014, the clusters receiving the largest share of transfers were: Water and Sanitation (22.0%), Protection (21.5%), and Health (15.1%).

**Table 4.1 Cumulative net funded amount by Cluster as of 31 December 2014 (in US Dollars)**

<b>Clusters</b>	<b>Cumulative Net Funded Amount</b>
CAR CHF 2008-2010	20,591,298
CAR Emergency Response Fund	4,002,916
Camp Coordination and Mgt	399,110
Coordination & Services	497,550
Early Recovery	2,236,523
Education	2,983,052
Emergency Telecommunications	219,264
Emergency Reserve	10,329,272
Food Security	5,375,466
Health	8,316,177
Logistics	300,000
Multisector Assist. Refugees	291,857
Nutrition	5,029,208
Protection	8,591,866
Shelter and NFIs	4,009,528
Water and Sanitation	7,903,761
<b>Total:</b>	<b>81,076,849</b>

Figure 3: Net Funded Amounts by Cluster for the Year 2014



## 5. EXPENDITURE AND FINANCIAL DELIVERY RATES

All final expenditures reported for the year 2014 were submitted by the Headquarters of the Participating Organizations. These were consolidated by the MPTF Office.

## 5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

As shown in table below, the cumulative net funded amount is US\$ **81,076,849** and cumulative expenditures reported by the Participating Organizations amount to US\$ **64,195,907**. This equates to an overall Fund expenditure delivery rate of **79** percent. This delivery rate is an indicator of the CAR CHF's capacity to deliver humanitarian assistance under extremely challenging conditions.

**Table 5.1 Net Funded Amount, Reported Expenditure, and Financial Delivery by Participating Organization, as of 31 December 2014 (in US Dollars)**

Participating Organization	Current Year Jan-Dec 2014		Total		Delivery Rate %
	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	
FAO	546,131	43,205	546,131	43,205	7.91
IOM	600,000	583,734	600,000	583,734	97.29
NGO/UNDP	24,282,346	13,187,248	67,960,994	52,854,312	77.77
OCHA	(152,542)		377,127	446,591	118.42
UNDP			242,108	239,397	98.88
UNESCO			161,089	161,089	100.00
UNFPA			262,454	262,454	100.00
UNHCR			533,000	533,000	100.00
UNICEF	2,376,199	1,612,753	6,588,237	5,414,771	82.19
WFP	219,264	219,264	2,630,026	2,571,724	97.78
WHO		487,460	1,175,681	1,085,629	92.34
<b>Total</b>	<b>27,871,400</b>	<b>16,133,665</b>	<b>81,076,849</b>	<b>64,195,907</b>	<b>79.18</b>

## 5.2. EXPENDITURE BY CLUSTER

Table 5.2 shows the total Net Funded Amount and expenditure by Cluster.

**Table 5.2: Expenditure with breakdown by Cluster (in US Dollars)**

Cluster	Current Year Jan-Dec-2014		Total		Delivery Rate %
	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	
<b>Central African Republic</b>					
Camp Coordination and Mgt	399,110	9,003	399,110	9,003	2.26
CAR CHF 2008-2010	(69,464)	432,411	20,591,298	25,893,623	125.75
CAR Emergency Response Fund			4,002,916	3,944,613	98.54
Coordination & Services	497,550	22,551	497,550	22,551	4.53
Early Recovery	267,500		2,236,523	1,639,200	73.29
Education	1,624,742	555,691	2,983,052	1,768,907	59.30
Emergency Telecommunications	219,264	219,264	219,264	219,264	100.00
Emergency Reserve	(83,078)	4,365,982	10,329,272	9,136,186	88.45
Food Security	2,661,228	486,495	5,375,466	3,283,621	61.09
Health	4,214,429	3,056,267	8,316,177	5,741,836	69.04
Logistics			300,000	300,000	100.00
Multisector Assist. Refugees	291,857	116,665	291,857	116,665	39.97
Nutrition	1,926,623	1,226,249	5,029,208	3,379,052	67.19
Protection	5,996,253	2,647,933	8,591,866	4,434,003	51.61
Shelter and NFIs	3,795,528	1,404,278	4,009,528	1,544,160	38.51
Water and Sanitation	6,129,855	1,590,877	7,903,761	2,763,222	34.96
<b>Central African Republic Total:</b>	<b>27,871,400</b>	<b>16,133,665</b>	<b>81,076,849</b>	<b>64,195,907</b>	<b>79.18</b>
<b>Grand Total:</b>	<b>27,871,400</b>	<b>16,133,665</b>	<b>81,076,849</b>	<b>64,195,907</b>	<b>79.18</b>

### 5.3 EXPENDITURE REPORTED BY CATEGORY

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

#### 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

categories; post 1 January 2012 all expenditure are reported in the new eight categories. The old and new categories are noted to the right.

Table 5.3 reflects expenditure reported in the UNDG expense categories. Where the Fund has been operational pre and post 1 January 2012, the expenditures are reported using both categories. Where a Fund became operational post 1 January 2012, only the new categories are used.

#### 2006 UNDG Expense Categories

1. Supplies, commodities, equipment & transport
2. Personnel
3. Training counterparts
4. Contracts
5. Other direct costs
6. Indirect costs

**Table 5.3. Expenditure by UNDG Budget Category, as of 31 December 2014 (in US Dollars)**

Category	Expenditure			Percentage of Total Programme Cost
	Prior Years as of 31-Dec-2013	Current Year Jan-Dec-2014	Total	
Supplies, Commodities, Equipment and Transport (Old)	1,727,554	-	1,727,554	2.85
Personnel (Old)	1,202,457	-	1,202,457	1.99
Training of Counterparts (Old)	88,715	-	88,715	0.15
Contracts (Old)	2,478,989	-	2,478,989	4.09
Other direct costs (Old)	23,911,100	-	23,911,100	39.47
Staff & Personnel Cost (New)	328,983	599,933	928,917	1.53
Suppl, Comm, Materials (New)	573,819	1,402,303	1,976,122	3.26
Equip, Veh, Furn, Depn (New)	116,111	3,871,965	3,988,076	6.58
Contractual Services (New)	152,530	3,950,881	4,103,411	6.77
Travel (New)	128,085	145,440	273,525	0.45
Transfers and Grants (New)	14,828,288	3,901,330	18,729,618	30.92
General Operating (New)	(478,992)	1,643,304	1,164,311	1.92
<b>Programme Costs Total</b>	<b>45,057,639</b>	<b>15,515,156</b>	<b>60,572,795</b>	<b>100.00</b>
Indirect Support Costs Total	3,004,603	618,509	3,623,112	5.98
<b>Total</b>	<b>48,062,242</b>	<b>16,133,665</b>	<b>64,195,907</b>	



## 6. COST RECOVERY

Cost recovery policies for the Fund are guided by the applicable provisions of the Terms of Reference, the MOU concluded between the Administrative Agent and Participating Organizations, and the SAAs concluded between the Administrative Agent and Contributors, based on rates approved by UNDG. The policies in place, as of 31 December 2014, were as follows:

- **The Administrative Agent (AA) fee:** 1% is charged at the time of contributor deposit and covers services provided on that contribution for the entire duration of the Fund. In the reporting period US\$ **384,346** was deducted in AA-fees. Cumulatively, as of 31 December 2014, US\$ **952,001** has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ **618,509** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **3,623,112** as of 31 December 2014.

## 7. ACCOUNTABILITY AND TRANSPARENCY

In order to effectively provide fund administration services and facilitate monitoring and reporting to the UN system and its partners, the MPTF Office has developed a public website, the MPTF Office Gateway (<http://mptf.undp.org>). Refreshed in real time every two hours from an internal enterprise resource planning system, the MPTF Office Gateway has become a standard setter for providing transparent and accountable trust fund administration services.

The Gateway provides financial information including: contributor commitments and deposits, approved programme budgets, transfers to and expenditures reported by Participating Organizations, interest income and other expenses. In addition, the Gateway provides an overview of the MPTF Office portfolio and extensive information on individual Funds, including their purpose, governance structure and key documents. By providing easy access to the growing number of narrative and financial reports, as well as related project documents, the Gateway collects and preserves important institutional knowledge and facilitates knowledge sharing and management among UN Organizations and their development partners, thereby contributing to UN coherence and development effectiveness.

## 8. DIRECT COSTS

The Fund governance mechanism may approve an allocation to a Participating Organization to cover costs associated with Secretariat services and overall coordination, as well as Fund level reviews and evaluations. These allocations are referred to as 'direct costs'. In 2014, direct costs amounting to US\$ **478,649**.