

**Consolidated Annual Financial
Report of the Administrative Agent of
the Ethiopia One UN Fund**

for the period 1 January to 31 December 2015

Multi-Partner Trust Fund Office
United Nations Development Programme
[GATEWAY: http://mptf.undp.org](http://mptf.undp.org)

31 May 2016

PARTICIPATING ORGANIZATIONS



International Labour Organization (ILO)



International Organization for Migration (IOM)



Joint United Nations Programme on HIV/AIDS (UNAIDS)



United Nations Capital Development Fund (UNCDF)



United Nations Development Programme (UNDP)



United Nations Educational, Scientific and Cultural Organization (UNESCO)



United Nations Population Fund (UNFPA)



UN High Commissioner for Refugees (UNHCR)



United Nations Children's Fund (UNICEF)



UN Office for Drug and Crime (UNODC)



United Nations Entity for Gender Equality and the Empowerment of Women (UNWOMEN)



World Health Organization (WHO)

CONTRIBUTORS



Italy



Norway



Sweden



UK Department for International Development (DFID)



Delivering Results Together

DEFINITIONS

Allocation

Amount approved by the Steering Committee for a Joint Programme.

Approved Joint Programme

A Joint Programme including budget, etc., that is approved by the Steering Committee 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.

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.

Joint Programme 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.

Joint Programme Financial Closure

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

Joint Programme Operational Closure

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

Joint Programme 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.

2015 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the Ethiopia One UN Fund using the pass-through funding modality as of 31 December 2015. Financial information for this Fund is also available on the MPTF Office GATEWAY, at the following address: <http://mptf.undp.org/factsheet/fund/ET100>.

1. SOURCES AND USES OF FUNDS

As of 31 December 2015, five contributors have deposited US\$ 13,891,143 in contributions and US\$ 21,149 has been earned in interest, bringing the

cumulative source of funds to US\$ 13,912,292 (see respectively Tables 2 and 3).

Of this amount, US\$ 13,768,653 has been transferred to 12 Participating Organizations, of which US\$ 11,518,507 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ 138,911. Table 1 provides an overview of the overall sources, uses, and balance of the Ethiopia One UN Fund as of 31 December 2015.

Table 1. Financial Overview, as of 31 December 2015 (in US Dollars)

	Annual 2014	Annual 2015	Cumulative
Sources of Funds			
Gross Contributions	1,426,800	2,858,828	13,891,143
Fund Earned Interest and Investment Income	677	4,506	17,782
Interest Income received from Participating Organizations	144	1,511	3,367
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MDTF	-	-	-
Other Revenues	-	-	-
Total: Sources of Funds	1,427,621	2,864,845	13,912,292
Use of Funds			
Transfers to Participating Organizations	1,260,529	4,259,222	13,768,653
Refunds received from Participating Organizations	-	-	-
Net Funded Amount to Participating Organizations	1,260,529	4,259,222	13,768,653
Administrative Agent Fees	14,268	28,588	138,911
Direct Costs: (Steering Committee, Secretariat...etc.)	-	-	-
Bank Charges	4	55	250
Other Expenditures	-	-	-
Total: Uses of Funds	1,274,801	4,287,865	13,907,815
Change in Fund cash balance with Administrative Agent	152,820	(1,423,020)	4,477
Opening Fund balance (1 January)	1,274,677	1,427,497	-
Closing Fund balance (31 December)	1,427,497	4,477	4,477
Net Funded Amount to Participating Organizations	1,260,529	4,259,222	13,768,653
Participating Organizations' Expenditure	800,136	2,789,911	11,518,507
Balance of Funds with Participating Organizations			2,250,146

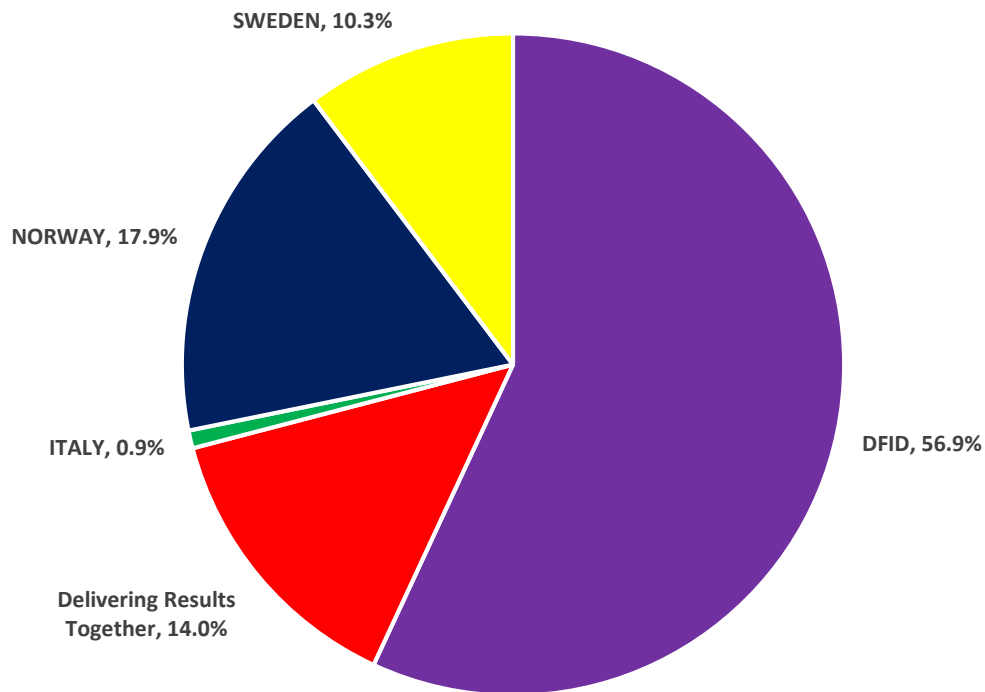
2. PARTNER CONTRIBUTIONS

Table 2 and Figure 1 provide information on cumulative contributions received from all contributors to this Fund as of 31 December 2015.

Table 2. Contributors' Deposits, as of 31 December 2015 (in US Dollars)

Contributors	Prior Years as of 31-Dec-2014	Current Year Jan-Dec-2015	Total
DEPARTMENT FOR INTERNATIONAL DEVELOPMENT (DFID)	6,391,935	1,514,700	7,906,635
DELIVERING RESULTS TOGETHER	1,426,800	520,000	1,946,800
ITALY	121,083	-	121,083
NORWAY	1,890,327	596,860	2,487,187
SWEDEN	1,202,170	227,268	1,429,438
Grand Total	11,032,315	2,858,828	13,891,143

Figure 2: Deposits by contributor, cumulative as of 31 December 2015



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

Administrative Agent. As of 31 December 2015, Fund earned interest amounts to US\$ 17,782 and interest received from Participating Organizations amounts to US\$ 3,367, bringing the cumulative interest received to US\$ 21,149. Details are provided in the table below.

Table 3. Sources of Interest and Investment Income, as of 31 December 2015 (in US Dollars)

Interest Earned	Prior Years as of 31-Dec-2014	Current Year Jan-Dec-2015	Total
Administrative Agent			
Fund Earned Interest and Investment Income	13,276	4,506	17,782
Total: Fund Earned Interest	13,276	4,506	17,782
Participating Organization			
UNDP	1,101		1,101
UNESCO	755		755
UNWOMEN		1,511	1,511
Total: Agency earned interest	1,856	1,511	3,367
Grand Total	15,132	6,017	21,149

4. TRANSFER OF FUNDS

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December 2015, the Administrative Agent has transferred US\$ 13,768,653 to 12 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.

Table 4. Transfer, Refund, and Net Funded Amount by Participating Organization, as of 31 December 2015 (in US Dollars)

Participating Organization	Prior Years as of 31-Dec-2014			Current Year Jan-Dec-2015			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
ILO	2,841,756		2,841,756	795,695		795,695	3,637,451		3,637,451
IOM				316,796		316,796	316,796		316,796
UNAIDS				108,900		108,900	108,900		108,900
UNCDF	184,633		184,633	194,942		194,942	379,575		379,575
UNDP	485,249		485,249	1,039,284		1,039,284	1,524,533		1,524,533
UNESCO	561,360		561,360	81,807		81,807	643,167		643,167
UNFPA	1,121,247		1,121,247	27,269		27,269	1,148,516		1,148,516
UNHCR				130,100		130,100	130,100		130,100
UNICEF	2,124,914		2,124,914	876,194		876,194	3,001,108		3,001,108
UNODC				71,000		71,000	71,000		71,000
UNWOMEN	2,190,272		2,190,272	340,035		340,035	2,530,307		2,530,307
WHO				277,200		277,200	277,200		277,200
Grand Total	9,509,431		9,509,431	4,259,222		4,259,222	13,768,653		13,768,653

5. EXPENDITURE AND FINANCIAL DELIVERY RATES

All final expenditures reported for the year 2015 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\$ 13,768,653 and cumulative expenditures reported by the Participating Organizations amount to US\$ 11,518,507. This equates to an overall Fund expenditure delivery rate of 84 percent.

Table 5.1 Net Funded Amount, Reported Expenditure, and Financial Delivery by Participating Organization, as of 31 December 2015 (in US Dollars)

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years as of 31-Dec-2014	Current Year Jan-Dec-2015	Cumulative	
ILO	3,637,451	3,637,451	2,689,703	244,725	2,934,427	80.67
IOM	316,796	316,796		126,261	126,261	39.86
UNAIDS	108,900	108,900				0
UNCDF	379,575	379,575	184,613	225,055	409,668	107.93
UNDP	1,524,537	1,524,533	484,123	907,002	1,391,125	91.25
UNESCO	643,167	643,167	546,358	535	546,892	85.03
UNFPA	1,148,516	1,148,516	1,044,420	81,488	1,125,908	98.03
UNHCR	130,100	130,100		130,100	130,100	100.00
UNICEF	3,001,108	3,001,108	1,924,668	691,044	2,615,712	87.16
UNODC	71,000	71,000		12,467	12,467	17.56
UNWOMEN	2,530,307	2,530,307	1,854,711	371,235	2,225,947	87.97
WHO	277,200	277,200				0
Grand Total	13,768,657	13,768,653	8,728,596	2,789,911	11,518,507	83.66

5.2 EXPENDITURE BY JOINT PROGRAMME

Table 5.2 displays the net funded amounts, expenditures reported and the financial delivery rates by Pillars.

Table 5.2 Expenditure by Joint Programme within each UNDAF Pillar, as of 31 December 2015 (in US Dollars)

UNDAF Pillar / Project No. and Project Title		Participating Organization	Total Approved Amount	Net Funded Amount	Total Expenditure	Delivery Rate %
Economic Growth & Risk Reductn						
00094058	JP Policy Initiative on Social Protection	ILO	250,000	250,000	86,536	34.61
00094058	JP Policy Initiative on Social Protection	UNDP	160,000	159,995	37,371	23.36
00094058	JP Policy Initiative on Social Protection	UNICEF	296,800	296,800	167,037	56.28
Economic Growth & Risk Reductn: Total			706,800	706,795	290,945	41.16
Governance and Capacity Devt.						
00083480	JP DRS Public Service Delivery	UNCDF	379,575	379,575	409,668	107.93
00083480	JP DRS Public Service Delivery	UNDP	1,000,508	1,000,508	1,000,458	99.99
00083480	JP DRS Public Service Delivery	UNICEF	498,454	498,454	491,241	98.55
00094059	Policy on Countering Trafficking	ILO	202,104	202,104	45,001	22.27
00094059	Policy on Countering Trafficking	IOM	316,796	316,796	126,261	39.86
00094059	Policy on Countering Trafficking	UNHCR	130,100	130,100	130,100	100.00
00094059	Policy on Countering Trafficking	UNODC	71,000	71,000	12,467	17.56
00095744	Joint Policy Initiative Women'	UNAIDS	108,900	108,900		0
00095744	Joint Policy Initiative Women'	UNWOMEN	128,700	128,700	8,420	6.54
00095744	Joint Policy Initiative Women'	WHO	277,200	277,200		0
Governance and Capacity Devt.: Total			3,113,337	3,113,337	2,223,615	71.42
Women Youth and Children						
00079235	JP Gender Equality & Women Empowerment	ILO	3,185,347	3,185,347	2,802,890	87.99
00079235	JP Gender Equality & Women Empowerment	UNDP	364,029	364,029	353,296	97.05
00079235	JP Gender Equality & Women Empowerment	UNESCO	643,167	643,167	546,892	85.03
00079235	JP Gender Equality & Women Empowerment	UNFPA	1,148,516	1,148,516	1,125,908	98.03
00079235	JP Gender Equality & Women Empowerment	UNICEF	2,205,854	2,205,854	1,957,434	88.74
00079235	JP Gender Equality & Women Empowerment	UNWOMEN	2,401,607	2,401,607	2,217,527	92.34
Women Youth and Children: Total			9,948,520	9,948,520	9,003,947	90.51
Grand Total			13,768,657	13,768,653	11,518,507	83.66

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 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.

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, 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 2015 (in US Dollars)

Category	Expenditure			Percentage of Total Programme Cost
	Prior Years as of 31-Dec-2014	Current Year Jan-Dec-2015	Total	
Supplies, Commodities, Equipment and Transport (Old)	92,580	-	92,580	0.86
Personnel (Old)	14,760	-	14,760	0.14
Training of Counterparts(Old)	-	-	-	
Contracts (Old)	232,662	-	232,662	2.15
Other direct costs (Old)	25,460	-	25,460	0.24
Staff & Personnel Cost (New)	133,664	140,341	274,005	2.54
Suppl, Comm, Materials (New)	229,194	59,004	288,198	2.67
Equip, Veh, Furn, Depn (New)	291,715	249,846	541,561	5.01
Contractual Services (New)	1,231,902	331,533	1,563,435	14.48
Travel (New)	827,719	221,418	1,049,137	9.72
Transfers and Grants (New)	3,427,565	882,063	4,309,628	39.91
General Operating (New)	1,686,497	721,131	2,407,628	22.29
Programme Costs Total	8,193,716	2,605,335	10,799,052	100.00
¹ Indirect Support Costs Total	534,880	184,575	719,455	6.66
Total	8,728,596	2,789,911	11,518,507	

¹ **Indirect Support Costs** charged by Participating Organization, based on their financial regulations, can be deducted upfront or at a later stage during implementation. The percentage may therefore appear to exceed the 7% agreed-upon for on-going projects. Once projects are financially closed, this number is not to exceed 7%.

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 2015, were as follows:

- The Administrative Agent 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\$ 28,588 was deducted in Administrative Agent fees. Cumulatively, as of 31 December 2015, US\$ 138,911 has been charged in Administrative Agent fees.
- Indirect Costs of Participating Organizations: Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ 184,575 was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ 719,455 as of 31 December 2015.

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.