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# **Third Consolidated Annual Progress Report on Activities Implemented under the Yemen National Dialogue and Constitutional Reform Trust Fund (YNDCRTF)**

**Report of the Administrative Agent of the YNDCRTF  
for the Period 1 January - 31 December 2015**

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

<http://mptf.undp.org>

31 May 2016

## PARTICIPATING ORGANIZATIONS



UN Office for Project  
Services



United Nations  
Children's Fund

## CONTRIBUTORS



DENMARK, Government of



DEPARTMENT FOR INT'L DEVELOPMENT  
(DFID)



EUROPEAN UNION



GERMANY, Government of



JAPAN, Government of



NETHERLANDS, Government of



QATAR, Government of



SWEDISH INT'L DEVELOPMENT  
COOPERATION



TURKEY, Government of

## DEFINITIONS

### **Allocation**

Amount approved by the Steering Committee for a project/programme.

### **Approved Project/Programme**

A project/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.

### **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.

## Abbreviations and Acronyms

AA	Administrative Agent
CC	Consensus Committee
CDC	Constitution Drafting Committee
CDP	Constitution Drafting Process
CPU	Community Participation Unit
CSO	Civil Society Organization
GCC	Gulf Cooperation Council
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GoY	Government of Yemen
IDP	Internally Displaced Person
IFES	International Foundation for Electoral Systems
INGO	International Non-Governmental Organization
IOM	International Organization for Migration
IRF	Immediate Response Facility
MCU	Media and Communications Unit
MOU	Memorandum of Understanding
MPTF	Multi-Partner Trust Fund
NB	National Body (to Oversee the Implementation of the NDC Outcomes)
NDI	National Democratic Institute
NDC	National Dialogue Conference
NDS	National Dialogue Secretariat
OHCHR	Office of the High Commissioner for Human Rights
OSESG	Office of the Special Envoy of the Secretary General to Yemen
PBF	Peacebuilding Fund
TOR	Terms of Reference
ToT	Trainer of Trainers
UNDP	United Nations Development Programme
UNICEF	United Nation's Children Fund
UNOPS	United Nations Office for Project Services
YNDCRTF	Yemen National Dialogue and Constitutional Reform Trust Fun

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## Executive Summary

This third Consolidated Annual Progress Report on Activities Implemented under the Yemen National Dialogue and Constitutional Reform Trust Fund (YNDCRTF) covers the period from 1 January to 31 December 2015. It reports on the Constitution Drafting Process (CDP) Project implemented by United Nations Office for Project Services (UNOPS) and United Nations International Children’s Fund (UNICEF) and coordinated by the Office of the Special Envoy of the Secretary General to Yemen (OESG).

During 2015, the YNDCRTF had only one projects which was implemented in partnership with the Constitution Drafting Committee General Secretariat (“the Secretariat”). The project, which started early in 2014 and ended on December 2015, provided world-class expertise, to support translating the outcomes of the National Dialogue Conference (NDC) into a draft Constitution, with particular concern to assist protecting the NDC outcomes in favour of improved governance, women, youth and minority groups. In a second set of activities the project dedicated resources and attention to promoting the NDC outcomes, public participation and communications during the CDP.

The main achievement in the project was the completion of the draft Constitution which was finalised on 5 January 2015. The Draft Constitution was then handed to the National Body (NB) and then the process was put on hold as a result of sequence of events which took place in the political arena in Yemen early in 2015. The biggest activity covered before the project suspension in February was the implementation of “Teshti Te3ref” campaign and launch of “Our Constitution” campaign. Throughout the second quarter, the activities scaled down to planning and preparation for a resumption of the process. In the third quarter, the Secretariat worked on the closure after the decision of the closure for the project was taken by the Steering Committee.

# 1 Introduction

The Yemen National Dialogue and Constitutional Reform Trust Fund (YNDCRTF) was established in October 2012 to support Yemen’s national dialogue and constitution-making processes. It was established in accordance with the Gulf Cooperation Council (GCC) Initiative and the Agreement on the implementation mechanism for the transition process in Yemen (the “Agreement”), signed by both Yemeni sides on 23 November 2011, in accordance with Security Council resolutions 2014 (2011) and 2051 (2012). The YNDCRTF was established with the sponsorship of the Government of Yemen (GoY) and the United Nations, represented by the Office of the UN Special Adviser of the Secretary-General on Yemen (OSASG), in consultation with the UN Country Team.

The YNDCRTF is administered by the United Nations Development Programme (UNDP) through its Multi-Partner Trust Fund Office (MPTF Office) on behalf of the Participating UN Organizations, as agreed with the Yemeni Government. As the Administrative Agent, UNDP prepares and submits annual consolidated narrative and financial reports to YNDCRTF donors and stakeholders, and maintains regular financial statements on the Fund’s webpage on the MPTF Office GATEWAY (<http://mptf.undp.org/factsheet/fund/YEM00>).

This third Consolidated Annual Progress Report on Activities Implemented under the YNDCRTF covers the period from 1 January to 31 December 2015. In line with the Memorandum of Understanding signed by the MPTF Office and the Participating Organizations, the Annual Progress Report is consolidated based on information and data contained in the narrative progress reports and individual financial statements submitted by Participating Organizations to the MPTF Office. It represents neither an evaluation of the YNDCRTF nor the MPTF Office’s assessment of the performance of the Participating Organizations. However, the report does provide stakeholders with an overview of the achievements and challenges associated with the project funded by the YNDCRTF, thereby enabling strategic decisions and mitigating measures, where applicable.

As of December 2015, the YNDCRTF received a total of US\$ 25.22 million in donor contributions from nine donors. As of 31 December 2015, based on approval by the Steering Committee, as described in the Fund’s Terms of Reference (TOR), the Administrative Agent had transferred a total of US\$ 22.61 million to the Participating UN Organizations. As of December 2015, the Participating UN Organizations financial expenditures totalled US\$ 22.41 million, above 99% of the allocated funds.

The MPTF Office expects that this third Consolidated Annual Progress Report will provide the national authorities of Yemen, contributing partners and other stakeholders with a comprehensive overview of results achieved during the reporting period. The MPTF Office hopes the report will contribute to a better understanding of the YNDCRTF’s role as a critical funding instrument within the UN’s support to the peaceful and concerted political transition in Yemen.

This report is presented in five sections. Section 1 provides a brief introduction. Section 2 describes the purpose and context of operations funded by the YNDCRTF. Section 3 provides an overview of the Constitution Drafting Process (CDP) project, providing an assessment of its results. Finally, Section 4 presents the YNDCRTF's financial performance and outlines the Fund's transparency and accountability framework.

## **2 Purpose and Context by December 2015**

The UN, under the leadership of the Special Adviser to the Secretary-General, was mandated by the UN Security Council (S/RES/2014 (2011); S/RES/2051 (2012)), the Transition Agreement and by Presidential Decree, to lead international support to facilitate Yemen's transition. The OSASG has provided operational and political facilitation support to implementing the Transition Agreement since it was signed in November 2011.

The YNDCRTF funded two projects during the report period. The outcomes of the NDC project were outlined in the First and Second Consolidated Annual Report and activities implemented under the CDP project are outlined in the Second Consolidated Annual Report. Activities implemented in 2015 are presented in section 3 of this report.

Given the fragility of the political process and the need for expert advice that draws on international best practices and lessons learned on both technical and process matters to reach consensus, international support to the constitution drafting process, on logistical and substantive levels, was critical to ensuring sustainable outcomes of the national process. Continuous communication and public participation efforts were important ongoing elements to ensure the public participation in the transitional process and advocating for the new constitution and public support to implement the NDC outcomes before the referendum.

While technical and operational support was made available upon request and in direct response to the requirements arising, the transition process was affected by an increasing political and security crisis throughout 2014. The Peace, National and Partnership Agreement (PNPA) UN-brokered agreement was signed in September 2014 to address concerns related to Ansar Allah opposition to the outcomes from a post-NDC Committee established by the President to agree on the number and coverage of regions. The CDP Project continued to support the work of the CDC and communication and public participation planning and implementation. However, the situation deteriorated and the PNPA and whole political process was put on hold when militants took over the capital in January, and eventually a larger scale war provoked.

### 3 Constitution Drafting Process (CDP) in Yemen

Established by Presidential Decree 26/2014 on 8 March 2014, the CDC was composed of 17 members, including four women, an application of the women quota agreed to as one of the NDC outcomes). According to the Decree, the drafting of the constitution was to be followed by public consultations and a referendum within one year. The management structure of the Commission included a Chairperson, two Deputy Chairs and a Rapporteur. The Commission was also to be supported by a Secretariat, composed of 50 experienced members of the former NDC Secretariat. Experts in the field of constitutional law were called upon as needed to assist the Commission, either in person, or through the provision of papers for their consideration. By the end of 2014, the draft constitution was complete and on 5 January 2015, was submitted to the National Body.

In addition to the formulation of the CDC, the National Body (NB) was established on 14 April 2014 by another presidential decree. Composed of 82 members who were NDC delegates, one of the objectives of the NB was to review the draft constitution to ensure all relevant NDC outcomes were accurately reflected.

This project provided the needed support to implement the Constitution Drafting Process (CDP). The project provided logistical and administrative support to the Constitution Drafting Commission (CDC), including the establishment of the Constitution Drafting Commission General Secretariat (The Secretariat). Under this project world-class technical expertise was provided, to support translating the outcomes of the National Dialogue Conference (NDC) into a draft Constitution, with particular concern to assist protecting the NDC outcomes in favour of improved governance and of women, youth and minority groups. In a second set of activities the project dedicated resources and attention to promoting the NDC outcomes, public participation and communications during the CDP.

The main achievement during this reporting period was the completion of the draft Constitution which was finalised on 5 January 2015. Sequenced by the Draft Constitution handed over to the National Body (NB) on 17 January 2015 and then the process was put on hold as a result of the events which took place in the political arena in Yemen early in 2015. Early in January 2015 and February the “Matlabi” campaign continued promoting NDC outcomes. Another campaign “Teshti Te3ref” campaign was launched in several governorates to promote the constitution and some constitutional outlines. A media and communication plan was developed for the public participation and referendum. In February a suspension of activities decision was taken by the YNDCR TF Steering Committee. At the time, the situation was not clear and a resumption of the process was possible. The Secretariat continued to work on preparations and productions to be ready if the process was resumed. The Coalition operations started and the Secretariat was scaled down and continued to work preparing for sudden resumption, while on the same time preparing for a closure. By end of September the Secretariat officially closed.

In the meantime, while UNOPS work continued to provide the operational and administrative support to the Secretariat, UNICEF had been unable to suspend partner grants which the Project had co-funded. This

is assessed to not only have overall positive impact regarding child rights/protection/etc but also of value in the context of future constitutional reform processes, the success of which will be based on thorough understanding and acceptance of these issues within the communities. Through this funding support, UNICEF was able to conduct extensive community outreach and engagement activities in 106 districts (15 governorates), improving community and public awareness of agreed key outcomes of the NDC as they relate to the rights of children and minority groups. Approximately 153,219 people were engaged through interactive and direct (face to face) communication activities including: women, youth, and community leaders (including imams/sheikhs, clan leaders and government and civil society leaders).

***Outcome 1: Implementation of the CMP advanced according to agreed timelines and steps, on the basis of coherent technical, financial and administrative support***

The main objective of this project was to support implementing the CDP. Under outcome one, the project achieved the planned goals on providing technical, administrative and financial support to the Secretariat and CDC to implement the process. Key objective achieved under this outcome was that the Secretariat was well-resourced and able to provide administrative and logistical support to the CDC. The second objective was to mobilise the required funds through the YNDCRTF Secretariat to cover the implementation of the process. The YNDCRTF Secretariat was able to mobilise the required funding for the Secretariat and CDC operations and communications activities. UNOPS provided the operational support through providing contractual, logistical and financial services for the Secretariat throughout the reporting period. Even though the process was not completed, the project provided the required support while it was ongoing.

The CDP included three stages, drafting the constitution was the first step and planned for six months, the second was the public participation and revision of the first draft which was supposed to take six to eight weeks and the final step was the Constitution referendum. The drafting process took longer than anticipated and was completed in ten months. During the reporting period, the Secretariat, OSESG and UNOPS in cooperation with other partners continued to provide technical and operational support for the CDC during the first quarter. Drastic changes in the political arena took place in the last quarter of 2014. President Hadi, the Special Advisor to the UN Secretary General and the Secretary General of the Constitution Drafting Commission General Secretariat worked closely to resolve disputes in the CDC meeting to ensure the process completion and avoid allowing disturbance by the recent developments. On 5 January 2015 a Draft Constitution was finalised and submitted to the President.

On 17 January 2015, the Draft Constitution was officially handed over to the National Body in a large meeting in the Presidential Palace with the presence of the President. This meeting was disturbed by the incident of kidnapping the Secretariat Secretary General (SG). After this date, in a sequence of events, armed groups took control of the Presidential Palace and other government institutions, the President and his government resigned and the process was put on-hold. After these developments, the activities under this project were suspended through a decision of the YNDCRTF Steering Committee. Since then, the Secretariat suspended all field activities. The Secretariat downsized their structure and only continued working on developing plans

and productions for the public participation and referendum to be prepared for a resumption of the process. And later in June, a decision by the YNDCR TF Steering Committee was taken to close the Secretariat. The Secretariat worked on their closure with the UNOPS. The Secretariat was officially closed on 30 September 2015.

### **Activities Implemented in 2015:**

With the technical support of the OSESG and operational support of UNOPS, the Secretariat continued to provide the logistical, technical, administrative support to the Constitution Drafting Commission and drafting process. During the first quarter of 2015, and before the suspension, the Secretariat organized several meetings for the CDC presidium members and CDC rapporteur to review of draft constitution and finalised the draft constitution design for the public consultation phase. Before the process was put on hold by mid-January, OSASG ensured UN Political Officers attended the daily CDC meetings to monitor progress, identify issues which might require expert advice and facilitation or mediation support, to reach agreement. The Secretariat organized a meeting to officially hand over the draft to the National Body on 17 January 2015. The situation got complicated when the Secretary General was kidnapped to suspend the process. Further deterioration in the capital took place when militants took over the presidential palace and the president and his government resigned. The political transition process was then suspended as a consequence to the events.

The Secretariat staff continued working and stopped all activities under this project except for materials production and plans developing to be used in the upcoming phases of public participation and constitution referendum. In March 2015, they started to work from home, after the armed groups forced them to close their office and stop any publications on the website. The Secretariat started working on new archiving models to ensure the important data and documents are secured. The Secretariat worked on a staff downsizing to reflect the reduced workload while also maintaining the ability to start up quickly again if the situation changed.

By end of March 2015, the Coalition airstrikes on Yemen started and the conflict escalated further in different locations. It was then clear that continuation of the process was not going to happen soon and further downsizing for the secretariat was then realized and was gradually implemented in line with the reduced staffing requirements. During the second quarter, the OSESG, UNOPS and the Secretariat worked on the basis of two scenarios. The first scenario was keeping the Secretariat on the ground with minimal costs to work on preparations for the following phases of the process and ready to start immediately if the political process was back on track. The second scenario was to plan for closure in case the process will not be resumed before September which leaves only three months for final closure of the project. The Secretariat and UN team restructured their teams to be able to reduce staffing costs and UNOPS worked on minimizing other operational costs.

On the other hand, the Secretariat continued to work from home and started preparations for project closure and other preparations for a sudden resumption of the project. Part of the closure preparations was

to start work on a final report for supporting the constitutional process. This report explains the role of the Secretariat and documents their work throughout the drafting process. In addition, they continued working on alternative modalities, plans for the resumption. UNOPS continued to provide the needed logistical and operational support throughout the period such as renewal/ending contracts of staff, premises and security among other contracts. They worked on reconciliations with banks and companies who were responsible for internal money transfers among other issues.

The OSESG continued to provide regular updates on the situation to donors whether through virtual or bilateral meetings. In these meetings, OSESG and UNOPS discussed the ongoing planning based on the assumptions of the two scenarios mentioned above in this report. In addition, OSESG continued to work with the MPTF office on administrative issues like ending SAAs, asset disposal policy and other donor related documentation.

During the third quarter of 2015, OSESG, UNOPS and the Secretariat worked on the closure preparations after some donors' agreements came to end in this quarter or were terminated. It was decided to prepare for a closure of the Secretariat on 30 September 2015. UNOPS and the Secretariat worked on contracts terminations and notifications to staff and other contractors. The Secretariat premises were still held by militants but the Secretariat was able to negotiate moving the equipment and servers out which could get stolen or damaged in the building and had to leave the furniture until the militants approve the transport. All the items released were moved to another new warehouse rented for this purpose. The OSESG held a virtual meeting to approve the asset disposal policy after the closure. It was then agreed to move them to the new peace support project. Among the preparations for closure, archiving the developed materials for the public consultation phase, technical support documents among others, was one of the most important activities which were done by the Secretariat during this reporting period. Finalising handovers of previous staff who were released back in June 2015 and then the handover of the few staff who were finalizing the closure during this quarter. After the Secretariat was closed on 30 September 2015, UNOPS had only some contracts left to close for the premises and Security Company among others.

***Outcome 2: "The outcome of the Implementation of the Transition Agreement reflects an inclusive, transparent, meaningful and participatory process"***

Under this outcome, the main objective of the Secretariat's work, supported through this Project was to strengthen the country-wide communication of the NDC outcomes and to implement a respective Outreach strategy and plan, utilizing a diverse set of media channels targeted to maximize coverage and inclusion. With the support of UNOPS and OSESG, the Secretariat continued their work on the media outdoor campaigns

When the political process was put on hold, the secretariat kept working on the in-house activities to promote the constitution draft and NDC outcomes until the Secretariat was requested to suspend all their work by the militants who took over the capital.

The UNICEF component of the project comes under this outcome. UNICEF's objective under this project was to ensure the inclusion and adoption of key child and minority rights provisions in the new constitution of Yemen, through improved citizen participation and engagement with the NDC Outcomes and the constitution making process. However, following the escalation and outbreak of armed conflict in early March 2015, all operations regarding the National Dialogue Outcomes and the draft constitution making processes were suspended.

It should be noted however, that prior to the suspension of the activities, the majority of child and minority rights that were advocated for under this project were included in the draft constitution including; definition of a child as anyone under 18 years, minimum age of marriage set at 18 years, the right of a Yemeni child to a name, a home, right to free health and education and the right to protection from violence and traditional harmful practices, including female genital mutilation, among others. Similarly the draft constitution had set provisions to protect the rights of minorities including right to employment and participation and protection from discrimination. The rights to access and obtain adequate supply of clean water.

Despite the suspension, UNICEF had been unable to suspend their local partner's grants which the Project had co-funded. Hence, this is assessed to not only have overall positive impact on child rights/protection/etc but also of value in the context of future constitutional reform processes, the success of which will be based on thorough understanding and acceptance of these issues within the communities. UNICEF continued its community outreach and engagement programme to not only maintain momentum on the gains made in improving community awareness of the essential child rights but to also promote the protection of these rights during the emerging conflict, where children would remain the most vulnerable.

#### **Activities Implemented in 2015:**

In January 2015, the Secretariat launched "Tesh'ti Te3raf" outdoor campaign which was an introductory and educational phase aimed to raise the awareness and educate the public about what the Constitution is; understand key issues related to the new constitution; to be informed of the constitutional process, how to participate in the public consultation and referendum. After the suspension of the process, the Secretariat continued to finalize the development of detailed plans and productions needed for the components of the campaign of "Our Constitution". Many activities were implemented during the first quarter before the suspension, including producing promotional and educational materials production, launching "Tesh'ti Te3raf " outdoor campaign, radio and newspapers articles, developing the training manual for the training of trainers, Guidelines and other materials for the upcoming phases, establishment of volunteers network of 220 volunteer from 22 governorates to participate in the public consultation phase and outreach activities and conducted Training for Trainers for Master Trainers.

During the first quarter, the Secretariat media and communication unit worked with the CDC rapporteur to identify the most important articles of the draft constitution that can derive educational messages for the civic education Campaign. During the first quarter of 2015, around 46 articles were identified covering various issues which make a difference for the people including education, health, security, freedom speech, women, children and youth issues, trade and investment among others.

The Secretariat developed a Constitution Guide that gives orientation about the Transitional Phase to be linked to the Constitution and then focuses on the Constitution and how it reflects the public needs and enhances their reality.

The Secretariat had several meetings with a representative from the Ministry of Education to develop "School Student Booklet", The Booklet focuses on the values of dialogue as a way of conflict resolution, equal citizenship among other issues. These values are the basis in enforcing democracy in the new generation.

During the second quarter of 2015, the Secretariat worked on the two scenarios projected for the process; a sudden resumption of the process or closure for the Secretariat. Part of planning for the first scenario was producing materials for the outreach and messages to be used in the media and communication campaign. One hundred messages on a number of chapters of the draft Constitution were developed to be used when the process is retained. The Secretariat tried to identify alternative methods to continue working on the Public Consultation outreach campaign for the draft constitution. They worked with TV stations working from outside Sana'a to broadcast the Campaign TV flashes. Another method used by the Secretariat was utilizing some staff members personal Facebook pages and WhatsApp to broadcast some constitutional articles.

Later on June 2015, the closure decision was taken, the Secretariat stopped working to prepare for the resumption and started to finalise archiving the materials which have been prepared for the public consultation phase which included plans and messages on a number of chapters of the draft Constitution, in addition to the prepared materials for "Teshti Te3ref Campaign", which was interrupted earlier after it was launched. The national TV stations working outside Sana'a continued to broadcast the TV flashes of 'Matlabi' and "Teshti Te3ref" campaigns throughout 2015.

UNICEF started to work on their outreach and awareness on 2014 under the PBSO funding. UNICEF had ongoing agreements with Local Civil Society Organisations who carried on their work on 2015. After the process was suspended UNICEF couldn't suspend those agreements and their partners continued their promotion programme throughout 2015. The outreach programme employed a mix of interpersonal and mass media communication to improve community awareness of and participation in the NDC outcomes, as they relate to the rights of children and minorities, including the right to water. The multi-layer outreach campaign utilized house visits, focus group discussions, community meetings and dialogue sessions with community leaders, as well as community media such as drama and puppet shows and interactive radio programmes.

During 2015, UNICEF conducted outreach activities in over 367 villages and 106 districts in 15 governorates including Sana'a, Sana'a City, Al Mahweet, Raymah, Hadramout, Al Jawf, Ibb, Al Bayda, Dhamar, Hajjah, Taiz, Amran, Hodeida, Sa'ada and Aden, reaching approximately 153,219 people.

Through partnership agreements with nine civil society organizations, 1,853 Community outreach facilitator volunteers (also known as Community Volunteers) have been trained in participatory communication skills to plan and engage communities in discussions as well as in the key NDC outcomes relating to children's rights, rights of minorities and right to water. These trained volunteers were instrumental in the mobilization and ensuring participation of community members in outreach activities.

Participatory community engagement activities were carried out including approximately 21,780 house visits, 553 focus group discussions and 722 community open dialogue/meetings and 138 Friday prayer speeches, with participation of men and women groups, boys and girls (youth), local and religious leaders in 106 districts in 15 governorates

On a qualitative assessment of the project overall progress, the project provided the needed administrative, financial and operational support planned under this project. In fact, under some indicators targets were highly exceeded. Unfortunately while the project was scoring success in providing the support needed for the Constitutional drafting process, the process was suspended for reasons beyond the control of the project board or process implementers. Thus, with in the power of the project, achieving the planned targets for the phase implemented if the success indicators were achieving the targets indicated for each phase of the process, then the project exceeded the targeted indicators. On the other hand, the drafting was finalised in consensus with all political actors. There was still the public consultation and referendum for another two months to complete the process. Theoretically, 75% of the process completed, with less than 60% of total budget exhausted, considering that 10% will only be for an extraordinary cost of printing the constitution for public distribution. This means the project successfully achieved targeted goals for the phase implemented with additional preparations for the phases remained to complete the process

## 4. Financial Performance

This chapter presents financial data and analysis of the Yemen NDCR TF 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/YEM00>.

### 4.1. SOURCES AND USES OF FUNDS

As of 31 December **2015**, nine contributors have deposited US\$ **25,228,890** in contributions and US\$ **39,074** has been earned in interest,

bringing the cumulative source of funds to US\$ **25,267,965**.

Of this amount, US\$ **22,611,516** has been transferred to two Participating Organizations, of which US\$ **22,412,335** has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ **232,328**. Table 1 provides an overview of the overall sources, uses, and balance of the Yemen NDCR TF as of 31 December **2015**.

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

	Annual 2014	Annual 2015	Cumulative
<b>Sources of Funds</b>			
Gross Contributions	10,437,511	-	25,228,890
Fund Earned Interest and Investment Income	15,025	16,276	39,074
Interest Income received from Participating Organizations	-	-	-
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MDTF	-	-	-
Other Revenues	-	-	-
<b>Total: Sources of Funds</b>	<b>10,452,536</b>	<b>16,276</b>	<b>25,267,965</b>
<b>Use of Funds</b>			
Transfers to Participating Organizations	5,897,806	2,081,710	22,611,516
Refunds received from Participating Organizations	-	-	-
<b>Net Funded Amount to Participating Organizations</b>	<b>5,897,806</b>	<b>2,081,710</b>	<b>22,611,516</b>
Administrative Agent Fees	88,066	(3,652)	232,328
Direct Costs: (Steering Committee, Secretariat...etc.)	-	-	-
Bank Charges	162	112	476
Other Expenditures	16,309	3,652	19,961
<b>Total: Uses of Funds</b>	<b>6,002,344</b>	<b>2,081,822</b>	<b>22,864,281</b>
<b>Change in Fund cash balance with Administrative Agent</b>	<b>4,450,192</b>	<b>(2,065,546)</b>	<b>2,403,684</b>
Opening Fund balance (1 January)	19,038	4,469,230	-
<b>Closing Fund balance (31 December)</b>	<b>4,469,230</b>	<b>2,403,684</b>	<b>2,403,684</b>
Net Funded Amount to Participating Organizations	5,897,806	2,081,710	22,611,516
Participating Organizations' Expenditure	5,262,673	2,982,299	22,412,335
<b>Balance of Funds with Participating Organizations</b>			<b>199,181</b>

## 4.2. PARTNER CONTRIBUTIONS

Table 2 provides 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
DENMARK, Government of	1,359,388	-	1,359,388
DEPARTMENT FOR INT'L DEVELOPMENT (DFID)	7,284,003	-	7,284,003
EUROPEAN UNION	1,996,080	-	1,996,080
GERMANY, Government of	1,990,950	-	1,990,950
JAPAN, Government of	2,001,149	-	2,001,149
NETHERLANDS, Government of	2,565,789	-	2,565,789
QATAR, Government of	1,000,000	-	1,000,000
SWEDISH INT'L DEVELOPMENT COOPERATION	6,931,530	-	6,931,530
TURKEY, Government of	100,000	-	100,000
<b>Grand Total</b>	<b>25,228,890</b>	<b>-</b>	<b>25,228,890</b>

## 4.3. 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 **2015**, Fund earned interest amounts to US\$ **39,074** and interest received from Participating Organizations amounts to US\$ -, bringing the cumulative interest received to US\$ **39,074**. 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
<b>Administrative Agent</b>			
Fund Earned Interest and Investment Income	22,799	16,276	39,074
<b>Total: Fund Earned Interest</b>	<b>22,799</b>	<b>16,276</b>	<b>39,074</b>
<b>Participating Organization</b>			
<b>Total: Agency earned interest</b>			
<b>Grand Total</b>	<b>22,799</b>	<b>16,276</b>	<b>39,074</b>

#### 4.4 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 AA has transferred US\$ **22,611,516** to **2** 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
UNICEF				250,059		250,059	250,059		250,059
UNOPS	20,529,806		20,529,806	1,831,651		1,831,651	22,361,457		22,361,457
<b>Grand Total</b>	<b>20,529,806</b>		<b>20,529,806</b>	<b>2,081,710</b>		<b>2,081,710</b>	<b>22,611,516</b>		<b>22,611,516</b>

#### 4.5. 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.

#### 4.5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

As shown in table below, the cumulative net funded amount is US\$ **22,611,516** and cumulative expenditures reported by the Participating Organizations amount to US\$ **22,412,335**. This equates to an overall Fund expenditure delivery rate of **99** percent.

**Table 5. 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	
UNICEF	250,059	250,059		250,059	250,059	100.00
UNOPS	22,361,457	22,361,457	19,430,036	2,732,241	22,162,276	99.11
<b>Grand Total</b>	<b>22,611,516</b>	<b>22,611,516</b>	<b>19,430,036</b>	<b>2,982,299</b>	<b>22,412,335</b>	<b>99.12</b>

#### 4.5.2 EXPENDITURE BY PROJECT

Table 5 displays the net funded amounts, expenditures reported and the financial delivery rates by Participating Organization.

**Table 6. Expenditure by Project within Sector, as of 31 December 2015 (in US Dollars)**

Sector / Project No. and Project Title		Participating Organization	Total Approved Amount	Net Funded Amount	Total Expenditure	Delivery Rate %
<b>Yemen NDCR TF</b>						
00085672	Yemeni National Dialogue	UNOPS	16,795,171	16,795,171	16,790,455	99.97
00089815	Yemen Constitution-Making Proc	UNICEF	250,059	250,059	250,059	100.00
00089815	Yemen Constitution-Making Proc	UNOPS	5,566,286	5,566,286	5,371,821	96.51
<b>Yemen NDCR TF: Total</b>			<b>22,611,516</b>	<b>22,611,516</b>	<b>22,412,335</b>	<b>99.12</b>
<b>Grand Total</b>			<b>22,611,516</b>	<b>22,611,516</b>	<b>22,412,335</b>	<b>99.12</b>

#### 4.5.3 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.

**Table 7. 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)	-	-	-	
Personnel (Old)	-	-	-	
Training of Counterparts (Old)	-	-	-	
Contracts (Old)	-	-	-	
Other direct costs (Old)	-	-	-	
Staff & Personnel Cost (New)	5,496,784	1,692,393	7,189,177	34.32
Suppl, Comm, Materials (New)	120,305	8,020	128,326	0.61
Equip, Veh, Furn, Depn (New)	753,089	183,868	936,956	4.47
Contractual Services (New)	7,400,386	108,902	7,509,288	35.85
Travel (New)	1,503,906	190,666	1,694,573	8.09
Transfers and Grants (New)	-	169,359	169,359	0.81
General Operating (New)	2,884,186	433,983	3,318,169	15.84
<b>Programme Costs Total</b>	<b>18,158,657</b>	<b>2,787,191</b>	<b>20,945,848</b>	<b>100.00</b>
<sup>1</sup> Indirect Support Costs Total	1,271,378	195,108	1,466,487	7.00
<b>Total</b>	<b>19,430,036</b>	<b>2,982,299</b>	<b>22,412,335</b>	

<sup>1</sup> **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%.

#### 4.6. 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 (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\$ **(3,652)** was deducted in AA-fees. Cumulatively, as of 31 December 2015, US\$ **232,328** has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ **195,108** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **1,466,487** as of 31 December 2015.

#### 4.7. 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.

#### 4.8. 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 2015, there were no direct costs charged to the fund.