

**Consolidated Annual Financial
Report of the Administrative Agent
of
the Kurdistan Vision 2020 Facility**

for the period 1 January to 31 December 2015

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

PARTICIPATING ORGANIZATIONS



Food and Agriculture
Organization



International Labour
Organization



UNDP(MDTF/PUNO only).



United Nations
Educational, Scientific
and Cultural Organization



United Nations
Population Fund



UN Centre for Human
Settlement



United Nations Children's
Fund



UNWOMEN



World Food Programme



World Health
Organization

CONTRIBUTORS



Kurdistan Regional Govt Iraq

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.

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 Kurdistan Vision 2020 Facility 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/IQK00>.

1. SOURCES AND USES OF FUNDS

As of 31 December 2015, one contributor has deposited US\$ 4,200,861 in contributions and US\$ 3,690 has been earned in interest,

bringing the cumulative source of funds to US\$ 4,204,551.

Of this amount, US\$ 3,673,817 has been transferred to 10 Participating Organizations, of which US\$ 3,525,239 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ 42,009. Table 1 provides an overview of the overall sources, uses, and balance of the Kurdistan Vision 2020 Facility 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	4,200,861	-	4,200,861
Fund Earned Interest and Investment Income	1,293	2,397	3,690
Interest Income received from Participating Organizations	-	-	-
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MDTF	-	-	-
Other Revenues	-	-	-
Total: Sources of Funds	4,202,154	2,397	4,204,551
Use of Funds			
Transfers to Participating Organizations	3,223,497	450,320	3,673,817
Refunds received from Participating Organizations	-	-	-
Net Funded Amount to Participating Organizations	3,223,497	450,320	3,673,817
Administrative Agent Fees	42,009	-	42,009
Direct Costs: (Steering Committee, Secretariat...etc.)	140,000	-	140,000
Bank Charges	22	19	40
Other Expenditures	-	-	-
Total: Uses of Funds	3,405,527	450,339	3,855,866
Change in Fund cash balance with Administrative Agent	796,627	(447,941)	348,685
Opening Fund balance (1 January)	-	796,627	-
Closing Fund balance (31 December)	796,627	348,685	348,685
Net Funded Amount to Participating Organizations	3,223,497	450,320	3,673,817
Participating Organizations' Expenditure	1,347,981	2,177,258	3,525,239
Balance of Funds with Participating Organizations			148,578

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
Kurdistan Regional Govt Iraq	4,200,861	-	4,200,861
Grand Total	4,200,861	-	4,200,861

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\$ 3,690 and interest received from Participating Organizations amounts to US\$ -, bringing the cumulative interest received to US\$ 3,690. 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	1,293	2,397	3,690
Total: Fund Earned Interest	1,293	2,397	3,690
Participating Organization			
Total: Agency earned interest			
Grand Total	1,293	2,397	3,690

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\$ 3,673,817 to 10 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
FAO	64,000		64,000				64,000		64,000
ILO	303,520		303,520				303,520		303,520
UNDP	575,735		575,735				575,735		575,735
UNESCO	50,000		50,000				50,000		50,000
UNFPA	604,530		604,530				604,530		604,530
UNHABITAT	358,129		358,129	450,320		450,320	808,449		808,449
UNICEF	697,268		697,268				697,268		697,268
UNWOMEN	142,513		142,513				142,513		142,513
WFP	87,930		87,930				87,930		87,930
WHO	339,872		339,872				339,872		339,872
Grand Total	3,223,497		3,223,497	450,320		450,320	3,673,817		3,673,817

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\$ **3,673,817** and cumulative expenditures reported by the Participating Organizations amount to US\$ **3,525,239**. This equates to an overall Fund expenditure delivery rate of **96** 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	
FAO	64,000	64,000		54,757	54,757	85.56
ILO	303,520	303,520	11,632	160,402	172,034	56.68
UNDP	575,735	575,735	30,348	372,619	402,967	69.99
UNESCO	50,000	50,000		44,685	44,685	89.37
UNFPA	604,530	604,530	93,858	479,542	573,400	94.85
UNHABITAT	808,449	808,449	10,703	844,719	855,423	105.81
UNICEF	697,268	697,268	1,155,829	64,090	1,219,919	174.96
UNWOMEN	142,513	142,513	9,323	60,279	69,603	48.84
WFP	87,930	87,930				0
WHO	339,872	339,872	36,288	96,165	132,452	38.97
Grand Total	3,673,817	3,673,817	1,347,981	2,177,258	3,525,239	95.96

5.3 EXPENDITURE BY PROJECT

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

Table 5. 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 %
1.1 Equal Access						
00091232	P1-IS-02 Reintegration of Deta	UNFPA	95,600	95,600	89,561	93.68
00091232	P1-IS-02 Reintegration of Deta	UNICEF	120,000	120,000	247,784	206.49
00091233	P1-IS-03 Rehab for Mine Victim	UNDP	133,200	133,200	89,870	67.47
00091233	P1-IS-03 Rehab for Mine Victim	UNICEF	80,000	80,000	102,571	128.21
00091234	P1-ED-01 Child Friendly School	UNFPA	47,872	47,872	47,734	99.71
00091234	P1-ED-01 Child Friendly School	UNICEF	105,472	105,472	186,805	177.11

00091234	P1-ED-01 Child Friendly School	WFP	54,784	54,784		0
00091234	P1-ED-01 Child Friendly School	WHO	47,872	47,872	15,099	31.54
00091236	P1-IS-05 FGM Elimination	UNICEF	120,000	120,000	119,560	99.63
00091237	P1-IS-06 Disadvantaged Youth	ILO	303,520	303,520	172,034	56.68
00091237	P1-IS-06 Disadvantaged Youth	UNFPA	215,600	215,600	195,955	90.89
00091240	P1-HT-01 Improve PHC Services	UNFPA	165,458	165,458	163,912	99.07
00091240	P1-HT-01 Improve PHC Services	UNICEF	171,796	171,796	313,283	182.36
00091240	P1-HT-01 Improve PHC Services	WFP	33,146	33,146		0
00091240	P1-HT-01 Improve PHC Services	WHO	292,000	292,000	117,353	40.19
1.1 Equal Access: Total			1,986,320	1,986,320	1,861,522	93.72

1.2 People's Participation						
00091231	P1-IS-01 Safer Cities in Suli	UNDP	15,043	15,043		0
00091231	P1-IS-01 Safer Cities in Suli	UNHABITAT	57,916	57,916	201,490	347.90
00091231	P1-IS-01 Safer Cities in Suli	UNWOMEN	16,513	16,513	2,449	14.83
00091235	P1-IS-04 Ct. of Gender Studies	UNWOMEN	80,000	80,000	25,599	32.00
1.2 People's Participation: Total			169,472	169,472	229,538	135.44

2 Living Standards						
00091238	P1-IS-07 Soc-Eco Women Empower	FAO	64,000	64,000	54,757	85.56
00091238	P1-IS-07 Soc-Eco Women Empower	UNESCO	50,000	50,000	44,685	89.37
00091238	P1-IS-07 Soc-Eco Women Empower	UNFPA	80,000	80,000	76,238	95.30
00091238	P1-IS-07 Soc-Eco Women Empower	UNWOMEN	46,000	46,000	41,555	90.34
00091239	P1-IS-08 National UNVs	UNDP	217,060	217,060	98,870	45.55
00091241	P2-HS-01 Urban Planning	UNHABITAT	750,533	750,533	653,933	87.13
00091242	P2-WS-01 Water Conserv/Mgt	UNICEF	100,000	100,000	249,916	249.92
2 Living Standards: Total			1,307,593	1,307,593	1,219,953	93.30

3.2 Legislative Framework						
00091243	P4-GV-01 Support for HR Board	UNDP	210,432	210,432	214,227	101.80
3.2 Legislative Framework: Total			210,432	210,432	214,227	101.80

Grand Total ?			3,673,817	3,673,817	3,525,239	95.96
----------------------	--	--	------------------	------------------	------------------	--------------

5.4 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.

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

Table 6. 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)	17,465	512,920	530,386	16.05
Suppl, Comm, Materials (New)	90,825	14,344	105,169	3.18
Equip, Veh, Furn, Depn (New)	5,922	44,644	50,566	1.53
Contractual Services (New)	233,352	695,477	928,829	28.11
Travel (New)	66,540	189,149	255,689	7.74
Transfers and Grants (New)	727,624	114,651	842,275	25.49
General Operating (New)	111,340	479,955	591,295	17.90
Programme Costs Total	1,253,067	2,051,141	3,304,208	100.00
¹ Indirect Support Costs Total	94,914	126,117	221,031	6.69
Total	1,347,981	2,177,258	3,525,239	

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 (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\$ 0 was deducted in AA-fees. Cumulatively, as of 31 December 2015, US\$ 42,009 has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ 126,117 was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ 221,031 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.

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.