

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

for the period 1 January to 31 December 2016

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

31 May 2017

PARTICIPATING ORGANIZATIONS



Economic Commission for Africa



Food and Agriculture Organization



International Labour Organisation



International Organization for Migration



International Trade Centre



Joint United Nations Programme on HIV/AIDS



United Nations Capital Development Fund



UN Conference on Trade and Development



United Nations Development Programme



United Nations Volunteers Programme

CONTRIBUTORS



Department for International Development (DFID)



Delivering Results Together



Expanded DaO Funding Window



Government of the NETHERLANDS



Government of NORWAY



Swedish International Development Coordination



Government of SPAIN



Government of SWEDEN



United Nations
Environment
Programme



United Nations
Educational,
Scientific and
Cultural
Organization



United Nations
Population Fund



UN Centre for
Human
Settlement



UN High
Commissioner for
Refugees



United Nations
Children's Fund



UN Industrial
Development
Organization



UNWOMEN



World Food
Programme



World Health
Organization

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.

INTRODUCTION

This Consolidated Annual Financial Report of the **Rwanda One UN 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.

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 **2016** and provides financial data on progress made in the implementation of projects of the **Rwanda One UN Fund**. It is posted on the MPTF Office GATEWAY (<http://mptf.undp.org/factsheet/fund/RW100>).

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

2016 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the **Rwanda One UN Fund** using the pass-through funding modality as of 31 December **2016**. Financial information for this Fund is also available on the MPTF Office GATEWAY, at the following address: <http://mptf.undp.org/factsheet/fund/RW100>.

1. SOURCES AND USES OF FUNDS

As of 31 December **2016**, 8 contributors deposited US\$ **101,468,174** in contributions and US\$ **1,062,396** was earned in interest.

The cumulative source of funds was US\$ 102,530,570 (see respectively, Tables 2 and 3).

Of this amount, US\$ 91,073,770 has been transferred to 20 Participating Organizations, of which US\$ 88,178,313 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ 1,014,682. Table 1 provides an overview of the overall sources, uses, and balance of the Rwanda One UN Fund as of 31 December 2016.

Table 1. Financial Overview, as of 31 December 2016 (in US Dollars)

	Annual 2015	Annual 2016	Cumulative
Sources of Funds			
Contributions from donors	5,765,325	1,587,040	101,468,174
Fund Earned Interest and Investment Income	5,352	4,282	927,413
Interest Income received from Participating Organizations	4,926	7,343	134,983
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MDTF	-	-	-
Other Income	-	-	-
Total: Sources of Funds	5,775,604	1,598,665	102,530,570
Use of Funds			
Transfers to Participating Organizations	14,353,248	495,000	92,216,335
Refunds received from Participating Organizations	(76,646)	(610,349)	(1,142,565)
Net Funded Amount	14,276,602	(115,349)	91,073,770
Administrative Agent Fees	57,653	15,870	1,014,682
Direct Costs: (Steering Committee, Secretariat...etc.)	(3,707,724)	(364)	8,665,427
Bank Charges	61	50	2,250
Other Expenditures	-	-	-
Total: Uses of Funds	10,626,592	(99,793)	100,756,128
Change in Fund cash balance with Administrative Agent	(4,850,989)	1,698,458	1,774,442
Opening Fund balance (1 January)	4,926,973	75,984	-
Closing Fund balance (31 December)	75,984	1,774,442	1,774,442
Net Funded Amount	14,276,602	(115,349)	91,073,770
Participating Organizations' Expenditure	15,466,366	4,927,987	88,178,313
Balance of Funds with Participating Organizations			2,895,456

2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this Fund as of 31 December 2016.

The **Rwanda One UN Fund** is currently being financed by **8** contributors, as listed in the table below.

The table below includes commitments made through Standard Administrative Agreements signed up to 31 December 2016, and deposits; it does not include commitments for future years.

Table 2. Contributors' Commitments and Deposits, as of 31 December 2016 (in US Dollars)

Contributors	Total Commitments	Prior Years as of 31-Dec-2015 Deposits	Current Year Jan-Dec-2016 Deposits	Total Deposits
DEPARTMENT FOR INT'L DEVELOPMENT (DFID)	10,499,650	10,499,650	-	10,499,650
Delivering Results Together	2,800,000	2,300,000	500,000	2,800,000
Expanded DaO Funding Window	41,075,000	41,075,000	-	41,075,000
NETHERLANDS, Government of	9,568,942	9,568,942	-	9,568,942
NORWAY, Government of	3,661,542	3,661,542	-	3,661,542
SWEDISH INT'L DEVELOPMENT COOPERATION	4,189,020	4,189,020	-	4,189,020
SPAIN, Government of	6,000,000	6,000,000	-	6,000,000
SWEDEN, Government of	23,674,020	22,586,980	1,087,040	23,674,020
Grand Total	101,468,174	99,881,134	1,587,040	101,468,174

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 **2016**, Fund earned interest amounts to US\$ **927,413**.

Interest received from Participating Organizations amounts to US\$ **134,983**, bringing the cumulative interest received to US\$ **1,062,396**.

Details are provided in the table below.

Table 3. Sources of Interest and Investment Income, as of 31 December 2016 (in US Dollars)

Interest Earned	Prior Years as of 31-Dec-2015	Current Year Jan-Dec-2016	Total
Administrative Agent			
Fund Earned Interest and Investment Income	923,131	4,282	927,413
Total: Fund Earned Interest	923,131	4,282	927,413
Participating Organization			
UNDP	45,275		45,275
UNIDO	32,895	298	33,193
UNDP(UNV)		4,886	4,886
FAO		1,900	1,900
UNFPA	19,899		19,899
UNWOMEN	13,553		13,553
UNCTAD	6,119		6,119
UNESCO	9,899	259	10,158
Total: Agency earned interest	127,640	7,343	134,983
Grand Total	1,050,771	11,625	1,062,396

4. TRANSFER OF FUNDS

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December 2016, the AA has transferred US\$ 92,216,335 to 20 Participating Organizations (see list below).

4.1 TRANSFER BY PARTICIPATING ORGANIZATION

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 2016 (in US Dollars)

Participating Organization	Prior Years as of 31-Dec-2015			Current Year Jan-Dec-2016			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
ECA	2,072,144		2,072,144				2,072,144		2,072,144
FAO	3,975,130		3,975,130		(28,794)	(28,794)	3,975,130	(28,794)	3,946,335
ILO	2,012,021		2,012,021		(2,091)	(2,091)	2,012,021	(2,091)	2,009,930
IOM	617,807		617,807				617,807		617,807
ITC	587,742		587,742				587,742		587,742
UNAIDS	878,116	(297)	877,819	148,500		148,500	1,026,616	(297)	1,026,319
UNCDF	314,388		314,388				314,388		314,388
UNCTAD	1,062,860	(22,289)	1,040,571				1,062,860	(22,289)	1,040,571
UNDP	20,504,285	(505,402)	19,998,883		(76,077)	(76,077)	20,504,285	(581,479)	19,922,806
UNDP(UNV)	182,053		182,053		(114,361)	(114,361)	182,053	(114,361)	67,692
UNEP	398,282		398,282				398,282		398,282
UNESCO	1,997,182	(4,201)	1,992,981		(149,374)	(149,374)	1,997,182	(153,575)	1,843,607
UNFPA	12,419,921		12,419,921	99,000		99,000	12,518,921		12,518,921
UNHABITAT	3,432,083		3,432,083				3,432,083		3,432,083
UNHCR	4,134,668		4,134,668				4,134,668		4,134,668
UNICEF	11,534,347	(27)	11,534,320	99,000	(2,864)	96,136	11,633,347	(2,891)	11,630,455
UNIDO	3,783,541		3,783,541		(136,181)	(136,181)	3,783,541	(136,181)	3,647,361
UNWOMEN	12,389,195		12,389,195		(76,598)	(76,598)	12,389,195	(76,598)	12,312,597
WFP	5,200,037		5,200,037				5,200,037		5,200,037
WHO	4,225,535		4,225,535	148,500	(24,009)	124,491	4,374,035	(24,009)	4,350,026
Grand Total	91,721,335	(532,217)	91,189,118	495,000	(610,349)	(115,349)	92,216,335	(1,142,565)	91,073,770

5. EXPENDITURE AND FINANCIAL DELIVERY RATES

All final expenditures reported for the year **2016** were submitted by the Headquarters of the Participating Organizations. These were consolidated by the MPTF Office.

Project expenditures are incurred and monitored by each Participating Organization, and are reported as per the agreed upon categories for inter-agency harmonized reporting. The reported expenditures were submitted via the MPTF Office's online expenditure reporting tool. The **2016** expenditure data has been posted on the MPTF Office GATEWAY at <http://mptf.undp.org/factsheet/fund/RW100>.

5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In **2016**, US\$ **(115,349)** million was net funded to Participating Organizations, and US\$ **4,927,987** million was reported in expenditure.

As shown in table below, the cumulative net funded amount is US\$ **91,073,770** and cumulative expenditures reported by the Participating Organizations amount to US\$ **88,178,313**. This equates to an overall Fund expenditure delivery rate of **97** percent.

The agencies with the three highest delivery rates are: UNHABITAT (102%), IOM (100%) and UNEP (100%)

Table 5. Net Funded Amount, Reported Expenditure, and Financial Delivery by Participating Organization, as of 31 December 2016 (in US Dollars)

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years as of 31-Dec-2015	Current Year Jan-Dec-2016	Cumulative	
ECA	2,355,579	2,072,144	1,889,364	(17,290)	1,872,075	90.34
FAO	5,124,387	3,946,335	3,675,149	84,718	3,759,867	95.27
ILO	2,545,643	2,009,930	1,892,368	99,896	1,992,264	99.12
IOM	617,807	617,807	617,807		617,807	100.00
ITC	587,742	587,742	367,255	196,140	563,395	95.86
UNAIDS	1,779,559	1,026,319	873,402	5,909	879,312	85.68
UNCDF	372,799	314,388	202,628	77,718	280,347	89.17
UNCTAD	1,278,165	1,040,571	910,401	117,543	1,027,944	98.79
UNDP	24,795,191	19,922,806	17,627,676	1,507,168	19,134,844	96.04
UNDP(UNV)	315,973	67,692	47,611		47,611	70.33
UNEP	458,677	398,282	398,282	0	398,282	100.00
UNESCO	2,565,653	1,843,607	1,821,907	11,587	1,833,494	99.45
UNFPA	14,165,470	12,518,921	11,596,873	742,678	12,339,551	98.57
UNHABITAT	4,310,569	3,432,083	3,413,684	103,294	3,516,977	102.47
UNHCR	5,026,794	4,134,668	4,134,668		4,134,668	100.00
UNICEF	12,955,412	11,630,455	11,531,779	5,372	11,537,150	99.20
UNIDO	4,875,107	3,647,361	3,218,136	178,285	3,396,422	93.12
UNWOMEN	12,846,864	12,312,597	9,869,648	1,780,705	11,650,353	94.62
WFP	6,205,208	5,200,037	4,960,258		4,960,258	95.39
WHO	5,953,702	4,350,026	4,201,430	34,263	4,235,693	97.37
Grand Total	109,136,300	91,073,770	83,250,327	4,927,987	88,178,313	96.82

5.2 EXPENDITURE BY UNDAF OUTCOME

Table 5 displays the net funded amounts, expenditures incurred and the financial delivery rates by UNDAF Outcome.

Table 5. Expenditure by UNDAF Outcome, as of 31 December 2016 (in US Dollars)

Country/Sector	Prior Years as of 31-Dec-2015		Current Year Jan-Dec-2016		Total		Delivery Rate %
	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	
Rwanda							
DRG1 Economic Transformation	10,166,985	6,887,288		1,971,443	10,166,985	8,858,731	87.13
DRG2 Accountable Governance	9,961,178	7,833,247		1,667,062	9,961,178	9,500,309	95.37
DRG3 Human Development	7,467,547	5,791,201	470,991	1,304,909	7,938,538	7,096,110	89.39
DRG4 Response & Disaster Mgt	805,604	980,198		15,058	805,604	995,256	123.54
Education and Skills	11,590,986	11,546,101	(44,667)	(1,632)	11,546,319	11,544,469	99.98
Environment & Natural Res	5,189,642	5,482,369	(218,872)	(27,939)	4,970,770	5,454,429	109.73
Governance	18,866,390	18,194,001	(80,472)	7,721	18,785,918	18,201,722	96.89
Growth & Soc Protection	14,255,155	13,718,858	(209,792)	(7,801)	14,045,363	13,711,057	97.62
Health, Population	7,197,430	7,174,421	(169)		7,197,261	7,174,421	99.68
National HIV & AIDS	5,688,201	5,642,643	(32,368)	(834)	5,655,833	5,641,809	99.75
Rwanda Total:	91,189,118	83,250,327	(115,349)	4,927,987	91,073,770	88,178,313	96.82
Grand Total:	91,189,118	83,250,327	(115,349)	4,927,987	91,073,770	88,178,313	96.82

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. 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 6 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 6. Expenditure by UNDG Budget Category, as of 31 December 2016 (in US Dollars)

Category	Expenditure			Percentage of Total Programme Cost
	Prior Years as of 31-Dec-2015	Current Year Jan-Dec-2016	Total	
Supplies, Commodities, Equipment and Transport (Old)	8,169,392	-	8,169,392	9.90
Personnel (Old)	10,074,933	-	10,074,933	12.21
Training of Counterparts (Old)	1,535,280	-	1,535,280	1.86
Contracts (Old)	15,349,873	-	15,349,873	18.60
Other direct costs (Old)	3,305,053	-	3,305,053	4.01
Staff & Personnel Cost (New)	5,781,121	440,005	6,221,126	7.54
Supplies, Commodities, Materials (New)	3,054,803	183,364	3,238,167	3.92
Equipment, Vehicles, Furniture, Depreciation (New)	1,208,173	244,507	1,452,679	1.76
Contractual Services (New)	14,555,863	2,234,456	16,790,319	20.35
Travel (New)	2,144,125	253,703	2,397,828	2.91
Transfers and Grants (New)	5,617,544	191,495	5,809,039	7.04
General Operating (New)	7,001,888	1,173,490	8,175,378	9.91
Programme Costs Total	77,798,048	4,721,019	82,519,067	100.00
¹ Indirect Support Costs Total	5,452,279	206,967	5,659,246	6.86
Total	83,250,327	4,927,987	88,178,313	

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 2016, 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\$ **15,870** was deducted in AA-fees. Cumulatively, as of 31 December 2016, US\$ **1,014,682** has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ **206,967** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **5,659,246** as of 31 December 2016.

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'. Cumulatively, as of 31 December 2016, US\$ **8,665,427** has been charged as Direct Costs.