

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

for the period 1 January to 31 December 2018

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

31 May 2019

PARTICIPATING ORGANIZATIONS

	Economic Commission for Africa
	Food and Agriculture Organization
	International Labour Organization
	International Organization Migration
	International Trade Centre
	Joint United Nations Programme on HIV/AIDS
	United Nations Capital Development Fund
	United Nations Conference on Trade and Development
	United Nations Development Programme
	United Nations Volunteers Programme
	United Nations Environment Programme

CONTRIBUTORS

	Delivering Results Together
	Department for International Development (DFID)
	Expanded DaO Funding Window
	Government of Netherlands
	Government of Norway
	Government of Spain
	Government of Sweden
	Swedish International Development Cooperation



United Nations
Educational,
Scientific and
Cultural
Organization



United Nations
Population Fund



United Nations
Centre for Human
Settlement



United Nations High
Commissioner for
Refugee



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.

TABLE OF CONTENTS

Introduction	6
1. Sources and Uses of Funds	7
2. Partner Contributions	8
3. Interest Earned	9
4. Transfer of Funds	10
5. Expenditure and Financial Delivery Rates	11
6. Cost Recovery	14
7. Accountability and Transparency	14
8. Direct Cost	14

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 **2018** 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.

2018 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 **2018**. 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 **2018**, **8** contributors deposited US\$ **104,841,515** in contributions and US\$ **1,096,593** was earned in interest. Refunds to contributors were US\$ **(128,955)**

The cumulative source of funds was US\$ **105,809,152**

Of this amount, US\$ **104,529,032** has been net funded to **20** Participating Organizations, of which US\$ **103,357,837** has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ **1,048,415**. Table 1 provides an overview of the overall sources, uses, and balance of the **Rwanda One UN Fund** as of 31 December 2018.

Table 1. Financial Overview, as of 31 December 2018 (in US Dollars)

	Annual 2017	Annual 2018	Cumulative
Sources of Funds			
Contributions from donors	3,373,341	-	104,841,515
Fund Earned Interest and Investment Income	7,238	10,436	945,087
Interest Income received from Participating Organizations	3,888	12,634	151,505
Refunds by Administrative Agent to Contributors	-	(128,955)	(128,955)
Fund balance transferred to another MDTF	-	-	-
Other Income	-	-	-
Total: Sources of Funds	3,384,467	(105,884)	105,809,152
Use of Funds			
Transfers to Participating Organizations	2,591,369	2,003,060	96,810,764
Refunds received from Participating Organizations	(105,542)	(29,951)	(1,278,058)
Net Funded Amount	2,485,827	1,973,109	95,532,706
Administrative Agent Fees	33,733	-	1,048,415
Direct Costs: (Steering Committee, Secretariat...etc.)	200,000	130,899	8,996,326
Bank Charges	22	47	2,319
Other Expenditures	-	-	-
Total: Uses of Funds	2,719,583	2,104,055	105,579,766
Change in Fund cash balance with Administrative Agent	664,884	(2,209,940)	229,386
Opening Fund balance (1 January)	1,774,442	2,439,326	-
Closing Fund balance (31 December)	2,439,326	229,386	229,386
Net Funded Amount (Includes Direct Cost)	2,685,827	2,104,008	104,529,032
Participating Organizations' Expenditure (Includes Direct Cost)	11,382,810	3,796,714	103,357,837
Balance of Funds with Participating Organizations			1,171,195

2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this Fund as of 31 December 2018.

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

The table below includes commitments made up to 31 December 2018 through signed Standard Administrative Agreements, and deposits made through 2018. It does not include commitments that were made to the fund beyond 2018

Table 2. Contributors' Commitments and Deposits, as of 31 December 2018 (in US Dollars)

Contributors	Total Commitments	Prior Years as of 31-Dec-2017 Deposits	Current Year Jan-Dec-2018 Deposits	Total Deposits
Delivering Results Together	2,800,000	2,800,000	-	2,800,000
DEPARTMENT FOR INT'L DEVELOPMENT (DFID)	10,499,650	10,499,650	-	10,499,650
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
SPAIN, Government of	6,000,000	6,000,000	-	6,000,000
SWEDEN, Government of	25,451,623	25,451,623	-	25,451,623
SWEDISH INT'L DEVELOPMENT COOPERATION	5,784,758	5,784,758	-	5,784,758
Grand Total	104,841,515	104,841,515	-	104,841,515

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 2018, Fund earned interest amounts to US\$ 945,087.

Interest received from Participating Organizations amounts to US\$ 151,505, bringing the cumulative interest received to US\$ 1,096,593.

Details are provided in the table below.

Table 3. Sources of Interest and Investment Income, as of 31 December 2018 (in US Dollars)

Interest Earned	Prior Years as of 31-Dec-2017	Current Year Jan-Dec-2018	Total
Administrative Agent			
Fund Earned Interest and Investment Income	934,651	10,436	945,087
Total: Fund Earned Interest	934,651	10,436	945,087
Participating Organization			
ECA		11,637	11,637
FAO	3,719		3,719
UNCTAD	6,119		6,119
UNDP	45,275		45,275
UNDP(UNV)	4,886		4,886
UNESCO	10,158		10,158
UNFPA	19,899		19,899
UNIDO	35,262	997	36,260
UNWOMEN	13,553		13,553
Total: Agency earned interest	138,871	12,634	151,505
Grand Total	1,073,522	23,071	1,096,593

4. TRANSFER OF FUNDS

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December 2018, the AA has transferred US\$ 96,810,764 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 2018 (in US Dollars)

Participating Organization	Prior Years as of 31-Dec-2017			Current Year Jan-Dec-2018			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
ECA	2,072,144		2,072,144		(17,507)	(17,507)	2,072,144	(17,507)	2,054,637
FAO	3,975,130	(32,831)	3,942,298				3,975,130	(32,831)	3,942,298
ILO	2,012,021	(2,091)	2,009,930		(690)	(690)	2,012,021	(2,781)	2,009,240
IOM	617,807		617,807				617,807		617,807
ITC	587,742		587,742				587,742		587,742
UNAIDS	1,026,616	(297)	1,026,319		(5,496)	(5,496)	1,026,616	(5,793)	1,020,823
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	21,510,627	(581,479)	20,929,148	1,373,408	(6,258)	1,367,150	22,884,035	(587,737)	22,296,298
UNDP(UNV)	182,053	(114,361)	67,692				182,053	(114,361)	67,692
UNEP	398,282		398,282				398,282		398,282
UNESCO	1,997,182	(153,575)	1,843,607				1,997,182	(153,575)	1,843,607
UNFPA	12,573,921		12,573,921				12,573,921		12,573,921
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	11,633,347	(2,891)	11,630,455				11,633,347	(2,891)	11,630,455
UNIDO	3,783,541	(237,686)	3,545,856				3,783,541	(237,686)	3,545,856
UNWOMEN	13,859,222	(76,598)	13,782,624	629,652		629,652	14,488,874	(76,598)	14,412,276
WFP	5,260,037		5,260,037				5,260,037		5,260,037
WHO	4,374,035	(24,009)	4,350,026				4,374,035	(24,009)	4,350,026
Grand Total	94,807,704	(1,248,107)	93,559,597	2,003,060	(29,951)	1,973,109	96,810,764	(1,278,058)	95,532,706

5. EXPENDITURE AND FINANCIAL DELIVERY RATES

All final expenditures reported for the year **2018** 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 **2018** 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 **2018**, US\$ **1,973,109** was net funded to Participating Organizations, and US\$ **3,546,051** was reported in expenditure.

As shown in table below, the cumulative net funded amount is US\$ **95,532,706** and cumulative expenditures reported by the Participating Organizations amount to US\$ **95,018,177**. This equates to an overall Fund expenditure delivery rate of **99** percent.

Table 5.1 Net Funded Amount, Reported Expenditure, and Financial Delivery by Participating Organization, as of 31 December 2018 (in US Dollars)

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years as of 31-Dec-2017	Current Year Jan-Dec-2018	Cumulative	
ECA	2,355,579	2,054,637	2,014,995	25,292	2,040,287	99.30
FAO	5,124,387	3,942,298	3,918,879	(79)	3,918,799	99.40
ILO	2,545,643	2,009,240	2,009,240		2,009,240	100.00
IOM	617,807	617,807	617,807		617,807	100.00
ITC	587,742	587,742	578,796		578,796	98.48
UNAIDS	1,779,559	1,020,823	1,020,822		1,020,822	100.00
UNCDF	372,799	314,388	292,097	22,470	314,567	100.06
UNCTAD	1,278,165	1,040,571	1,024,836	16,291	1,041,127	100.05
UNDP	27,477,997	22,296,298	20,138,604	2,082,435	22,221,039	99.66
UNDP(UNV)	315,973	67,692	48,861	7,561	56,422	83.35
UNEP	458,677	398,282	398,282		398,282	100.00
UNESCO	2,565,653	1,843,607	1,843,442		1,843,442	99.99
UNFPA	14,220,470	12,573,921	12,495,066	14,951	12,510,017	99.49
UNHABITAT	4,310,569	3,432,083	3,621,187		3,621,187	105.51
UNHCR	5,026,794	4,134,668	4,134,668		4,134,668	100.00
UNICEF	12,955,412	11,630,455	11,630,778	(323)	11,630,455	100.00
UNIDO	4,875,107	3,545,856	3,481,977	50,696	3,532,673	99.63
UNWOMEN	14,946,543	14,412,276	12,891,507	1,315,218	14,206,724	98.57
WFP	6,265,208	5,260,037	4,960,258	11,540	4,971,798	94.52
WHO	5,953,702	4,350,026	4,350,025		4,350,025	100.00
Grand Total	114,033,785	95,532,706	91,472,127	3,546,051	95,018,177	99.46

5.2 EXPENDITURE BY UNDAF OUTCOME

Table 5.2 displays the net funded amounts, expenditures incurred and the financial delivery rates by UNDAF Outcome or Thematic Area].

Table 5.2 Expenditure by UNDAF Outcome, as of 31 December 2018 (in US Dollars)

Country/Sector	Prior Years as of 31-Dec-2017		Current Year Jan-Dec-2018		Total		Delivery Rate %
	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	
Rwanda							
DRG1 Economic Transformation	10,533,285	9,746,815	1,097,242	1,759,156	11,630,527	11,505,970	98.93
DRG2 Accountable Governance	11,981,247	11,045,133	905,128	1,811,063	12,886,375	12,856,195	99.77
DRG3 Human Development	8,143,538	7,854,269	(5,496)	93,899	8,138,042	7,948,168	97.67
DRG4 Response & Disaster Mgt	803,572	998,543			803,572	998,543	124.26
Education and Skills	11,535,357	11,544,452		(54,094)	11,535,357	11,490,358	99.61
Environment & Natural Res	4,918,653	5,454,298	(6,082)	(541,726)	4,912,571	4,912,572	100.00
Governance	18,785,591	18,196,510		408,370	18,785,591	18,604,880	99.04
Growth & Soc Protection	14,005,260	13,817,091	(17,683)	72,562	13,987,577	13,889,652	99.30
Health, Population	7,197,261	7,174,421		(2,913)	7,197,261	7,171,508	99.64
National HIV & AIDS	5,655,833	5,640,596		(264)	5,655,833	5,640,332	99.73
Rwanda Total:	93,559,597	91,472,127	1,973,109	3,546,051	95,532,706	95,018,177	99.46
Grand Total:	93,559,597	91,472,127	1,973,109	3,546,051	95,532,706	95,018,177	99.46

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. See table below.

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 2018 (in US Dollars)

Category	Expenditure			Percentage of Total Programme Cost
	Prior Years as of 31-Dec-2017	Current Year Jan-Dec-2018	Total	
Supplies, Commodities, Equipment and Transport (Old)	8,169,392	-	8,169,392	9.18
Personnel (Old)	10,074,933	-	10,074,933	11.33
Training of Counterparts (Old)	1,535,280	-	1,535,280	1.73
Contracts (Old)	15,349,873	-	15,349,873	17.26
Other direct costs (Old)	3,305,053	-	3,305,053	3.72
Staff & Personnel Cost (New)	6,390,480	89,182	6,479,662	7.28
Supplies, Commodities and Materials (New)	3,390,819	(4,900)	3,385,919	3.81
Equipment, Vehicles, Furniture and Depreciation (New)	1,542,063	31,101	1,573,164	1.77
Contractual Services (New)	18,431,602	2,152,624	20,584,226	23.14
Travel (New)	2,768,423	654,941	3,423,363	3.85
Transfers and Grants (New)	5,987,168	73,789	6,060,957	6.81
General Operating (New)	8,626,200	382,701	9,008,901	10.13
Programme Costs Total	85,571,285	3,379,437	88,950,722	100.00
¹ Indirect Support Costs Total	5,900,842	166,613	6,067,455	6.82
Total	91,472,127	3,546,051	95,018,177	

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 2018, 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\$ was deducted in AA-fees. Cumulatively, as of 31 December 2018, US\$ **1,048,415** has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ **166,613** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **6,067,455** as of 31 December 2018.

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 the reporting period, direct costs charged to the fund amounted to US\$ **130,899**. Cumulatively, as of 31 December 2018, US\$ **8,996,326** has been charged as Direct Costs.

Table: Direct Costs

Participating Organization	Net Funded Amount	Expenditure	Delivery Rate
FAO	80,276	80,276	100%
UNDP	2,749,238	2,176,598	79%
UNFPA	3,989,750	3,989,750	100%
UNHABITAT	80,640	(751)	(1)%
UNHCR	1,905,835	1,905,835	100%
UNWOMEN	53,500	50,865	95%
WFP	137,088	137,088	100%
Total:	8,996,326	8,339,660	93%