

# **Consolidated Annual Financial Report of the Administrative Agent for the Human Rights Mainstreaming Trust 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



Office of the High  
Commissioner for Human  
Rights



United Nations  
Development Organization



United Nations  
Educational, Scientific and  
Cultural Organization



United Nations Population  
Fund



United Nations Children's  
Fund



United Nations System  
Staff College

## CONTRIBUTORS



Government of Denmark



Government of Finland



Government of Germany



Irish Aid



Government of Norway



Swedish International  
Development Cooperation

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

## INTRODUCTION

This Consolidated Annual Financial Report of the **Human Rights Mainstreaming Trust 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 **Human Rights Mainstreaming Trust Fund**. It is posted on the MPTF Office GATEWAY (<http://mptf.undp.org/factsheet/fund/HRM00>).

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 **Human Rights Mainstreaming TF 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/HRM00>.

### 1. SOURCES AND USES OF FUNDS

As of 31 December 2018, 6 contributors deposited US\$ 20,873,147 in contributions and US\$ 52,142 was earned in interest.

The cumulative source of funds was US\$ 20,925,289

Of this amount, US\$ 14,142,331 has been net funded to 6 Participating Organizations, of which US\$ 13,371,472 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ 208,731. Table 1 provides an overview of the overall sources, uses, and balance of the **Human Rights Mainstreaming Trust Fund** as of 31 December 2018.

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

	Annual 2017	Annual 2018	Cumulative
<b>Sources of Funds</b>			
Contributions from donors	2,248,265	6,617,805 <sup>1</sup>	20,873,147
Fund Earned Interest and Investment Income	5,152	19,161	51,048
Interest Income received from Participating Organizations	652	-	1,094
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MDTF	-	-	-
Other Income	-	-	-
<b>Total: Sources of Funds</b>	<b>2,254,068</b>	<b>6,636,966</b>	<b>20,925,289</b>
<b>Use of Funds</b>			
Transfers to Participating Organizations	419,495	2,262,269	10,498,250
Refunds received from Participating Organizations	(151,980)	(16,047)	(335,193)
<b>Net Funded Amount</b>	<b>267,515</b>	<b>2,246,221</b>	<b>10,163,057</b>
Administrative Agent Fees	22,483	66,178	208,731
Direct Costs: (Steering Committee, Secretariat...etc.)	160,500	134,048	3,979,274
Bank Charges	13	67	643
Other Expenditures	-	-	-
<b>Total: Uses of Funds</b>	<b>450,511</b>	<b>2,446,515</b>	<b>14,351,705</b>
<b>Change in Fund cash balance with Administrative Agent</b>	<b>1,803,557</b>	<b>4,190,452</b>	<b>6,573,584</b>
Opening Fund balance (1 January)	579,575	2,383,132	-
<b>Closing Fund balance (31 December)</b>	<b>2,383,132</b>	<b>6,573,584</b>	<b>6,573,584</b>
Net Funded Amount (Includes Direct Cost)	428,015	2,380,269	14,142,331
Participating Organizations' Expenditure (Includes Direct Cost)	3,965,988	2,353,186	13,371,472
<b>Balance of Funds with Participating Organizations</b>			<b>770,859</b>

<sup>1</sup> Deposit received in December 2018.

## 2. PARTNER CONTRIBUTIONS

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

The **Human Rights Mainstreaming Trust Fund** is currently being financed by 6 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
Government of Denmark	802,311	802,311	-	802,311
Government of Finland	678,338	678,338	-	678,338
Government of Germany	1,230,350	1,230,350	-	1,230,350
Irish Aid	330,945	330,945	-	330,945
Government of Norway	2,103,675	2,103,675	-	2,103,675
Swedish International Development Cooperation	15,727,529	9,109,724	6,617,805	15,727,529
<b>Grand Total</b>	<b>20,873,147</b>	<b>14,255,342</b>	<b>6,617,805</b>	<b>20,873,147</b>

### 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\$ **51,048**.

Interest received from Participating Organizations amounts to US\$ **1,094**, bringing the cumulative interest received to US\$ **52,142**.

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
<b>Administrative Agent</b>			
Fund Earned Interest and Investment Income	31,886	19,161	51,048
<b>Total: Fund Earned Interest</b>	<b>31,886</b>	<b>19,161</b>	<b>51,048</b>
<b>Participating Organization</b>			
UNESCO	1,094		1,094
<b>Total: Agency earned interest</b>	<b>1,094</b>		<b>1,094</b>
<b>Grand Total</b>	<b>32,980</b>	<b>19,161</b>	<b>52,142</b>



#### 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\$ 10,498,250 to 6 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
OHCHR	6,693,305	(15,840)	6,677,465	2,262,269		2,262,269	8,955,574	(15,840)	8,939,733
UNDP	1,136,166	(109,666)	1,026,500				1,136,166	(109,666)	1,026,500
UNESCO	99,510	(26,473)	73,037				99,510	(26,473)	73,037
UNFPA	53,500		53,500		(1,105)	(1,105)	53,500	(1,105)	52,395
UNICEF	53,500		53,500		(14,942)	(14,942)	53,500	(14,942)	38,558
UNSSC	200,000	(167,166)	32,834				200,000	(167,166)	32,834
<b>Grand Total</b>	<b>8,235,981</b>	<b>(319,146)</b>	<b>7,916,835</b>	<b>2,262,269</b>	<b>(16,047)</b>	<b>2,246,221</b>	<b>10,498,250</b>	<b>(335,193)</b>	<b>10,163,057</b>

## 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/HRM00>.

## 5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In **2018**, US\$ **2,246,221** was net funded to Participating Organizations, and US\$ **1,896,500** was reported in expenditure.

As shown in table below, the cumulative net funded amount is US\$ **10,163,057** and cumulative expenditures reported by the Participating Organizations amount to US\$ **9,701,745**. This equates to an overall Fund expenditure delivery rate of **95** 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	
OHCHR	8,955,574	8,939,733	6,677,465	1,878,401	8,555,866	95.71
UNDP	1,136,166	1,026,500	930,957	18,099	949,056	92.46
UNESCO	99,510	73,037	73,037		73,037	100.00
UNFPA	53,500	52,395	52,395		52,395	100.00
UNICEF	53,500	38,558	38,558		38,558	100.00
UNSSC	200,000	32,834	32,834		32,834	100.00
<b>Grand Total</b>	<b>10,498,250</b>	<b>10,163,057</b>	<b>7,805,245</b>	<b>1,896,500</b>	<b>9,701,745</b>	<b>95.46</b>

### 5.3 EXPENDITURE BY PROJECT

Table 5.1 displays the net funded amounts, expenditures reported and the financial delivery rates by Participating Organization.

**Table 5.2 Expenditure by Project within Sector, as of 31 December 2018 (in US Dollars)**

Sector / Project No.and Project Title		Participating Organization	Project Status	Total Approved Amount	Net Funded Amount	Total Expenditure	Delivery Rate %
<b>C1 UN Policy Coherence</b>							
00087742	Strengthening Knowledge Management	UNDP	Operationally Closed	48,525	48,525	48,134	99.19
00087745	Strengthening HRM in LAC	OHCHR	Operationally Closed	381,942	381,942	381,942	100.00
00087745	Strengthening HRM in LAC	UNDP	Operationally Closed	101,650	101,650	83,747	82.39
00087746	Strengthen HRM in Asia-Pacific	OHCHR	Operationally Closed	401,188	401,188	401,188	100.00
00087746	Strengthen HRM in Asia-Pacific	UNDP	Operationally Closed	99,992	99,992	88,610	88.62
00087776	HRM M&E Framework Development	UNICEF	Operationally Closed	53,500	38,558	38,558	100.00
00101215	Human Rights Frontiers 2030	UNDP	Operationally Closed	179,760	120,756	120,756	100.00
<b>C1 UN Policy Coherence: Total</b>				<b>1,266,557</b>	<b>1,192,610</b>	<b>1,162,935</b>	<b>97.51</b>
<b>C2 Support to RCs</b>							
00085167	Deployment of HR advisors	OHCHR	On Going	8,082,444	8,082,444	7,698,576	95.25
00087744	Strengthening UNCT leadership	UNSSC	Financially Closed	200,000	32,834	32,834	100.00
00090871	Induction programme for HRA	OHCHR	Financially Closed	75,000	70,847	70,847	100.00
<b>C2 Support to RCs: Total</b>				<b>8,357,444</b>	<b>8,186,124</b>	<b>7,802,256</b>	<b>95.31</b>
<b>C3 Strengthen National Systems</b>							
00087743	Strengthening KM	UNDP	On Going	21,240	21,240	799	3.76
00091867	HRM Strengthening the Engageme	UNFPA	On Going	53,500	52,395	52,395	100.00
00087084	Strengthen Morocco Systems	UNDP	Operationally Closed	100,000	100,000	100,001	100.00
00087085	Strengthen Myanmar Systems	OHCHR	Operationally Closed	15,000	3,313	3,313	100.00
00087085	Strengthen Myanmar Systems	UNDP	Operationally Closed	85,000	85,000	84,847	99.82
00087088	Strengthen Zambia Systems	UNDP	Operationally Closed	100,000	100,000	72,824	72.82
00087061	Strengthen Costa Rica System	UNDP	Financially Closed	100,000	100,000	100,000	100.00

Sector / Project No.and Project Title		Participating Organization	Project Status	Total Approved Amount	Net Funded Amount	Total Expenditure	Delivery Rate %
00087082	Strengthen Guinea Bissau Systeme	UNDP	Financially Closed	100,000	49,338	49,338	100.00
00087083	Strengthen Indonesia Systems	UNESCO	Financially Closed	99,510	73,037	73,037	100.00
00087086	Strengthen Turkey Systems	UNDP	Financially Closed	100,000	100,000	100,000	100.00
00087087	Strengthen Uruguay Systems	UNDP	Financially Closed	100,000	100,000	100,000	100.00
<b>C3 Strengthen National Systems: Total</b>				<b>874,250</b>	<b>784,323</b>	<b>736,554</b>	<b>93.91</b>
<b>Grand Total</b>				<b>10,498,250</b>	<b>10,163,057</b>	<b>9,701,745</b>	<b>95.46</b>

## 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. See table below.

**Table 5.3 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	
Staff & Personnel Cost	6,287,779	1,767,994	8,055,773	88.74
Supplies, Commodities and Materials	907	-	907	0.01
Equipment, Vehicles, Furniture and Depreciation	13,484	205	13,688	0.15
Contractual Services	358,700	-	358,700	3.95
Travel	350,632	5,384	356,016	3.92
Transfers and Grants	5,080	-	5,080	0.06
General Operating	287,210	64	287,275	3.16
<b>Programme Costs Total</b>	<b>7,303,793</b>	<b>1,773,646</b>	<b>9,077,439</b>	<b>100.00</b>
<sup>1</sup> Indirect Support Costs Total	501,452	122,853	624,306	6.88
<b>Total</b>	<b>7,805,245</b>	<b>1,896,500</b>	<b>9,701,745</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%.

## 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\$ **66,178** was deducted in AA-fees. Cumulatively, as of 31 December 2018, US\$ **208,731** has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ **122,853** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **624,306** 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\$ **134,048**. Cumulatively, as of 31 December 2018, US\$ **3,979,274** has been charged as Direct Costs.

**Table: Direct Costs**

Participating Organization	Net Funded Amount	Expenditure	Delivery Rate
OHCHR	1,277,223	1,126,151	88%
UNDP	2,702,051	2,543,576	94%
<b>Total:</b>	<b>3,979,274</b>	<b>3,669,727</b>	<b>92%</b>