

Consolidated Annual Financial Report of the Administrative Agent for the Tanzania 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



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 Environment
Programme



United Nations Educational,
Scientific and Cultural
Organization



United Nations Population
Fund

CONTRIBUTORS



Canadian International
Development Agency



Delivering Results
Together



Department for
International
Development (DFID)



Expanded DaO Funding
Window



Government of Finland



Irish Aid



Government of
Netherlands



Government of Norway



Government of Spain



Swedish International
Development
Cooperation



Swiss Agency for
Development &
Cooperation



United Nations Centre for
Human Settlement



United Nations High
Commissioner for Refugee



United Nations Children's
Fund



United Nations Industrial
Development Organization



United Nations Office for
Drugs and Crime



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.

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INTRODUCTION

This Consolidated Annual Financial Report of the **Tanzania 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 **Tanzania One UN Fund**. It is posted on the MPTF Office GATEWAY (<http://mptf.undp.org/factsheet/fund/TZ100>).

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 **Tanzania 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/TZ100>.

1. SOURCES AND USES OF FUNDS

As of 31 December **2018**, **11** contributors deposited US\$ **256,357,723** in contributions and US\$ **2,144,205** was earned in interest.

The cumulative source of funds was US\$ **258,501,928**

Of this amount, US\$ **237,790,490** has been net funded to **19** Participating Organizations, of which US\$ **224,548,372** has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ **2,563,577**. Table 1 provides an overview of the overall sources, uses, and balance of the **Tanzania 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	17,459,973	16,982,986	256,357,723
Fund Earned Interest and Investment Income	57,471	147,740	1,473,644
Interest Income received from Participating Organizations	9,233	18,967	670,561
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MDTF	-	-	-
Other Income	-	-	-
Total: Sources of Funds	17,526,677	17,149,693	258,501,928
Use of Funds			
Transfers to Participating Organizations	4,710,995	18,722,797	248,383,923
Refunds received from Participating Organizations	(2,783,145)	(815,049)	(10,593,433)
Net Funded Amount	1,927,850	17,907,748	237,790,490
Administrative Agent Fees	174,600	169,830	2,563,577
Direct Costs: (Steering Committee, Secretariat...etc.)	-	-	-
Bank Charges	165	153	5,053
Other Expenditures	-	-	-
Total: Uses of Funds	2,102,614	18,077,731	240,359,120
Change in Fund cash balance with Administrative Agent	15,424,063	(928,038)	18,142,808
Opening Fund balance (1 January)	3,646,783	19,070,846	-
Closing Fund balance (31 December)	19,070,846	18,142,808	18,142,808
Net Funded Amount (Includes Direct Cost)	1,927,850	17,907,748	237,790,490
Participating Organizations' Expenditure (Includes Direct Cost)	3,887,010	10,375,843	224,548,372
Balance of Funds with Participating Organizations			13,242,118

2. PARTNER CONTRIBUTIONS

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

The **Tanzania One UN Fund** is currently being financed by **11** 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
Canadian International Development Agency	45,702,441	45,702,441	-	45,702,441
Delivering Results Together	2,950,000	2,950,000	-	2,950,000
Department for International Development (DFID)	27,850,153	27,850,153	-	27,850,153
Expanded DaO Funding Window	41,917,000	41,917,000	-	41,917,000
Government of Finland	10,726,800	10,726,800	-	10,726,800
Irish Aid	10,443,974	10,443,974	-	10,443,974
Government of Netherlands	10,612,335	10,612,335	-	10,612,335
Government of Norway	45,246,776	38,182,558	7,064,219	45,246,776
Government of Spain	6,000,000	6,000,000	-	6,000,000
Swedish International Development Cooperation	49,669,187	39,750,420	9,918,767	49,669,187
Swiss Agency for Development & Cooperation	5,239,058	5,239,058	-	5,239,058
Grand Total	256,357,723	239,374,737	16,982,986	256,357,723

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\$ **1,473,644**.

Interest received from Participating Organizations amounts to US\$ **670,561**, bringing the cumulative interest received to US\$ **2,144,205**.

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	1,325,905	147,740	1,473,644
Total: Fund Earned Interest	1,325,905	147,740	1,473,644
Participating Organization			
FAO	9,602	14,841	24,443
UNCTAD	611		611
UNDP	448,177		448,177
UNESCO	42,867		42,867
UNFPA	74,203		74,203
UNIDO	74,683	4,126	78,809
UNODC	467		467
UNWOMEN	984		984
Total: Agency earned interest	651,594	18,967	670,561
Grand Total	1,977,498	166,707	2,144,205

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\$ 248,383,923 to 19 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. In 2018, US\$ 17,907,748 was net funded to 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
FAO	8,906,588	(340,747)	8,565,841	1,573,055	(117,722)	1,455,333	10,479,643	(458,470)	10,021,174
ILO	14,793,122	(773,746)	14,019,376	803,035		803,035	15,596,157	(773,746)	14,822,411
IOM	5,395,159	(503,343)	4,891,816	459,060		459,060	5,854,219	(503,343)	5,350,876
ITC	1,228,126		1,228,126	392,159		392,159	1,620,285		1,620,285
UNAIDS	725,906	(58,000)	667,906				725,906	(58,000)	667,906
UNCDF	3,116,386		3,116,386	905,048		905,048	4,021,434		4,021,434
UNCTAD	1,183,676		1,183,676	254,062	(8,782)	245,280	1,437,738	(8,782)	1,428,955
UNDP	74,845,857	(2,620,460)	72,225,397	4,789,368		4,789,368	79,635,225	(2,620,460)	77,014,765
UNEP	1,155,294	(39,463)	1,115,831	116,021		116,021	1,271,315	(39,463)	1,231,852
UNESCO	10,103,614	(1,125,624)	8,977,990	248,730		248,730	10,352,344	(1,125,624)	9,226,720
UNFPA	13,116,678	(908,250)	12,208,428	1,724,555		1,724,555	14,841,233	(908,250)	13,932,983
UNHABITAT	1,575,778		1,575,778				1,575,778		1,575,778
UNHCR	12,425,534	(84,174)	12,341,360				12,425,534	(84,174)	12,341,360
UNICEF	28,036,801	(85,728)	27,951,073	2,252,187	(244,641)	2,007,546	30,288,988	(330,369)	29,958,619
UNIDO	12,283,687	(306,873)	11,976,813	713,816	(433,710)	280,106	12,997,503	(740,584)	12,256,919
UNODC	1,011,220		1,011,220	154,579		154,579	1,165,799		1,165,799
UNWOMEN	5,757,033	(53,169)	5,703,864	2,751,123	(9,242)	2,741,881	8,508,156	(62,410)	8,445,746
WFP	15,576,290	(140,552)	15,435,738	1,585,999	(952)	1,585,047	17,162,289	(141,504)	17,020,785
WHO	18,424,377	(2,738,254)	15,686,123				18,424,377	(2,738,254)	15,686,123
Grand Total	229,661,126	(9,778,384)	219,882,742	18,722,797	(815,049)	17,907,748	248,383,923	(10,593,433)	237,790,490

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/TZ100>.

5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In **2018** US\$ **10,375,843** was reported in expenditure.

As shown in table below, the cumulative net funded amount is US\$ **237,790,490** and cumulative expenditures reported by the Participating Organizations amount to US\$ **224,548,372**. This equates to an overall Fund expenditure delivery rate of **94** 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	
FAO	10,479,644	10,021,174	8,420,544	432,069	8,852,613	88.34
ILO	15,596,158	14,822,411	13,891,315	316,177	14,207,492	95.85
IOM	5,854,219	5,350,876	4,599,222	289,396	4,888,618	91.36
ITC	1,620,285	1,620,285	1,191,790		1,191,790	73.55
UNAIDS	731,906	667,906	667,906		667,906	100.00
UNCDF	4,021,434	4,021,434	2,145,979	926,991	3,072,970	76.41
UNCTAD	1,437,738	1,428,955	1,132,583	75,305	1,207,888	84.53
UNDP	81,654,571	77,014,765	71,011,936	2,697,475	73,709,411	95.71
UNEP	1,271,315	1,231,852	808,348	(24,130)	784,218	63.66
UNESCO	10,352,344	9,226,720	8,977,990	115,834	9,093,824	98.56
UNFPA	14,841,234	13,932,983	12,081,514	1,374,124	13,455,638	96.57
UNHABITAT	1,575,778	1,575,778	1,710,489	41,207	1,751,696	111.16
UNHCR	12,425,534	12,341,360	12,341,360		12,341,360	100.00
UNICEF	31,656,601	29,958,619	27,319,193	1,442,434	28,761,626	96.00
UNIDO	13,494,771	12,256,919	11,483,726	163,558	11,647,284	95.03
UNODC	1,165,799	1,165,799	964,279		964,279	82.71
UNWOMEN	9,608,378	8,445,746	4,324,967	1,686,770	6,011,737	71.18
WFP	17,951,716	17,020,785	15,413,266	838,633	16,251,900	95.48
WHO	18,425,463	15,686,123	15,686,124	0	15,686,124	100.00
Grand Total	254,164,888	237,790,490	214,172,529	10,375,843	224,548,372	94.43

5.2 EXPENDITURE BY UNDAF OUTCOME

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

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	
Tanzania							
C1: Economic Growth & Poverty Reduction	29,727,559	28,081,503	(529,473)	8,090	29,198,086	28,089,593	96.20
C2: Quality of Life	53,684,490	53,649,914	(167,084)	41,258	53,517,406	53,691,172	100.32
C3: Govern-Emergency-Refugees	44,457,394	44,112,262	(71,032)	36,016	44,386,362	44,148,278	99.46
DaO Support & OMT Common Servicing	10,939,912	10,028,517	(42,391)	(35,364)	10,897,522	9,993,152	91.70
Election Support in Tanzania	9,324,940	9,325,926		(986)	9,324,940	9,324,940	100.00
JP1 Wealth creation	10,356,832	10,369,961	(5,069)	(18,198)	10,351,763	10,351,762	100.00
JP10 Education	4,652,596	4,652,596			4,652,596	4,652,596	100.00
JP11 Environment	2,664,897	2,665,002		(105)	2,664,897	2,664,897	100.00
JP2 Maternal & Newborn Mortality	10,064,530	10,064,530			10,064,530	10,064,530	100.00
JP3 Support to HIV&AIDS	10,276,665	10,276,665			10,276,665	10,276,665	100.00
JP4 Cap Strengthening Development.	10,007,366	10,007,864		(498)	10,007,366	10,007,366	100.00
JP5 Capacity Bldg Zanzib	8,583,462	8,583,466			8,583,462	8,583,466	100.00
JP6.1 North Western Tanzania	5,820,270	5,802,069		18,200	5,820,270	5,820,269	100.00
JP6.2 Disaster Preparedness	3,211,026	3,211,024		2	3,211,026	3,211,026	100.00
JP8 Communication	706,809	706,809			706,809	706,809	100.00
UNDAPII Democratic Governance, HR & Gender	1,725,290	603,675	8,803,329	5,472,109	10,528,619	6,075,784	57.71
UNDAPII Inclusive Growth	3,413,537	1,500,152	7,295,426	4,189,193	10,708,963	5,689,346	53.13
UNDAPII Non-Programmatic	265,168	530,595	2,624,042	666,127	2,889,210	1,196,723	41.42
Tanzania Total:	219,882,742	214,172,529	17,907,748	10,375,843	237,790,490	224,548,372	94.43
Grand Total:	219,882,742	214,172,529	17,907,748	10,375,843	237,790,490	224,548,372	94.43

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. 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 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	
Supplies, Commodities, Equipment and Transport (Old)	14,968,564	-	14,968,564	7.13
Personnel (Old)	23,337,257	-	23,337,257	11.11
Training of Counterparts (Old)	8,266,034	-	8,266,034	3.94
Contracts (Old)	17,369,805	-	17,369,805	8.27
Other direct costs (Old)	11,086,514	-	11,086,514	5.28
Staff & Personnel Cost (New)	26,932,447	2,113,326	29,045,773	13.83
Supplies, Commodities and Materials (New)	15,023,796	175,459	15,199,255	7.24
Equipment, Vehicles, Furniture, Depreciation (New)	7,254,859	513,568	7,768,427	3.70
Contractual Services (New)	21,302,455	1,288,719	22,591,174	10.76
Travel (New)	9,888,328	1,162,021	11,050,349	5.26
Transfers and Grants (New)	22,281,010	1,898,076	24,179,086	11.52
General Operating (New)	22,625,831	2,477,134	25,102,965	11.96
Programme Costs Total	200,336,899	9,628,304	209,965,202	100.00
¹ Indirect Support Costs Total	13,835,631	747,539	14,583,170	6.95
Total	214,172,529	10,375,843	224,548,372	

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\$ **169,830** was deducted in AA-fees. Cumulatively, as of 31 December **2018**, US\$ **2,563,577** has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ **747,539** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **14,583,170** 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.