



RDC

DRC POOLED FUND CONSOLIDATED ANNUAL FINANCIAL REPORT

**Report of the Administrative Agent
For the period 1 January to 31 December 2009**

10 June 2010

DRC Pooled Fund

PARTICIPATING ORGANIZATIONS



Food and Agriculture Organization (FAO)



United Nations Office for the Coordination of Humanitarian Affairs (OCHA)



United Nations Development Programme (UNDP)



United Nations Children's Fund (UNICEF)



United Nations Population Fund (UNFPA)



United Nations High Commissioner for Refugees (UNHCR)



United Nations Development Fund for Women (UNIFEM)



United Nations Office for Project Services (UNOPS)



World Food Programme (WFP)



World Health Organization (WHO)



United Nations Mine Action Service (UNMAS)

PARTICIPATING NON-UN ORGANIZATION



International Organization for Migration (IOM)

DRC Pooled Fund

CONTRIBUTING DONORS	
UNITED KINGDOM	
THE NETHERLANDS	
SWEDEN	
IRELAND	
NORWAY	
SPAIN	
BELGIUM	
CANADA	
DENMARK	
LUXEMBOURG	

Summary

Financial Performance.....	5
1. Sources, Uses, and Balance of DRCPF Funds	5
2. Donor Contributions.....	6
3. Transfer of Approved Funding to Participating Organizations	7
4. Delivery Rate	9
5. Expenditure By Category	9
6. Expenditures reported by Participating Organization	10
7. Cumulative Expenditure by Participating Organization, with breakdown by Category	11
8. 2009 Annual Expenditure by Participating Organization, with breakdown by Category	12

Financial Performance

UNDP acts as the Administrative Agent for the Democratic Republic of Congo Pooled Fund (DRCPF). The Administrative Agent (AA) role for the DRC Pooled Fund has been delegated by the MDTF Office Executive Coordinator to the UNDP Country Office since the inception. In accordance with the DRC Pooled Fund MOU, the AA shall prepare a consolidated annual financial report, based on the submission from Participating Organizations of the Fund. The AA reports to Donors, through the DRCPF Board, on total contributions received, transfers made to Participating Organizations for the implementation of approved projects, and the expenditures incurred against these projects.

1. Sources, Uses, and Balance of DRCPF Funds

In 2009, US\$139.1 million was deposited into the DRC Pooled Fund account. Of this amount, US\$118.3 million (81 percent) has been transferred to ten Participating Organizations (nine Participating UN Organizations and IOM). **Table 1** provides an overview of the overall sources, uses, and balance of the DRCPF as of 31 December 2009. Cumulatively, from DRC Pooled Fund inception in 2006 through the end of 2009, US\$478.3 million had been received from donors and US\$ 443.8 million transferred to Participating Organizations.

	Prior Years	2009	Total as of 31 December 2009
Source of Funds			
Gross Contributions	339 169	139 138	478 308
Fund Earned Interest Income	4 309	553	4 862
Participating UN Organization Earned Interest Income	0	570	570
Total - Source of Funds	343 478	140 261	483 739
Use of Funds			
Transfers to Participating UN Organizations	325 485	118 308	443 793
From Donor Contributions	325 485	118 308	443 793
From Earned Interest	0	0	0
Refund of Unutilized Balances on Closed Projects by Participating UN Organizations	0	0	0
Administrative Agent Fees	3 392	1 391	4 783
Direct Costs: (Steering Committee, Secretariat ... etc.)	0	0	0
Other Expenditures from Earned Interest	0	0	0
Bank Charges	0	0	0
Total - Use of Funds	328 877	119 699	448 576
Balance of Funds Available	14 601	20 562	35 163

Apart from Donor contributions, the other source of funds for the DRCPF is interest income. The two sources of interest earned income are: (1) Administrative Agent (Fund-level) earned interest, which is the interest earned by the MDTF Office as the Administrative Agent on the balance of funds remaining in the DRCPF account, and (2) Participating Organization earned interest, which is the amount earned by the Participating Organizations on the undisbursed balance of the DRCPF funds. As of the end of the reporting period, the fund earned interest was US\$4.9 million and the Participating Organizations refunded interest earnings was US\$0.6 million.

The Administrative Agent fee was charged at the approved rate of 1 percent on deposits and amounted to US\$1.4 million in 2009.

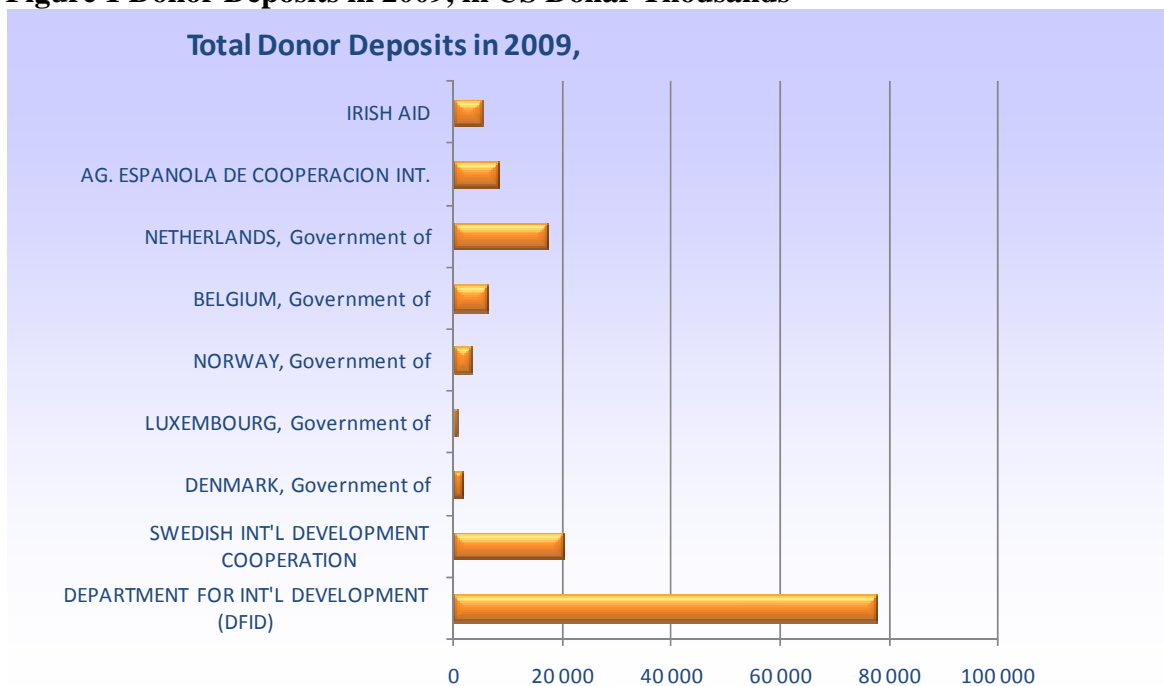
2. Donor Contributions

Table 2 gives the breakdown of the contributions received. In 2009 the total contribution from nine donors amounted to US\$139.1 million. The three largest donors in 2009 were: United Kingdom Department for International Development (DFID) (US\$77.5 million)¹, Swedish International Development Cooperation Agency (US\$19.8 million) and the Government of the Netherlands (US\$17 million).

Donor Name	Deposits				Grand Total
	2006	2007	2008	2009	
DEPARTMENT FOR INT'L DEVELOPMENT (DFID)	54 562	58 593	58 721	77 449	249 325
CANADIAN INTERNATIONAL DEVELOPMENT AGENCY	3 128	3 080	0	0	6 207
SWEDISH INT'L DEVELOPMENT COOPERATION	14 534	14 766	22 847	19 849	71 996
DENMARK, Government of	0	0	0	1 808	1 808
LUXEMBOURG, Government of	0	0	489	666	1 156
NORWAY, Government of	3 325	3 303	6 153	3 091	15 872
BELGIUM, Government of	1 981	815	2 006	6 219	11 021
NETHERLANDS, Government of	14 724	22 228	28 216	17 000	82 168
AG. ESPANOLA DE COOPERACION INT.	0	0	5 296	7 919	13 215
IRISH AID	0	9 417	10 987	5 137	25 540
Total	92 254	112 200	134 715	139 138	478 308

¹ US\$24 million of this contribution was paid in December 2009 and was scheduled for 2010 activities.

Figure 1 Donor Deposits in 2009, in US Dollar Thousands



3. Transfer of Approved Funding to Participating Organizations

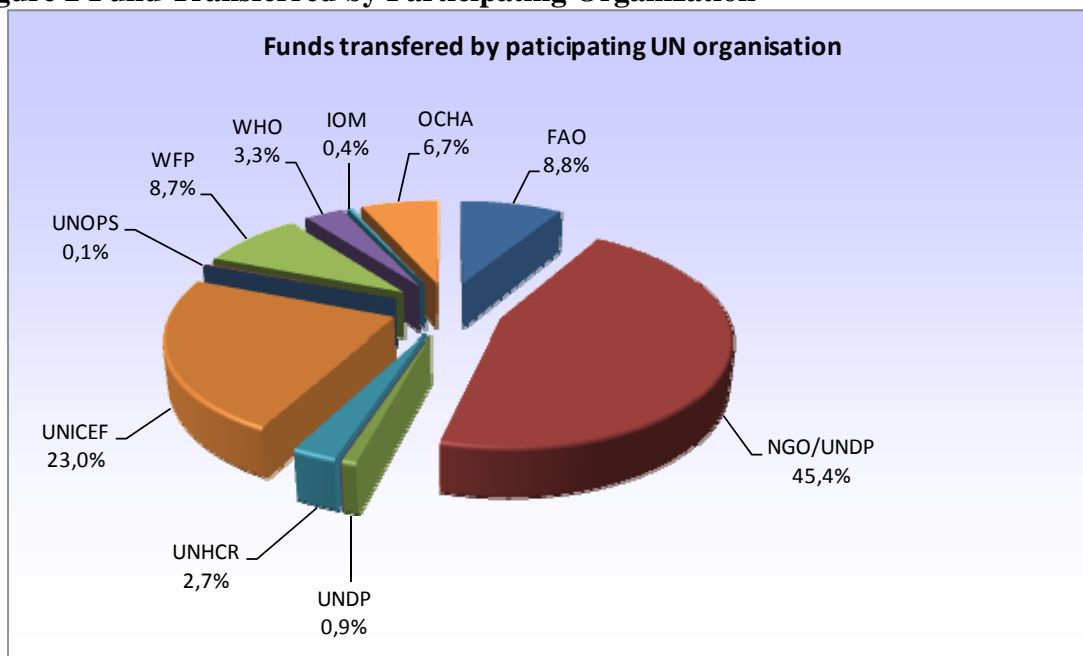
In 2009, the DRCPF transferred funds to ten Participating Organizations for approved projects for a total of US\$118.3 million, which accounted for 85 percent of the total deposited funds. The distribution of approved funding, consolidated by Participating Organization is summarized in **Table 3**.

Table 3 - Transfer of Funds by Participating Organization, cumulative as of 31 December 2009, in US Dollar Thousands

Participating UN Organization	Prior Years		2009		Cumulative
	Funds Transferred Amount	Refunds on Unspent Amount	Funds Transferred Amount	Refunds on Unspent Amount	Funding Amount
FAO	39 950	0	10 377	0	50 327
NGO/UNDP	125 156	0	53 738	0	178 894
UNDP	1 088	0	1 063	0	2 151
UNFPA	8 900	0	0	0	8 900
UNHCR	10 971	0	3 178	0	14 149
UNICEF	68 675	0	27 257	0	95 932
UNIFEM	300	0	0	0	300
UNOPS	4 572	0	152	0	4 724
WFP	25 460	0	10 289	0	35 749
WHO	17 785	0	3 945	0	21 730
IOM	1 646	0	440	0	2 086
OCHA	20 783	0	7 868	0	28 651
UNMAS	200	0	0	0	200
Total	325 485	0	118 308	0	443 793

The NGOs receiving funding through UNDP, acting as the Management Agent, received the largest amount (45 percent), which represented 178 NGO projects, followed by UNICEF (23 percent), FAO (8.8 percent) and WFP (8.7 percent)

Figure 2 Fund Transferred by Participating Organization



4. Delivery Rate

Since no expenditure was reported by Participating Organizations (except WFP) in 2006 and 2007, in 2009 the Participating Organizations were requested also to report on prior year expenditure. As a result, FAO, OCHA, UNHCR, UNICEF, UNOPS, and WHO reported their expenditure for 2009, 2006 and 2007. In 2009 UNDP did not record and report 2006 and 2007 expenditure.

In 2009 the total amount of reported expenditure was US\$237.4 million. **Tables 4** below describes the cumulative financial delivery rate (the ratio of total expenditure to total transfers), which equals to 81 percent. The actual delivery rate is higher, since UNDP's 2006 and 2007 expenditure are not reflected in the total cumulative expenditure figure.

	Cumulative			2009	
	Total Transfers	Expenditure	% Delivery Rate	Transfer	Expenditures
DRC Pooled Fund	443 793	358 097	80,69	118 308	237 355
Total	443 793	358 097	80,69	118 308	237 355

5. Expenditure By Category

In 2009, the MDTF Office GATEWAY (<http://mdtf.undp.org>) was created as a knowledge platform that provides easy access to key information about UN MDTFs. The GATEWAY contains more than 4,000 relevant reports and documents, with tools and tables displaying financial data in real-time from the MDTF Office accounting system on donor contributions and transfers to the Participating Organizations. It is designed to give transparent and accountable information on the fund management services provided to the United Nations system to enhance its coherence, effectiveness and efficiency. Details of the DRCPF and its projects are posted on the DRCPF web site (<http://mdtf.undp.org/dashboard/fund/information?dash=HCG10>) of the GATEWAY.

The Participating Organizations have reported their expenditure against six harmonized categories. Table 5 presents expenditure by year and expenditure category. The largest categories of expenditure were: other direct costs (42.6 percent cumulatively), supplies/ commodities/ equipment/ transport (26 percent), and contracts (18.5 percent).

Category	Expenditure				
	2007	2008	2009	Total Expenditure	% of Total Programme Costs
Supplies, com, equip	0	22 278	65 032	87 309	26,01
Personnel	0	6 919	32 287	39 206	11,68
Training of counter	0	784	3 387	4 171	1,24
Contracts	0	20 879	41 217	62 096	18,50
Other direct costs	12 446	50 559	79 847	142 852	42,56
Programme Costs Total	12 446	101 418	221 770	335 634	100,00
Indirect costs	0	6 878	15 585	22 463	6,69
Indirect Support Costs Total	0	6 878	15 585	22 463	6,69
Total Expenditure	12 446	108 296	237 355	358 097	

The indirect cost share represents 6.7 percent (covering cumulative period of January 2007 through December 2009) of the total programme costs, which is within 7 percent specified in the DRC Pooled Fund Memorandum of Understanding and Letters of Agreement/Standard Administrative Arrangements.

6. Expenditures reported by Participating Organization

Table 6 reflects expenditure by Participating Organization and year. US\$12.5 million were reported in 2007, US\$108.3 million in 2008 and US\$237.4 million in 2009 (which includes also 2006 and 2007 expenditure previously not reported by Participating Organizations).

Participating Organization	Cumulative as of 31 December 2009			Expenditure by Year			
	Budget Amount	Funds Transferred	Refund Unspent Balances	2007	2008	2009	Grand Total
FAO	51 750	50 327	0	0	12 908	27 715	40 623
IOM	2 246	1 413	0	0	150	1 183	1 333
NGO/UNDP	195 337	178 823	0	0	50 022	18 190	68 212
OCHA	29 731	27 712	0	0	3 764	37 291	41 056
UNAIDS	100	100	0	0	0	0	0
UNDP	3 040	2 051	0	0	339	44 343	44 682
UNFPA	9 040	8 900	0	0	1 104	4 928	6 032
UNHCR	14 149	14 149	0	0	2 497	11 136	13 633
UNICEF	105 989	97 616	0	0	26 025	62 913	88 939
UNIFEM	300	300	0	0	0	0	0
UNMAS	200	200	0	0	0	200	200
UNOPS	4 724	4 724	0	0	0	4 724	4 724
WFP	40 149	35 749	0	12 446	8 846	7 108	28 400
WHO	22 091	21 730	0	0	2 642	17 623	20 265
Total	478 845	443 793	0	12 446	108 296	237 355	358 097

Note: Most of UNDP's US\$ 44.7 million expenditure are related to NGO/UNDP expenditure. Due to the change in project numbers those expenditures were reported against UNDP and not NGO/UNDP project.

7. Cumulative Expenditure by Participating Organization, with breakdown by Category

While **Table 7** and present cumulative expenditure by Participating Organisation and category, **Table 8** presents 2009 annual expenditure by Participating Organization and category.

Table 7 - Total Expenditure by Participating Organization, with breakdown by Category, cumulative as of 31 December 2009, in US Dollar Thousands

Participating Organization	Funds Transferred	Total Expenditure	Expenditure by Category						
			Supplies, com, equip	Personnel	Training	Contracts	Other direct costs	Total Programme Cost	Indirect costs
FAO	50 327	40 623	21 021	8 229	639	3 333	4 100	37 322	3 301
IOM	1 413	1 333	51	348	0	5	842	1 246	87
NGO/UNDP	178 823	68 212	31	696	0	1	64 242	64 970	3 242
OCHA	27 712	41 056	2 635	18 848	2 492	591	13 031	37 597	3 459
UNAIDS	100	0	0	0	0	0	0	0	0
UNDP	2 051	44 682	47	978	39	8	41 504	42 577	2 105
UNFPA	8 900	6 032	2 014	825	253	1 907	635	5 634	398
UNHCR	14 149	13 633	7 182	3 188	15	1 553	804	12 741	892
UNICEF	97 616	88 939	38 983	1 940	605	41 432	-1	82 959	5 980
UNIFEM	300	0	0	0	0	0	0	0	0
UNMAS	200	200	0	139	0	8	32	180	20
UNOPS	4 724	4 724	1 064	875	0	2 236	168	4 342	382
WFP	35 749	28 400	8 203	1 513	-77	4 462	12 934	27 034	1 365
WHO	21 730	20 265	6 078	1 628	205	6 561	4 561	19 033	1 232
Total	443 793	358 097	87 309	39 206	4 171	62 096	142 852	335 634	22 463

Note: Most of UNDP's US\$ 44.7 million expenditure are related to NGO/UNDP expenditure. Due to the change in project numbers those expenditures were reported against UNDP and not NGO/UNDP project.

As shown in **Table 7**, UNDP reported the highest expenditure (US\$110.8 million, combining expenditure as UNDP itself and as Managing Agent for NGOs) followed by UNICEF (US\$88.9 million).

OCHA² was not able to report expenditure of DRCPF funded projects by category, but confirmed that all received funding has been fully spent.

² OCHA's expenditure is overstated as it includes all sources of funding and not just DRC Pooled Fund source of funding.

8. 2009 Annual Expenditure by Participating Organization, with breakdown by Category

Table 8 - Total Expenditure by Participating UN Organization, with breakdown by Category, 1 January - 31 December 2009, in US Dollar Thousands

Participating Organization	Funds Transferred	Total Expenditure	Expenditure by Category						
			Supplies, com, equip	Personnel	Training	Contracts	Other direct costs	Total Programme	Indirect costs
FAO	10 377	27 715	15 062	5 347	460	1 452	3 225	25 546	2 170
IOM	440	1 183	38	256	0	0	811	1 105	77
NGO/UNDP	53 738	18 190	0	0	0	0	17 324	17 324	866
OCHA	7 868	37 291	2 542	17 644	2 492	585	10 979	34 242	3 050
UNAIDS	0	0	0	0	0	0	0	0	0
UNDP	1 063	44 343	47	973	39	8	41 186	42 254	2 089
UNFPA	0	4 928	1 784	628	35	1 570	585	4 603	326
UNHCR	3 178	11 136	5 887	2 498	3	1 217	804	10 407	729
UNICEF	27 257	62 913	31 247	1 629	396	25 369	-6	58 636	4 278
UNIFEM	0	0	0	0	0	0	0	0	0
UNMAS	0	200	0	139	0	8	32	180	20
UNOPS	152	4 724	1 064	875	0	2 236	168	4 342	382
WFP	10 289	7 108	2 551	791	-241	3 261	193	6 555	553
WHO	3 945	17 623	4 808	1 507	205	5 511	4 546	16 578	1 046
Total	118 308	237 355	65 032	32 287	3 387	41 217	79 847	221 770	15 585

Note: Most of UNDP's US\$ 44.3 million expenditure are related to NGO/UNDP expenditure. Due to the change in project numbers those expenditures were reported against UNDP and not NGO/UNDP project.