

## Fiduciary Safeguards of the PBF

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**PBF Donor Briefing  
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## Fiduciary Safeguards

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## PBF Stakeholders and Accountability

- UN Secretary General \*
- Head of PBSO (Fund Manager) \*
- MDTF Office (Administrative Agent) \*
- Recipient UN Organizations \*
- Contributing Donors and Development Partners
- Country-level Joint Steering Committees
- Senior UN Representative at the country-level
- National implementing partners
- PBF Advisory Group
- Senior Policy Group
- Peacebuilding Commission

*PBF Stakeholders with fiduciary accountability marked with \**

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## PBF Monitoring & Evaluation and Reporting

### **Role of the UN Secretary-General/Head of PBSO**

- Has ultimate accountability for the PBF
- Provides overall management of the PBF at the global- and country-level, and monitors its operations

### **Role of the MDTF Office**

- Provides real time financial data through the MDTF Office GATEWAY
- Receipt, review and posting of regular progress updates (due diligence)
- Consolidation of annual narrative and financial progress reports

### **Role of Recipient UN Organizations**

- M&E of individual projects
- Accountable for project implementation and achievement of results (based on respective financial regulations, rules and procedures)
- Responsible for notifying JSC and MDTF Office of any allegation of misuse of funds in relation to the implementation of activities (incl. corrupt, fraudulent, collusive or coercive practices)

### **Role of Country-Level Steering Committees (PRF)**

- PBF Priority Plan oversight function, including capacity assessment of Recipient Orgs and Project s' Approval
- Monitoring overall PBF Portfolio's performance at country- level

### **Role of PBF Advisory Group and Head of PBSO**

- May request independent evaluation/assessment/review of PBF-operations incl. country-level programmes, thematic interventions, in particular interventions with innovative features

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## PBF Monitoring, Evaluation and Reporting (cont.)

### Available monitoring, evaluation and oversight tools

- Over 160 individual annual project reports in 2011 (*narrative: 31 Mar; financial 30 Apr*)
- Consolidated Annual Narrative and Financial Reports (*31 May*)
- MDTF Office's certified "Source and Use of Funds Report" (*31 May*)
- PBSO's "Secretary General's Annual Report on the PBF"
- MDTF Office GATEWAY provides real-time data on donor contributions and transfers, as well as annual expenditure figures
- Uncertified Quarterly Updates (incl. narrative and financial data) institutionalized across all PBF countries; submitted at the country level and posted online - presently not displayed on the GATEWAY's automated "data management" tools
- Uploading of quarterly informal expenditure data by Recipient Organizations using the GATEWAY will strengthen the PBF oversight, both at HQs and country-level; an inter-agency issue that has been taken up by both the Head of PBSO and the MDTF Office

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## PBF Audit Provisions

### PBF Standard Administrative Arrangement (SAA), Donors-MDTF Office:

**Section 1.6:** *"The PBF Account will be subject exclusively to the internal and external auditing procedures laid down in the financial regulations, rules, directives and procedures applicable to the Administrative Agent"*.

**Section II.2:** *"That separate ledger account will be subject exclusively to the internal and external auditing procedures laid down in the financial regulations, rules, directives and procedures applicable to the Recipient UN Organization"*.

### PBF Memorandum of Understanding, PBSO-MDTF Office, Section V:

*"The Administrative Agent and Recipient UN Organizations will be audited in accordance with their own Financial Regulations and Rules and in accordance with the Framework for auditing multi-donor trust funds which has been agreed to by the Internal Audit Services of Recipient UN organizations and endorsed by the UNDG in September 2007."*

### Audits at the project and overall Fund (PBF) level:

- In accordance with Recipient Organizations' regulations and rules
- Based on a risk assessment of the PBF, a coordinated audit by Recipient UN Organizations may be undertaken for PBF projects (planned for end April 2011)
- The internal auditors of the MDTF Office (AA) coordinate and consolidate, and make the findings available to appropriate stakeholders

### Audits of the PBSO and MDTF Office (internal and external)

- Internal and external audits may be undertaken in accordance with internal regulations
- MDTF Office was audited by the UN Board or External Auditors in 2010

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## PBF Financial Status (as of 1 Feb 2011)

- Donor Deposits (48 Donors): \$363 mill
- AA-fee (1%): \$3.6 mill
- Direct Cost (Incl. PBSO 3%): \$10.8 mill (out of which \$6.7 mill transferred)
- Interest (as of 31 Dec 2009): \$14.9 mill
- Funds transferred (Net, PRF & IRF): \$229.8 mill
- **Actual balance in PBF Account: \$137.3 mill**
  
- **Unallocated balance in PBF Account: \$124.3 mill** *(part of country-envelopes)*

Real-time information available on the MDTF Office GATEWAY <http://mdtf.undp.org>

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## PBF Donor Deposits by Year

Year	Annual Deposits (USD)	Percentage of Cumulative Deposits
2006	119,746,660	33%
2007	79,033,163	22%
2008	91,946,671	25%
2009	38,616,527	10%
2010	31,308,862	9%
2011 (as of 1 Feb)	2,661,400	0.7%
<b>Total</b>	<b>363,313,283</b>	<b>100%</b>

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## PBF Transfers by Year

Year	Countries with PBF Projects (cumulative)	Annual transfers (USD)	Percentage of Cumulative Transferred
2007	6	46,519,460	20%
2008	9	41,150,043	18%
2009	13	42,478,435	19%
2010	19	89,360,259	39%
2011 (as of 1 Feb)	19	8,618,685	4%
<b>Total</b>	<b>19</b>	<b>228,126,883</b>	<b>100%</b>

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## The MDTF Office Mission Statement:

*"To provide transparent and accountable fund management services to the United Nations system to enhance its coherence, effectiveness and efficiency."*

**MDTF Office GATEWAY**

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