



*Empowered lives.
Resilient nations.*

Consolidated Annual Financial Report on Activities Implemented under the Democratic Republic of Congo's Pooled Fund

**Report of the Administrative Agent of the DRC Pooled Fund
for the period 1 January - 31 December 2011**

Multi-Partner Trust Fund Office
Bureau of Management
United Nations Development Programme
<http://mptf.undp.org>

15 May 2012

DRC Pooled Fund

PARTICIPATING UN ORGANIZATIONS



Food and Agriculture Organization (FAO)



Joint United Nations Programme on HIV/AIDS (UNAIDS)



United Nations Children's Fund (UNICEF)



United Nations Development Programme (UNDP)



United Nations High Commissioner for Refugees (UNHCR)



UN Office for the Coordination of Humanitarian Affairs (OCHA)



United Nations Mine Action Service (UNMAS)



United Nations Office for Project Services (UNOPS)



United Nations Population Fund (UNFPA)



United Nations Development Fund for Women (UNWOMEN)



World Food Programme (WFP)



World Health Organization (WHO)

PARTICIPATING NON-UN ORGANIZATIONS



International Organization for Migration (IOM)

DRC Pooled Fund

CONTRIBUTING DONORS

Agencia Española de Cooperación
Internacional para el Desarrollo (AECID)



Australian Agency for International
Development (AusAID)



Belgium



Canadian International Development Agency
(CIDA)



Denmark



UK Department For International Development
(DFID)



Irish AID



Luxembourg



Netherlands



Norway



Swedish International Development
Cooperation (SIDA)



Definitions

Allocation

Amount approved by the DRC Pooled Fund Humanitarian Coordinator for a project/programme.

Approved Project/Programme

A project/programme document, including budget, etc., that is approved by the Humanitarian Coordinator for fund allocation purposes.

Donor Commitment

A contribution expected to be received or already deposited by a donor based on a signed Standard Administrative Arrangement (SAA) with the UNDP Multi-Partner Trust Fund Office (MPTF Office), in its capacity as the Administrative Agent of the DRC Pooled Fund.

Donor Deposit

Cash deposit received by the UNDP MPTF Office for the DRC PF.

Indirect support costs

A general cost that cannot be directly related to any particular programme or activity of the Participating Organizations. Under UN MPTFs, these costs amount to 7 percent as per the UNDG agreed MPTF cost recovery.

Managing Agent

UN Organization that has signed the MOU as a Participating UN Organization (PUNO) and performs an oversight function vis-à-vis NGOs receiving DRC Pooled Fund funding. In the case of the DRC Pooled Fund UNDP is the Managing Agent. The Managing Agent has the same obligations as any other PUNO that has signed the MOU, including for reporting.

Net funded amount

Amount transferred to a Participating Organization less refunds of unspent balances received from the Participating Organization.

Participating Organizations

Organizations that have signed a Memorandum of Understanding with the UNDP MPTF Office.

Project Commitment

The amount for which legally binding contracts have been signed, including multi-year commitments that may be disbursed in future years.

Project Disbursement

The amount paid to a vendor or entity for goods received, work completed, and/or services rendered (does not include unliquidated obligations).

Project Expenditure

Amount of project disbursement made plus unliquidated obligations during the year.

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 Start Date

Date of transfer of first instalment from the MPTF Office to the Participating Organization.

Project Operational Closure

A project or programme is considered operationally closed when all activities for which a Participating Organization is responsible under the approved programmatic document have been completed.

Total Approved Budget

Amount approved by the Humanitarian Coordinator.

Table of Content

1. Introduction	7
2. Sources, Uses, and Balance of Funds	7
3. Donor Contributions	9
4. Transfer of Funds.....	10
4.1. Transfers to Participating Organizations.....	11
4.2. Transfers by Cluster.....	12
5. Expenditure Reported by Participating Organizations.....	13
5.1. Overall Expenditure and Financial Delivery Rates	13
5.2. Total Expenditure Reported by Category.....	14
5.3. Cumulative Expenditure of Participating Organizations, with breakdown by Category .	16
6. Accountability and transparency.....	17

1. Introduction

This Consolidated Annual Financial Report of the Democratic Republic of Congo's Pooled Fund (DRC PF) is prepared by the United Nations Development Programme (UNDP) Multi-Partner Trust Fund Office (MPTF Office) in fulfillment of its obligations as Administrative Agent of the DRC PF, contained under the DRC PF Terms of Reference (TOR), the Memorandum of Understanding (MOU) signed between the UNDP MPTF Office and the Participating Organizations, and the Standard Administrative Arrangements (SAAs) signed with donors¹.

The MPTF Office, as Administrative Agent, receives, administers and manages contributions from Donors, and disburses these funds to the Participating Organizations in accordance with the decisions of the Humanitarian Coordinator. In addition it prepares and submits annual consolidated financial reports, as well as regular financial statements on the DRC PF account to the HC, for transmission to donors. Some Administrative Agent (AA) functions of the DRC PF were exercised by the UNDP DRC Country Office under a delegation of authority issued by the MPTF Office Executive Coordinator to the UNDP DRC Country Director.

This consolidated financial report covers the period 1 January to 31 December 2011 and provides financial data on progress made in the implementation of projects² funded by the DRC PF. It is posted on the MPTF Office GATEWAY at (<http://mptf.undp.org/factsheet/fund/HCG10>).

2. Sources, Uses, and Balance of Funds

The DRC PF was established in 2006 to improve humanitarian response in the DRC as part of the wider reforms of humanitarian architecture.

By the end of 2011, **total contributions of US\$ 662.05 million** have been received from eleven donors: the Agencia Española de Cooperación Internacional para el Desarrollo (AECID), the Australian Agency for International Development (AusAID), the Canadian International Development Agency (CIDA), United Kingdom Department For International Development (DFID), the Governments of Belgium, Denmark, Luxembourg, Netherlands, Norway, Irish Aid, and the Swedish International Development Cooperation (SIDA).

¹ This Report has been shared by the Administrative Agent with the Humanitarian Coordinator for DRC, and OCHA for inclusion in the DRC PF Annual Report. For increased public transparency, it is posted on the MPTF Office GATEWAY (mptf.undp.org).

² Project in this report covers both Projects and Programmes.

Additionally, US\$ 7.63 million has been earned in interest, bringing the cumulative amount of programmable resources to US\$ 669.67 million.

Table 1 provides an overview of the overall sources, uses, and balance of the DRC PF as of 31 December 2011. Out of US\$ 669.67 million available for programming, US\$ 639.21 million has been transferred to the Participating Organizations.

Table 1: Financial Overview for the period ending 31 December 2011 (in US Dollars)

	Prior Years as of 31 Dec 2010	Current Year Jan-Dec 2011	TOTAL
Sources of Funds			
Gross Donor Contributions	580,901,410	81,145,303	662,046,713
Fund Earned Interest Income	5,483,998	363,417	5,847,415
Interest Income received from Part Organizations	1,137,261	642,932	1,780,193
Refunds by Admin Agent (Interest/Others)	-	-	-
Other Revenues	-	-	-
Total: Sources of Funds	587,522,669	82,151,652	669,674,320
Use of Funds			
Transfer to Participating Organizations	535,997,091	103,211,252	639,208,343
Refunds received from Participating Organizations	(3,171,443)	(1,124,972)	(4,296,416)
Net Funded Amount to Participating Organizations	532,825,648	102,086,280	634,911,927
Admin Agent Fees	5,809,014	811,453	6,620,467
Direct Costs: (Secretariat... etc)	-	-	-
Bank Charges	263	2,471	2,735
Other Expenditures	-	-	-
Total: Uses of Funds	538,634,925	102,900,204	641,535,129
Balance of Funds Available with Admin Agent	48,887,744	(20,748,552)	28,139,192
Net Funded Amount to Participating Organizations	532,825,648	102,086,280	634,911,927
Participating Organizations' Expenditure	469,948,340	89,431,021	559,379,361
Balance of Funds with Participating Organizations	62,877,307	12,655,259	75,532,566

Apart from donor contributions, the DRC PF also receives funds from interest income earned on the balance of funds. 'Fund earned interest' comprises two sources of interest income: (1) interest earned on the balance of funds held by the Administrative Agent; and (2) interest earned on the balance of funds held by Participating Organizations where the Financial Regulations and Rules of the Participating Organization permit remittance of interest. By the end of 2011, the Fund earned interest amounted to US\$ 5.85 million and interest income from Participating Organizations was US\$ 1.78 million for a cumulative total interest of \$7.63 million.

The Administrative Agent fee is charged at the standard rate of 1 percent of donor contributions received. As of 31 December 2011, the cumulative AA fees charged to the

DRC PF total US\$ 6.62 million. It is interesting to note that the Administrative Agent fee is fully covered by the amount of cumulative interest earned.

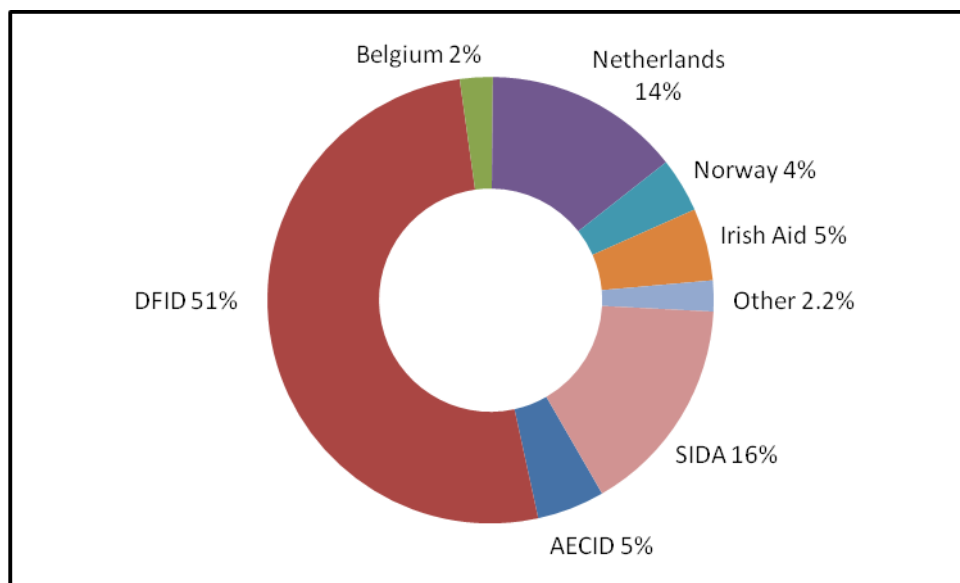
3. Donor Contributions

Table 2 displays the breakdown of the received contributions. The DRC PF is currently being financed by eleven donors that signed the SAAs, namely AECID, AusAID, CIDA, DFID, the Governments of Belgium, Denmark, Luxembourg, Netherlands, Norway, Irish Aid, and SIDA. **In 2011 DRC PF has received US\$ 81.15 million in donor contributions**, bringing the total fund contributions to US\$ 662.05 million.

Table 2: Donor Deposits (in US Dollars)

Donor Name	Deposits		
	Prior Years as of 31 Dec 2010	Current Year Jan – Dec 2011	Grand Total
AECID	25,731,836	6,760,950	32,492,786
AusAID	-	4,268,000	4,268,000
CIDA	6,207,132	-	6,207,132
DFID/UK	303,715,400	35,375,250	339,090,650
Government of Belgium	15,749,742	-	15,749,742
Government of Denmark	1,808,449	-	1,808,449
Government of Luxembourg	1,766,560	652,200	2,418,760
Government of Netherlands	89,266,117	5,000,000	94,266,117
Government of Norway	19,237,526	6,922,823	26,160,349
Irish Aid	29,912,820	4,723,380	34,636,200
Swedish Int. Development Coop-n (SIDA)	87,505,829	17,442,700	104,948,529
Total:	580,901,410	81,145,303	662,046,713

Figure 1: Deposits by Donor, cumulative as of 31 December 2011 (in percentages³)



Note: * Other category contains AusAID, CIDA, Denmark and Luxembourg

As shown in Figure 1, the three biggest contributors to the DRC PF have been DFID (51 percent), SIDA (16 percent), and Netherlands (14 percent).

4. Transfer of Funds

Donor contributions are the main source of funding of the DRC PF, which is being implemented by thirteen Participating Organizations. With the overall aim of improving timeliness and coherence of the humanitarian response, transfers are made to ten Clusters of the Fund namely: Coordination, Education, Food Security, Health, Logistics, Multi-sectoral (refugees), Nutrition, Protection, Shelter and Non-Food Items, and Water Sanitation and Hygiene (WASH).

In 2011, the DRC PF has transferred funds to thirteen Participating Organizations for approved projects for a total of US\$ 103.21 million, as shown in Table 1.

The distribution of approved funding, consolidated by Participating Organization is summarized in Table 3. The term “Net funded amount” refers to amounts transferred to a Participating Organization minus refunds of unspent balances from the Participating Organization.

³ Due to rounding error the percentages might not add up to 100 percent. This applies to all Figures in this report.

4.1. Transfers to Participating Organizations

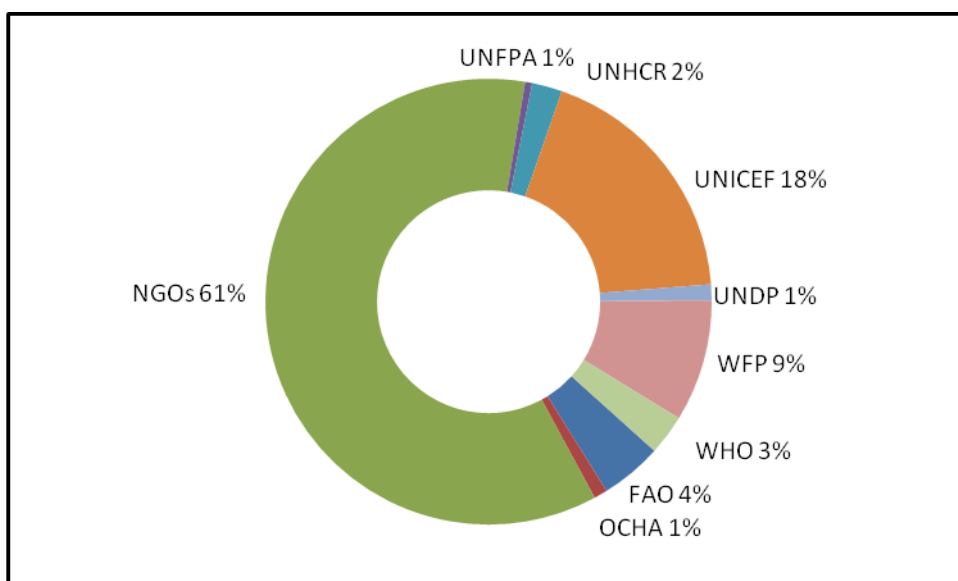
Since 2006 thirteen Participating Organizations have signed the MOU for the DRC Pooled Fund and received funding. **In 2011 the Net Funded Amount was US\$ 102.09 million**, bringing the cumulative net funded amount to US\$ 634.91 million. The distribution of net funding consolidated by Participating Organization is summarized in Table 3.

Table 3: Net funded amount by Participating Organization (in US Dollars)

Participating Organizations	Prior Years as of 31 Dec 2010	Current Year Jan – Dec 2011	TOTAL
FAO	55,405,947	4,562,457	59,968,404
IOM	2,246,136	(20,120)	2,226,016
OCHA	33,844,403	1,000,000	34,844,403
UNAIDS	-	-	-
UNDP/NGOs	226,266,685	61,783,174	288,049,859
UNDP	4,426,663	1,177,736	5,604,399
UNFPA	8,382,160	525,726	8,907,885
UNHCR	15,461,326	2,231,243	17,692,569
UNICEF	116,367,466	18,823,467	135,190,933
UNMAS	200,000	-	200,000
UNOPS	4,723,974	-	4,723,974
UNWOMEN	300,000	-	300,000
WFP	41,670,473	9,029,308	50,699,781
WHO	23,530,415	2,973,289	26,503,704
Total:	532,825,648	102,086,280	634,911,927

As shown in Table 3 and Figure 2, in 2011 NGOs, through UNDP that is serving as a Managing Agent (MA) for funds approved by the HC for implementation by NGOs, received the largest share of funding (US\$ 61.78 million or 61 percent), followed by UNICEF (US\$ 18.82 million or 18 percent), WFP (US\$ 9.03 million or 9 percent), FAO (US\$ 4.56 million or 4 percent), WHO (US\$ 2.97 million or 3 percent), UNHCR (US\$ 2.23 million or 2 percent), UNDP (US\$ 1.18 million or 1 percent), OCHA (US\$ 1.00 million or 1 percent), and UNFPA (US\$ 0.53 million or 1 percent).

Figure 2: Net funded amount by Participating Organization: 1 January to 31 December 2011 (in percentages)



4.2. Transfers by Cluster

Prior to 2011, all the budgets, transfers and expenditures for DRC PF were recorded against a single DRC PF sub-fund code, represented by the first row of Table 4. In 2011, the Cluster structure of financial recording and reporting was introduced allowing more detailed information of CHF financial transactions and aligning the reported financial information with the existing programmatic Clusters. In 2011, the DRC PF allocations have been recorded against 10 out of 11 programmatic Clusters, listed in Table 4.

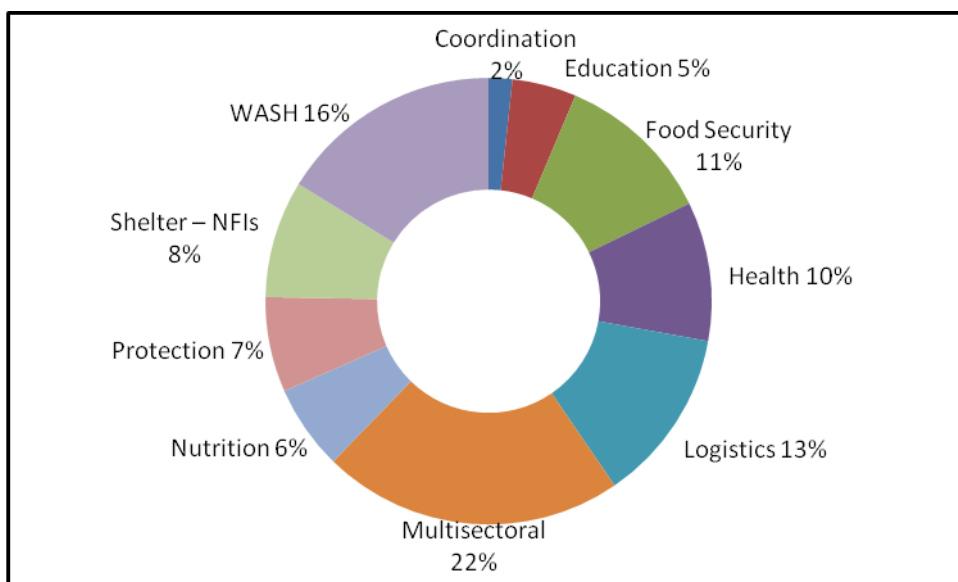
Table 4: Net funded amount by Cluster (in US Dollars)

Clusters		Net Funded Amount
2006-2010	DRC Pooled Fund (2006-2010)*	531,700,675
Clusters introduced in 2011	Coordination	1,777,736
	Education	4,825,986
	Food Security	11,865,294
	Health	10,459,578
	Logistics	13,062,709
	Multisectoral	22,637,211
	Nutrition	6,388,727
	Protection	7,151,844
	Shelter – NFIs	8,815,341
	WASH	16,826,827
Total		634,911,927

Note: * Prior to 2011 all the transfers and expenditures for DRC PF were recorded against *DRC Pooled Fund* sub-fund code.

As shown in Figure 3, the clusters receiving the largest share of funding were: Multisectoral (22 percent), WASH (16 percent), Logistics (13 percent), Food Security (11 percent) and Health (10 percent).

Figure 3: Net funded amount by Cluster for a period of 1 January to 31 December 2011 (in percentages)



5. Expenditure Reported by Participating Organizations

Project expenditures are incurred and monitored by each Participating Organization and are reported as per the six categories for inter-agency harmonized reporting of expenditure approved by the UN Development Group (UNDG) organizations.

The reported expenditures were submitted to the MPTF Office by the Participating Organizations via the UNEX - the MPTF Office's expenditure reporting tool. The 2011 expenditure data has been posted on the [MPTF Office GATEWAY](#) and can be found in this report in Tables 5, 6 and 7.

5.1. Overall Expenditure and Financial Delivery Rates

Table 5 below shows the net funded amount transferred and expenditures incurred by cluster under the DRC PF and presents the financial delivery rates. In 2011, the net funded amount to Participating Organizations was US\$ 102.09 million and **the reported expenditure amounted to US\$ 89.43 million.**

The cumulative **delivery rate** as of 31 December 2011 is **88 percent, which is an indicator of the DRC PF's solid performance.**

Table 5: Financial Overview with breakdown by Cluster (in US Dollars)

Cluster	Prior Years as of 31 Dec 2010		Current Year Jan-Dec 2011		TOTAL		Deliver y (%)
	Net Funded Amount	Expendi- ture	Net Funded Amount	Expendi- ture	Net Funded Amount	Expendi- ture	
DRC Pooled Fund	532,825,648	469,948,340	(1,124,972)	50,060,160	531,700,675	520,008,501	98
Coordination	-	-	1,177,736	-	1,177,736	-	0
Education	-	-	4,825,986	1,376,317	4,825,986	1,376,317	29
Food Security	-	-	11,865,294	4,189,158	11,865,294	4,189,158	35
Health	-	-	10,459,578	5,330,605	10,459,578	5,330,605	51
Logistics	-	-	13,062,709	5,380,750	13,062,709	5,380,750	41
Multisectoral	-	-	22,637,211	12,108,604	22,637,211	12,108,604	53
Nutrition	-	-	6,388,727	2,054,961	6,388,727	2,054,961	32
Protection	-	-	7,151,844	2,759,599	7,151,844	2,759,599	39
Shelter – NFIs	-	-	8,815,341	3,641,514	8,815,341	3,641,514	41
WASH	-	-	16,826,827	2,529,353	16,826,827	2,529,353	15
Total	532,825,648	469,948,340	102,086,280	89,431,021	634,911,927	559,379,361	88

The Clusters that have reported the highest expenditure in 2011 were Multisectoral (US\$ 12.11 million), Logistics (US\$ 5.38 million), Health (US\$ 5.33 million) and Food Security and Livelihoods (US\$ 4.19 million).

5.2. Total Expenditure Reported by Category

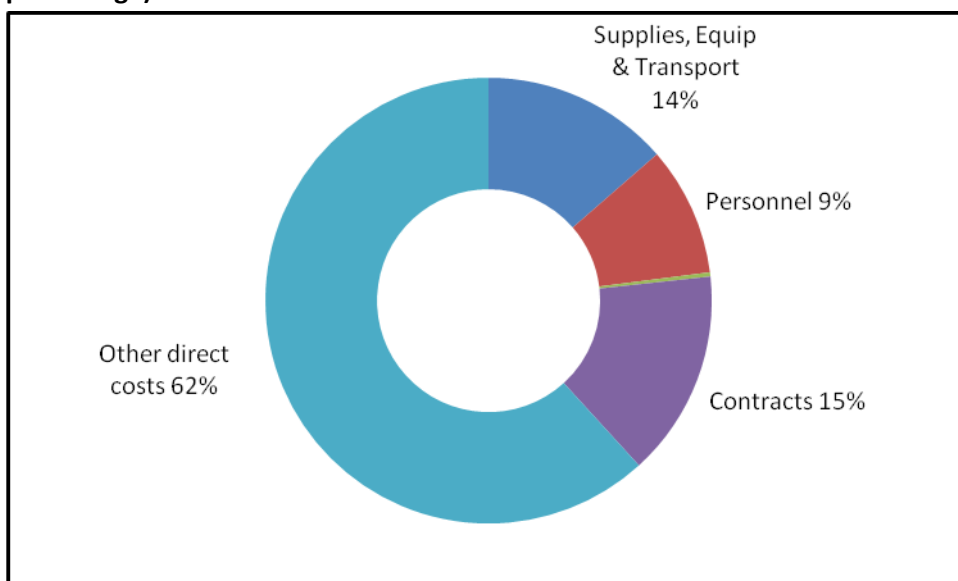
Table 6 shows CHF expenditure in six categories agreed to by the UNDG organizations. The highest amounts of cumulative (combined prior years and 2011) expenditure were: Other Direct Costs (50 percent), followed by Supplies, Commodities, Equipment and Transport (23 percent) and Contracts (18 percent). The high percentage reported against 'Other Direct Costs' category is due to the fact that NGO projects (for which UNDP serves as a Managing Agent) recorded the majority of their expenditure against the above-mentioned category.

Table 6: Total Expenditure by Category (in US Dollars)

Category	Expenditure			% of Total Programme Costs
	Prior Years as of 31 Dec 2010	Current Year Jan – Dec 2011	TOTAL	
Supplies, Commodities, Equipment and Transport	108,441,988	11,477,316	119,919,305,	23
Personnel	39,078,235	7,899,900	46,978,135	9
Training of counterparts	4,691,784	260,674	4,952,458	1
Contracts	80,591,841	12,630,262	93,222,104	18
Other direct costs	208,132,298	52,126,977	260,259,275	50
Programme Costs Total	440,936,146	84,395,130	525,331,276	100
Indirect Support Costs	29,012,194	5,035,891	34,048,085	6
Total	469,948,340	89,431,021	559,379,361	

Figure 4 reflects amounts expended in 2011 in each of the six categories. The highest amounts of 2011 expenditure were: Other Direct Costs (62 percent), followed by Contracts (15 percent), Supplies, Commodities, Equipment and Transport (14 percent) and Personnel (9 percent).

Figure 4: Expenditure by UNDG budget category: 1 January through 31 December 2011 (in percentage)



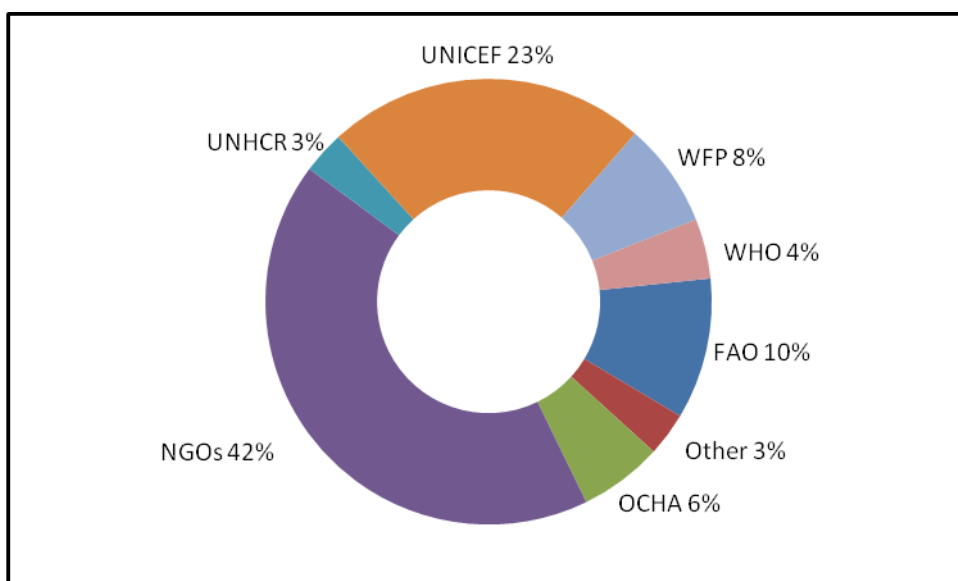
5.3. Cumulative Expenditure of Participating Organizations, with breakdown by Category

Cumulative expenditure reported by Participating Organizations are shown in six categories in Table 7.

Table 7: Total Expenditure by Participating Organization, with breakdown by Category, as of 31 December 2011 (in US Dollars)

Partic UN Organization	Funds Transferred	Total Expend	Expenditure by Category							% of Progra. Costs
			Suppl, com, equip	Personnel	Training	Contracts	Other direct costs	Total Progr Cost	Indirect support costs	
FAO	59,968,404	57,295,886	29,135,946	11,951,434	1,060,757	5,284,899	5,466,748	52,899,784	4,396,102	8
IOM	2,226,016	2,226,016	251,353	606,923	-	61,666	1,172,321	2,092,263	133,753	6
OCHA	34,844,403	33,844,402	2,789,776	11,232,130	2,491,692	681,651	13,147,951	30,343,200	3,501,202	12
UNAIDS	-	-	-	-	-	-	-	-	-	0
UNDP/NGOs	288,049,859	236,993,720	3,278,541	2,916,656	(103,587)	1,478,901	216,850,835	224,421,347	12,572,373	6
UNDP	5,604,399	3,553,208	166,045	3,307,654	47,380	38,065	827,228	4,386,373	(833,164)	-19
UNFPA	8,907,885	6,686,118	2,198,745	962,460	398,969	1,993,464	695,079	6,248,717	437,401	7
UNHCR	17,692,569	17,260,227	8,207,067	4,780,214	64,747	2,102,036	974,626	16,128,690	1,131,537	7
UNICEF	135,190,933	129,546,413	48,464,885	4,033,957	833,353	67,156,582	421,135	120,909,912	8,636,501	7
UNMAS	200,000	200,000	-	138,839	-	8,276	32,410	179,525	20,475	11
UNOPS	4,723,974	4,723,974	1,064,019	874,587	-	2,235,538	167,690	4,341,835	382,140	9
UNWOMEN	300,000	297,500	-	74,691	-	190,094	15,649	280,434	17,066	6
WFP	50,699,781	42,461,373	18,204,179	3,694,884	(51,851)	4,722,404	13,803,807	40,373,425	2,087,948	5
WHO	26,503,704	24,290,524	6,158,747	2,403,704	210,997	7,268,528	6,683,796	22,725,773	1,564,751	7
Total	634,911,927	559,379,361	119,919,305	46,978,135	4,952,458	93,222,104	260,259,275	525,331,276	34,048,085	6

Figure 5: Cumulative Expenditure by Participating Organization as of 31 December 2011 (in percentage)



Note: * IOM, UNDP, UNMAS, UNOPS, and UNWOMEN expenditures were less than 2% and have been grouped in *Other*.

As shown in Figure 5, NGOs through UNDP, as the Managing Agent, reported the highest amount of expenditure in the DRC PF, amounting to 42 percent of the total reported expenditure, followed by UNICEF (23 percent), FAO (10 percent), WFP (8 percent), OCHA (6 percent), WHO (4 percent), UNHCR (3 percent), and IOM, UNDP, UNMAS, UNOPS, and UN Women (less than 2 percent).

6. Accountability and transparency

The MPTF Office continued to provide information on its GATEWAY (<http://mptf.undp.org>)—a knowledge platform providing real-time data, with a maximum two-hour delay, on financial information from the MPTF Office accounting system on donor contributions, programme budgets and transfers to Participating UN Organizations. All narrative reports are published on the MPTF Office GATEWAY which provides easy access to nearly 7,000 relevant reports and documents, with tools and tables displaying financial and programme data. By providing easy access to the growing number of progress reports and related documents uploaded by users in the field, it facilitates knowledge sharing and management among UN Organizations. It is designed to provide transparent, accountable fund-management services to the UN system to enhance its coherence, effectiveness and efficiency. The MPTF Office GATEWAY has been recognized as a ‘standard setter’ by peers and partners.