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First Annual Progress Report on Activities Implemented under the Maldives One UN Fund

**Report of the Administrative Agent of the Maldives One UN 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>

31 May 2012

Maldives One UN Fund

PARTICIPATING ORGANISATIONS

	Food and Agriculture Organization (FAO)
	International Labour Organization (ILO)
	United Nations Children’s Fund (UNICEF)
	United Nations Development Fund for Women (UNIFEM)
	United Nations Development Programme (UNDP)
	United Nations Industrial Development Organization (UNIDO)
	United Nations Office for Project Services (UNOPS)
	United Nations Office on Drugs and Crime (UNODC)
	United Nations Population Fund (UNFPA)
	World Health Organization (WHO)

CONTRIBUTING DONORS

	Denmark
	Expanded DaO Funding Window

Abbreviations and Acronyms

AA	Administrative Agent
AWP	Annual Work Plan
CSO	Civil Society Organisations
EFW	Expanded Funding Window
FAO	Food and Agriculture Organization
GCA	Government Coordinating Agency
HDI	Human Development Index
ILO	International Labour Organization
LDC	Least Developed Countries
LECReD	Low Emission Climate-Resilient Development
M&E	Monitoring and Evaluation
MDGs	Millennium Development Goals
MOFT	Ministry of Finance and Treasury
MOFT-DNP	Ministry of Finance and Treasury - Department of National Planning
MOFT-ERMD	Ministry of Finance and Treasury - External Resources Management Department
MOU	Memorandum of Understanding
MPTF Office	Multi-Partner Trust Fund Office UNDP
RC	Resident Coordinator
SAP	Strategic Action Plan - Framework for Development
TOR	Terms of Reference
UN	United Nations
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNIDO	United Nations Industrial Development Organization
UNICEF	United Nations Children Fund
UNIFEM	United Nations Development Fund for Women
UNODC	United Nations Office on Drugs and Crime
UNOPS	United Nations Office for Project Services
WHO	World Health Organization

Definitions¹

Allocation

Amount approved by the relevant steering committee for a project/programme.

Annual Work Plan (AWP)

Annual plans that set out the activities to be undertaken during the year to reach the results specified in the project/programme. AWP's include a timeframe, budget and responsibilities for completing the activities.

Approved Project/Programme

A project or programme that has been approved by the Maldives One UN Fund Board for fund allocation purposes.

Donor Commitment

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

Donor Deposit

Cash deposit received by the MPTF Office for the Fund.

Direct Cost

Cost that can be traced to or identified as part of the cost of a project or programme.

Indirect Support Cost

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

Net Funded Amount

Amount transferred to a Participating Organisation less refund of unspent balances received from Participating Organisations.

Participating Organisations

Organisations that have signed a Memorandum of Understanding (MOU) with the MPTF Office.

Project Commitment

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 disbursement made plus unliquidated obligations during the year.

¹ Common definitions used by the MPTF Office in annual progress 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 activities for which a Participating Organisation is responsible under the approved programmatic document have been completed.

Project Start Date

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

Total Approved Budget

Amount approved by the Steering Committee.

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Executive Summary

Introduction

The Maldives One UN Fund was established in December 2010, as one of several funding instruments to support the implementation of the UN Development Assistance Framework (UNDAF) and UNDAF Action Plan. The Fund will remain active throughout the UNDAF cycle 2011-2015. The MOU was concluded between 10 Participating Organisations and UNDP MPTF Office in its capacity as the Administrative Agent (AA) of the Maldives One UN Fund.

The Maldives One UN Fund will enhance the flexibility and predictability of funding to the UN system to implement the UNDAF and the UNDAF Action Plan in support of national priorities and emerging needs. The Maldives One UN Fund will ensure that funding and implementation are undertaken with special attention to transparency and accountability as well as efficient delivery and utilisation of resources.

Strategic Framework

The UN Country Team (UNCT) in the Maldives developed the UNDAF 2011-2015 aligned with national priorities to guide the UN system's assistance to Government of the Maldives, while promoting national ownership. The UNDAF process built on existing cooperation and was formulated through a nationally-owned, consultative, and participatory process, and signed by the Ministry of Finance and Treasury (MOFT) as the Government Coordinating Agency (GCA). The UNDAF is aligned with the National Strategic Action Plan Framework for Development 2009–2013 (SAP), which has twenty-six commitments in three broad categories: Democratic Governance, Social Justice, and Economic Development.

Project Approval and Financial Performance

During the reporting period a total of \$10,187,288 was deposited in the Maldives One UN Fund with contributions received from the Government of Denmark and the Expanded Delivering as One Funding Window for Achievement of the MDGs (EFW)². The Maldives One UN Fund Board approved its first programme for a total of \$445,500 during the reporting period and a second programme during the first quarter 2012 for a total of \$423,255. The current available balance available for future programming as of 31 March 2012 is \$9,251,754.

Transparency and Accountability

The MPTF Office provides regular information on the operations of the [Maldives One UN Fund](#) on its GATEWAY. The [MPTF Office GATEWAY](#) is 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 Organisations. All narrative reports are posted on the GATEWAY which provides easy access to over 8,000 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 Organisations. 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 recognised as a 'standard setter' by peers and partners.

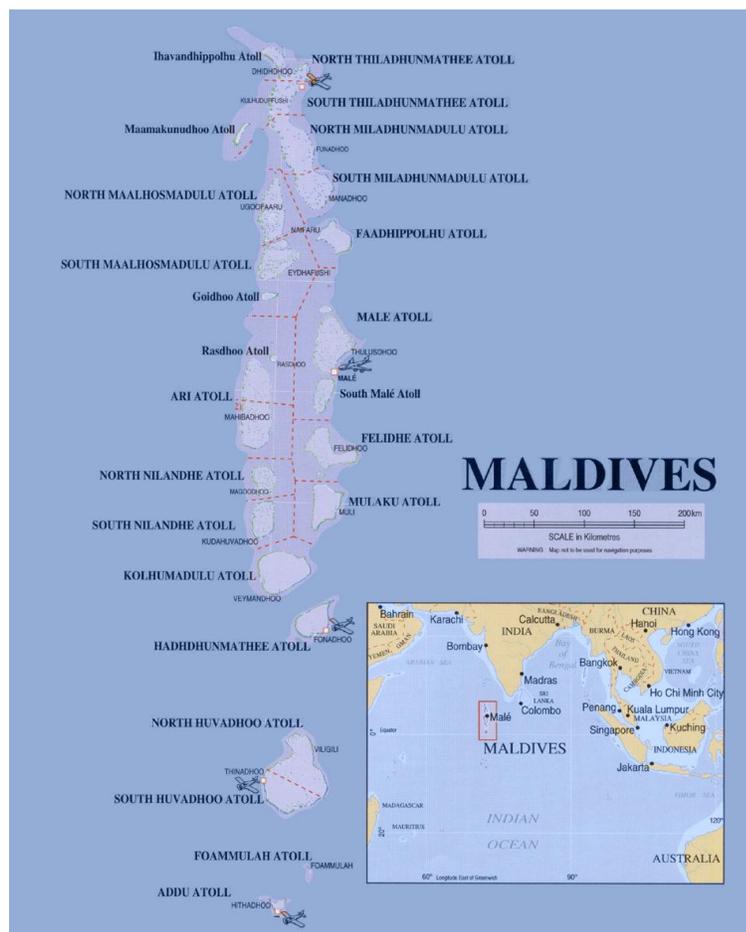
²The Expanded Delivering as One Funding Window for Achievement of the Millennium Development Goals (EFW) is a global funding facility established to support UN Delivering as One countries. Current donors to the EFW are the Netherlands, Norway, Spain and the United Kingdom/DFID.

Introduction

The Maldives One UN Fund was established on 20 December 2010 with the conclusion of the Memorandum of Understanding (MOU) between 10 Participating Organisations and the UNDP Multi-Partner Trust Fund Office (MPTF Office) in its capacity as the Administrative Agent (AA) of the Maldives One UN Fund. The Maldives One UN Fund became operational on 1 July 2011 with the first contribution from the Government of Denmark.

The First Consolidated Annual Progress Report on Activities Implemented under the Maldives One UN Fund is submitted to the Maldives One UN Fund Board and contributing Donors, in fulfilment of the reporting provisions of the Maldives One UN Fund Terms of Reference (TOR), the MOU between the MPTF Office and Participating Organisations, and the Standard Administrative Arrangement (SAA) between MPTF Office and Donors.

The Maldives One UN Fund reports on the implementation of projects and programmes approved for funding from 1 January to 31 December 2011.



In line with the MOU, the Progress Report is consolidated based on information and data contained in the individual progress reports and financial statements submitted by Participating Organisations to the MPTF Office. It is neither an evaluation of the Maldives One UN Fund nor the MPTF Office's assessment of the performance of the Participating Organisations.

During the reporting period a total \$10,187,288 was deposited in the Maldives One UN Fund with contributions received from the Government of Denmark and the Expanded Delivering as One Funding Window (EFW) for Achievement of the Millennium Development Goals (MDGs)³. The Maldives One UN Fund Board approved its first programme for a total of \$445,500 during the reporting period and a second programme during the first quarter 2012 for a total of \$423,255. The current available balance available for future programming as of 31 March 2012 is \$9,251,754.

³The Expanded Delivering as One Funding Window for Achievement of the Millennium Development Goals (EFW) is a global funding facility established to support UN Delivering as One countries. Current donors to the EFW are the Netherlands, Norway, Spain and the United Kingdom/DFID.

1 Background and Strategic Framework

1.1 Background

The Maldives has achieved five of the eight MDGs and continued to do well in 2011 by maintaining its 109th place in the Human Development Index (HDI) and income levels in South Asia. Its high average per capita income has led the Maldives to graduate from the status of Least Developed Country (LDC) in January 2011. The new status, however, also presents new development challenges for the Maldives that require further adjustments in its relationship with international partners and particularly in relation to trade matters.

Maldives is a country experiencing democratic transition characterised by separation of the three branches of government, creation of independent bodies, the establishment of a legal grounding for a party political system, and rolling-out of decentralised governance. Social unrest due to tensions among political parties continues in the Maldives.

The Maldives is ranked as the third most endangered nation due to flooding caused by global warming. The extreme impact of climate change on the Maldives' future caught the world's attention through the leadership role for small island states taken by the Government of the Maldives in the global negotiations during the 2010 Climate Change Conference in Copenhagen.

Furthermore, the country is facing a period of acute fiscal constraints due to several years of growing budget deficit. The Maldives is experiencing reduced demand for two of its primary income generating industries - tourism and fishery. The growth in global fuel and food prices has also impacted heavily on the Maldives as both items are major imports.

The impact of these external factors has contributed to a growing budget deficit. The situation has been somewhat eased through budget support provided by the Government of India, the International Monetary Fund, the World Bank and the Asian Development Bank.

1.2 UNDAF 2011 -2015

The United Nations Development Assistance Framework (UNDAF) 2011-2015, signed between the Government of the Maldives and the UN system in April 2010 presents a coherent vision and strategy for a unified approach to assist the country in reaching its national development priorities where the UN system has a comparative advantage.

The process of UNDAF formulation was inclusive, participatory and evidence-based. In identifying the UNDAF areas of cooperation, national stakeholders considered the dramatic political and governance changes, the significant developments in the economic, socio-cultural, and natural environment of the country, and the major challenges to achieving the nation's development goals and international commitments. The vulnerabilities of the Maldives to global crises, natural disasters, climate change, and other external factors were also considered. The UNDAF is the framework that guided the UN system in planning its assistance to address these risks and to sustain its development gains as the country transitioned to middle-income status.

The UNDAF has **fifteen outcome areas** that are broadly grouped in **four clusters**:

- **Social Equity:** Health, Education, Social Protection, Social Security Floor, and Substance Abuse and HIV Prevention

- **Economic Development and Environment:** Economic Sector, Decent Work, Environment Management and Water and Sanitation, Climate Change and Disaster Risk Reduction
- **Good Governance:** Transparency and Accountability, Access to Justice and Strengthened Rule of Law, Human Rights Promotion, Civil Society Empowerment, and Evidence-based Development Planning and Administration
- **Gender Equality and Women's Empowerment**

1.3 UNDAF Action Plan

The Government and the UN have formulated a UNDAF Action Plan to operationalise their commitments under the UNDAF. The UNDAF Action Plan is a critical tool for more efficient and effective programming of UN assistance, by ensuring strategic priorities identified in the UNDAF are operationalised in a coherent way creating synergies among programmes, identifying opportunities for joint programming, and avoiding duplication. It also elaborates on a common budgetary framework of the UNDAF by presenting activities that would need additional financial resources from the Maldives One UN Fund.

1.4 Strategic Action Plan: Framework for Development 2009-2013 (SAP)

The UNDAF is aligned with the Strategic Action Plan: Framework for Development 2009-2013 (SAP); its five key pledges, 26 other commitments, and cross-cutting themes in the areas of democratic governance, social justice, economic development, environmental sustainability, gender and human rights. Programmes under the UNDAF should complement or fill the gaps identified in the Government work plans formulated under the SAP.

1.5 The Maldives One UN Fund

The Maldives One UN Fund was established on 20 December 2010 as one of several funding instruments to support the implementation of the UNDAF and the UNDAF Action Plan. The Fund will remain active throughout the UNDAF cycle 2011-2015. The MOU was concluded between 10 Participating Organisations and UNDP MPTF Office in its capacity as the AA of the Maldives One UN Fund.

The Maldives One UN Fund will enhance the flexibility and predictability of funding to the UN system to implement the UNDAF Action Plan in support of national priorities and emerging needs. It will ensure that funding and implementation are undertaken with special attention to transparency and accountability as well as efficient delivery and utilisation of resources.

2 Governance Arrangements

The Maldives One UN Fund TOR outlines the governance arrangements and decision-making process. The Governance Structure is outlined below.

2.1 Board

The Maldives One UN Fund Board is composed of representatives from the Government, the UN system, and the donor community. The Government is represented by the MOFT, Department of National Planning (DNP), Ministry of Foreign Affairs, and the Office of the President. The heads of the Participating Organisations are members of the Board as UN representatives. The Board is co-chaired by the MOFT as head of the GCA and the Resident Coordinator (RC).

The Board is responsible for:

- Reviewing and approving the TOR and Rules of Procedures
- Ensuring alignment of allocations with UNDAF and national priorities
- Establishing criteria for allocation of un-earmarked funds
- Reviewing and approving proposals from Participating Organisations
- Ensuring consultations with key stakeholders
- Reviewing periodic reports, audits, and lesson learned reviews

2.2 Resident Coordinator (RC)

The overall management of the Maldives One UN Fund is led and coordinated by the RC. In line with the overall objective of enhanced UN coherence in the Maldives, the RC is responsible for:

- Providing strategic leadership of the One UN Fund on the basis of the UNDAF and UNDAF Action Plan
- Advocating and mobilising resources for the One UN Fund in collaboration with Participating Organisations
- Leading a consultative process on allocations from the One UN Fund, and taking final decisions if consensus cannot be reached, with documented process and rationale for such decisions
- Holding the head of the Participating Organisations accountable for the funds allocated to their respective organisation under the One UN Fund
- Providing substantive support to the Maldives One UN Fund, including liaising regularly with the AA to ensure the proper coordination of the Fund

2.3 Resident Coordinator's Office (RCO)

The Resident Coordinator's Office (RCO) supports the RC in the management of the Maldives One UN Fund. The RCO acts as the Secretariat for the Board, working closely with MOFT External Resources Management Department (ERMD).

The RCO and MOFT-ERMD together compile, review and assess the proposed priorities for funding allocations and ensure that proposals are in line with the UNDAF Action Plan and other national priorities before submitting the appropriate recommendation to the Board.

2.4 Theme Groups

To coordinate effectively and efficiently, the Maldives UNCT has established several inter-agency groups or Theme Groups. Based on their respective TORs, the groups discuss UN agency issues and concerns and recommend appropriate action to the UNCT.

The following are the UN inter-agency groups established for 2011 under the UNDAF New Programming Cycle 2011-2015: Social Equity, Economic Sector and Environment, Democratic Governance, Gender, M&E, HIV/AIDS, Communications, and Operation Management.

2.5 Administrative Agent (AA)

The UNDP MPTF Office is the AA for the Maldives One UN Fund. It is responsible for the receipt, administration and management of contributions from Donors; disbursement of funds to the Participating Organisations in accordance with instructions from the Board, through the RC, and consolidation of narrative and financial reports produced by each of the Participating Organisations as

well as the provision of these reports to the Board and Donors. The MPTF Office performs the full range of AA functions in accordance with the UNDG-approved “Protocol on the Administrative Agent for MDTF and JP, and One UN Funds”.

In line with the MOU concluded between Participating Organisations and the MPTF Office, a clear delineation, including distinct reporting lines and an accountability framework, has been established and is maintained within UNDP between its functions as an AA performed by the MPTF Office and its functions as a Participating Organisation performed by UNDP Maldives.

3 Decision-Making Process

Guided by the UNDAF and UNDAF Action Plan, the UNCT prepares Annual Work Plans (AWPs), documenting planned activities, budgets and resources for the year. Based on the indicative work plans, the Theme Groups/Inter-Agency Groups submit proposed funding priorities and an updated resources matrix indicating sources of funds and funding gaps. Proposals for funding reviewed and compiled by the RCO and the MOFT-ERMD are submitted to the Board. The Board submits an overview of the resource gap matrix to Donors in December each year to request funding.

The Board reviews the proposed priorities to ensure that they are aligned with the UNDAF/UNDAF Action Plan and emerging national priorities based on which Participating Organisations develop and submit proposals. The Board utilises the allocation criteria to finalise and approve funding with the available unearmarked funds. Decisions are based on a consultative process and documented jointly by the RCO Office and the MOFT-ERMD.

When earmarked contributions are received, the Board allocates the resources based on the following criteria:

- Alignment with the UNDAF and UNDAF Action Plan strategic priorities
- Implementation capacity of the relevant partner(s)
- Comparative advantages of the Participating Organisation in supporting the implementation of activities
- Priorities which would otherwise not be funded with realistic outcome budgets
- Additional criteria for subsequent allocations include: previous track record of the implementing partner and the Participating Organisation on delivering results, absorptive capacity, and timely, accurate, and meaningful reporting

4. Approval and Implementation Updates

4.1 Programme Allocation Overview and Status

The Board of the Maldives One UN Fund allocates funds to programmes with funding gaps that are contained in the AWP, which is guided by the national priorities of the SAP. Therefore, the full scope of activities and achievements may not be fully attributed to the specific Maldives One UN Fund allocations.

Table 4.1 Approved Programmes, as of 31 December 2011 (in USD)

Allocation Transfer Date	Programme	Participating Organisation	Net Total Amount
23 Sept 2011	Aid Coordination and M&E	UNDP	445,500
TOTAL			445,500

The first allocation approved in September 2011 supported Aid Coordination and M&E as highlighted in Table 4.1 above for a total of \$445,500.

In February 2012 \$423,255 was allocated to UNDP for the implementation of the “Low Emission Climate-Resilient Development Programme (LECRd)”. The purpose of this project is to assist in preparatory activities for the LECReD programme, including the design of the programme framework, development of a full-fledged programme document and a detailed implementation plan for the first two years of programme implementation.

Table 4.2 Approved Programmes, as of 31 March 2012 (in USD)

Allocation Transfer Date	Programme	Participating Organisation	Net Total Amount
23 Feb 2012	Low Emission Climate-Resilient Development	UNDP	423,255
TOTAL			423,255

4.2 Implementation Achievements

The section below provides an overview of the main implementation achievements and results during the reporting period as well as progress updates through 31 March 2012, as reported by the Participating Organisations.

4.2.1 UNDAF Outcome: Institutional capacity strengthened and framework in place to coordinate and plan national development at local and national levels

The Board approved \$445,500 for UNDP to support the programme “Strengthening UN Coherence, Aid Effectiveness and M&E”. The funds were transferred on 23 September 2011. This programme is an inter-agency initiative with four distinct activities that contribute to specific UNDAF outputs. Each programme activity is implemented closely with a lead partner. The following paragraphs give an overview of the activities funded under the programme including the lead partners, objectives and achievements to date.

The programme is designed to support the country in accelerating the achievement of the MDGs through relevant and evidence-based development planning, budgeting, implementation, monitoring and effective coordination of development assistance. The expected outcome is to ‘enhance capacities

to formulate, implement, and monitor progress in implementing the national strategy for MDG acceleration, including coordination capacities for coherent UN and other development assistance’.

Activity One: MDG Acceleration

The objective of this activity is to strengthen national development planning, budgeting, and monitoring capacities, and MDG advocacy. The lead partner is the MOFT-NDP.

Key activities and achievements: A concept note and detailed timeline for developing the MDG Acceleration Framework was prepared. Based on this the UNCT identified critical gaps, and agreed on the need to develop such a framework. Due to political developments during the fourth quarter 2011 and unavailability of the Cabinet, the UN was unable to discuss the concept note and agree on how to proceed. This activity is expected to be carried forward into 2012.



Activity Two: Managing for Development Results

Under this activity, the UN Agencies supported the Government to develop a results framework for each of the SAP sectors. The lead partners are the MOFT-NDP and the line ministries.

Key activities and achievements: The Maldives Government uses the SAP Results Framework for planning, budgeting and monitoring. A two-day workshop was convened to guide ministries in the development of result frameworks for each of the sectors under the national SAP and UN agencies were invited to key sectorial discussions. The UN emphasised mainstreaming gender in the formulation of the frameworks. The SAP Framework enabled the Government to prepare a programme-based budget, for the first time. All sectorial results frameworks were completed, and subsequently used for budget preparation. Orientation on gender-responsive budgeting was also conducted.

Activity Three: Aid Effectiveness

Aid Effectiveness is one of the main mandates of the RC and the RCO who are responsible for managing the country programme and coordinating with other UN agencies to ensure coherence in the UN system’s support to programming. The focus of this activity is strengthening strategic partnerships with key Donors and ensuring development assistance is better utilised in support of the achievement of MDGs and national priorities.

Key activities and achievements: A key achievement in this area was the Maldives Government endorsement of the Paris Declaration in September 2011. This was the result of advocacy efforts made by the UN system for the need to strengthen partnerships with international actors. In addition, two meetings were held with Donors based in Colombo to update them on major developments in the country, including the impact of the democratic transition on the country’s MDGs status. The aim was to mobilise support for the Maldives, particularly in the areas of gender, environment and climate change as well strengthening democratic institutions. Complementary to this, the RC organised missions to key European countries. With regular interaction, resources have been mobilised for the Maldives One UN Fund in support of the formulation and implementation of an integrated climate change programme. A concept note on the objectives and proposed timeline for the preparation of the Maldives Partnership

Forum was prepared and discussions with government were initiated, but this activity has been delayed until such time that a new government and focal point are designated.

Activity Four: UN Coherence

This activity aims to support UN Agencies to work more coherently to achieve the UNCT AWP objectives. In the area of aid coordination, the lead partners are the MOFT, the UN systems' coordinating government agency. The UN M&E Working Group is the inter-agency coordination mechanism for this programme and other programmes contributing to the relevant UNDAF Outcome.

Key activities and achievements: The UNCT noted several key achievements in this area: firstly, the formulation of the integrated climate change programme; secondly, addressing the challenges of decentralisation, particularly in the health sector; thirdly, support was provided for the development of a coherent youth development strategy and strengthening of the national gender architecture; and finally, joint initiatives strengthening democratic institutions and addressing increasing religious conservatism have been implemented in a coherent way helping to sustain gains and contribute to the achievement of the MDGs.



4.2.2 UNDAF Outcome: Enhanced capacities at national and local levels to support low carbon lifestyles, climate change adaptation and risk reduction

The Board approved \$423,255 that was transferred on the 23 February 2012 to UNDP for programme implementation of the "Low Emission Climate Resilient Development (LECReD)" Programme, which takes an integrated approach to addressing the environmental, social and economic vulnerabilities facing the Maldives. The premise of the programme is the recognition that in order to meet the challenges and uncertainties of climate change, development must be more resilient to its adverse impacts and produce fewer emissions.

The LECReD programme builds upon existing interventions by the UN team and Government on climate change adaptation, bio-diversity conservation, renewable energy, energy efficiency, sustainable livelihood generation and waste management. It explicitly addresses major elements of the SAP, the National Sustainable Development Strategy 2009 (NSDS), the National Adaptation Programme of Action 2007 (NAPA), and the UNDAF.

The five programme outcomes initially identified, but still subject to modification, include:

- Target communities are better protected and able to adapt to the impact of climate change
- Local governance capacity is strengthened to respond to climate related vulnerabilities at island and atoll level
- Economic resilience and food security of target communities is strengthened to cope with climate shocks
- Climate related impact on human health and nutrition is reduced
- Energy systems are improved to be low carbon, reliable and secure, such that communities are empowered and external dependency is reduced

5 Financial Performance

The Financial Performance section includes key financial data on the Maldives One UN Fund. Financial information is also available on the [Maldives One UN Fund website](#) on the MPTF Office GATEWAY.

5.1 Financial Overview

Table 5.1 Financial Overview, as of 31 December 2011 (in USD)

	Current Year (2011)	TOTAL
Sources of Funds		
Gross Donor Contributions	10,187,288	10,187,288
Fund Earned Interest Income	35,335	35,335
Interest Income Received from Participating Orgs	-	-
Refunds by Administrative Agent (Interest/Others)	-	-
Other Revenue	-	-
Total - Sources of Funds	10,222,623	10,222,623
Uses of Funds		
Transfers to Participating Organisations	445,500	445,500
Refunds Received from Participating Organisations	-	-
Net Funded Amount to Participating Organisations	445,500	445,500
Administrative Agent Fees	101,873	101,873
Direct Costs (Steering Committees etc.)	-	-
Bank Charges	-	-
Other Expenditures	240	240
Total - Uses of Funds	547,613	547,613
Balance of Funds Available with Administrative Agent		
	9,675,009	9,675,009
Net Funded Amount to Participating Organisations	445,500	445,500
Participating Organisations' Expenditure	130,047	130,047
Balance of Funds with Participating Organisations	315,453	315,453

Table 5.1 provides an overview of the entire Maldives One UN Fund financial portfolio by providing the source, use and balance of funds.

During the reporting period contributions to the Maldives One UN Fund totalling of \$10,187,288 were deposited. The Government of Denmark contributed \$9,737,288 and the EFW \$450,000. Of this amount \$445,500 was transferred to Participating Organisations.

Apart from donor contributions, the Maldives One UN Fund can also receive funds from the interest earned income. Fund earned interest income in 2011 was \$35,335. The AA fee is charged at an approved rate of 1 percent on deposits to the Maldives One UN Fund. In 2011, the AA fee totalled \$101,873.

5.2 Donor Contributions

Table 5.2 displays the breakdown of the contributions received. Total unearmarked contributions received as of 31 December 2011 is \$10,187,288.

Table 5.2 Donor Contributions, as of 31 December 2011 (in USD)

Donor	Current Year (2011)	TOTAL
Denmark	9,737,288	9,737,288
Expanded DaO Funding Window	450,000	450,000
Total	10,187,288	10,187,288

5.3 Interest Earned

The interest earned from Maldives One UN Fund donor contributions is reported from two sources. Fund earned interest is the interest earned by the MPTF Office as the AA on the balance of funds remaining in the Maldives One UN Fund (maintained by UNDP/Treasury). Agency earned interest is the amount earned by Participating Organisations on the undisbursed balance of the Maldives One UN Funds that have been transferred to them for project implementation. Fund earned interest as of 31 December 2011 was \$35,335. There was no reported interest from Participating Organisations.

Table 5.3 Fund Earned Interest, as of 31 December 2011 (in USD)

	Current Year (2011)	TOTAL
Fund Earned Interest (Administrative Agent)	35,335	35,335
Total Interest Earned	35,335	35,335

5.4 Transfer of Approved Funding to Participating Organisations

As of 31 December 2011, the Maldives One UN Fund had transferred a total amount of \$445,500 to UNDP in support of the UNDAF Outcome Aid Coordination and M&E as highlighted in Tables 5.4 and 5.5 below.

Table 5.4 Net Funded Amounts by Participating Organisations, as of 31 December 2011 (in USD)

Participating Organisation	Net Funded Amount	
	Current Year (2011)	TOTAL
UNDP	445,500	445,500
Total	445,500	445,500

Table 5.5 Net Funded Amount by UNDAF Outcome, as of 31 December 2011 (in USD)

UNDAF Outcome / Programme	Net Funded Amount	
	Current Year (2011)	TOTAL
Aid Coordination and M&E	445,500	445,500
Economic Development & Environment	-	-
Gender Equality and Women's Empowerment	-	-
Social Equity	-	-
Good Governance	-	-
Total	445,500	445,500

During the first quarter 2012, a second programme was approved as highlighted in Table 5.6 below for a total of \$423,255. This is the first phase of a large programme under development in support of the UNDAF Outcome Economic Development & Environment. Total funding transferred from the Maldives One UN fund as of 31 March 2012 is \$868,755.

Table 5.6 Net Funded Amount by UNDAF Outcome, as of 31 March 2012 (in USD)

UNDAF Outcome / Programme	Net Funded Amount		
	Current Year (2011)	As of 31 March 2012	Total
Aid Coordination and M&E	445,500	445,500	445,500
Economic Development & Environment	-	423,255	423,255
Gender Equality and Women's Empowerment	-	-	-
Social Equity	-	-	-
Good Governance	-	-	-
Total	445,500	868,755	868,755

5.5 Expenditure

The first transfer was made on 23 September 2011 therefore implementation only took place during the fourth quarter of 2011. During which a total of \$130,047 (29 percent) was reported as expenditure.

All expenditure reports were submitted by the Headquarters of the Participating Organisations through the MPTF Office's UNEX Financial Reporting Portal, and extracted and analysed by the MPTF Office. The below tables provide different cuts on this expenditure data. Additional tables on expenditure, including expenditure tables by Participating Organisation with breakdowns by budget category are available on the [MPTF Office GATEWAY](#).

Tables 5.6 and 5.7 below display expenditures by UNDAF Outcome and by Participating Organisations. The financial delivery rates are measured in terms of expenditure as a proportion of the amount transferred. The delivery rate during the fourth quarter 2011 was 29 percent.

Table 5.6 Expenditure by UNDAF Outcome, as of 31 December 2011 (in USD)

UNDAF Outcome / Programme	Net Funded Amount	Expenditure		Delivery Rate (%)
		Current Year (2011)	TOTAL	
Aid Coordination and M&E	445,500	130,047	130,047	29
Economic Development & Environment	-	-	-	-
Gender Equality and Women's Empowerment	-	-	-	-
Social Equity	-	-	-	-
Good Governance	-	-	-	-
Total	445,500	130,047	130,047	29

Table 5.7 Expenditure by Participating Organisation, as of 31 December 2011 (in USD)

Participating Organisation	Net Funded Amount	Expenditure		Delivery Rate (%)
		Current Year (2011)	TOTAL	
UNDP	445,500	130,047	130,047	29
Total	445,500	130,047	130,047	29

Table 5.8 below demonstrates a 29 percent delivery rate. A total of \$130,047 were expended with the majority of funds (26 percent) used for personnel costs associated with the primary objective of Aid Coordination and the M&E programme to enhanced coordination. Indirect costs totalled 2 percent.

Table 5.8 Expenditure by Budget Category, as of 31 December 2011 (in USD)

Budget Category	Net Transferred Amount	Expenditure		Delivery Rate (%)
		Current Year (2011)	TOTAL	
Supplies, Commodities, Equipment		-	-	-
Personnel		117,657	117,657	26
Training of Counterparts		-	-	-
Contracts		-	-	-
Other Direct Costs		3,882	3,882	1
Total - Programme Costs		121,539	121,539	27
Indirect Support Costs		8,508	8,508	2
Total	445,500	130,047	130,047	29

5.6 Balance of Funds

As per the Financial Overview (Table 5.1), as of 31 December 2011, a net amount of \$445,500 had been transferred to Participating Organisations. The AA Fee was \$101,873 leaving a balance available of \$9,675,009 as of 31 December 2011. However as of 31 March 2012, the balance available reduced to \$9,251,754 following the second transfer during first quarter 2012.

5.7 Cost Recovery

The cost recovery for the Maldives One UN Fund is guided by the applicable provisions of the TOR, the MOU concluded between the AA and Participating Organisations, and the SAAs concluded between the AA and Donors.

Cost recovery, as of 31 December 2011, was as follows:

- **The Administrative Agent fee:** One per cent charged at the time of donor deposits and is for the entire duration of the Maldives One UN Fund. As of 31 December 2011, the AA fee amounted to \$101,873.
- **Indirect Costs of Participating Organisations:** As stipulated in the Maldives One UN Fund TOR, Participating Organisations may charge 7 percent indirect costs. As of 31 December 2011 the indirect costs was \$8,508.
- **Direct Costs:** May be charged to the Fund to cover costs associated with the support to the Board. In 2011 there were no direct costs approved or reported.

5.8 Transparency and Accountability of the Maldives One UN Fund

The MPTF Office provides regular information on the operations of the [Maldives One UN Fund](#) on its GATEWAY. The [MPTF Office GATEWAY](#) is 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 Organisations. All narrative reports are

posted on the GATEWAY which provides easy access to over 8,000 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 organisations. 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 recognised as a 'standard setter' by peers and partners.