



CONSOLIDATED ANNUAL FINANCIAL REPORT of the Administrative Agent

Partnership for Action on Green Economy

for the period 1 January to 31 December 2021

UN Multi-Partner Trust Fund Office
United Nations Development Programme
PARTNERS GATEWAY: <https://mptf.undp.org>

22 May 2022



United Nations
MPTF Office



**Partnership for Action on Green
Economy**
Financial Report
prepared by the Administrative Agent

22 May 2022



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 contributor 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'. This does not include expense commitments by Participating Organization.

Indirect Support Costs

A general cost that cannot be directly related to any particular programme or activity of the Participating Organizations. UNSDG policy establishes a fixed indirect cost rate of 7% of programmable costs for inter-agency pass-through MPTFs.

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 a 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

Project/ Joint programme start date as per the programmatic document.

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

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INTRODUCTION

This Consolidated Annual Financial Report of the **Partnership for Action on Green Economy** 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 stakeholders.

This consolidated financial report covers the period 1 January to 31 December 2021 and provides financial data on progress made in the implementation of projects of the **Partnership for Action on Green Economy**. It is posted on the MPTF Office GATEWAY (<https://beta.mptf.undp.org/fund/pge00>).



2021 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the **Partnership for Action on Green Economy** using the pass-through funding modality as of 31 December 2021. Financial information for this Fund is also available on the MPTF Office GATEWAY, at the following address: <https://beta.mptf.undp.org/fund/pge00>.

1. SOURCES AND USES OF FUNDS

As of 31 December 2021, 7 contributors deposited US\$ 49,592,994 and US\$ 943,100 was earned in interest.

The cumulative source of funds was US\$ 50,536,094.

Of this amount, US\$ 32,792,890 has been net funded to 5 Participating Organizations, of which US\$ 19,693,019 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ 435,930. Table 1 provides an overview of the overall sources, uses, and balance of the **Partnership for Action on Green Economy** as of 31 December 2021.

Table 1. Financial Overview, as of 31 December 2021 (in US Dollars)

	Prior Years as of 31 Dec 2020	Annual 2021	Cumulative
Sources of Funds			
Contributions from donors	44,342,327	5,250,667	49,592,994
Sub-total Contributions	44,342,327	5,250,667	49,592,994
Fund Earned Interest and Investment Income	834,800	62,455	897,255
Interest Income received from Participating Organizations	33,396	12,449	45,845
Total: Sources of Funds	45,210,523	5,325,572	50,536,094
Use of Funds			
Transfers to Participating Organizations	20,293,712	10,889,152	31,182,864
Refunds received from Participating Organizations	(72,014)	0	(72,014)
Net Funded Amount	20,221,698	10,889,152	31,110,850
Administrative Agent Fees	423,423	12,507	435,930
Direct Costs	442,980	1,239,060	1,682,040
Bank Charges	1,841	456	2,297
Other Expenditures	20,000	40,000	60,000
Total: Uses of Funds	21,109,942	12,181,175	33,291,117
Change in Fund cash balance with Administrative Agent	24,100,581	(6,855,603)	17,244,978
Opening Fund balance (1 January)		24,100,581	
Closing Fund balance (31 December)	24,100,581	17,244,978	17,244,978
Net Funded Amount (Includes Direct Cost)	20,664,678	12,128,212	32,792,890
Participating Organizations Expenditure (Includes Direct Cost)	13,957,458	5,735,561	19,693,019
Balance of Funds with Participating Organizations	6,707,220	6,392,651	13,099,871



2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this fund as of 31 December **2021**.

The **Partnership for Action on Green Economy** is currently being financed by **7** contributors, as listed in the table below

Table 2. Contributions, as of 31 December 2021 (in US Dollars)

Contributors	Total Commitments	Prior Years as of 31-Dec-2020 Deposits	Current Year Jan-Dec-2021 Deposits	Total Deposits
European Union	9,995,400	2,000,000	4,000,000	6,000,000
Government of Finland	2,323,256	1,849,356	473,900	2,323,256
Government of Germany	24,586,700	24,586,700	0	24,586,700
Government of Norway	5,693,155	5,693,155	0	5,693,155
Government of Republic of Korea	4,825,067	3,318,459	776,767	4,095,226
Government Offices of Sweden	5,338,659	5,338,659	0	5,338,659
Government of Switzerland	1,555,998	1,555,998	0	1,555,998
Grand Total	54,318,235	44,342,327	5,250,667	49,592,994



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 **2021**, Fund earned interest amounts to US\$ **897,255**.

Interest received from Participating Organizations amounts to US\$ **45,845**, bringing the cumulative interest received to US\$ **943,100**. Details are provided in the table below.

Table 3. Sources of Interest and Investment Income, as of 31 December 2021 (in US Dollars)

Interest Earned	Prior Years as of 31-Dec-2020	Current Year Jan-Dec-2021	Total
Administrative Agent			
Fund Earned Interest and Investment Income	834,800	62,455	897,255
Total: Fund Earned Interest	834,800	62,455	897,255
Participating Organization			
UNIDO	33,396	12,449	45,845
Total: Agency earned interest	33,396	12,449	45,845
Grand Total	868,195	74,905	943,100



4. TRANSFER OF FUNDS

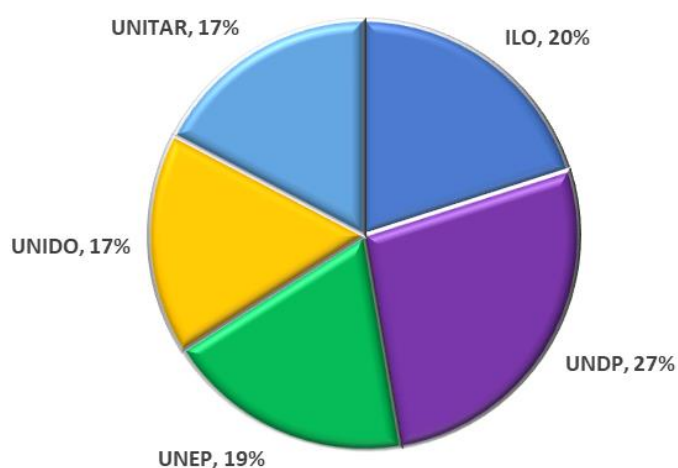
Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December 2021, the AA has transferred US\$ **32,864,904** to **5** Participating Organizations (see list below).

Table 4 provides additional information on the refunds received by the MPTF Office, and the net funded amount for each of the Participating Organizations.

Table 4. Transfer, Refund, and Net Funded Amount by Participating Organization (in US Dollars)

Participating Organization	Prior Years as of 31-Dec-2020			Current Year Jan-Dec-2021			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
ILO	4,535,302	-72,014	4,463,288	2,124,029	0	2,124,029	6,659,331	-72,014	6,587,317
UNDP	3,898,504	0	3,898,504	2,666,440	0	2,666,440	6,564,944	0	6,564,944
UNDP Special Project	2,346,102	0	2,346,102	0	0	0	2,346,102	0	2,346,102
UNEP	0	0	0	2,273,483	0	2,273,483	2,273,483	0	2,273,483
UNEP - GGKP	2,192,430	0	2,192,430	0	0	0	2,192,430	0	2,192,430
UNIDO	3,575,300	0	3,575,300	1,894,264	0	1,894,264	5,469,564	0	5,469,564
UNITAR	3,746,074	0	3,746,074	1,930,936	0	1,930,936	5,677,010	0	5,677,010
Total	20,293,712	-72,014	20,221,698	10,889,152	0	10,889,152	31,182,864	-72,014	31,110,850
UNEP - PAGE Secretariat	442,980	0	442,980	1,239,060	0	1,239,060	1,682,040	0	1,682,040
Grand Total	20,736,692	-72,014	20,664,678	12,128,212	0	12,128,212	32,864,904	-72,014	32,792,890

Figure 2. Net Funded Amount by Participating Organization, as of 31 December 2021





5. EXPENDITURE AND FINANCIAL DELIVERY RATES

All final expenditures reported are submitted as certified financial information by the Headquarters of the Participating Organizations. These were consolidated by the MPTF Office.

Joint programme/ project expenditures are incurred and monitored by each Participating Organization, and are reported to the Administrative Agent as per the agreed upon categories for inter-agency harmonized reporting. The expenditures are reported via the MPTF Office's online expenditure reporting tool. The **2021** expenditure data has been posted on the MPTF Office GATEWAY at <https://beta.mptf.undp.org/fund/pge00>.

5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In **2021**, US\$ **12,128,212** was net funded to Participating Organizations, and US\$ **5,735,560** was reported in expenditure.

As shown in table below, the cumulative net funded amount is US\$ **32,792,890** and cumulative expenditures reported by the Participating Organizations amount to US\$ **19,693,019**. This equates to an overall Fund expenditure delivery rate of **60.05** percent.

Table 5.1. Net Funded Amount and Reported Expenditures by Participating Organization, as of 31 December 2021 (in US Dollars)

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years as of 31-Dec-2020	Current Year Jan-Dec-2021	Cumulative	
ILO	6,587,317	6,587,317	2,797,331	1,060,810	3,858,140	58.57
UNDP	6,564,944	6,564,944	2,300,169	1,206,237	3,506,406	53.41
UNEP*	2,273,483	2,273,483	0	354,390	354,390	15.59
UNIDO	6,063,414	5,469,564	1,848,375	922,072	2,770,447	50.65
UNITAR	5,677,010	5,677,010	3,012,903	1,352,215	4,365,119	76.89
Sub-Total (Annual Workplan)	27,166,168	26,572,318	9,958,778	4,895,724	14,854,502	55.90
UNDP Special Project**	2,346,102	2,346,102	1,706,689	406,374	2,113,063	90.07
UNEP – GGKP**	2,192,430	2,192,430	1,855,334	245,981	2,101,316	95.84
Sub-Total (Multi-year Programme)	4,538,532	4,538,532	3,562,023	652,355	4,214,379	92.86
UNEP-PAGE Secretariat	1,682,040	1,682,040	436,658	187,481	624,138	37.11
Sub-Total (PAGE Secretariat)	1,682,040	1,682,040	436,658	187,481	624,138	37.11
Grand Total	33,386,740	32,792,890	13,957,459	5,735,560	19,693,019	60.05

* Project started in 2021

**Projects with a multi-year programme



5.2. EXPENDITURE BY PROJECT

Table 5.2 displays the net funded amounts, expenditures reported and the financial delivery rates by project and Participating Organization.

Table 5.2. Expenditure by Project, as of 31 December 2021 (in US Dollars)

Sector / Project No. and Project Title		Participating Organization	Project Status	Total Approved Amount	Net Funded Amount	Total Expenditure	Delivery Rate %
UN Agency Workplans							
00105826	ILO - PAGE Workplan (ODA)	ILO	On Going	6,004,488	6,004,488	3,627,053	60.41
00105851	UNITAR- PAGE Workplan (ODA)	UNITAR	On Going	5,338,248	5,338,248	4,152,942	77.80
00105892	UNDP - PAGE Workplan (ODA)	UNDP	On Going	5,724,887	5,724,887	3,091,634	54.00
00105893	UNIDO - PAGE Workplan (ODA)	UNIDO	On Going	5,127,592	4,662,142	2,129,589	45.68
00125488	UNEP - PAGE Workplan (ODA)*	UNEP	On Going	2,026,313	2,026,313	354,390	17.49
00107669	ILO - PAGE Workplan (NON ODA)	ILO	On Going	582,829	582,829	231,087	39.65
00107674	UNITAR - PAGE Workplan (NON ODA)	UNITAR	On Going	338,762	338,762	212,177	62.63
00107850	UNDP - PAGE Workplan (NON ODA)	UNDP	On Going	840,057	840,057	414,772	49.37
00108027	UNIDO - PAGE Workplan (NON ODA)	UNIDO	On Going	935,822	807,422	640,858	79.37
00126089	UNEP - PAGE Workplan (NON ODA)*	UNEP	On Going	247,170	247,170	0	0.00
Sub-Total (Annual Workplan)				27,332,285	26,738,435	14,854,502	55.90
00110737	UNDP Special project - PAGE Workplan**	UNDP	On Going	2,346,102	2,346,102	2,113,063	90.07
00106751	UNEP-GGKP PAGE Workplan**	UNEP	On Going	2,192,430	2,192,430	2,101,316	95.84
Sub-Total (Multi-year Programme)				4,538,532	4,538,532	4,214,379	92.86
00112015	UNEP-PAGE Secretariat	UNEP	On Going	1,682,040	1,682,040	624,138	37.11
Sub-Total (PAGE Secretariat)				1,682,040	1,682,040	624,138	37.11
Grand Total				33,386,740	32,792,890	19,693,019	60.05

* Projects started in 2021

**Projects with a multi-year programme



5.3. Expenditures 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 (UNSDG) 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.

Table 5.3. Expenditure by UNSDG Budget Category, as of 31 December 2021 (in US Dollars)

Category	Prior Years as of 31-Dec-2020	Expenditures Current Year Jan-Dec-2021	Total	Percentage of Total Programme Cost
Staff & Personnel Cost	4,151,968	1,564,390	5,716,358	31.05
Supplies, commodities and materials	843	229	1,072	0.01
Equipment, vehicles, furniture and depreciation	61,208	11,961	73,169	0.40
Contractual Services Expenses	5,849,267	2,793,751	8,643,018	46.95
Travel	825,691	34,765	860,456	4.67
Transfers and Grants	527,617	419,680	947,297	5.15
General Operating	1,630,622	538,930	2,169,552	11.78
Programme Costs Total	13,047,217	5,363,706	18,410,923	100
¹ Indirect Support Costs Total	910,242	371,854	1,282,096	6.96
Grand Total	13,957,459	5,735,560	19,693,019	

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 2021, 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\$ **12,507** was deducted in AA-fees. Cumulatively, as of 31 December **2021**, US\$ **435,930** has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ **371,854** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **1,282,097** as of 31 December **2021**.

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 (<https://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.



Contributors



UN Participating Organizations

