



# CONSOLIDATED ANNUAL FINANCIAL REPORT

## of the Administrative Agent

### The Nature Facility

for the period 1 January to 31 December 2023

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

May 2024



United Nations  
MPTF Office



## DEFINITIONS

### **Allocation/Total Approved Budget**

Amount approved by the Steering Committee for a project/programme. The total approved budget represents the cumulative amount of allocations approved by the Steering Committee.

### **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 donor agreement 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 donor agreement.

### **Delivery Rate**

The percentage of funds that have been utilized, calculated by comparing expenditures reported by a Participating Organization and Non-UN Organization against the 'net funded amount'. This does not include expense commitments by Participating Organizations.

### **Donor Agreement**

Standard Administrative Arrangement and/or European Commission contribution agreement between contributor/donor and MPTF Office.

### **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 oNon-UN Organization that is a partner in a Fund, as represented by signing a Memorandum of Understanding (MOU) or a Framework Agreement 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. MPTF Office will report a project financially closed once the financial report(s) has been received and any balance of funds refunded.

### **Project Operational Closure**

A project or programme is deemed operationally closed once all activities funded for Participating Organization(s) have been concluded, and the Steering Committee has approved the final narrative report.

### **Project Start Date**

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

### **US Dollar Amount**

The financial data in the report is recorded in US Dollars.

### **Transferred Funds**

Funds transferred to Participating Organizations by the Administrative Agent in accordance with the Steering Committee's request.



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## INTRODUCTION

This Consolidated Annual Financial Report of **The Nature Facility** 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 donor agreement signed with contributors/donors.

The MPTF Office, as Administrative Agent, is responsible for concluding an MOU with Participating Organizations and donor agreements with contributors/donors. 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 2023 and provides financial data on progress made in the implementation of projects of **The Nature Facility**. It is posted on the MPTF Office GATEWAY (<https://mptf.undp.org/fund/naf00>).



## 2023 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of **The Nature Facility** using the pass-through funding modality as of 31 December **2023**.

Financial information for this Fund is also available on the MPTF Office GATEWAY, at the following address:

<https://mptf.undp.org/fund/naf00>.

### 1. SOURCES AND USES OF FUNDS

As of 31 December **2023**, **1** contributor deposited US\$ **1,000,000** and US\$ **13,876** was earned in interest.

The cumulative source of funds was US\$ **1,013,876**.

Of this amount, US\$ **590,000** has been net funded to **3** Participating Organizations, of which no expenditure has been reported. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ **10,000**. Table 1 provides an overview of the overall sources, uses, and balance of **The Nature Facility** as of 31 December 2023.

Table 1 Financial Overview, as of 31 December 2023 (in US Dollars)

	Prior Years up to 31 Dec 2022	Financial Year Jan-Dec 2023	Total
<b>Sources of Funds</b>			
Contributions from donors	-	1,000,000	1,000,000
<b>Sub-total Contributions</b>	-	<b>1,000,000</b>	<b>1,000,000</b>
Fund Interest and Investment Income Earned	-	13,876	13,876
<b>Total: Sources of Funds</b>	-	<b>1,013,876</b>	<b>1,013,876</b>
<b>Use of Funds</b>			
Transfers to Participating Organizations	-	450,000	450,000
Transfers to Participating Organizations for Direct Cost - Fund Secretariat etc	-	140,000	140,000
<b>Sub-Total Transfers</b>	-	<b>590,000</b>	<b>590,000</b>
Administrative Agent Fees	-	10,000	10,000
Bank Charges	-	12	12
<b>Total: Uses of Funds</b>	-	<b>600,012</b>	<b>600,012</b>
<b>Change in Fund cash balance with Administrative Agent</b>	-	<b>413,864</b>	<b>413,864</b>
<b>Closing Fund balance (31 December)</b>	-	<b>413,864</b>	<b>413,864</b>
<b>Net Funded Amount (Includes Direct Cost)</b>	-	<b>590,000</b>	<b>590,000</b>
<b>Balance of Funds with Participating Organizations</b>	-	<b>590,000</b>	<b>590,000</b>



## 2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this fund as of 31 December **2023**.

**The Nature Facility** is currently being financed by **1** contributor, as listed in the table below.

The table includes financial commitments made by the contributors through signed Standard Administrative Agreements with an anticipated deposit date as per the schedule of payments by 31 December **2023** and deposits received by the same date. It does not include commitments that were made to the fund beyond **2023**.

Table 2. Contributions, as of 31 December 2023 (in US Dollars)

Contributors	Total Commitments	Total Deposits
Cartier Philanthropy	1,000,000	1,000,000
Grand Total	1,000,000	1,000,000



### 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 **2023**, Fund earned interest amounts to US\$ **13,876**.

No interest was received from Participating Organizations, bringing the cumulative interest received to US\$ **13,876**. Details are provided in the table below.

**Table 3. Sources of Interest and Investment Income, as of 31 December 2023 (in US Dollars)**

Interest Earned	Prior Years up to 31-Dec-2022	Financial Year Jan-Dec-2023	Total
<b>Administrative Agent</b>			
Fund Interest and Investment Income Earned	-	<b>13,876</b>	<b>13,876</b>
<b>Total: Fund Interest Earned</b>	-	<b>13,876</b>	<b>13,876</b>
<b>Participating Organization</b>			
<b>Total: Agency Interest Earned</b>	-	-	-
<b>Grand Total</b>	-	<b>13,876</b>	<b>13,876</b>



#### 4. TRANSFER OF FUNDS

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December **2023**, the AA has transferred US\$ **590,000** to **3** 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 up to 31-Dec-2022			Financial Year Jan-Dec-2023			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
UNCDF	-	-	-	375,000	-	375,000	375,000	-	375,000
UNDP	-	-	-	140,000	-	140,000	140,000	-	140,000
UNESCO	-	-	-	75,000	-	75,000	75,000	-	75,000
Grand Total	-	-	-	590,000	-	590,000	590,000	-	590,000





## 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 **2023** expenditure data has been posted on the MPTF Office GATEWAY at <https://mptf.undp.org/fund/naf00>.

## 5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In **2023**, US\$ **590,000** was net funded to Participating Organizations, and no expenditure was reported.

As shown in table below, the cumulative net funded amount is US\$ **590,000** and no expenditures were reported by the Participating Organizations.

**Table 5.1 Net Funded Amount and Reported Expenditures by Participating Organization, as of 31 December 2023 (in US Dollars)**

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years up to 31-Dec-2022	Financial Year Jan-Dec-2023	Cumulative	
UNCDF	1,875,000	375,000	-	-	-	-
UNDP	280,000	140,000	-	-	-	-
UNESCO	375,000	75,000	-	-	-	-
<b>Grand Total</b>	<b>2,530,000</b>	<b>590,000</b>	-	-	-	-

\*The expenditures reported represent payments made against obligations made by PUNOs prior to the operational closure of projects



## 5.2. 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 (UNDG) established six categories against which UN entities must report inter-agency project expenditures. Effective 1 January 2012, the UN Chief Executives Board (CEB) modified these categories as a result of IPSAS adoption to comprise eight categories.

**Table 5.2. Expenditure by UNSDG Budget Category, as of 31 December 2023 (in US Dollars)**

Category	Expenditures			Percentage of Total Programme Cost
	Prior Years up to 31-Dec-2022	Financial Year Jan-Dec-2023	Total	
Programme Costs Total	-	-	-	-
<sup>1</sup> Indirect Support Costs Total	-	-	-	-
Grand Total	-	-	-	-

**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 2023, 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. Cumulatively, as of 31 December 2023, US\$ 10,000 has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** A general cost that cannot be directly related to any particular programme or activity of the Participating Organizations. Participating Organizations may charge 7% indirect costs based on UNSDG policy, establishing an indirect cost rate as a percentage of the programmable costs for interagency pass-through pool funds. In the current reporting period no indirect cost was deducted by Participating Organizations.

## 8. DIRECT COSTS

The Fund governance mechanism may approve an allocation to a Participating Organization to cover costs associated with Fund coordination covering overall coordination, and fund level reviews and evaluations. These allocations are referred to as 'direct costs'. Cumulatively, as of 31 December 2023, US\$ 140,000 has been charged as Direct Costs.

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years up to 31-Dec-2022	Financial Year Jan-Dec-2023	Cumulative	
UNDP	280,000	140,000	-	-	-	-
<b>Grand Total</b>	<b>280,000</b>	<b>140,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 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 daily 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.



# The Nature Facility

## Annexes to Financial Report



## Annex . EXPENDITURE BY PROJECT GROUPED BY THEME/OUTCOME/REGION

Annex displays the net funded amounts, expenditures reported and the financial delivery rates by Theme/Outcome by project/ joint programme and Participating Organization

### Annex Expenditure by Project within Theme/Outcome

Theme/Outcome / Project No. and Project Title	Participating Organization	Project Status	Total Approved Amount	Net Funded Amount	Total Expenditure	Delivery Rate %
Africa Region						
00140332 Kahuzi Biega and Kibira Forest Sanctuaries	UNCDF	On Going	1,875,000	375,000	-	-
00140332 Kahuzi Biega and Kibira Forest Sanctuaries	UNESCO	On Going	375,000	75,000	-	-
Africa Region: Total			2,250,000	450,000	-	-
Direct Cost Budget						
00140333 Secretariat of the Nature Facility	UNDP	On Going	280,000	140,000	-	-
Direct Cost Budget: Total			280,000	140,000	-	-
Grand Total			2,530,000	590,000	-	-



## Contributors

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Cartier Philanthropy

## UN Participating Organizations

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