



CONSOLIDATED ANNUAL FINANCIAL REPORT

of the Administrative Agent

JP Yemen ERRY II

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 the Joint Programme. The total approved budget represents the cumulative amount of allocations approved by the Steering Committee.

Approved Joint Programme

A Joint 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 Joint Programme 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 other inter-governmental Organization that is partner in a Fund, as represented by signing a Memorandum of Understanding (MOU) with the MPTF Office for a particular Fund.

Joint Programme Expenditure

The sum of expenses and/or expenditure reported by all Participating Organizations for a Joint Programme irrespective of which basis of accounting each Participating Organization follows for donor reporting.

Joint Programme Financial Closure

A Joint Programme is considered financially closed when all financial obligations of an operationally completed Joint Programme have been settled, and no further financial charges may be incurred. MPTF Office will report a Joint Programme financially closed once the financial report(s) has been received and any balance of funds refunded.

Joint Programme Operational Closure

A Joint Programme is considered operationally closed when all programmatic activities for which Participating Organization(s) received funding have been completed, and the Steering Committee has approved the final narrative report

Joint Programme Start Date

Joint Programme start date as per the programmatic document.

Transferred Funds

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

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 **JP Yemen ERRY II** 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 2023 and provides financial updates on projects of the **JP Yemen ERRY II**, as posted on the MPTF Office GATEWAY (<https://mptf.undp.org/fund/jye10>).

2023 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the **JP Yemen ERRY II** using the pass-through funding modality as of 31 December **2023**.

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

<https://mptf.undp.org/fund/jye10>.

This Multi-Partner Trust Fund operationally closed on **28 February 2022** and is in the process of being financially closed. Subsequent to Operational Closure, Participating Organization finalize all expenses, financially close their portion of each project/programme and report final expenses along with a final refund (if any) to the MPTFO. Once all Participating Organizations have completed financial closure, any remaining balance will be finalized in line with the MOU and the MPTF will be financially closed.

1. SOURCES AND USES OF FUNDS

As of 31 December **2023**, **2** contributors deposited US\$ **51,003,353** and US\$ **222,790** was earned in interest.

The cumulative source of funds was US\$ **46,921,791**.

Of this amount, US\$ **46,321,805** has been net funded to **4** Participating Organizations, of which US\$ **46,321,390** has been reported as expenditure. The Administrative Agent fee amounts to US\$ **111,524**. Table 1 provides an overview of the overall sources, uses, and balance of the **JP Yemen ERRY II** 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
Sources of Funds			
Contributions from donors	51,003,353	-	51,003,353
Sub-total Contributions	51,003,353	-	51,003,353
Fund Interest and Investment Income Earned	51,001	89,864	140,865
Interest Income received from Participating Organizations	-	81,925	81,925
Refunds by Administrative Agent to Contributors	-	(4,304,352)	(4,304,352)
Total: Sources of Funds	51,054,354	(4,132,562)	46,921,791
Use of Funds			
Transfers to Participating Organizations	50,493,281	-	50,493,281
Sub-Total Transfers	50,493,281	-	50,493,281
Refunds received from Participating Organizations	-	(4,171,476)	(4,171,476)
Sub-Total Refunds	-	(4,171,476)	(4,171,476)
Administrative Agent Fees	111,524	-	111,524
Bank Charges	88	118	206
Other Expenditures	182,411	-	182,411
Total: Uses of Funds	50,787,304	(4,171,358)	46,615,946
Change in Fund cash balance with Administrative Agent	267,049	38,796	305,845
Opening Fund balance (1 January)	50,455	267,049	-
Closing Fund balance (31 December)	267,049	305,845	305,845
Net Funded Amount	50,493,281	(4,171,476)	46,321,805
Participating Organizations Expenditure	46,388,550	(67,160)	46,321,390
Balance of Funds with Participating Organizations	4,104,731	(4,104,316)	415

2. PARTNER CONTRIBUTIONS

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

The **JP Yemen ERRY II** was financed by 2 contributors, 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 Joint Programme beyond **2023**.

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

Contributors	Total Commitments	Total Deposits
European Union	39,851,000	39,851,000
Sida	11,152,353	11,152,353
Grand Total	51,003,353	51,003,353

3. 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 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/ive10>.

3.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In **2023**, US\$ **4,171,476** was refunded to Participating Organizations, and US\$ **-67,160** was reported in expenditure.

As shown in table below, the cumulative net funded amount is US\$ **46,321,805** and cumulative expenditures reported by the Participating Organizations amount to **US\$ 46,321,390**. This equates to an overall Joint Programme expenditure delivery rate of **100** percent.

Table 3.1 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	
FAO	11,000,006	8,631,521	8,631,521	-	8,631,521	100.00
ILO	5,029,096	4,068,454	4,068,454	-	4,068,454	100.00
UNDP	23,221,186	22,328,382	22,395,127	(67,160)	22,327,967	100.00
WFP	11,293,448	11,293,448	11,293,448	-	11,293,448	100.00
Grand Total	50,543,736	46,321,805	46,388,550	(67,160)	46,321,390	100.00

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

3.2. 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 3.2. 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	
Staff & Personnel Cost	4,418,698	-	4,418,698	10.18
Supplies, commodities and materials	11,913,712	-	11,913,712	27.46
Equipment, vehicles, furniture and depreciation	233,172	-	233,172	0.54
Contractual Services Expenses	7,443,730	(33,328)	7,410,403	17.08
Travel	706,128	(406)	705,722	1.63
Transfers and Grants	15,430,947	-	15,430,947	35.56
General Operating	3,306,271	(28,486)	3,277,785	7.55
Programme Costs Total	43,452,658	(62,220)	43,390,438	100.00
¹ Indirect Support Costs Total	2,935,893	(4,940)	2,930,953	6.75
Grand Total	46,388,550	(67,160)	46,321,390	-

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%.

4. COST RECOVERY

Cost recovery policies for the Joint Programme are guided by the applicable provisions of the Joint Programme Document, 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\$ **111,524** 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 US\$ **-4,940** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **2,930,953** as of 31 December **2023**.

5. 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 and Joint Programmes, 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



European Union



Sida

UN Participating Organizations

