



CONSOLIDATED ANNUAL FINANCIAL REPORT of the Administrative Agent

DRC Fonds National REDD

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 Non 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.

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 **DRC Fonds National REDD** 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 Agreement (MOA) signed between the UNDP MPTF Office and the Government of the Democratic Republic of Congo, 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 **DRC Fonds National REDD**. It is posted on the MPTF Office GATEWAY (<https://mptf.undp.org/fund/3cd00>).



2023 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the **DRC Fonds National REDD** 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/3cd00>.

1. SOURCES AND USES OF FUNDS

As of 31 December **2023**, **1** contributor deposited US\$ **4,063,013**, **1** MPTF US\$ **246,088,332** in contributions and US\$ **2,629,859** was earned in interest.

The cumulative source of funds was US\$ **252,916,974**.

Of this amount, US\$ **223,014,916** has been net funded to **11** Participating Organizations, of which US\$ **191,049,626** has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ **40,630**. Table 1 provides an overview of the overall sources, uses, and balance of the **DRC Fonds National REDD** 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	4,063,013	-	4,063,013
Contributions from MPTFs	246,088,332	-	246,088,332
Sub-total Contributions	250,151,344	-	250,151,344
Fund Interest and Investment Income Earned	1,251,420	1,224,676	2,476,096
Interest Income received from Participating Organizations	153,763	-	153,763
Other Income	-	135,770	135,770
Total: Sources of Funds	251,556,527	1,360,446	252,916,974
Use of Funds			
Transfers to Participating Organizations	183,943,878	29,676,692	213,620,570
Transfers to Participating Organizations for Direct Cost - Fund Secretariat etc	6,773,201	2,653,752	9,426,953
Sub-Total Transfers	190,717,079	32,330,444	223,047,523
Refunds received from Participating Organizations	(32,607)	-	(32,607)
Sub-Total Refunds	(32,607)	-	(32,607)
Administrative Agent Fees	40,630	-	40,630
Bank Charges	3,892	1,398	5,290
Total: Uses of Funds	190,728,994	32,331,842	223,060,836
Change in Fund cash balance with Administrative Agent	60,827,533	(30,971,396)	29,856,138
Opening Fund balance (1 January)	13,393,180	60,827,533	-
Closing Fund balance (31 December)	60,827,533	29,856,138	29,856,138
Net Funded Amount (Includes Direct Cost)	190,684,472	32,330,444	223,014,916
Participating Organizations Expenditure (Includes Direct Cost)	146,229,426	44,820,201	191,049,626
Balance of Funds with Participating Organizations	44,455,047	(12,489,757)	31,965,290



2. PARTNER CONTRIBUTIONS

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

The **DRC Fonds National REDD** is currently being financed by **1** contributor and 1 MPTF, 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
Central Africa Forest Initiative (CAFI)	246,088,332	246,088,332
Government of Sweden (Sida)	4,063,013	4,063,013
Grand Total	250,151,344	250,151,344



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\$ **2,476,096**.

Interest received from Participating Organizations amounts to US\$ **153,763**, bringing the cumulative interest received to US\$ **2,629,859**. 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
Administrative Agent			
Fund Interest and Investment Income Earned	1,251,420	1,224,676	2,476,096
Total: Fund Interest Earned	1,251,420	1,224,676	2,476,096
Participating Organization			
FAO	153,763	-	153,763
Total: Agency Interest Earned	153,763	-	153,763
Grand Total	1,405,183	1,224,676	2,629,859



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\$ **223,047,523** to **11** 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
AFD	14,000,000	-	14,000,000	-	-	-	14,000,000	-	14,000,000
Enabel	9,000,000	-	9,000,000	3,000,000	-	3,000,000	12,000,000	-	12,000,000
FAO	20,799,916	(32,607)	20,767,309	1,500,000	-	1,500,000	22,299,916	(32,607)	22,267,309
GIZ	12,000,000	-	12,000,000	8,000,000	-	8,000,000	20,000,000	-	20,000,000
IBRD	36,000,000	-	36,000,000	-	-	-	36,000,000	-	36,000,000
JICA	3,168,041	-	3,168,041	831,566	-	831,566	3,999,607	-	3,999,607
UNCDF	4,959,318	-	4,959,318	1,997,732	-	1,997,732	6,957,050	-	6,957,050
UNDP	50,790,314	-	50,790,314	7,001,146	-	7,001,146	57,791,460	-	57,791,460
UNFPA	8,729,120	-	8,729,120	1,998,366	-	1,998,366	10,727,486	-	10,727,486
UNHABITAT	6,999,490	-	6,999,490	-	-	-	6,999,490	-	6,999,490
UNOPS	24,270,880	-	24,270,880	8,001,634	-	8,001,634	32,272,514	-	32,272,514
Grand Total	190,717,079	(32,607)	190,684,472	32,330,444	-	32,330,444	223,047,523	(32,607)	223,014,916

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/3cd00>.

5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In 2023, US\$ **32,330,444** was net funded to Participating Organizations, and US\$ **44,820,201** was reported in expenditure.

As shown in table below, the cumulative net funded amount is US\$ **223,014,916** and cumulative expenditures reported by the Participating Organizations amount to **US\$ 191,049,626**. This equates to an overall Fund expenditure delivery rate of **85.67** percent.

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	
AFD	26,999,378	14,000,000	2,343,642	3,836,917	6,180,559	44.15
Enabel	12,000,000	12,000,000	6,338,756	3,637,546	9,976,302	83.14
FAO	23,000,003	22,267,309	20,373,076	1,791,052	22,164,128	99.54
GIZ	30,000,000	20,000,000	8,589,699	6,677,144	15,266,843	76.33
IBRD	39,000,000	36,000,000	24,798,378	6,970,751	31,769,128	88.25
JICA	3,999,607	3,999,607	2,919,807	861,612	3,781,419	94.54
UNCDF**	8,042,950	6,957,050	4,037,334	910,758	4,948,092	71.12
UNDP***	67,123,984	57,791,460	38,465,089	10,396,568	48,861,657	84.55
UNFPA	10,727,486	10,727,486	8,818,064	1,957,922	10,775,986	100.45
UNHABITAT	6,999,490	6,999,490	6,734,715	178,841	6,913,556	98.77
UNOPS	32,272,514	32,272,514	22,810,865	7,601,090	30,411,955	94.23
Grand Total	260,165,412	223,014,916	146,229,426	44,820,201	191,049,626	85.67

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

** The amount appears USD 1,085,900 higher than was approved. This has been adjusted in 2024

***The amount appears USD 1,085,900 lower than was approved. This has been adjusted in 2024



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	
Staff & Personnel Cost	19,790,760	5,649,457	25,440,217	14.18
Supplies, commodities and materials	12,368,063	3,386,500	15,754,563	8.78
Equipment, vehicles, furniture and depreciation	4,755,002	1,652,470	6,407,472	3.57
Contractual Services Expenses	61,587,725	15,259,625	76,847,349	42.82
Travel	6,813,215	1,906,580	8,719,796	4.86
Transfers and Grants	19,240,442	10,242,153	29,482,595	16.43
General Operating	12,111,150	4,685,873	16,797,023	9.36
Programme Costs Total	136,666,358	42,782,657	179,449,015	100.00
¹ Indirect Support Costs Total	9,563,067	2,037,544	11,600,611	6.46
Grand Total	146,229,426	44,820,201	191,049,626	-

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\$ **40,630** 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\$ **2,037,544** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **11,600,611** as of 31 December **2023**.

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\$ 9,426,953 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	10,421,329	9,426,953	5,764,460	1,096,103	6,860,563	72.78
Grand Total	10,421,329	9,426,953	5,764,460	1,096,103	6,860,563	72.78



DRC Fonds National REDD

Annex to Financial Report

Annex. EXPENDITURE BY PROJECT GROUPED BY THEME/OUTCOME

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 %
CAFI Investment						
00103789	FAO	Financially Closed	10,000,003	9,967,396	9,967,396	100.00
00103801	UNDP	Operationally Closed	3,300,000	3,300,000	3,267,493	99.01
00103850	IBRD	On Going	30,000,000	30,000,000	27,690,307	92.30
00103851	IBRD	Operationally Closed	2,000,000	2,000,000	1,525,299	76.26
00105031	IBRD	Operationally Closed	7,000,000	4,000,000	2,553,522	63.84
00105282	UNDP	On Going	8,000,000	6,625,605	6,188,362	93.40
00105381	UNHABITAT	Operationally Closed	6,999,490	6,999,490	6,913,556	98.77
00107819	UNDP	On Going	33,000,000	26,036,247	22,997,492	88.33
00113546*	UNCDF	On Going	8,042,950	6,957,050	4,948,092	71.12
00113546**	UNDP	On Going	6,957,050	6,957,050	5,140,079	73.88
00113547	JICA	On Going	3,999,607	3,999,607	3,781,419	94.54
00115700	FAO	Operationally Closed	3,000,000	2,299,913	2,288,384	99.50
00116875	UNFPA	Operationally Closed	10,727,486	10,727,486	10,775,986	100.45
00116875	UNOPS	Operationally Closed	32,272,514	32,272,514	30,411,955	94.23
00117080	Enabel	On Going	12,000,000	12,000,000	9,976,302	83.14
00117600	FAO	On Going	10,000,000	10,000,000	9,908,349	99.08



00117920	Secrétariat Exécutif du Fonds National REDD+	UNDP	On Going	5,445,605	5,445,605	4,407,669	80.94
00120055	Appui Savanes et Forêts Dégradées	AFD	On Going	14,999,378	8,000,000	3,651,651	45.65
00123066	Gestion durable des forêts	AFD	On Going	12,000,000	6,000,000	2,528,908	42.15
00126783	Programme Intégré REDD+ MANIEMA	GIZ	On Going	30,000,000	20,000,000	15,266,843	76.33
CAFI Investment : Total				249,744,083	213,587,963	184,189,064	86.24

*The amount appears USD 1,085,900 higher than was approved. This has been adjusted in 2024

**The amount appears USD 1,085,900 lower than was approved. This has been adjusted in 2024

Direct Cost Budget							
00105042	DRC National Fund: Direct Cost	UNDP	On Going	10,421,329	9,426,953	6,860,563	72.78
Direct Cost Budget: Total				10,421,329	9,426,953	6,860,563	72.78
Grand Total				260,165,412	223,014,916	191,049,626	85.67



Contributors



Government of
Sweden (Sida)

Contributing Trust Fund



UN Participating Organizations



World Bank-IBRD
(International Bank for
Reconstruction and
Development)

Other Participating Organizations



AFD (Agence Française de
Développement)



Enabel (Belgian
Development Agency)



Deutsche Gesellschaft für
Internationale
Zusammenarbeit - GIZ



JICA (Japan International
Cooperation Agency)