



CONSOLIDATED ANNUAL FINANCIAL REPORT of the Administrative Agent

JP Kazakhstan Innovative Approaches

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.

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

TABLE OF CONTENTS

Introduction	4
1. Sources and Uses of Funds	5
2. Partner Contributions	6
3. Expenditure and Financial Delivery Rates	7
4. Cost Recovery	9
5. Accountability and Transparency	9

INTRODUCTION

This Consolidated Annual Financial Report of the **JP Kazakhstan Innovative Approaches** 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 Kazakhstan Innovative Approaches**, as posted on the MPTF Office GATEWAY (<https://mptf.undp.org/fund/jkz00>).

2023 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the **JP Kazakhstan Innovative Approaches** 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/jkz00>.

This Joint Programme operationally closed on **30 June 2016** 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**, **1** contributor deposited US\$ **9,801,043** and US\$ **4,309** was earned in interest.

The cumulative source of funds was US\$ **9,805,352**.

Of this amount, US\$ **9,702,660** has been net funded to **3** Participating Organizations, of which US\$ **9,700,049** has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ **98,010**. Table 1 provides an overview of the overall sources, uses, and balance of the **JP Kazakhstan Innovative Approaches** 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	9,801,043	-	9,801,043
Sub-total Contributions	9,801,043	-	9,801,043
Fund Interest and Investment Income Earned	4,181	128	4,309
Total: Sources of Funds	9,805,224	128	9,805,352
Use of Funds			
Transfers to Participating Organizations	9,702,917	-	9,702,917
Sub-Total Transfers	9,702,917	-	9,702,917
Refunds received from Participating Organizations	(258)	-	(258)
Sub-Total Refunds	(258)	-	(258)
Administrative Agent Fees	98,010	-	98,010
Bank Charges	231	-	231
Total: Uses of Funds	9,800,901	-	9,800,901
Change in Fund cash balance with Administrative Agent	4,322	128	4,450
Opening Fund balance (1 January)	4,272	4,322	-
Closing Fund balance (31 December)	4,322	4,450	4,450
Net Funded Amount	9,702,660	-	9,702,660
Participating Organizations Expenditure	9,700,049	-	9,700,049
Balance of Funds with Participating Organizations	2,611	-	2,611

2. PARTNER CONTRIBUTIONS

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

The **JP Kazakhstan Innovative Approaches** was financed by **1** contributor, as listed in the table below.

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

Contributors	Total Commitments	Total Deposits
Government of Kazakhstan	9,801,043	9,801,043
Grand Total	9,801,043	9,801,043

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/jkz00>.

3.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In **2023**, US\$ was net funded by Participating Organizations, and **\$0** was reported in expenditure.

As shown in table below, the cumulative net funded amount is US\$ **9,702,660** and cumulative expenditures reported by the Participating Organizations amount to **US\$ 9,700,049**. This equates to an overall Joint Programme expenditure delivery rate of **99.97** 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	
UNDP	5,544,963	5,544,963	5,542,353	-	5,542,353	99.95
UNFPA	791,990	791,732	791,732	-	791,732	100.00
UNICEF	3,365,964	3,365,964	3,365,964	-	3,365,964	100.00
Grand Total	9,702,917	9,702,660	9,700,049	-	9,700,049	99.97

*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	
Supplies, Commodities, Equipment and Transport (Old)	7,972	-	7,972	0.09
Personnel (Old)	333,959	-	333,959	3.68
Training of Counterparts (Old)	30,206	-	30,206	0.33
Contracts (Old)	148,615	-	148,615	1.64
Other direct costs (Old)	34,113	-	34,113	0.38
Staff & Personnel Cost	264,064	-	264,064	2.91
Supplies, commodities and materials	92,627	-	92,627	1.02
Equipment, vehicles, furniture and depreciation	129,733	-	129,733	1.43
Contractual Services Expenses	3,450,640	-	3,450,640	38.06
Travel	969,414	-	969,414	10.69
Transfers and Grants	2,632,956	-	2,632,956	29.04
General Operating	972,519	-	972,519	10.73
Programme Costs Total	9,066,819	-	9,066,819	100.00
¹ Indirect Support Costs Total	633,230	-	633,230	6.98
Grand Total	9,700,049	-	9,700,049	-

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\$ **98,010** 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\$ **00** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **633,230** 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



Government of
Kazakhstan

UN Participating Organizations

