



CONSOLIDATED ANNUAL FINANCIAL REPORT of the Administrative Agent

Montenegro SDG Acceleration Fund

for the period 14 December 2022 to 31 December 2024

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

May 2025



**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 other inter-governmental Organization that is a partner in a Fund, as represented by signing the applicable legal 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 **Montenegro SDG Acceleration Fund** 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 14 December 2022 to 31 December 2024 and provides financial data on progress made in the implementation of projects of the **Montenegro SDG Acceleration Fund**. It is posted on the MPTF Office GATEWAY (<https://mptf.undp.org/fund/me200>).

2024 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the **Montenegro SDG Acceleration Fund** using the pass-through funding modality as of 31 December **2024**. Financial information for this Fund is also available on the MPTF Office GATEWAY, at the following address: <https://mptf.undp.org/fund/me200>.

1. SOURCES AND USES OF FUNDS

As of 31 December **2024**, **6** contributors deposited US\$ **3,990,128** and US\$ **106,552** was earned in interest.

The cumulative source of funds was US\$ **4,096,680**.

Of this amount, US\$ **1,324,930** has been net funded to **7** Participating Organizations, of which US\$ **481,116** has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ **27,175**. Table 1 provides an overview of the overall sources, uses, and balance of the **Montenegro SDG Acceleration Fund** as of 31 December 2024.

Table 1 Financial Overview, as of 31 December 2024 (in US Dollars)

	Prior Years up to 31 Dec 2023	Financial Year Jan-Dec 2024	Total
Sources of Funds			
Contributions from donors	3,185,138	804,989	3,990,128
Sub-total Contributions	3,185,138	804,989	3,990,128
Fund Interest and Investment Income Earned	24,927	81,625	106,552
Total: Sources of Funds	3,210,065	886,614	4,096,680
Use of Funds			
Transfers to Participating Organizations	-	1,324,930	1,324,930
Sub-Total Transfers	-	1,324,930	1,324,930
Administrative Agent Fees	19,125	8,050	27,175
Bank Charges	71	48	119
Other Expenditures	12,726	-	12,726
Total: Uses of Funds	31,922	1,333,028	1,364,950
Change in Fund cash balance with Administrative Agent	3,178,143	(446,413)	2,731,730
Opening Fund balance (1 January)	-	3,178,143	-
Closing Fund balance (31 December)	3,178,143	2,731,730	2,731,730
Net Funded Amount (Includes Direct Cost)	-	1,324,930	1,324,930
Participating Organizations Expenditure (Includes Direct Cost)	-	481,116	481,116
Balance of Funds with Participating Organizations	-	843,814	843,814

2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this fund as of 31 December 2024.

The **Montenegro SDG Acceleration Fund** is currently being financed by **6** 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 2024 and deposits received by the same date. It does not include commitments that were made to the fund beyond 2024.

Table 2. Contributions, as of 31 December 2024 (in US Dollars)

Contributors	Total Commitments	Total Deposits
Austrian Development Agency	1,637,299	1,637,299
European Union	1,272,600	1,272,600
Government of Ireland	76,676	76,676
Government of Luxembourg	75,904	75,904
Government of Montenegro	427,649	427,649
Swiss Agency for Development and Cooperation	500,000	500,000
Grand Total	3,990,128	3,990,128

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 **2024**, Fund earned interest amounts to US\$ **106,552**.

Details are provided in the table below.

Table 3. Sources of Interest and Investment Income, as of 31 December 2024 (in US Dollars)

Interest Earned	Prior Years up to 31-Dec-2023	Financial Year Jan-Dec-2024	Total
Administrative Agent			
Fund Interest and Investment Income Earned	24,927	81,625	106,552
Total: Fund Interest Earned	24,927	81,625	106,552
Participating Organization			
Total: Agency Interest Earned	-	-	-
Grand Total	24,927	81,625	106,552

4. TRANSFER OF FUNDS

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December **2024**, the AA has transferred US\$ **1,324,930** to **7** 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-2023			Financial Year Jan-Dec-2024			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
FAO	-	-	-	132,500	-	132,500	132,500	-	132,500
ILO	-	-	-	134,805	-	134,805	134,805	-	134,805
ITU	-	-	-	110,210	-	110,210	110,210	-	110,210
UNDP	-	-	-	192,430	-	192,430	192,430	-	192,430
UNESCO	-	-	-	141,672	-	141,672	141,672	-	141,672
UNICEF	-	-	-	223,523	-	223,523	223,523	-	223,523
UNOPS	-	-	-	389,790	-	389,790	389,790	-	389,790
Grand Total	-	-	-	1,324,930	-	1,324,930	1,324,930	-	1,324,930

5. EXPENDITURE AND FINANCIAL DELIVERY RATES

All 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 **2024** expenditure data has been posted on the MPTF Office GATEWAY at <https://mptf.undp.org/fund/me200>.

5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In **2024**, US\$ **1,324,930** was net funded to Participating Organizations, and US\$ **481,116** was reported in expenditure.

As shown in table below, the cumulative net funded amount is US\$ **1,324,930** and cumulative expenditures reported by the Participating Organizations amount to **US\$ 481,116**. This equates to an overall Fund expenditure delivery rate of **36.31** percent.

Table 5.1 Net Funded Amount and Reported Expenditures by Participating Organization, as of 31 December 2024 (in US Dollars)

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years up to 31-Dec-2023	Financial Year Jan-Dec-2024	Cumulative	
FAO	132,500	132,500	-	75,692	75,692	57.13
ILO	134,805	134,805	-	86,284	86,284	64.01
ITU	110,210	110,210	-	-	-	-
UNDP	192,430	192,430	-	83,979	83,979	43.64
UNESCO	141,672	141,672	-	49,981	49,981	35.28
UNICEF	223,523	223,523	-	83,683	83,683	37.44
UNOPS	489,790	389,790	-	101,498	101,498	26.04
Grand Total	1,424,930	1,324,930	-	481,116	481,116	36.31

5.2 EXPENDITURE BY OUTCOME

Table 5.2 displays the net funded amounts, expenditures incurred and the financial delivery rates by Outcome.

Table 5.2. Expenditure with breakdown by Outcome (in US Dollars)

Outcome	Current Year Jan-Dec-2024		Total		Delivery Rate %
	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	
Montenegro					
Human Capital Development	500,000	219,948	500,000	219,948	43.99
Inclusive Econ Devt & Environ	324,930	159,671	324,930	159,671	49.14
Social cohesion	500,000	101,498	500,000	101,498	20.30
Total	1,324,930	481,116	1,324,930	481,116	36.31
Grand Total	1,324,930	481,116	1,324,930	481,116	36.31

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 (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 5.3. Expenditure by UNSDG Budget Category, as of 31 December 2024 (in US Dollars)

Category	Expenditures			Percentage of Total Programme Cost
	Prior Years up to 31-Dec-2023	Financial Year Jan-Dec-2024	Total	
Staff & Personnel Cost	-	182,588	182,588	40.60
Supplies, commodities and materials	-	37,883	37,883	8.42
Equipment, vehicles, furniture and depreciation	-	1,233	1,233	0.27
Contractual Services Expenses	-	104,904	104,904	23.33
Travel	-	3,166	3,166	0.70
Transfers and Grants	-	81,437	81,437	18.11
General Operating	-	38,506	38,506	8.56
Programme Costs Total	-	449,716	449,716	100.00
¹ Indirect Support Costs Total	-	31,400	31,400	6.98
Grand Total	-	481,116	481,116	-

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 2024, 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 2024, US\$ **27,175** 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\$ **31,400** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **31,400** as of 31 December **2024**.

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 2024, no funds have been charged as Direct Costs.

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.

Montenegro SDG Acceleration Fund

Annex to Financial Report

Annex: EXPENDITURE BY PROJECT GROUPED BY OUTCOME

The table below displays the net funded amounts, expenditures reported and the financial delivery rates by Outcome by project/ joint programme and Participating Organization.

Expenditure by Project within Outcome

Outcome / Project No. and Project Title		Participating Organization	Project Status	Total Approved Amount	Net Funded Amount	Total Expenditure	Delivery Rate %
Human Capital Development							
00140576	Digital, inclusive, and transformative Quality Educ	ILO	On Going	134,805	134,805	86,284	64.01
00140576	Digital, inclusive, and transformative Quality Educ	UNESCO	On Going	141,672	141,672	49,981	35.28
00140576	Digital, inclusive, and transformative Quality Educ	UNICEF	On Going	223,523	223,523	83,683	37.44
Human Capital Development: Total				500,000	500,000	219,948	43.99
Inclusive Econ Devt & Environ							
00140577	Optimizing Development Coordination	UNDP	On Going	24,931	24,931	5,564	22.32
00140578	EmpowHER Montenegro	UNDP	On Going	167,499	167,499	78,415	46.82
00140578	EmpowHER Montenegro	FAO	On Going	132,500	132,500	75,692	57.13
Inclusive Econ Devt & Environ: Total				324,930	324,930	159,671	49.14
Social cohesion							
00140575	Digital Transformation	ITU	On Going	110,210	110,210	-	-
00140575	Digital Transformation	UNOPS	On Going	489,790	389,790	101,498	26.04
Social cohesion: Total				600,000	500,000	101,498	20.30
Grand Total				1,424,930	1,324,930	481,116	36.31

Contributors



Austrian
Development
Agency



European Union



Government of
Ireland



Government of
Luxembourg



Government of
Montenegro



Swiss Agency for
Development and
Cooperation

UN Participating Organizations

