



CONSOLIDATED ANNUAL FINANCIAL REPORT of the Administrative Agent

Law and Order Trust Fund for Afghanistan for the period 12 December 2018 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 funds' 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 or 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 **Law and Order Trust Fund for Afghanistan** 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 12 December 2018 to 31 December 2024 and provides financial updates on projects of the **Law and Order Trust Fund for Afghanistan**, as posted on the MPTF Office GATEWAY (<https://mptf.undp.org/fund/ltf00>).

2024 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the **Law and Order Trust Fund for Afghanistan** 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/ltf00>.

This Multi-Partner Trust Fund operationally closed on **31 December 2024** 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 2024, **13** contributors deposited US\$ **363,408,540** and US\$ **4,469,736** was earned in interest.

The cumulative source of funds was US\$ **253,544,828**.

Of this amount, US\$ **247,611,706** has been net funded to **1** Participating Organization, of which US\$ **247,611,706** has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ **3,070,043**. Other Expenditures on EU contributions amount to US\$ 294,984. Table 1 provides an overview of the overall sources, uses, and balance of the **Law and Order Trust Fund for Afghanistan** 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	363,408,540	-	363,408,540
Sub-total Contributions	363,408,540	-	363,408,540
Fund Interest and Investment Income Earned	4,469,736	-	4,469,736
Refunds by Administrative Agent to Contributors	(51,902,011)	(56,073,969)	(107,975,980)
Fund balance transferred to another MPTF	(6,285,141)	(72,328)	(6,357,469)
Total: Sources of Funds	309,691,125	(56,146,298)	253,544,828
Use of Funds			
Transfers to Participating Organizations	268,310,738	-	268,310,738
Transfers to Participating Organizations for Direct Cost - Fund Secretariat etc	13,290,273	-	13,290,273
Sub-Total Transfers	281,601,011	-	281,601,011
Refunds received from Participating Organizations	(4,190,824)	(29,039,029)	(33,229,853)
Refunds received from Participating Organizations for Direct Cost	-	(759,452)	(759,452)
Sub-Total Refunds	(4,190,824)	(29,798,481)	(33,989,305)
Administrative Agent Fees	3,070,043	-	3,070,043
Bank Charges	9,152	-	9,152
Other Expenditures	294,984	-	294,984
Total: Uses of Funds	280,784,367	(29,798,481)	250,985,886
Change in Fund cash balance with Administrative Agent	28,906,758	(26,347,817)	2,558,942
Opening Fund balance (1 January)	32,842,595	28,906,758	-
Closing Fund balance (31 December)	28,906,758	2,558,942	2,558,942
Net Funded Amount	277,410,187	(29,798,481)	247,611,706
Participating Organizations Expenditure	247,610,865	841	247,611,706



Balance of Funds with Participating Organizations	29,799,322	(29,799,322)	-
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2. PARTNER CONTRIBUTIONS

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

The **Law and Order Trust Fund for Afghanistan** was financed by **13** 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
European Union	36,694,719	36,694,719
Government of Canada	98,310,980	98,310,980
Government of Czechia	660,097	660,097
Government of Denmark	49,138,313	49,138,313
Government of Estonia	600,000	600,000
Government of Finland	1,587,500	1,587,500
Government of Germany	5,424,715	5,424,715
Government of Netherlands	22,646,630	22,646,630
Government of New Zealand	4,000,000	4,000,000
Government of Norway	22,312,713	22,312,713
Government of Poland	239,513	239,513
Government of the United Kingdom	102,225,489	102,083,846
UNDP (United Nations Development Programme)	19,709,514	19,709,514
Grand Total	363,550,183	363,408,540

3. 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/ltf00>.

3.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In **2024**, US\$ **29,798,481** was refunded from Participating Organizations, and US\$ **841** was reported in expenditure.

As shown in the table below, the cumulative net funded amount is US\$ **247,611,706** and cumulative expenditures reported by the Participating Organizations amount to **US\$ 247,611,706**. This equates to an overall Fund expenditure delivery rate of **100** percent.

Table 3.1 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	
UNDP	281,601,011	247,611,706	247,610,865	841	247,611,706	100.00
Grand Total	281,601,011	247,611,706	247,610,865	841	247,611,706	100.00

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 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	7,029,870	-	7,029,870	2.93
Supplies, commodities and materials	5,433,071	-	5,433,071	2.27
Equipment, vehicles, furniture and depreciation	1,655,035	-	1,655,035	0.69
Contractual Services Expenses	223,355,377	-	223,355,377	93.25
Travel	206,093	-	206,093	0.09
General Operating	1,850,873	-	1,850,873	0.77
Programme Costs Total	239,530,319	-	239,530,319	100.00
¹ Indirect Support Costs Total	8,080,547	841	8,081,388	3.37
Grand Total	247,610,865	841	247,611,706	-

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 is financially closed, this number is not to exceed 7%.

4. 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 the contributor deposit and covers services provided on that contribution for the entire duration of the Fund. Cumulatively, as of 31 December 2024, US\$ **3,070,043** has been charged in AA fees. AA cost related to EC contributions are charged as Other Expenditures.
- **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\$ **841** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **8,081,388** as of 31 December **2024**.

6. 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, US\$ 12,530,821 has been charged as Direct Costs.

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, 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.

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years up to 31-Dec-2023	Financial Year Jan-Dec-2024	Cumulative	
UNDP	13,290,273	12,530,821	12,529,980	841	12,530,821	100.00
Grand Total	13,290,273	12,530,821	12,529,980	841	12,530,821	100.00

Law and Order Trust Fund for Afghanistan

Annexes to Financial Report

Annex 1. EXPENDITURE BY PROJECT GROUPED BY THEME/OUTCOME

Annex 1 displays the net funded amounts, expenditures reported and the financial delivery rates by Theme/Outcome by project/ joint programme and Participating Organization

Annex 1 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 %
Security						
00120128 Community-oriented Policing	UNDP	Operationally Closed	4,991,343	1,936,323	1,936,323	100.00
00121382 Support to Ministry of Interior	UNDP	Financially Closed	13,319,395	9,128,571	9,128,571	100.00
Security: Total			18,310,738	11,064,895	11,064,895	100.00

Theme/Outcome / Project No. and Project Title	Participating Organization	Project Status	Total Approved Amount	Net Funded Amount	Total Expenditure	Delivery Rate %
MOIA Payroll						
00119365 Support to payroll management	UNDP	Operationally Closed	250,000,000	224,015,991	224,015,991	100.00
MOIA Payroll: Total			250,000,000	224,015,991	224,015,991	100.00

Theme/Outcome / Project No. and Project Title	Participating Organization	Project Status	Total Approved Amount	Net Funded Amount	Total Expenditure	Delivery Rate %
Direct Cost Budget						
00113470 Trust Fund Management Unit (TFMU)	UNDP	Financially Closed	13,290,273	12,530,821	12,530,821	100.00
Direct Cost Budget: Total			13,290,273	12,530,821	12,530,821	100.00

Grand Total			281,601,011	247,611,706	247,611,706	100.00
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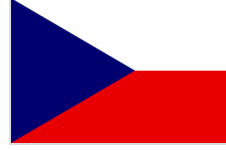
Contributors



European Union



Government of
Canada



Government of
Czechia



Government of
Denmark



Government of
Estonia



Government of
Finland



Government of
Germany



Government of
Netherlands



Government of
New Zealand



Government of
Norway



Government of
Poland



Government of the
United Kingdom



UNDP (United
Nations
Development
Programme)

UN Participating Organizations

