



# CONSOLIDATED ANNUAL FINANCIAL REPORT of the Administrative Agent

## UN Sustainable Development Framework Fund for Pakistan

for the period 1 January to 31 December 2021

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

13 May 2022



United Nations  
MPTF Office

**UN Sustainable Development  
Framework Fund for Pakistan**  
**Financial Report**  
prepared by the Administrative Agent

13 May 2022

## DEFINITIONS

### **Allocation**

Amount approved by the Steering Committee for a project/programme.

### **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 Standard Administrative Arrangement 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 Standard Administrative Arrangement.

### **Delivery Rate**

The percentage of funds that have been utilized, calculated by comparing expenditures reported by a Participating Organization against the 'net funded amount'. This does not include expense commitments by Participating Organization.

### **Indirect Support Costs**

A general cost that cannot be directly related to any particular programme or activity of the Participating Organizations. UNSDG policy establishes a fixed indirect cost rate of 7% of programmable costs for inter-agency pass-through MPTFs.

### **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 a Memorandum of Understanding (MOU) 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.

### **Project Operational Closure**

A project or programme is considered operationally closed when all programmatic activities for which Participating Organization(s) received funding have been completed.

### **Project Start Date**

Project/ Joint programme start date as per the programmatic document.

### **Total Approved Budget**

This represents the cumulative amount of allocations approved by the Steering Committee.

### **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 **UN Sustainable Development Framework Fund for Pakistan** 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 2021 and provides financial data on progress made in the implementation of projects of the **UN Sustainable Development Framework Fund for Pakistan**. It is posted on the MPTF Office GATEWAY (<https://beta.mptf.undp.org/fund/pk200>).

## 2021 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the **UN Sustainable Development Framework Fund for Pakistan** using the pass-through funding modality as of 31 December 2021. Financial information for this Fund is also available on the MPTF Office GATEWAY, at the following address:

<https://beta.mptf.undp.org/fund/pk200>.

### 1. SOURCES AND USES OF FUNDS

As of 31 December 2021, 3 contributors deposited US\$ 34,367,438 and US\$ 206,069 was earned in interest.

The cumulative source of funds was US\$ 34,573,507.

Of this amount, US\$ 34,144,989 has been net funded to 4 Participating Organizations, of which US\$ 33,882,533 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ 343,674. Table 1 provides an overview of the overall sources, uses, and balance of the **UN Sustainable Development Framework Fund for Pakistan** as of 31 December 2021.

**Table 1. Financial Overview, as of 31 December 2021 (in US Dollars)**

	Annual 2020	Annual 2021	Cumulative
<b>Sources of Funds</b>			
Contributions from donors	9,053,800	64,718	34,367,438
<b>Sub-total Contributions</b>	<b>9,053,800</b>	<b>64,718</b>	<b>34,367,438</b>
Fund Earned Interest and Investment Income	34,150	693	206,069
<b>Total: Sources of Funds</b>	<b>9,087,950</b>	<b>65,411</b>	<b>34,573,507</b>
<b>Use of Funds</b>			
Transfers to Participating Organizations	9,200,267	1,204,427	34,819,885
Refunds received from Participating Organizations	0	(674,897)	(674,897)
<b>Net Funded Amount</b>	<b>9,200,267</b>	<b>529,530</b>	<b>34,144,989</b>
Administrative Agent Fees	90,538	647	343,674
Bank Charges	89	10	287
<b>Total: Uses of Funds</b>	<b>9,290,894</b>	<b>530,188</b>	<b>34,488,951</b>
<b>Change in Fund cash balance with Administrative Agent</b>	<b>(202,944)</b>	<b>(464,777)</b>	<b>84,557</b>
Opening Fund balance (1 January)	752,278	549,334	
<b>Closing Fund balance (31 December)</b>	<b>549,334</b>	<b>84,557</b>	<b>84,557</b>
Net Funded Amount (Includes Direct Cost)	9,200,267	529,530	34,144,989
Participating Organizations Expenditure (Includes Direct Cost)	19,937,417	10,754	33,882,533
<b>Balance of Funds with Participating Organizations</b>	<b>(10,737,150)</b>	<b>518,776</b>	<b>262,456</b>

## 2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this fund as of 31 December 2021.

The **UN Sustainable Development Framework Fund for Pakistan** is currently being financed by **3** 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 2021 and deposits received by the same date. It does not include commitments that were made to the fund beyond 2021.

**Table 2. Contributions, as of 31 December 2021 (in US Dollars)**

Contributors	Total Commitments	Prior Years as of 31-Dec-2020 Deposits	Current Year Jan-Dec-2021 Deposits	Total Deposits
Delivering Results Together	8,701	0	8,701	8,701
Former - DFID	34,302,720	34,302,720	0	34,302,720
Expanded DaO Funding Window	56,017	0	56,017	56,017
<b>Grand Total</b>	<b>34,367,438</b>	<b>34,302,720</b>	<b>64,718</b>	<b>34,367,438</b>

### 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 **2021**, Fund earned interest amounts to US\$ **206,069**.

No interest was received from Participating Organizations amounts. The cumulative interest received is US\$ **206,069**. Details are provided in the table below.

**Table 3. Sources of Interest and Investment Income, as of 31 December 2021 (in US Dollars)**

Interest Earned	Prior Years as of 31-Dec-2020	Current Year Jan-Dec-2021	Total
<b>Administrative Agent</b>			
Fund Earned Interest and Investment Income	<b>205,377</b>	<b>693</b>	<b>206,069</b>
<b>Total: Fund Earned Interest</b>	<b>205,377</b>	<b>693</b>	<b>206,069</b>
<b>Participating Organization</b>			
<b>Total: Agency earned interest</b>			
<b>Grand Total</b>	<b>205,377</b>	<b>693</b>	<b>206,069</b>



#### 4. TRANSFER OF FUNDS

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December 2021, the AA has transferred US\$ **34,819,885** to 4 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 as of 31-Dec-2020			Current Year Jan-Dec-2021			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
FAO	10,388,181	0	10,388,181	1,204,427	0	1,204,427	11,592,608	0	11,592,608
UNWOMEN	1,119,580	0	1,119,580	0	(161,024)	(161,024)	1,119,580	(161,024)	958,556
UNDP	7,454,696	0	7,454,696	0	(513,873)	(513,873)	7,454,696	(513,873)	6,940,823
UNICEF	14,653,002	0	14,653,002				14,653,002	0	14,653,002
<b>Grand Total</b>	<b>33,615,458</b>	<b>0</b>	<b>33,615,458</b>	<b>1,204,427</b>	<b>(674,897)</b>	<b>529,530</b>	<b>34,819,885</b>	<b>(674,897)</b>	<b>34,144,989</b>

## 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 2021 expenditure data has been posted on the MPTF Office GATEWAY at <https://beta.mptf.undp.org/fund/pk200>.

## 5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In 2021, US\$ 529,530 was net funded to Participating Organizations, and US\$ 10,754 was reported in expenditure.

As shown in table below, the cumulative net funded amount is US\$ 34,144,989 and cumulative expenditures reported by the Participating Organizations amount to US\$ 33,882,533. This equates to an overall Fund expenditure delivery rate of 99.23 percent.

**Table 5.1. Net Funded Amount and Reported Expenditures by Participating Organization, as of 31 December 2021 (in US Dollars)**

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years as of 31-Dec-2020	Current Year Jan-Dec-2021	Cumulative	
FAO	11,592,608	11,592,608	11,477,619	(22,807)	11,454,813	98.81
UNDP	6,940,823	6,940,823	6,786,962	29,113	6,816,075	98.20
UNICEF	14,653,002	14,653,002	14,648,641	4,447	14,653,088	100.00
UNWOMEN	958,556	958,556	958,556	0	958,556	100.00
<b>Grand Total</b>	<b>34,144,989</b>	<b>34,144,989</b>	<b>33,871,779</b>	<b>10,754</b>	<b>33,882,533</b>	<b>99.23</b>

## 5.2 EXPENDITURE BY [UNDAF OUTCOME OR THEMATIC AREA]

Table 5.2 displays the net funded amounts, expenditures incurred and the financial delivery rates by [UNDAF Outcome or Thematic Area].

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

Country/Sector	Current Year Jan-Dec-2021		Total		Delivery Rate %
	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	
<b>Pakistan</b>					
Humanitarian Development Nexus	529,530	10,754	34,144,989	33,882,533	99.23
<b>Pakistan: Total</b>	<b>529,530</b>	<b>10,754</b>	<b>34,144,989</b>	<b>33,882,533</b>	<b>99.23</b>
<b>Grand Total</b>	<b>529,530</b>	<b>10,754</b>	<b>34,144,989</b>	<b>33,882,533</b>	<b>99.23</b>

## 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 (UNSDG) established six categories against which UN entities must report inter-agency project expenditures. Effective 1 January 2012, the UN Chief Executive Board (CEB) modified these categories as a result of IPSAS adoption to comprise eight categories. See table below.

**Table 5.3. Expenditure by UNSDG Budget Category, as of 31 December 2021 (in US Dollars)**

Category	Expenditures			Percentage of Total Programme Cost
	Prior Years as of 31-Dec-2020	Current Year Jan-Dec-2021	Total	
Staff & Personnel Cost	4,555,639	67,127	4,622,766	14.61
Supplies, commodities and materials	9,607,351	(175,952)	9,431,399	29.80
Equipment, vehicles, furniture and depreciation	405,131	(906)	404,225	1.28
Contractual Services Expenses	4,834,841	30,667	4,865,508	15.37
Travel	408,071	(4,073)	403,998	1.28
Transfers and Grants	6,990,531	(408)	6,990,123	22.09
General Operating	4,837,616	92,204	4,929,820	15.58
<b>Programme Costs Total</b>	<b>31,639,179</b>	<b>8,660</b>	<b>31,647,840</b>	<b>100.00</b>
<sup>1</sup> Indirect Support Costs Total	2,232,600	2,094	2,234,693	7.06
<b>Grand Total</b>	<b>33,871,779</b>	<b>10,754</b>	<b>33,882,533</b>	

**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 2021, 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. In the reporting period US\$ **647** was deducted in AA-fees. Cumulatively, as of 31 December **2021**, US\$ **343,674** has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ **2,094** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **2,234,693** as of 31 December **2021**.

## 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 in real time every two hours 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.

# UN Sustainable Development Framework Fund for Pakistan

## Annexes to Financial Report

## Annex 1. EXPENDITURE BY PROJECT WITHIN SECTOR

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

### Annex 1 Expenditure by Project within Sector

Sector / Project No. and Project Title	Participating Organization	Project Status	Total Approved Amount	Net Funded Amount	Total Expenditure	Delivery Rate %	
<b>Humanitarian Development Nexus</b>							
00113570	JP-KP merged Districts-Pakistan	FAO	Operationally Closed	11,592,608	11,592,608	11,454,813	98.81
00113570	JP-KP merged Districts-Pakistan	UNDP	Operationally Closed	6,940,823	6,940,823	6,816,075	98.20
00113570	JP-KP merged Districts-Pakistan	UNICEF	Operationally Closed	14,653,002	14,653,002	14,653,088	100.00
00113570	JP-KP merged Districts-Pakistan	UNWOMEN	Operationally Closed	958,556	958,556	958,556	100.00
<b>Humanitarian Development Nexus: Total</b>				<b>34,144,989</b>	<b>34,144,989</b>	<b>33,882,533</b>	<b>99.23</b>
<b>Grand Total</b>				<b>34,144,989</b>	<b>34,144,989</b>	<b>33,882,533</b>	<b>99.23</b>

## Contributors

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## UN Participating Organizations

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## Contributing Trust Fund

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Delivering  
Results  
Together

Expanded  
DaO Fund