



# CONSOLIDATED ANNUAL FINANCIAL REPORT of the Administrative Agent

## Lebanon Recovery Fund

for the period 1 January to 31 December 2022

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

**May 2023**



**Lebanon Recovery Fund**  
Financial Report  
prepared by the Administrative Agent

May 2023

## 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 Organisations.

### **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 **Lebanon Recovery 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 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 2022 and provides financial data on progress made in the implementation of projects of the **Lebanon Recovery Fund**. It is posted on the MPTF Office GATEWAY (<https://mptf.undp.org/fund/lrf00>).

## 2022 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the **Lebanon Recovery Fund** using the pass-through funding modality as of 31 December 2022. Financial information for this Fund is also available on the MPTF Office GATEWAY, at the following address: <https://mptf.undp.org/fund/lrf00>.

### 1. SOURCES AND USES OF FUNDS

As of 31 December 2022, 7 contributors deposited US\$ 60,803,289 and US\$ 2,952,600 was earned in interest.

The cumulative source of funds was US\$ **63,755,889**.

Of this amount, US\$ **62,841,686** has been net funded to 9 Participating Organizations, of which US\$ **59,042,650** has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ **608,033**. Table 1 provides an overview of the overall sources, uses, and balance of the **Lebanon Recovery Fund** as of 31 December 2022.

**Table 1 Financial Overview, as of 31 December 2022 (in US Dollars)**

	Annual 2021	Annual 2022	Cumulative
<b>Sources of Funds</b>			
Contributions from donors	-	789,645	60,803,289
<b>Sub-total Contributions</b>	<b>-</b>	<b>789,645</b>	<b>60,803,289</b>
Fund Earned Interest and Investment Income	11,197	6,883	1,620,850
Interest Income received from Participating Organizations	1,994	1,378	1,331,750
<b>Total: Sources of Funds</b>	<b>13,191</b>	<b>797,905</b>	<b>63,755,889</b>
<b>Use of Funds</b>			
Transfers to Participating Organizations	3,331,657	1,692,288	64,771,102
Refunds received from Participating Organizations	-	(6,800)	(1,929,415)
<b>Net Funded Amount</b>	<b>3,331,657</b>	<b>1,685,489</b>	<b>62,841,686</b>
Administrative Agent Fees	-	7,896	608,033
Bank Charges	98	21	731
<b>Total: Uses of Funds</b>	<b>3,331,754</b>	<b>1,693,406</b>	<b>63,450,451</b>
<b>Change in Fund cash balance with Administrative Agent</b>	<b>(3,318,563)</b>	<b>(895,501)</b>	<b>305,439</b>
Opening Fund balance (1 January)	4,519,502	1,200,940	-
<b>Closing Fund balance (31 December)</b>	<b>1,200,940</b>	<b>305,439</b>	<b>305,439</b>
Net Funded Amount (Includes Direct Cost)	3,331,657	1,685,489	62,841,686
Participating Organizations Expenditure (Includes Direct Cost)	1,287,866	2,657,532	59,042,650
<b>Balance of Funds with Participating Organizations</b>	<b>2,043,790</b>	<b>(972,043)</b>	<b>3,799,036</b>

## 2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this fund as of 31 December **2022**.

The **Lebanon Recovery Fund** is currently being financed by **7** 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 **2022** and deposits received by the same date. It does not include commitments that were made to the fund beyond **2022**.

**Table 2. Contributions, as of 31 December 2022 (in US Dollars)**

Contributors	Total Commitments	Prior Years as of 31-Dec-2021 Deposits	Current Year Jan-Dec-2022 Deposits	Total Deposits
Government of Canada	7,585,134	6,795,489	789,645	7,585,134
Government of Germany	5,860,660	5,860,660	-	5,860,660
Government of India	500,000	500,000	-	500,000
Government of Republic of Korea	1,000,000	1,000,000	-	1,000,000
Government of Romania	659,531	659,531	-	659,531
Government of Spain	35,400,500	35,400,500	-	35,400,500
Government Offices of Sweden	9,797,465	9,797,465	-	9,797,465
<b>Grand Total</b>	<b>60,803,289</b>	<b>60,013,644</b>	<b>789,645</b>	<b>60,803,289</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 **2022**, Fund earned interest amounts to US\$ **1,620,850**.

Interest received from Participating Organizations amounts to US\$ **1,331,750**, bringing the cumulative interest received to US\$ **2,952,600**. Details are provided in the table below.

**Table 3. Sources of Interest and Investment Income, as of 31 December 2022 (in US Dollars)**

Interest Earned	Prior Years as of 31-Dec-2021	Current Year Jan-Dec-2022	Total
<b>Administrative Agent</b>			
Fund Earned Interest and Investment Income	<b>1,613,967</b>	<b>6,883</b>	<b>1,620,850</b>
<b>Total: Fund Earned Interest</b>	<b>1,613,967</b>	<b>6,883</b>	<b>1,620,850</b>
<b>Participating Organization</b>			
FAO	<b>85,140</b>	-	<b>85,140</b>
ILO	<b>41,076</b>	-	<b>41,076</b>
UNDP	<b>940,803</b>	-	<b>940,803</b>
UNESCO	<b>65,076</b>	-	<b>65,076</b>
UNFPA	<b>45,905</b>	-	<b>45,905</b>
UNIDO	<b>152,372</b>	<b>1,378</b>	<b>153,750</b>
<b>Total: Agency Earned Interest</b>	<b>1,330,372</b>	<b>1,378</b>	<b>1,331,750</b>
<b>Grand Total</b>	<b>2,944,340</b>	<b>8,260</b>	<b>2,952,600</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 2022, the AA has transferred US\$ **64,771,102** to **9** 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 Cumulative as of 31-Dec-2021			Current Year Jan-Dec-2022			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
FAO	11,332,308	(377,645)	10,954,663	366,580	-	366,580	11,698,888	(377,645)	11,321,243
ILO	3,347,685	(45,443)	3,302,242	-	-	-	3,347,685	(45,443)	3,302,242
UNWOMEN	765,000	-	765,000	165,319	-	165,319	930,319	-	930,319
UNDP	38,195,214	(555,132)	37,640,082	515,884	(6,800)	509,084	38,711,098	(561,932)	38,149,166
UNESCO	1,587,226	(803,109)	784,117	-	-	-	1,587,226	(803,109)	784,117
UNFPA	994,858	(386)	994,472	-	-	-	994,858	(386)	994,472
UNHCR	495,000	-	495,000	-	-	-	495,000	-	495,000
UNICEF	516,893	-	516,893	149,800	-	149,800	666,693	-	666,693
UNIDO	5,844,629	(140,900)	5,703,729	494,705	-	494,705	6,339,334	(140,900)	6,198,434
<b>Grand Total</b>	<b>63,078,813</b>	<b>(1,922,616)</b>	<b>61,156,198</b>	<b>1,692,288</b>	<b>(6,800)</b>	<b>1,685,489</b>	<b>64,771,102</b>	<b>(1,929,415)</b>	<b>62,841,686</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 **2022** expenditure data has been posted on the MPTF Office GATEWAY at <https://mptf.undp.org/fund/lrf00>.

## 5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In **2022**, US\$ **1,685,489** was net funded to Participating Organizations, and US\$ **2,657,532** was reported in expenditure.

As shown in table below, the cumulative net funded amount is US\$ **62,841,686** and cumulative expenditures reported by the Participating Organizations amount to US\$ **59,042,650**. This equates to an overall Fund expenditure delivery rate of **93.95** percent.

**Table 5.1 Net Funded Amount and Reported Expenditures by Participating Organization, as of 31 December 2022 (in US Dollars)**

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years as of 31-Dec-2021	Current Year Jan-Dec-2022	Cumulative	
FAO	11,712,849	11,321,243	9,736,071	701,933	10,438,004	92.20
ILO	3,347,685	3,302,242	2,770,259	355,348	3,125,607	94.65
UNDP	38,711,098	38,149,166	36,495,993	316,695	36,812,688	96.50
UNESCO	789,396	784,117	784,117	-	784,117	100.00
UNFPA	994,858	994,472	994,472	-	994,472	100.00
UNHCR	495,000	495,000	495,000	-	495,000	100.00
UNICEF	666,693	666,693	72,860	444,033	516,893	77.53
UNIDO	6,339,334	6,198,434	4,757,304	476,947	5,234,251	84.44
UNWOMEN	930,319	930,319	279,042	362,575	641,618	68.97
<b>Grand Total</b>	<b>63,987,231</b>	<b>62,841,686</b>	<b>56,385,119</b>	<b>2,657,532</b>	<b>59,042,650</b>	<b>93.95</b>

## 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 2022 (in US Dollars)**

Category	Expenditures			Percentage of Total Programme Cost
	Prior Years Cumulative as of 31-Dec-2021	Current Year Jan-Dec-2022	Total	
Supplies, Commodities, Equipment and Transport (Old)	11,393,403	-	11,393,403	20.65
Personnel (Old)	8,459,983	-	8,459,983	15.33
Training of Counterparts (Old)	586,973	-	586,973	1.06
Contracts (Old)	10,105,671	-	10,105,671	18.32
Other direct costs (Old)	3,540,481	-	3,540,481	6.42
Staff & Personnel Cost	954,336	878,817	1,833,153	3.32
Supplies, commodities and materials	1,479,489	163,235	1,642,724	2.98
Equipment, vehicles, furniture and depreciation	3,021,119	10,032	3,031,151	5.49
Contractual Services Expenses	10,137,640	692,294	10,829,933	19.63
Travel	361,926	41,576	403,502	0.73
Transfers and Grants	932,225	414,984	1,347,209	2.44
General Operating	1,703,808	295,640	1,999,448	3.62
<b>Programme Costs Total</b>	<b>52,677,054</b>	<b>2,496,579</b>	<b>55,173,632</b>	<b>100.00</b>
<sup>1</sup> Indirect Support Costs Total	3,708,065	160,953	3,869,018	7.01
<b>Grand Total</b>	<b>56,385,119</b>	<b>2,657,532</b>	<b>59,042,650</b>	<b>-</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 2022, 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\$ **7,896** was deducted in AA-fees. Cumulatively, as of 31 December **2022**, US\$ **608,033** has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ **160,953** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **3,869,018** as of 31 December **2022**.

## 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.

## Annex. EXPENDITURE

Annex displays the net funded amounts, expenditures reported and the financial delivery rates.

### Annex. Expenditure

Project No. and Project Title	Participating Organization	Project Status	Total Approved Amount	Net Funded Amount	Total Expenditure	Delivery Rate %	
<b>Lebanon Recovery Fund</b>							
00065541	LRF-1 CEDRO (Phase I)	UNDP	Financially Closed	2,732,240	2,732,240	2,732,240	100.00
00065542	LRF-2 Support for livelihoods	UNIDO	Financially Closed	3,000,000	2,860,643	2,860,643	100.00
00065543	LRF-3 Early recov assist. for	FAO	Financially Closed	1,370,670	1,363,074	1,363,074	100.00
00065544	LRF-4 Early recov assist. to w	FAO	Financially Closed	1,900,000	1,892,411	1,892,411	100.00
00065545	LRF-5 Local Soc-Eco Recovery	ILO	Financially Closed	1,183,108	1,153,121	1,153,121	100.00
00065546	LRF-6 HR for digital doc. worl	UNESCO	Financially Closed	767,226	761,947	761,947	100.00
00065547	LRF-7 Enhance Performance of t	UNDP	Financially Closed	270,000	263,497	263,497	100.00
00065548	LRF-8 Increased Integration of	UNDP	Financially Closed	1,400,000	1,400,000	1,400,000	100.00
00065549	LRF-9 Flood/Water Mgt for Live	UNDP	Financially Closed	2,843,880	2,843,880	2,843,880	100.00
00065550	LRF-10 CEDRO (Phase II)	UNDP	Financially Closed	3,500,000	3,497,419	3,497,419	100.00
00065551	LRF-11 Strengthening the Dairy	UNDP	Financially Closed	1,000,000	999,556	999,556	100.00
00065552	LRF-12 Women Empowerment	UNFPA	Financially Closed	994,858	994,472	994,472	100.00
00065553	LRF-13 Soc-ec Rehab and Rec. o	UNDP	Financially Closed	996,919	996,919	996,919	100.00
00065554	LRF-14 Forest Fires Management	FAO	Financially Closed	2,600,000	2,325,977	2,325,977	100.00
00065555	LRF-15 Enhancing ICT in Educat	UNESCO	Financially Closed	22,170	22,170	22,170	100.00
00065556	LRF-16 CEDRO (Phase III)	UNDP	Financially Closed	3,772,827	3,768,779	3,768,779	100.00
00065557	LRF-17 Flood Risks Prev. and M	UNDP	Financially Closed	3,800,000	3,467,735	3,467,735	100.00
00065558	LRF-18 Recovery Coordination S	UNDP	Financially Closed	1,128,012	1,109,271	1,109,271	100.00
00070663	LRF-19 ART GOLD Lebanon	UNDP	Financially Closed	2,391,450	2,389,642	2,389,642	100.00
00070664	LRF-20 Support to Livelihoods	UNIDO	Financially Closed	1,500,000	1,498,457	1,498,457	100.00
00070696	LRF-21 Recovery and Rehabilita	FAO	Financially Closed	2,513,960	2,412,209	2,412,209	100.00
00070875	LRF-22 Local Socio Econ (Phase	ILO	Financially Closed	1,500,000	1,484,544	1,484,544	100.00
00071177	LRF-23 Hydro Agricultural Devt	UNDP	Financially Closed	2,000,000	1,904,897	1,904,897	100.00
00072096	LRF-24 Early Recovery of Nahr	UNDP	Financially Closed	2,500,000	2,486,651	2,486,651	100.00

00073340	LRF-25 M&E Team for the LRF	UNDP	Operationally Closed	746,304	739,504	739,504	100.00
00083004	LRF-26 Recovery and Rehabilita	FAO	Financially Closed	1,562,727	1,562,081	1,562,081	100.00
00085932	LRF-27 National Action Program	UNDP	Financially Closed	500,000	500,000	500,000	100.00
00086602	LRF-28 Reviving farmers' livelihood	UNDP	Financially Closed	700,000	700,000	700,000	100.00
00090567	LRF-29: Selected rapid delivery	UNDP	Financially Closed	5,802,053	5,728,379	5,728,379	100.00
00092321	LRF-30 International Awareness	UNDP	Financially Closed	121,017	114,402	114,402	100.00
00100930	LRF-31 Supporting Lebanon in M	UNHCR	Financially Closed	495,000	495,000	495,000	100.00
00105974	LRF-32 Access to sustainable e	UNDP	Operationally Closed	486,000	486,000	486,000	100.00
00122996	LRF-33 Productive Sectors Deve	FAO	On Going	1,765,491	1,765,491	882,252	49.97
00122996	LRF-33 Productive Sectors Deve	ILO	On Going	664,577	664,577	487,942	73.42
00122996	LRF-33 Productive Sectors Deve	UNDP	On Going	1,693,996	1,693,996	683,918	40.37
00122996	LRF-33 Productive Sectors Deve	UNICEF	On Going	516,893	516,893	516,893	100.00
00122996	LRF-33 Productive Sectors Deve	UNIDO	On Going	1,839,334	1,839,334	875,152	47.58
00122996	LRF-33 Productive Sectors Deve	UNWOMEN	On Going	930,319	930,319	641,618	68.97
00133476	Support the digitization of consumer protection services to reduce inequalities and vulnerabilities	UNDP	On Going	326,400	326,400	-	-
00133714	Coordinated UN Support to Parliament	UNICEF	On Going	149,800	149,800	-	-
<b>Lebanon Recovery Fund: Total</b>				<b>63,987,231</b>	<b>62,841,686</b>	<b>59,042,650</b>	<b>93.95</b>
<b>Grand Total</b>				<b>63,987,231</b>	<b>62,841,686</b>	<b>59,042,650</b>	<b>93.95</b>

## Contributors

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## UN Participating Organizations

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