

2017

**UNFPA as Administrative Agent  
Annual Report 2017**

# **Report Outline**

**Snapshot: UNFPA as Administrative Agent for pass-through Joint Programmes and Multi-Donor Trust Funds in 2017**

## **UNFPA Administrative Agent Report 2017**

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<b>SNAPSHOT: UNFPA AS ADMINISTRATIVE AGENT FOR PASS-THROUGH JOINT PROGRAMMES AND MULTI-DONOR TRUST FUNDS IN 2017</b>	
Size of portfolio: 19 JPs and 1 MDTF	Transfers to Participating Organizations: USD 33.03 million
Volume of portfolio: USD 41.86 million	Administrative Agent fee: USD 0.4 million
Number of participating organizations: 6	Balance held on behalf of donors as of 31 December 2017
Number of donors: 8	USD 23.81 million

## **UNFPA Administrative Agent Report 2017**

### **I. INTRODUCTION**

UNFPA continued in 2018 to actively work with sister agencies and take part in multi-stakeholder action that capitalizes on the consolidated strengths of UN entities under UN Development System pooled funding mechanisms, while leveraging further commitments from a broader range of stakeholders.

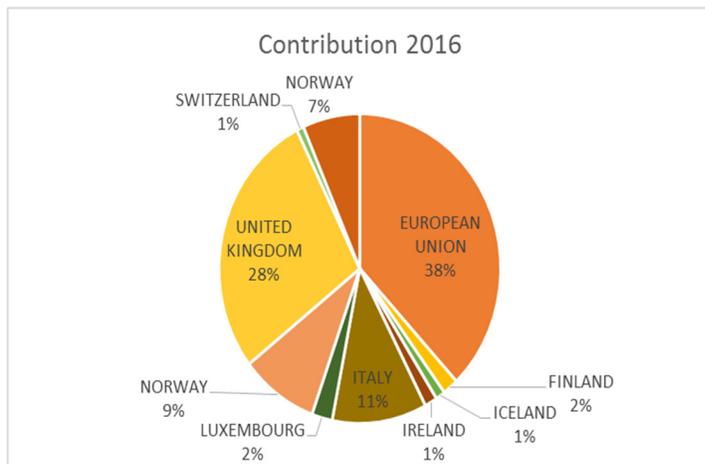
In 2008, UNFPA started to perform as an Administrative Agent (AA) for pass-through fund management. UNFPA's engagement as an AA is based on demand in joint programmes (JP) and in multi-donor trust funds (MDTF) where we are also participating agencies as well and are actively engaged in the design of the pass-through funds. These JPs cover areas critical to UNFPA's mandate, the three zeros – zero maternal death, zero unmet need for family planning and zero violence against women, including harmful traditional practices for adolescent and youth.

### **SUMMARY OF ANNUAL AND CUMULATIVE ADMINISTRATIVE AGENT ACTIVITY**

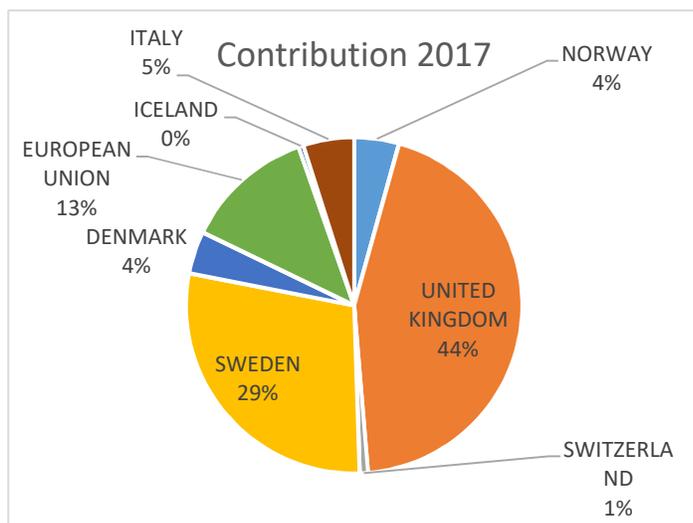
#### **II.1. Status of Administrative Agent portfolio**

UNFPA has entered into agreements to carry out the Administrative Agent functions for 42 Joint Programmes (JPs) as AA to date. The UNFPA AA portfolio experienced rapid growth for the period 2016 to 2017; with total deposits in 2017 being USD 41.87 million from a total deposit of USD 18.37 from 2016. This is important to note as deposits declined in 2015 by 66% compared to 2014, but started to rise again from 2016.

**Graph 1: The annual donor contributions 2017 to 2016 comparison**



2016	
Donors	Amount (USD)
EUROPEAN UNION	6976368.51
FINLAND	328227.57
ICELAND	200000
IRELAND	265392.78
ITALY	1997780.24
LUXEMBOURG	433839.48
NORWAY	1635514.02
UNITED KINGDOM	5177376.17
SWITZERLAND	152577.32
NORWAY	1205116.34
<b>TOTAL</b>	<b>18372192.43</b>



2017	
Donors	Amount (USD)
NORWAY	1807012.00
UNITED KINGDOM	18571413.78
SWITZERLAND	331098.50
SWEDEN	11974613.82
DENMARK	1712328.77
EUROPEAN UNION	5226480.84
ICELAND	197851.89
ITALY	2047781.57
<b>TOTAL</b>	<b>41868581.17</b>

## **II.2. Participating UN Organizations in UNFPA -administered funds**

In 2017, the following organizations and their partners worked together to deliver results in 2017: UNFPA, UNICEF, UN Women, WHO, UNAIDS and FAO.

## **II.3. Administrative Agent services delivered and achievements**

In 2017, UNFPA signed on to become the Administrative Agent for two major Joint Programs. The first one was on Improving Sexual, Reproductive, Maternal, New-born, Child and Adolescent Health in Mozambique and the second one was on Reducing Preventable Maternal, Newborn and Child Deaths in 10 High Burden Counties in Kenya. The remaining active funds for which UNFPA is the Administrative Agent for, were established before 2015.

During 2017, 100% of deposit recordings, due notifications, as well as transfers to agencies were executed within 3-5 days when all required documentation was provided and adequate funds available.

In 2017, majority of the financial statements were received from PUNO's on time.

As part of fund management services, UNFPA as AA provided advice during fund set up, liaised with donors and signed SAAs on behalf of PUNOs, provided guidance and resolved administrative problems during implementation, kept records of AA activities, shared information, consolidated and issued due reports.

## **II.4. Management results supporting administrative agent functions**

UNFPA has in place resources dedicated to the financial reporting of AA related activities. However, during 2016, the organization put in place strengthened mechanisms and further dedicated human resources for the fund management aspects of the AA function. Currently the AA information is available at <http://www.unfpa.org/joint-programmes-pooled-funding>, while UNFPA is working on the dedicated and improved external interface.

## **II.5. Financial analysis of administrative agent income and expenditure**

In line with AA protocol and the signed Standard Administrative Arrangements (SAA) and Memorandums of Understanding (MoU) for the individual funds UNFPA charges a standard administrative fee of 1 per cent of each contribution amount to meet the costs of performing the AA functions. There is always a delay between the receipt and utilization of such funds, the income being recognized all upfront while the related expenses are distributed and recognized across multiple years in line with the duration of the commitment.

UNFPA employs a number of staff through this funding to provide advisory services, make timely disbursements, accurate and compliant recording of transactions, and reporting on these funds. Disbursements made by UNFPA as AA to participating agencies was USD 33.04 million in 2017, although this amount was less than compared to USD 46.12 million in 2016. UNFPA's Administrative Agent commitments for currently existing funds run up to 31 December 2021.

In terms of sustainability and future volume, the size of the AA portfolio will be largely dependent on the shape of the broader financing architecture and associated funding mechanisms to meet sustainable development challenges central to UNFPA's mandate.

Year	AA Fee	Expenditure	Balance (USD)
2016	180,217.00	132,856,785.92	
2017	418,685.81	49,505,887.50	

### **III. Oversight**

Evaluations or audits on the Administrative Agent related financial information is included in the external audit conducted by the UN Board of Auditors. The choice of engagements included in the yearly internal audit work plan depends on the outcome of the audit risk assessment of UNFPA and the resources available to the Office of Audit and Investigation Services.

The audit of particular Joint Programmes or Multi Donor Trust Funds is subject to the Framework for Joint Internal Audit of Joint Activities of the UN system. So far, no indication from a Steering Committee for getting assurance on a particular JP or MDTF for which UNFPA is the AA (together with the funding for doing so) has been expressed. Notwithstanding the above, transactions recorded in the UNFPA books, including those related to JPs or MDTFs, are audited by the Board of Auditors.

### **IV. Lessons Learnt and Knowledge Management**

Plan is in place to develop a webpage dedicated for the AA function to provide both financial and normative information regarding the Joint Programmes for the donors and the general public. The webpage will be designed to provide information on expenditure by region and country.