

New York, 12 Aug 2008

Dear Colleagues,

As you may be aware, on 1 January 2009, the MDTF Office plans to introduce a web-based reporting portal through which the Participating UN Organizations can submit and view both financial and narrative reports related to all Multi-Donor Trust Funds (MDTFs) and Joint Programmes (JPs) administered by the MDTF Office. When serving the Participating Organizations as Administrative Agent, the MDTF Office performs functions detailed in the applicable MOU, which also includes consolidation of statements and reports received from the Participating Organizations for submission to donors.

In 2009, the MDTF Office will receive narrative and financial data for the 18 MDTFs it administers from about 35 different Participating Organizations in more than 70 countries. Currently, the Office relies entirely on manual receipt, processing, consolidation and synthesis of financial data and related information to produce the required consolidated progress reports.

The plan for the web-portal was presented to the MDTF Working Group that met April 2008 in Paris and has been discussed with some UN Organizations and users. It was also presented to a group of UN agency Senior Finance Officers that met recently in New York to discuss the IPSAS implementation. While the introduction of the system will rationalize current business practices, we also hope that the Participating Organizations will experience improvements in the services provided by the MDTF Office.

Financial report submission

The MDTF Office will implement an easy-to-use web-interface that builds on the already existing UNEX expenditure upload facility currently be used by some Agencies for UNDP Project Delivery Reports (PDRs). This interface will be modified to allow the Participating Organizations to directly upload expenditure data for pass-through reporting purposes as well. Participating Organizations will be able to upload, in one action, a single excel spread sheet containing *all* data pertaining to projects and programme administered by the MDTF Office.

Starting January 2009, the MDTF Office will only apply the financial reporting categories approved by UNDG Financial Policy Working Group in 2006 (todate, the UNDG 2003 categories have been applied for MDTFs established in 2004 and 2005). As you know these categories are as follows:

- 1.1 Supplies, commodities, equipment and transport;
- 1.2 Personnel (staff, consultants, travel and training);
- 1.3 Training of counterparts (accounts to be set in Atlas);
- 1.4 Contracts;
- 1.5 Other Direct costs;
- 2.0 Indirect Costs

For more information on these expenditure categories, see: [http://www.undg.org/archive_docs/8746-Harmonised_Financial_Reporting_to_Donors_in_JPs - Explanatory Note.doc](http://www.undg.org/archive_docs/8746-Harmonised_Financial_Reporting_to_Donors_in_JPs_-_Explanatory_Note.doc)

Narrative report submission

The narrative reporting will also be collected through the web-interface. Programme Officers will be able to submit – on-line – both the annual (or six-monthly) reports as well as periodic “quick updates” as decided by the relevant MDTF Steering Committee. This will allow all stakeholders to have access to all relevant information pertaining to each particular programme or fund in a user-friendly “dashboard” format.

Next steps

During the fall of 2008, in consultation with the UNDG Working Group on Joint Funding, Finance and Audit, the MDTF Office will schedule briefings and exchanges to inform users in the Participating Organizations about the roll-out and implementation of the reporting portal.

Furthermore, we kindly request you to periodically visit our web-page for more information on the new reporting portal: www.undp.org/mtdf

We would be grateful if you could share this information with staff of your organization (particularly regional and country offices) involved in the day-to-day operations of the MDTFs/JPs administered by the MDTF Office.

We look forward to working closely with you in the implementation of this project.

Sincerely,

(Signed)

Bisrat Aklilu,
Executive Coordinator

CC. Ms Debbie Landey, Director, DOCO
Mr. Joel Rehnstrom, Convener of the UNDG working Group on Joint Funding, Finance and Audit (UNAIDS)