



United Nations
CABO VERDE
Delivering as one UN



2013 ONE UN ANNUAL REPORT

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Foreword

Looking back at 2013 and having accompanied Cabo Verde's second forum on transformation; a forum that looked at new roads to implement the country's vision for 2030, my conclusion, as the UN Resident Coordinator in Cabo Verde is that Cabo Verde is at an important cross roads. One of the world's four LDC graduates, a SIDS in the Atlantic within easy reach of three continents, an archipelago spread over 10 islands with a sea surface 200 times greater than that of land and population of half a million with more than the double living in all parts of the world... It has a solid democratic track record, institutions and governance structures - a young nation ready for take off...

The ambitions of Cabo Verde are however impacted by the euro-zone crisis; traditionally most of the ODA for Cabo Verde has come from Europe and the fact that the "escudo" is backed up by the euro could also affect monetary stability. Cabo Verde has had to resist external chocks while at the same time face, not only a decline in ODA but also a decline in concessional loans as a result of its graduation out of the LDC category. Cabo Verde finds itself in the lower tranche of the middle income country category. After years of necessary infrastructure upgrade, investing in quality education, innovation and social cohesion are now national priorities that together with developing new processes and new markets to ensure growth will be critical for the country not to fall into the infamous middle income trap.

The crisis occurred as we were waiting to accompany Cabo Verde's "take off". The continued engagement of development partners is now key... To give an image, one could almost compare Cabo Verde with the "good student" who is being "punished" for advancing too quickly in its quest of a high performing socio economic model. We remain at the side of the state to respond to legitimate expectations in this changing global context. And we remain firm in our commitment to support reforms to modernize the state. The service sector is the backbone of the economy and we fully support the country's new strategy to improve the business climate, a major component of the country's competitiveness. We accompany the socio economic transformation of Cabo Verde as it goes towards improving effectiveness of the institutions to a state closer to its population, and remain present for continued dialogue and advice.

To see the country embrace integration with the African continent and emerge as an "International Platform, will mean anticipating its endemic ecological-environmental and resource vulnerabilities. That is why the equation; advance-preserve is so important.

This year, and in anticipation of our 40 year anniversary of UN presence in Cabo Verde in 2015, we will together with the government and national and international partners review and revise our programme (ie UNDAF) in Cabo Verde. This will open the opportunity to further deepen the dialogue, finding solutions together and balancing priorities with the perspective of constantly searching for "favorable winds" for the country and its people.

Ulrika Richardson
UN Resident Coordinator in Cabo Verde

Content summary:

In January 2006, in response to the Triennial Comprehensive Policy Review and ECOSOC, the Executive Committee of the UN Development Group (UNDP, UNFPA, UNICEF and WFP) and the Government of Cabo Verde established a Joint Office¹ in Cabo Verde - the only one in the world. The primary objectives were to achieve a more coherent Programme delivery at the country level and a significant reduction in the administrative and procedural costs.. While, WFP left Cabo Verde in 2010, the Joint Office of UNDP, UNFPA and UNICEF continues to date including with the vision to share its experience with other countries for replication.

In November 2006, the Government of Cabo Verde reiterated its commitment to pursue the reform efforts further and since 2007, Cabo Verde is one of the eight “Delivering as One” pilots worldwide. .

The following “ONE UN 2013 Annual Report” outlines the work and interventions of 18 UN agencies² that make up the United Nations family in Cabo Verde. The report is structured following the four thematic areas of the 2012-2016 UN Development Assistance Framework (UNDAF)³: (i) Inclusive growth and poverty reduction; (ii) Consolidation of institutions, democracy and citizenship; (iii) Reducing disparities and promoting equity; (iv) Environmental sustainability and adaptation to climate change. In addition to depicting the current context and major challenges, the report also shows the progress and major results achieved in 2013.

In each of the sections of the report, the reader will find also short examples portraying personal experiences and showing the impact that UN activities and programmes have on the population. Finally, the report includes a financial section detailing expenditures and delivery rates with regard to the 2013 One UN Programme in Cabo Verde, including those made within the framework of the Multi-Donor Trust Fund (MDTF) - Cape Verdean Transition Funds (CVTF).

Introduction

With the overall leadership of the Government, the UN, along with other development partners and in cooperation with a wide range of national partners, including the Parliament, civil society and private sector, have continued its support to the priorities defined in the Growth and Poverty Reduction Strategy III (GRSP III 2012 – 2016) as well as in the various sector strategies. The UN has a non-broken history of strong cooperation in Cabo Verde since the independence in 1975, initially primarily in service delivery in the field of food security, education and health as well as water and sanitation and reforestation, and more recently moving upstream to technical assistance on evidence based policy advisory support. Since 2013 and going forward, there is a need to continue to further develop the role of the UN in Cabo Verde as the country moves forward in its socio-economic transformation; continuously strive for how to equipping ourselves with the necessary knowledge and financial resources to more effectively and efficiently respond to priorities and accompany the country in its continued successful development path.

¹ *Cape Verde became the first pilot joint office of the UNDG Executive Committee agencies (UNDP, UNFPA, UNICEF, WFP) on 1 January 2006.*

² *UNDP, UNICEF, UNFPA, WHO, FAO, UNODC, UNIDO, UN-Women, UNHABITAT, UNESCO, , WFP, UNCTAD, ILO, UN-AIDS, , UNEP, UNV, OHCHR, ITC and IOM.*

³ *The UNDAF is the strategic programme framework that describes the collective response of the UN system to national development priorities.*

Since the graduation out of the Least Development Country (LDC) category in late 2007 and at the end of the transition period, official development assistance have changed with a decrease in grants and increase in net loans. For the UN system as a whole, it has also meant more limited access to financing and extremely limited resource mobilization possibilities. Financing in this new development phase calls for a stronger and diversified domestic economy that can create descent jobs and tap into international markets, increase effectiveness and efficiency in government spending, including on social protection, and the need to build new and consolidate old strategic partnerships with both traditional and non-traditional partners.

The country's is currently going through a significant demographic change: 15 to 30 years old represented around 33% of the total population in 2012. In 2030, the projections suggest that this number will drop to 23%. At the same time, unemployment rates among youth reached 32.1%, versus the national average of 16.8%, according to the latest statistics. The country is thus risking not capturing some of the demographic dividends. Youth unemployment, increasing school drop rates, relative high rates of inequality and crime rates has also added to the level of insecurity in the country. The UN is thus boosting its support to quality education, youth participation, job creation particularly for youth, , social protection, child and juvenile justice, and security issues, including combating drug trafficking and drug abuse.

In light of this, the UN Country Team, during its retreat in mid 2013, involving senior regional representatives of agencies active in Cabo Verde, held a round table discussion with senior government representatives (including 8 ministries) to exchange views and ideas around youth in Cabo Verde. This senior level exchange culminated in the signing of a Memorandum of Understanding on Youth between the Government and the UN in November 2013. Within the scope of this MOU, a National forum on Youth is expected to be organized in 2014 to identify strategic and focused interventions on Youth. The Forum will also define the coordinated interventions in the area of youth of Government, the UN System and development partners in Cabo Verde leading eventually to a sector wide programme on youth.

In the last two years, the UN increased its support to the development of the creative sector in Cabo Verde, one of the priorities for the government in terms of job creation. In this regard the UN continued its technical support regarding the submission of a proposal for Tier II funding within the Enhanced Integrated Framework⁴ and with the view to promote the creative sector as a competitive trade sector. Consultancies supported by the UN were conducted on tourism development and on creative sector. Considering the importance of tourism for the Capverdian economy and its integral linkage with creative industries, several UN agencies will strengthen its support to the sector with a view to strengthening its diversification, sustainability and contribution to the local economy. In addition the UN assisted on the organization of an international seminar on creative economy and youth employment in Cabo Verde with the participation of various Ministries and experts from the region.

The UN is also working on value chain development and entrepreneurship related to creative economy. Under the leadership of the UN an informal working session was held in Praia with several UN agencies, the World Bank, the African Development Bank and the Ministry of Foreign Affairs, with a view to better coordinate interventions and achieved results in this domain.

⁴ EIF is a multi-donor programme, supporting countries accessing the global trading system by helping them tackle supply-side constraints to trade. In this way, the programme works towards a wider goal of promoting economic growth and sustainable development and helping to lift more people out of poverty.

It is worth noting that in mid-2013, Cabo Verde was featured in the Global Aid for Trade Review in Geneva for its trade and creative sector strategy. This strategy was developed by Cabo Verde with UN support. Part of the case study included the impact of the first edition of the Atlantic Music Expo (AME) in Cabo Verde in 2013. AME was partially financed by the UN, who viewed this opportunity as seed money to promote the creative sector for job creation among other donors. The participation of Cabo Verde at the Global Aid for Trade Review in Geneva and the success of AME increased significantly the interest of donors to fund interventions in the sector. Private sector sponsorship has also increased reflecting the importance of this sector to tourism and the local economy.

With a view to improve government planning and M&E system, the UN is facilitating, through South-South Triangular Cooperation, the exchange of technical expertise on Program-based Budgeting and on the consolidation of the career plan in the Public Administration, in support of the Government's agenda on public administration reform. In addition, the UN is supporting the country's statistical agenda, in particular on critical surveys focusing on employment, life conditions, migration, gender and governance related data, aiming to improve the Government's ability to monitor development and poverty indicators and to plan public policies more effectively.

On social protection, the UN is supporting Cabo Verde in improving the integration of social protection and growth strategies to promote social safety nets and break persistent high levels of inequality while improving government social spending. In this regard, the UN, through a south-south partnership is supporting the development of a cash transfer program and a single registry mechanism.

The country has made significant advances to promote gender equality. Despite the recent gains, women in Cabo Verde still live in a situation of inequality in terms of workload, income and participation in decision-making. One of the main contributions from the UN system has been to support the development of a new law on gender based violence, which was approved in 2011. The work during 2013 has consisted of building the necessary institutional and individual capacities for an effective implementation of the law. Much progress is being seen, from increased number of reports to public debates, media attention and activism to continue sensitization of society and involving more and more women and men in the fight against gender based violence.

Regarding health, the UN supported the Government in 2012 to conduct preparatory works to elaborate key strategic documents, such as the National Health Development Plan (PNDS) and sectorial strategies on HIV/AIDS or malaria. The work in 2013 focused on the implementation of these strategies. For instance, Cabo Verde conducted a national vaccination campaign against measles, rubella (MR) and congenital rubella syndrome, a first in the history of the country. In addition, 2013 marked a major event with the signing of the National Compact for Health, which engaged all relevant stakeholders to coordinate interventions on health.

As a Small Developing Island State (SIDS), the country faces intrinsic social, economic, and environment vulnerabilities that could threaten the country's ability to continue to grow and reduce poverty. To this end, the UN is providing support to Cabo Verde's contribution to the upcoming SIDS conference in Samoa in September 2014.

Climate change as an irreversible trend will likely to affect the country's climate and sea-level. Besides, sustainable development is central to Cabo Verde's long-term growth strategy because of the need to manage the existing limited resources. Taking into consideration the vulnerability of the country to climate change (water scarcity, land degradation, erosion etc.), the UN is supporting the implementation of an innovative integration of climate change adaptation and mitigation approaches, including not only disaster risk reduction, preservation of natural habitats, water and sanitation sector reforms but recently also on institutional capacity building in the form of hazard assessment and mapping, early warning system and response mechanisms. UN also supports energy efficiency through renewable-energies; advancing energy efficiency goals is essential for the country to achieve its ambitious

target on 50% renewable energy by 2020 and 100% by 2030. UN agencies are also supporting the development of an agribusiness sector, including the management of the natural resources.

The Cape Verdean authorities have increased their efforts to address challenges related to drug trafficking, money-laundering and its consequences, such as youth delinquency and urban insecurity. In this regard the Government is taking the necessary steps to strengthen the rule of law and the criminal justice system as well as working with prevention and treatment of drug users and their rehabilitation and reintegration into society.

Overall, the Government of Cabo Verde has achieved important results in tackling the problem of transnational organized crime by strengthening the institutional capacities, its legal framework and the international judicial cooperation. The support from both the UN and the international community has been key in consolidating the gains achieved in the recent years.

Pilar 1: Inclusive Growth and Poverty Reduction

1. Background:

Cabo Verde's economy benefited from a sustainable and stable socio-economic growth as well as financial performance in recent years, despite its structural weaknesses and vulnerabilities. The country is currently facing a number of economic challenges, at both the macro and micro-economic levels due to its vulnerability to external shocks generated by the international financial crisis of 2008 and particularly by the crisis in the Euro zone.

Since 2009 the economy of Cabo Verde has seen a decrease in foreign direct investment, in exports of goods and in official development assistance (ODA). Also, reduction of interest rates in Europe, due to the depreciation of the Euro and the downgrading of European financial institutions is having an impact on the earnings on the country's reserves, which are mostly invested in the Euro zone.

Despite the implementation of a counter-cyclical fiscal policy, the reduction of key sources of funding for the economy has resulted in significant slowdown of the economy. GDP growth fell from 6,7% in 2008 to 2,5% in 2012.

According to the "Employment Survey" conducted in 2012 by the "Instituto Nacional de Estatística" (INE), unemployment rate is 16,8% (from 15.3% in 2007 and 10.7% in 2010), affecting in particular youth (32.1% for 15-24 old).

One of the most critical concerns for the future development of Cabo Verde is youth. The country is going through a demographic change, where fertility rates are decreasing and active population is increasing. The population from 15 to 30 years old represents about 33% of the total population.

In terms of inactivity, marked gender disparities exist: 43.4% of women against 31% of men. Women are particularly vulnerable to socially undervalued, low paid and insecure work. According to the *Time Use* survey (2012) unpaid work represents 74% of total work in the country. For women, unpaid work represents 68%, which is twice of men. Almost 42% of adult women are dependent on their families and for 23% of women, family responsibilities are a limiting factor to entry into the labour market.

In Cabo Verde Small and medium enterprises (SMEs) represents more than 90% of the private sector; diversifying their productive base and enhancing their competitiveness continue to represent a major challenge in order to sustain significant growth and respond to an increase of the active population. In fact, significant efforts have been made to improve the business environment, to reinforce the private sector and attract new foreign investments, as a way to diversify the labour market. In this regard, Cabo Verde was one of the top performers in the Doing Business (DB) rankings for 2011 and 2012, with the country's overall position rising from 142nd in 2010 to 121st in 2014.

2. Progress and results:

- Within the framework of the country's new national policy on food security the UN supported the Government to develop an action plan on food security and nutrition covering the period 2014-2016. In addition a number of key studies⁵ were conducted proposing innovative alternatives to develop Cabo Verde's primary sector economy (aquaculture, mariculture, hydroponics and management models on rural infrastructure).
- To promote the development of agribusiness and agriculture value chains, the UN in collaboration with the Ministry of Rural Development (MDR) provided technical and financial assistance to install 16 pilot hydroponic units in six islands (Santiago, Santo Antão, Sao Vicente, Sao Nicolau, Boavista and Fogo). This intervention benefited women, young entrepreneurs and 20 technicians from the MDR. Also, 15 women from rural areas, Aloe Vera soap producers were trained on business management and improved production techniques. The trainings, carried out during a period of six months contributed to create a forum for exchange of experiences on production and marketing.
- In partnership with the "Instituto Nacional de Desenvolvimento das Pescas" (INDP) and the University of Cabo Verde (UnicV) the UN installed at the UnicV three (3) units of aquaculture to grow red and Thai tilapia for a new master course on Aquaculture starting in 2014.
- The UN "*Joint programme on food security and nutrition in the schools*" contributed to improve the quality of school meals for 6,430 students of primary schools from 17 schools of (two) 2 islands (Santiago and São Vicente) introducing fruit and vegetables. This had an impact on the local economy through the procurement from local producers of 8.622 kg of vegetables, 12.790 kg of fruit and 2.044 kg of fish. The programme is also contributing to improve the quality control of fresh product through strengthening the capacities of 77 suppliers and 21 inspectors from the MDR.
- Technical support was provided to the State Reform Coordination Unit (UCRE) to define and implement a M&E system to improve the business environment within the programme "Mudar para Competir", which looks at modernizing the state, rationalizing institutions and simplifying administrative procedures.

⁵ (i) "Plano de Acção para o Desenvolvimento da Aquacultura em Cabo Verde; (ii) "Estudo sobre o Desenvolvimento da Maricultura em Cabo Verde"; (iii) "Modelo de Gestão de Água das Barragens em Cabo Verde"; (iv) "Modelo de Gestão de Centros Pos-Colheita em Cabo Verde", (v) "Modelo de Gestão do Centro de Culturas Hidropónicas e Protegidas".

- In order to improve the performance of public institutions and within the framework of the project “Quality services enhanced in the Public Administration” 30 managers and technicians from different public institutions were trained on Common Assessment Framework (CAF) methodology. In addition, technical assistance was provided to two institutions: (i) General Directorate of Industry and Trade; and (ii) Registry, Identification and Notary that allowed the elaboration of their own self-assessment reports and improvement plans to be implemented in 2014.
- In support of the Micro, Small and Medium Enterprises (MSME) the Agency for Enterprise Development and Innovation (ADEI) elaborated with UN assistance a Venture Capital Fund Feasibility Study. This innovative financial tool is expected to facilitate Micro, Small and Medium Enterprises in Cabo Verde access to finance.
- Within the framework of the Resolution on Good Governance of Public Enterprises, CV Telecom a public-private joint venture company signed a memorandum with the Instituto Cabo-verdiano para a Igualdade e Equidade (ICIEG) to adopt a gender agenda in its business plan. In this regard the UN supported CV Telecom to conduct a gender diagnosis and elaborate the gender plan for the company. This pilot initiative is expected to be replicated among other companies. In addition, CV Telecom has provided a free hotline for members of Rede Sol, a network for GBV victim’s assistance.
- Within the Enhanced integrated framework, which supports Cabo Verde to tackle supply-side constraints to trade in view of promoting economic growth and sustainable development, three studies⁶, which include recommendations to support the Government in exploring new opportunities on the tourism and creative industries sectors.
- In addition, the UN conducted an assessment for a future project targeting young adults aiming to reinforce the decent work in Cabo Verde through music activities.
- Following the decision from the Government to orient the development strategy to support job creation through the creative economy Cabo Verde was selected a case study in the Global Aid for Trade held in Geneva.
- A learning module: “Generate Your Business Idea” was developed for public and private institutions dealing with vocational training to assist youth and women engaged in micro and small business.
- In partnership with the Office of the Prime Minister, an international forum on Social Protection and Inclusive Growth was organized in Praia. The forum resulted in a national consensus around the vision of social protection as a strategy for long-term development.
- UN supported studies that helped the Ministry of Youth, Employment and Human Resources Development (MJEDRH) to provide evidence on the impact of social transfers, and its social benefits versus public expenditure in the medium and long term. In this regard the Government requested UN’s assistance to design a proposal for a social transfer program. With a view to promote social inclusion and

⁶ *“Tourism Development in Cape Verde: Elevating a National Treasure”, “Cape Verde’s Creative Economy: Leveraging Culture and Creativity for Sustainable Development” and “Creative Economy, copyright and digital distribution: A sustainable proposal for Cape Verde’s music industry”.*

reducing disparities, the program will help the government to rationalize public expenditure and increase the efficiency of social welfare. South-south cooperation brought partner institutions from Brazil⁷ for the initial discussions.

Since Cabo Verde's independence the distribution of hot meal in the schools has always been a state policy. In 2010, the Government took over full financial responsibility of the school canteen program ensuring the distribution of daily meals to about 90,000 students from public primary schools and kindergartens; making it the first nationally-owned school feeding programme in West Africa. In support of this policy the UN defined a joint programme¹ looking at improving the quality and diversity of the student's diet while promoting the use of food products produced locally.

Mrs. Arlinda Andrade, manager of a primary school located in Assomada (Santiago Island), says: "With this program we saw several benefits. The food that our students eat today is different and richer. Our school is now part of the network of schools promoting health and citizenship. I can say that we already noticed a change even at the level of behavior of the students. "

Mrs. Andrade believes that the program helps to strengthen the links between the school and the local community. "Two weeks ago we did a training to bring closer the school to the community. With this programme we are not only dealing with nutrition but about improving living conditions of our students. Thanks to this training families, mostly vulnerable, learned how to make different kind of breads (i.e. onion, garlic, carrot, etc..) so that they will be able to improve the diet afterwards at home and can sell these products as an extra income for their families".

This programme is contributing to change social behaviors on nutrition and represents a transition from "fighting against hunger" to "learn to eat". The Program expects to reduce the rates of food insecurity, malnutrition as well as to reduce the school drop-out rate.

Pilar 2: Consolidation of institutions, Democracy and citizenship Inclusive Growth and Poverty Reduction

1. Background:

In recent years, the Government of Cabo Verde has engaged in an extensive program of state reform aiming to improve the performance of public administration in order to meet the new challenges of development. In this regard the priority is focused on setting up a performing planning and M&E system to ensure the efficiency and effectiveness of public policies in order to achieve the results as defined in the national development strategies.

⁷ Instituto de pesquisa economica aplicada- IPEA and Centro Internacional de Políticas para o Crescimento Inclusivo (IPC-IG) /UNDP)

Cabo Verde is well positioned on several international indexes and reports on transparency, good governance and Human Rights. However, this international recognition requires continued efforts to ensure sound public management. The Government is currently implementing the Medium Term Expenditure Framework on public finance reform. Cabo Verde has demonstrated positive trends regarding the indicators of the Public Expenditure and Financial Accountability⁸ (PEFA), performing positively on 24 of a total of 28 indicators. However challenges remains to improve the existing public accounting system as well external control institutions. In this regard the UN is working to strengthen control institutions such as the General Finance Inspectorate, the Procurement Agency, the Court of Auditors, and the Parliament.

A major concern for the development of Cabo Verde is related to security issues. In this regard important investments have been made to reinforce national capacities on counter illicit trafficking and organized crime, especially on the fields of border control and illicit goods detection, anti-money laundering and counter financing of terrorism and forensics. Special attention needs to be given to upgrade law enforcement mechanisms.

Global, regional and national trends on drug abuse reveals new challenges related to youth health and potential drug-related criminal behaviour. Preliminary data found that over 7% of Cabo Verdeans aged between 15 and 64 have used illicit substances sometime in their lifetime, while alcohol is clearly the most used psychoactive substance among secondary school children. In addition, a monitoring survey on crime perception in the city of Praia shows a slight decrease of 3% in crime victimization rate compared with 2012.

As a small island in development, the issue of population dynamics is critical for planning development policies. The reduction in the fertility rate poses new challenges and demands for a change on public policies and strategies, so the country can benefit from this demographic bonus in the coming years. In this regard, the UN advocates to include this into development plans and strategies. As an example, Cabo Verde adopted since the International Conference on Population and Development Programme (ICPD) the concept of sexual and reproductive health. In relation to this the National Health Plan (PNDS) adopted in 2013 integrates population issues.

The production and availability of data remains a major challenge for planning and decision making of public policies. In this regard, the UN is supporting the Government to develop sectorial information systems and improve the national statistic system. The UN has played a major role advocating bringing international development partners to provide support to strengthening the national statistical system. As a result IFAD, African Development Bank and the EU committed funds to support the National Statistics Institute (INE) to conduct key surveys in 2014⁹. The country is one of the twenty countries in Africa that has included issues related to governance, peace and security in the official statistics through the Strategy for the Harmonization of Statistics in Africa (SHaSA).

Strengthening the technical capabilities of public health services is another area where UN is providing support, particularly strengthening institutional capacities. Cabo Verde signed the Global Compact for the International Health Partnership (IHP+) in 2012. This global initiative, launched in 2007, aims to improve the alignment and coherence of aid for health development. As a follow up, a National Pact for health was signed in 2013 to align health stakeholders to ensure a coordinated implementation of the National Health Plan (PNDS).

In relation to the CEDAW's recommendations, a special parliamentary session was held on 25 November 2013, as the central act of the International Day for the Elimination of Violence Against Women, with the participation of political decision-makers, ministers, President of National Parliament, UN Resident Coordinator, President of ICIEG, parliamentarians, Civil society organization's representatives, women and human rights activists.

⁸ *The Public Expenditure and Financial Accountability (PEFA) Program was founded in 2001 as a multi-donor partnership between seven donor agencies and international financial institutions to assess the condition of country public expenditure, procurement and financial accountability systems and develop a practical sequence for reform and capacity-building actions.*

⁹ (i) *Demographic and Reproductive Health Survey* and (ii) *Household, expenditure and consumption Survey*

2. Progress and results:

- Upon the request of the Government, the UN supported the elaboration of a new political parties law.
- UN assisted on the organization of a Parliament Reform Forum, where functioning of Parliament was at the center of the debate. UN also supported the Women Parliamentarians Network advocating on issues related to gender equality and gender based violence. In this regard the UN promoted exchanges of experiences with parliamentarians women from Brazil to discuss gender sensitive budgeting, which will help the discussion of State Budget for 2014.
- In support of the election's organization NOSI's(Operational Cell for Information System) capacities were enhanced to manage the electoral data base by improving the security of the audit system. In addition a General Directorate of Electoral Logistics Strategic Plan and Strategic Plan to NGOs platform was elaborated to ensure transparent elections and promote participation of civil society
- The United Nations supported Cabo Verde to submit relevant Human Rights reports (e.g. the report on the International Conference on Population and Development). In addition the National Plan for Human Rights covering the period 2014 to 2018 was elaborated and is pending approval from the Council of Ministers. Also, members from the National Commission on Human Rights visited prisons in the islands of São Vicente, Santo Antão and Sal.
- An awareness campaign on the ratification on the Optional Protocol to the International Covenant on Economic, Social and Cultural Rights in Cabo Verde was conducted. This campaign included the distribution of three thousand (3.000) booklets in all country's municipalities as well as the production and dissemination of one spot in radio and television.
- Technical support was provided to ensure the production of decent work indicators over the period 2000-2012. The data contributed to the development of the first draft of the Decent Work Country profile with a focus on the 5 MDG indicators related to full employment.
- Government, unions and the private sector signed and signed an agreement on the introduction of a minimum wage of 11,000 escudos in the country. This agreement was adopted by the Council for Social Dialogue in the deliberation N° 02/2013 of 28 June 2013 and will enter into force on 1 January 2014.
- Following the establishment of the National Commission of Collective Bargaining and the adoption of a collective agreement on wages and working conditions in 2012, the UN continues to support the Government and the social partners to comply with the ratified International Conventions and Recommendations on labour issues. In this regard, 48 tripartite constituents were trained on social dialogue and mediation and the right to strike in essential services.
- In addition, a roadmap was adopted by the Government on the proposal for tripartite constituents to try to resolve the issue of a minimum service in essential services during strikes.

- Technical support was provided to the formulation of the country profile regarding Safety and Health at Work (SHW) to assist constituents to draft the future national policy on SHW.
- Cabo Verde has new and updated data on drug use and urban crime as a basis for planning public policies to prevent and combat these phenomena. The UN supported the Government conducting two pioneer studies on 1) the Prevalence of Psychoactive Substance Use in the General Population; and 2) the Prevalence of Psychoactive Substance Use among secondary school settings as well as a monitoring study on crime in the capital city of Praia .
- Operational capacity of law enforcement institutions has been strengthened to prevent and combat organized crime. Police officers and prosecutors received training and mentorship in the fields of toxicology, neighborhood policing and investigation management. This activity falls within of tripartite cooperation framework involving the UN, the Government and the Netherlands.
- Border control and operation of the joint airport interdiction unit were reinforced with the acquisition of an X-ray scanner for the international airport of Praia. Computer Based Training continued in 2013 with an additional 120 national police officers being trained in November 2013, totalizing around 300 the number of officers trained since 2012.
- The National forensic capacity to conduct drug analysis has been upgraded as the country's forensic laboratory (LPC-CV) benefitted from a number of UN-supported technical assistance including mentorship and acquisition of specialized lab equipments.
- Within the framework of the UN Convention against Corruption, and as part of the National Anti-Corruption Action Plan, a management tool (Plan of Integrity), aiming at mitigating corruption risks was launched by the Minister of Interior. This pioneer initiative is meant to be replicated among other sectors.
- At the International Day against Drug Abuse and Illicit Trafficking (26 June), the UN partnered with NGOs and CBOs organizing awareness campaigns to prevent drug use and uncivil behavior, particularly among youth.
- As part of the government's on-going effort to reform the criminal justice system the UN is working with national authorities and the USA towards the adoption of the plea bargaining mechanism as a means to accelerate the administration of justice. In addition, the capacity of the judiciary on criminal and oversight matters was strengthened thanks to two training events held in Lisbon, involving the participation of 9 magistrates.
- As a response to issues related to child justice, a UN joint programme on justice for children started in the second half of 2013 with the aim of i- developing an integrated information system; ii- capacity building of relevant institutions dealing with justice for children; and iii review of the legal framework.
- On migration issues, the UN supported the Ministry of Communities to elaborate a National Strategy for Emigration and Development. In addition a multi-disciplinary Committee was created National to support its implementation.

- As a result of the analysis and mapping the child protection system and the diagnosis of childcare centers, conducted in 2013, a work plan with a set of recommendations started to be implemented to improve the quality of service and response of the child care centers, and in particular to emergency child care centers.
- After eight years the Statute of Children and Adolescents was approved by the National Assembly. In addition, a revised version of the Code of Civil Status, which dated from the sixties, was approved. The revised code will significantly improve the legal framework for women and children, particularly with birth registrations.
- As a result of the round table on youth led by the Ministério da Juventude, Emprego e Desenvolvimento dos Recursos Humanos (MJEDRH) in 2013, the Government and the UN signed a Memorandum of Understanding to coordinate interventions on youth.
- The results of the census of youth organizations were presented in 2013. This will allow youth organizations to improve their organization and their participation in the political and social life.
- The results of the census on education and the database on education were presented. These will improve the planning of public policies on education taking into consideration the profile of the students and issues related to disparities and inequalities.
- In preparation to the 2014 Agricultural Census, an estimation model for agricultural production and a tool for data collection were produced.
- In terms of urban development, Cabo Verde concluded the first phase of the Participatory Slums Upgrading Program (PSUP) with the completion of 23 Urban Profiles of cities from all the municipalities in the country¹⁰. The urban profile provides a concise overview of the main issues facing the cities in terms of shelter, social and economic development, environmental management and governance. In addition a Memorandum of Understanding concerning the second phase of the PSUP was signed. This second phase to be implemented in 2014/2015 will focus on (i) assessing the situation of the slums, (ii) within the project “Bairros creativos” build capacities of communities from selected human settlements on Sustainable Urbanization and a resource mobilization strategy for upgrading slums.
- The Joint UN Programme on Food Security and Nutrition at Schools contributed to install school gardens for educational purposes in 54 schools in 8 inhabited island, excepting Boa Vista. In addition a total of 355 teachers and technicians from the Ministry of Rural Development were trained on school gardening and 43 teachers on basic agriculture. 34 school canteens were equipped in 5 islands. 50 cooks and teachers responsible for the school canteens were trained on food hygiene and healthy feeding.
- Preparation works to develop the methodology to conduct two (2) key surveys (i) Demographic and Reproductive Health Survey and (ii) Household, expenditure and consumption Survey. In addition 6 modules of the Multi-objective Continuous Survey (IMC) were conducted in 2013. The Survey which provides updated data on employment, living conditions, family habits, migration; as well as peace, security and governance has been collected and will be available during the first quarter of 2014.

¹⁰ *Praia; Pedra Badejo; Espargos; Achada Igreja; Assomada; Calheta; Cova Figueira; Cidade de Santiago de Cabo Verde; Cidade de Igreja; João Teves; Mindelo; Ponta do Sol / Ribeira Grande; Pombas; Porto Inglês; Porto Novo; Ribeira Brava; Sal-Rei; S. Filipe; Tarrafal de Santiago; Tarrafal São Nicolau; Várzea da Igreja and Vila Nova Sintra*

- With UN support, 75% of youth centers in the country provide sexual and reproductive services, counseling adolescents on reproductive health, including HIV - AIDS.
- Time Use module was integrated in the Employment Survey, contributing to sustainability of data collection and the periodical monitoring of time use indicators.
- Integration of Human Rights and gender standards on the Second National action plan against Gender Based Violence (NAP); and on the dissemination of CEDAW recommendations combined report (7th and 8th).
- With regard to Gender-Based Violence (GBV) and GBV Law trainings were conducted in 8 islands and 14 municipalities, involving the participation local authorities, NGOs, community associations, decentralized sectors (education, health, etc.). The GBV Law was regulated. An inter-sectorial committee for implementing the Law was established. A protocol of procedures as well as a guide for assisting victims of GBV for the National Police (PN) were finalized and launched.
- With UN support, the Ministry of Justice in partnership with ICIEG has developed a pilot initiative to work with GBV offenders. This innovative programme involves several justice stakeholders and, covers currently 10 out of 16 judicial districts of the country.
- The UN in partnership with ICIEG trained 39 women candidates (both elected and not elected) from the municipalities of Praia and Calheta de São Miguel on gender and women's political participation in view of strengthening the capacities of representative women leaders.
- The performance of the epidemiological surveillance of acute flaccid paralysis (AFP) has been improved, reaching 100% of complete and timely reporting, within the global polio eradication strategy.
- UN support was provided on the preparation of a National Plan of Action for Road Safety 2011-2020. During the forum, national and international partners were sensitized in view to further advocacy and resource mobilization for the implementation of the action plan.
- The country was one of the five countries selected in the African region was selected at the global level to receive technical and financial support for the development of a multi-sectorial plan 2014-2020 to combat Noncommunicable diseases (NCDs), responsible for more than 50% of deaths in the country.
- In view of improving the management and planning of Human Resources in the health sector, an assessment study was conducted looking at the norms and international standards, concerning in particular the allocation of health personnel.
- Technical support was provided to the General Directorate of Pharmacy and Medicines (DGFM) through continued training and draft of legislation, namely a law on prescription of medicines, which was approved by the Government in 2013. Technical support was provided to the DGFM to submit two proposals to the French Government funded initiative "5% on AIDS Tuberculosis and Malaria", which were finally approved, totaling 300.000 USD.
- In addition support was provided to the Agency on Supervision and Regulation of the Food and Drug (ARFA) in establishing a center for pharmacovigilance.
- The UN assisted the Ministry of Health in defining and implementing a new integrated Health Information System and management (SISG). The SISG provides technical and operational support in the definition and operation of an alert system, with early detection and effective response to epidemics, the information systems of the programs, such as, immunization, HIV/AIDS, malaria and tuberculosis, the information

system on causes of disease (10th International Classification of Diseases) and the system information about nutrition and food-borne diseases.

Vidjey at work with his kids

Born out of the desire to counteract street violence and school dropout, Juceliano Vieira (Vidjey) and his friend Pedro decided in 2012 to start a school support project where children from the age of 6 to 10 can have a safe space outside the school environment where they are provided at the same time with scholar support and are provided with opportunities for social interaction through sports activities. The project is specifically targeting children coming from four of the most vulnerable neighborhoods of the city of Praia: Moinho, Lem Cachorro, Achadinha Pires and Vila Nova.

“These neighborhoods are very complicated because of violence amongst young people. Youngster stop to go to school and afterwards they spend too much time in the streets creating problems for all our community” says Vidjey. “Children living in these neighborhoods are continuously exposed to violence not only within their neighbors but as well within their families’ members, schoolmates and peers” he continues. “We decide to develop and implement this project as a small contribution to support the well-being and safety of the children of these vulnerable communities”.

To date, 66 children of primary school are benefitting from this project. *“With the work we have been doing I noticed that our students are progressing well in school. Eventually we are thinking to introduce music classes. More over the longer they are busy in such activities the longer are not exposed to street violence”.*

The project’s main objective is to ensure that children living in these neighborhoods have a safe space where they can benefit of scholar support as well as offering recreational activities such sports.

“Now that many children are attending the classes, we face another challenge: we don’t have enough classrooms or teachers, continues Vidjey, “Each of the classrooms has a maximum capacity of 30 children, but we have so many children that would like to attend the classes, but we cannot with these conditions.”

This project is co-financed by the National Volunteer Corps through the Cape Verdean National Volunteer Program, - a project executed by the Ministry of Youth in partnership with the United Nations Volunteers Programme through the United Nations and the NGOs Platform- which in 2013 launched a competition to submit innovative volunteer projects.

Pilar 3: REDUCING DISPARITIES AND PROMOTING EQUITY

1. Background:

With a population of approximately 494,040 people, children aged 0-17 years old account for over 40% of the total population. According to demographic projections in 2030 this rate will go below to 30%. Currently, 60% of children live in urban areas¹¹. According to 2010 data, 45% of the population has a low or very low access to basic goods and equipment, of which 62% lives in rural areas.

Cabo Verde has made significant achievements with regard to school enrollment rates reaching 89.9% for children aged between 5-17 (88.9% for boys and 90.9% for girls). The data shows that enrollment rates for children aged 6 years are 96 % and 68% for those aged 17, with significant differences between girls and boys (58.9 % of boys and 77,2% of girls). Although 86% of children attend preschool, there are significant disparity between islands, but also between urban (82%) and rural areas (90%). A study indicates that non attendance to preschool attendance on children's development: non- preschool is associated with lower scores of cognitive skills from 9 to 14 points¹². The UN is supporting the country in the elaboration of the Early Childhood Development Program that aims to increase the access and quality of pre-school.

A survey on child labor in Cabo Verde conducted in 2012 shows that the prevalence of child labor in the country is 7.1%, among which over 90% of the work is considered to be prohibited by ILO standards. Furthermore, approximately 34% of working children do not attend school.

Regarding social protection, the country has made significant efforts to increase and extend protection either through social insurance, social assistance or social services provision. Nevertheless, an analysis of social security programmes performance¹³ also reveals that a number of social protection deficits still persist. The consolidation and strengthening institutional capacities is key to guarantee the extension of comprehensive social security coverage.

The country is undergoing through an epidemiological transition, which is a challenge in terms of adequacy of services and human resources. The strategy of expanding health services had an impact on maternal mortality rate which stands at 9.6/100,000 and on child mortality indicators which stands at 22.3 /1000 live births in (2012).

A number of challenges persist, in particular on the peri-natal mortality which represents more than the 50% of the total child mortality rate. In this regard the UN is supporting the Government in the establishment of a task force to accelerate MDGs. In addition, the first ever national vaccination campaign against measles, rubella (MR) and congenital rubella syndrome was conducted in 2013, reaching over 98% of the target population.

Fighting against HIV/AIDS, the concerted efforts of national and international institutions, the country provides a multisectoral response with positive results. 31.4% of girls and 10.8% boys (aged 15-24) were tested and received results (2012). In addition 68.5% of women and 77.2% of men reported to have used a condom at their last high-risk sexual intercourse. 91.3% of men and 90.8% women are informed that condoms are a means of prevention of HIV-AIDS and over than 97% of pregnant women are screened.

¹¹ INE – Census 2010 et Demographic Projections

¹² Study on Children skills on the first year of primary – UNICEF/MED 2013

¹³ A Protecção Social em Cabo Verde; situações e desafios, ILO 2012

According to the first study on drug use prevalence conducted in 2013 the lifetime and annual drug use prevalence among the general population is around 7.6% and 2.7%, respectively. Consistent with the regional and global trends, cannabis is the most used drug in the archipelago (7.2%) followed by cocaine (0.9%). Among cocaine users, crack cocaine users are the country's major problematic users with visible impact at security and public health level. The study on HIV-infection prevalence among Drug users conducted in 2013, noted a slight increase in relation to 2011 prevalence moving from 3.6% to 3.9%. Drug treatment requires improvements in terms of quality and a more integrated response.

In 2013 a strategy to enhance recognition and appreciation of volunteers' contribution to the country development was adopted and a Ministerial ordinance regulated the "Volunteer Passport". The challenge remains on how to volunteer's passport becomes valid for employment and other socio-economic benefits and the sustainability of the whole volunteer program.

2. Progress and Results

- With UN support, the first national vaccination campaign against measles, rubella (MR) and congenital rubella reached 251,842 infants, children and adolescent aged between 9 months to 24 years (98.5%), representing 52% of the total population of Cabo Verde.
- The national program against malaria was reviewed. Recommendations issued from this review will feed into the development of the National Strategic Plan for pre-elimination of malaria covering the period 2014 to 2016. In addition, Cabo Verde has been granted for two consecutive years (2012/2013) the Award of Excellence given by ALMA (African Leaders Malaria Alliance) in recognition of the results achieved in the fight against malaria.
- The study "National strategies for financing universal health coverage" was elaborated and validated by relevant stakeholders, including the Ministries of Health and Finance, the National Institute of Social Welfare, the Parliament, the private sector and development partners. The study looks at the efficient allocation of funds and the provision of health services, health funding, coverage of the social health protection, and control of the results of the National Health Accounts.
- In addition, 59 technicians from the Ministry of Health, INPS and other institution attended a training named "Estratégia de Financiamento da Saúde: Implementando o Piso de Proteção Social em Saúde".
- The project "Strengthening of treatment and social rehabilitation services for drug dependent and inmates in Cabo Verde" was launched in September 2013. The project intends to strengthen the capacities of state institutions to improve the provision of drug dependence treatments and HIV-AIDS prevention care services to drug users/dependents, including inmates. Using an innovative approach of a "one-stop-shop" service, the first pilot will be fully operational in 2014 in the city of Praia.
- With UN support, the National Coordination Commission on Drug Control (CCCC) elaborated a draft Organic Laws framing the mandate of the CCCC on the field of Drug Demand reduction.
- In an effort to raise awareness about the risks of drugs among communities, 70 NGO and CSO representatives were trained to issues related to drug dependence, treatment and social reintegration. Moreover, 50 health professionals were trained in drug dependence treatment and rehabilitation.
- The Government (MAHOT) implemented the National Programme for Urban Development and Empowerment of Cities (NPUDEC).

- At the request of the Ministry of Foreign Affairs the UNHABITAT International Guidelines on Decentralization of the Basic urban Services were adapted to the context of Cabo Verde.
- The UN continued its support to national authorities in implementing the National Strategy to fight against HIV/AIDS. Currently, the coverage of seropositive pregnant women accessing ARV is over 80%. To achieve the goal of Zero Transmission and Zero Death, the HIV services were decentralized. As a result, technicians from the Ministry of Health perform direct monitoring at community level.
- The continued support to the program “Preventing mother to child transmission”, which provides access to ARV treatment to HIV-positive women and monitors its children, prevents new infections
- The UN supported the organization of a workshop to strengthen the capacities of HIV-positive women from the CPLP countries (*Comunidade dos Países de Língua Portuguesa*). The workshop allowed thirty participants to share their life experiences and deepen their knowledge about HIV / AIDS. Following this workshop, participants from Cabo Verde created a group associated with the Network of People Living with HIV AIDS (PLWHA). This will strengthen national capacities to respond to HIV / AIDS, and facilitate their advocacy for claiming their rights and the fight against stigma.
- The fortification of food was introduced in Cabo Verde with UN support, as a sustainable strategy to reduce anemia, which affects 52% of children under 5 years. In this regard baseline studies have been developed, response mechanisms defined, and a national program is set for three years.
- The UN promoted dialogue between the central and local authorities. In this regard took place summit between the Government and Municipalities. Discussions allowed the participants to deepen in the model of decentralization, and identified main bottlenecks in the relations between the two entities, in particular the transfer of resources to municipalities. As a result, the Direcção Geral de Descentralização e Administração Local with UN assistance, improved the administrative and financial management with the use of the tool SIM 3.0.
- The UN continued its support to promote volunteerism, in this regard:
 - 120 representatives of 82 Volunteer Involving Organizations (VIO) from six islands received training in Volunteer management and learned how to design a “Volunteer Programme” tailored to their needs, as part of the first phase of implementation of the “Volunteer Passport”.
 - The National Volunteer Corps, with UN support, promoted initiatives from local VIO from six different islands. 23 projects were selected through a call of proposals and the VIO received grants to help implement activities aimed at fostering Volunteerism for development. Besides promoting volunteerism and supporting local Volunteer Involving Organizations, the Corps has also directly mobilized over 1100 volunteers during the year to work on several activities, such as vaccination campaign, beach clean-ups, etc. In addition, the Corps assisted in the creation and training of community volunteers groups that support activities of local nursing homes in Praia, and promote awareness in drugs prevention in Assomada, Sal and São Vicente.
 - With the support of a fully-funded UN Volunteer, a strategy to promote Corporate Social Responsibility for Volunteerism within the private sector was drafted.

- The UN supported the preparation of a high level conference which took place in March 2013 in Praia on “Governance of Social Security” with the participation of 105 representatives of the Government, unions and the private sector. The conference served as a platform to exchange best practices and disseminate existing legislative proposals on (i) coercive collection, (ii) pension fund investments and (iii) governance and sustainability of social insurance. The conference contributed to reinforce INPS’s (Instituto Nacional de Previdência Social) governance and sustainability.
- International promotion of best practices regarding social pensions in Cabo Verde was made through the realization of a 5 minutes’ video that is already used in several ILO’s activities throughout the world.
- Following the assessment of the Centro Nacional de Pensões Sociais (CNPS) elaborated in 2012, a study was conducted to revise the criteria and instruments used to target and grant social pensions, in order to improve the management and good governance of the CNPS.
- Upon the request from the Minister of Youth, Employment and Human Resource Development, the UN supported the design and conceived a proposal for a new mechanism – “Cadastro Social e de Beneficiários da Protecção Social em Cabo Verde” - allowing the registry of potential and active beneficiaries of social protection national system, in particular the non-contributory component. In this regard the software has been already developed.
- To eradicate child labour in Cabo Verde the UN supported: (i) the creation of the National Committee for the Prevention and Eradication of Child Labour¹⁴; (ii) the development and validation of a list of hazardous work prohibited to children; (iii) the revision of the Action Plan for the Prevention and Elimination of Child Labour; (iv) strengthening the capacities of media professionals and the production of a film on child labour; and (v) awareness campaigns addressed to the hospitality sector, resulting in the elaboration and adoption of a code of ethics for the Tourist sector. In addition, a survey on child labour in Cabo Verde was conducted and results will be available in 2014.
- UN provided technical support to the Government to introduce a minimum wage in Cabo Verde. In this regard preparatory works were conducted (a detailed study on minimum wage simulations, an implementation plan and an explanatory note of the relationship between the minimum wage and social security benefits).
- Innovative approaches and initiatives are being developed to promote youth inclusion, e.g. the “Promoting Social Inclusion for Young People” aiming at improving the capacity of local organizations working in marginalized neighborhoods to discourage drop-out and propose ways to return to school, was recognized during the first UNDP Innovation Knowledge Fair as the 4th most innovative among 53 projects submitted from all over the African continent.

¹⁴ *Boletim Oficial N.º. 11 of 02.22.2013*

Bruno is 18 years old and always loved to play percussion. He is living in the neighborhood of Safende, one of the most vulnerable of the Cabo Verdean capital, Praia. *“I was at home one afternoon when I have heard people playing drums. When I went to see I met a small group of young people like rehearsing. I approached one guy from the group, and he told me that he was giving a workshop on how to play percussion and asked me if I was interested to join the group”. “Since that day I joined the group and we now play twice a week. Now I have started to transfer what I have learned to other children in my neighborhood. Not only I love teaching them but I enjoy as well when I see they are making progress”.*

Bruno is one of the 1.000 young beneficiaries from the project “Promoting Social Inclusion for Young People”, which started in October 2013 with funds raised at the 2012 UNDP’s Match against Poverty.

Through a South-South partnership and a community-based approach the project use innovative interventions, such as the promotion of artistic expression, school and professional guidance and social support to address critical problems faced by youth, particularly those related with social exclusion vis-à-vis the educational system. Managed by the Minister of Youth and selected local NGOS in Cabo Verde, the project is supported by UNDP, UNFPA and UNICEF and the Brazilian Embassy in Cabo Verde.

The Brazilian NGO AfroReggae has been involved in this project because of its successful community work in the slums of Rio de Janeiro, Brazil.

“Making part of this project is very nice” says Bruno, “not only I learn new things and make new friends, but as well I am helping the children of my community to occupy their time and to have alternatives to the violence. Moreover, now we are invited to perform at many local events”.

Pilar 4: ENVIRONMENT SUSTAINABILITY AND CLIMATE CHANGE ADAPTATION

1. Background:

Cabo Verde has, in the past decades, continued its effort to integrate environmental sustainability and climate change in planning process. The current environmental portfolio supported by UN agencies (UNDAF – 2012-2016) creates the enabling conditions for environmental concerns and challenges, (such as natural resources conservation and water use efficiency, the protection of endemic species and critical habitats, disaster risk reduction, energy efficiency, urban policy...) to be addressed at national and municipal level with increasing participation of civil society and local communities.

The geomorphologic and climatic characteristics of the archipelago account for the limited water resources’ availability and severe land degradation (10% of available land is considered as arable). Unsustainable agricultural practice on steep slopes, allied with intense rains and tropical storms originate flash floods destroying houses, critical infrastructures and agriculture fields. Under the above mentioned conditions, rural communities and its livelihoods, as well as, the coastal urban zones and natural ecosystems are extremely exposed and vulnerable. Recent disasters have had severe impacts on rural livelihoods, damaging water distribution network, energy and transportation infrastructure, aggravating food insecurity and diverting substantial national resources from development to relief, recovery and reconstruction.

Furthermore, climate change risks are likely to constrain sustainable development prospects and could potentially reserve the economic and social gains. Increased rainfall variability and extreme events, accelerated coastal erosion and salt intrusion in fresh water reservoirs will further constrain the economic activities, agriculture productivity and food security. Aware of these challenges the country is implementing adaptation measures such as the construction of large dams to increase surface water mobilization and address water availability to and support agriculture activities and agribusiness development. In addition, natural resource conservation to address soil erosion, preventing desertification and biodiversity loss continue to be supported by UN interventions under the current program.

With regard to the climate change mitigation, Cabo Verde has made significant progress in renewable energies penetration. The national the national strategy on renewable energy has enabled to achieve a penetration rate of 27% in 2013, supporting the country in achieving the agreed international targets under the UNFCCC (United Nations Framework Conference on Climate Change) to reduce greenhouse gases' emissions. In regards to the SE4ALL (Sustainable energy for all) initiative, Cabo Verde has made significant progress on the renewable energies penetration targets, as well as in terms of energy access (nationally 97% electricity network coverage), however considerable challenges remain in terms of energy efficiency, as well as affordability and sustainable energy services (distributed renewable energy generation, etc.) that could support and encourage economic development, from agribusiness to industrial, tourism and other services' sector operations. In this regard, the UNDP supported the formulation of a medium size project aiming at effectively remove barriers to energy efficiency in built environment and appliances sectors.

2. Progress and Results

- The UN supported the country to consolidate its protected area (P.A) system in terms of management effectiveness, financial and ecological sustainability. In 2013, management tools were prepared for 15 protected areas. Additionally a P.A system-level business plan was developed for the national protected areas network. This plan is geared towards identifying innovative funding mechanism and supporting implementation of financing schemas which ensure adequate funding levels for conservation efforts in the 47 declared protected areas.
- In terms of management effectiveness, 6 management plans for protected areas and 7 ecotourism plans were completed. Official delimitations were gazetted for 15 protected areas. Approved delimitations and management plans are essential to prevent land occupation conflicts, avoid unsustainable resources uses and protect ecosystem services protected.
- Additionally, a new legal and institutional framework has been proposed to ensure efficiency, autonomy and financial sustainability on P.A. management. In this line, the Autonomous Authority of Protected areas' institutional proposal and economic feasibility assessment were completed and submitted for Council of Ministers' deliberation.
- GEF-SGP program (Global Environmental Facility- Small Grant Program) supported 24 communities through projects of 140 community associations who benefitted 3,637 persons. The initiatives comprised within the 5 focal areas (climate change - adaptation and mitigation; land degradation; biodiversity conservation and chemicals) supported community associations to implement rural electrification programs and sustainable energy services for water-for-irrigation pumping were piloted as carbon emissions' offset practices; protected crops, hydroponics' agriculture technique, organic pest management' practices and water efficiency measures (storage & drip-to-drip irrigation) were demonstrated as means to promote sustainable agriculture production and community-based adaptation practices; check-dams, contours walls and aloe-vera fixation' practices were replicated as means to combat soil erosion and increase water recharge; endemic plants reforestation and threaten species conservation (sea turtle and endemic birds) measures were supported within the protected areas to support community engagement on biodiversity conservation efforts.

- In terms of climate change adaptation, the UN through GEF, LDCF (Least Developed country funds), SGP-GEF and CIDA Climate Fast Start Facility, implemented water efficiency uses measures in the agriculture sector (4 ha of drip-to-drip irrigation systems installed; 5 water storage infrastructures were rehabilitated or constructed); 2 check-dams were built and 30 Ha of aloe-Vera were planted in 2013 to control water erosion, decrease soil degradation and improve water infiltration in steep-slope catchment areas. Those measures supported efforts to diminish flash floods risks and increase water and land availability for agriculture productions.
- 4 greenhouses with drip-to-drip irrigation systems were installed in Santo Antão and Santa Cruz islands to pilot protected crops cultivation and demonstrate its advantages on reducing vulnerability to climate variability, extreme events, plagues and diseases.
- The UN supported Lagoa community benefited from a new water distribution network (9 km connection). 120 households benefit now from safe-for-consumption freshwater. Previously, water was transported to this high-mountain community by water tank or harvested by women and children in distant lower-catchment wells.
- Integration of climate change adaptation and mitigation approaches were piloted in 2 islands: 2 solar water pumping systems were installed with farmers associations in Santo Antão Island; 1 solar system to allow recycling of wastewater for agriculture purposes was installed at the outlet of the municipal wastewater treatment plant in Santa Cruz (Santiago island). Replication of the water recycling initiative is already planned in the agriculture perimeter around Tarrafal municipality.
- In regards to disaster and risk management, a national hazard profile is being conducted by National Civil Protection Service (SNPCB) and Ministry of Environment, housing and Land use planning (MAHOT). To undertake the national hazard assessment and mapping; technical capacities have been reinforced on data collection, analysis and management on 8 different hazards (droughts, floods, mass movements, coastal erosion, volcanic eruptions, seismic activity, earthquakes, bush fires and epidemics). Technical staff from 14 institutions, with responsibilities on land use planning, urban development, civil protection, infrastructures planning and management, rural engineering, water resources management, meteorology and geophysics, public health, coastal management received training on hazard modeling methodologies and tools; and participated in data collection and analysis process. The hazard and risk profiles will be the basis for a National Risk Information system (NRIS). NRIS is expected to work as a decision-support tool for disaster risk reduction policies and plans prioritization and will be the basis for the national strategy on disaster risk reduction;
- With UN support, the public University of Cabo Verde (Uni-CV) completed an historical disaster inventory to identify and characterize disaster events in the country since 1900. The historical disaster inventory will feed into the National Disaster database. This database is the basis of trends analysis to be conducted by the National Disaster Observatory that will be hosted by the National Civil Protection Service and will support the National Disaster prevention strategy providing essential information to calibrate hazard models, predict hazard scenarios and develop hazard-specific contingency plans.
- The UN started discussions with the country in order to develop a National Urban Policy (NUP), that defines a common goal/vision for the future of urbanization (e.g. in 20-30 years horizon) in Cabo Verde. Departments from relevant ministries, local authorities and other stakeholders (private sector, civil society; organizations, researchers and academia) contributed to the dialogue through the establishment of a Technical Consultation Country Team. In addition under the auspices of the “Ministry of Environment, Housing and Land use planning” (MAHOT) and the University of Cabo Verde, the United Nations supported the organization of a Conference on Urban Mobility to address the challenges posed by the urbanization.

- Aware of the need of increasing food quality standards to introduce local products into the touristic market - hotels and related touristic infrastructures (mainly in the island of Sal and Boavista) - a sample of agricultural products were analyzed in specialized laboratories of England and Germany. The results showed that these products were compliant with international standards.
- 11 technicians from public institutions and private sector were trained on analysis of pesticide residues on agricultural products, contributing to enhance food safety control system.
- 7 technicians from the Ministry of Rural Development (MDR) were trained on laboratory analysis to monitor the African swine fever in Cabo Verde. In addition the laboratory from the ministry was equipped.
- The regional project "Emergency agricultural support to vulnerable households in Cabo Verde, the Gambia, Guinea Bissau and Senegal affected by food insecurity and malnutrition," for funding to the Japanese cooperation was granted with USD 2,000,000.

Because water is life

For rural communities in Planalto norte, in the island of Santo Antão lack of water is still a major challenge for breeders, herders, and farmers face in the region. As the second largest island of Cabo Verde, Santo Antão is a land of humble rural communities whose local economy is based on small farm agriculture and livestock.

Tania is an energetic and vibrant small farmer living in a rural community called Chã de Feijoal. Producing dairy products from her goats allows her to sustain her family. For many years, Tania spent most of her day fetching water for her family and animals, leaving her with little time to take care of her family. As part of a UN project, an innovative approach to capture rainwater during the rainy season and channeled it into a water tank has ease the life of the communities in Santo Antão. As one of the beneficiaries the project, Tania says *"This is a great project to me and to all of us in Planalto Norte, considering that water is our greatest need. We are herders, and therefore we need lots of water. Even for domestic consumption it is not enough sometimes"*.

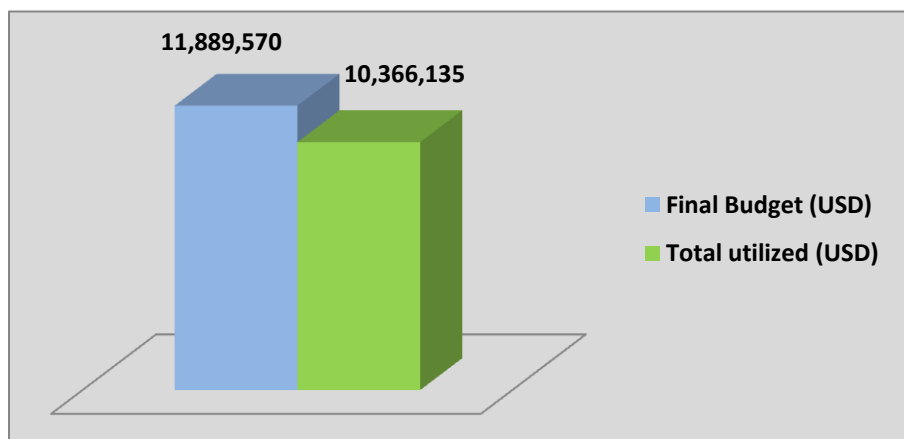
The newly constructed water tanks have improved the lives of over 20 families. "This project changed my daily life and my family's life for the better" Tania says.

The community is involve in the project as they provide their work and construction materials as part of the project co-financing. This co-financing scheme enabled to increase the capacity of the 3 proposed water tanks from 360 to 450 m³. In addition the availability of water expects to impact positively into the production of farmers and herders, increasing their income.

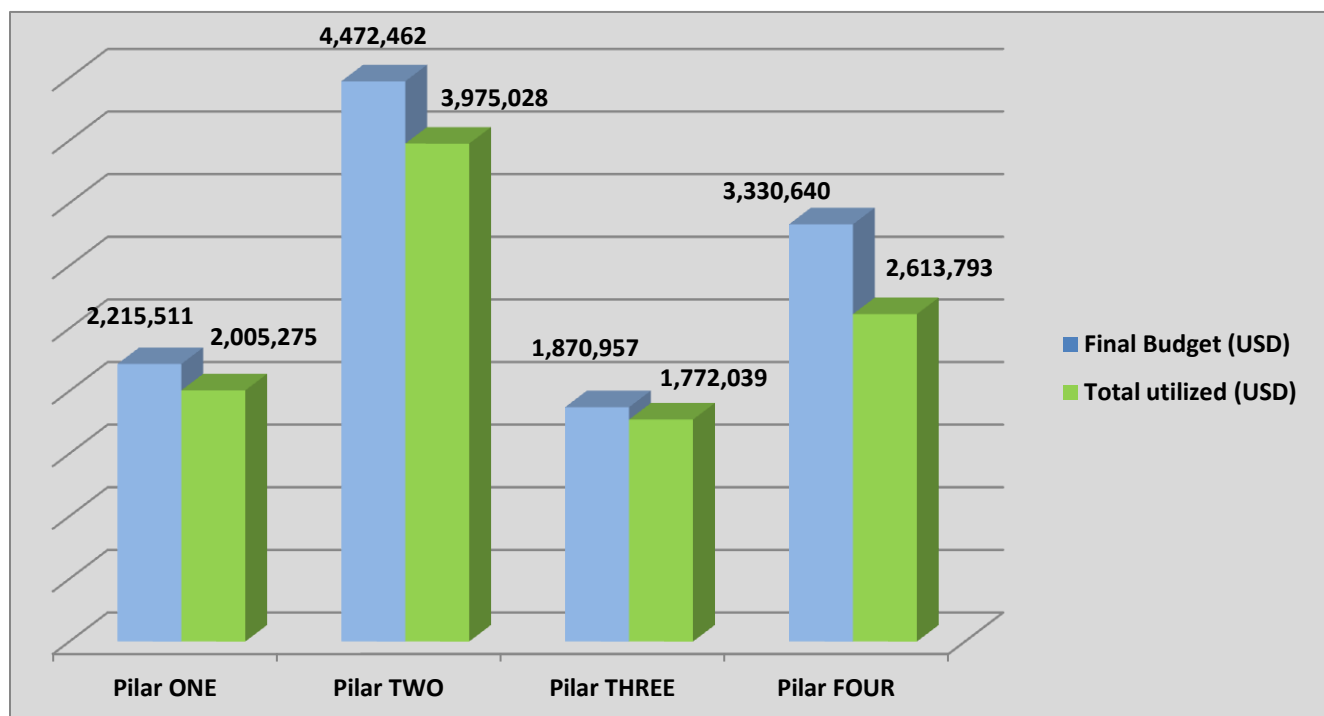
To know more about this project visit: <http://www.youtube.com/user/OneUNCapeVerde>

Financial section:

- The table below depicts the total budget and total expenditure of UN activities and programmes in 2013. The total delivery rate of the ONE UN Programme in 2013 is 87%.



- The table below provides a financial overview of the budget for 2013 and expenditure by pillar as of 31 December 2013.



Pillar ONE: Inclusive growth and poverty reduction
 Pillar TWO: Consolidation of institutions, democracy and citizenship
 Pillar THREE: Reducing disparities and promoting equity
 Pillar FOUR: Environmental sustainability and adaptation to climate change

**Consolidated Annual Financial
Report of the Administrative Agent
of
the Cape Verde Transition Fund
for the period 1 January to 31 December 2013**

Multi-Partner Trust Fund Office
Bureau of Management
United Nations Development Programme
[GATEWAY: http://mptf.undp.org](http://mptf.undp.org)

PARTICIPATING ORGANIZATIONS



Food and Agriculture
Organization



International Labour
Organization



International
Organization for
Migration



International Trade
Centre



UN Conference on Trade
and Development



United Nations
Development Programme



United Nations
Volunteers Programme



United Nations
Environment Programme

CONTRIBUTORS



AUSTRIA, Government of



Expanded DaO Funding Window



LUXEMBOURG, Government of



NETHERLANDS, Government of



NORWAY, Government of



SPAIN, Government of



United Nations
Educational, Scientific
and Cultural Organization



United Nations
Population Fund



UN Centre Human
Settlements Programme



United Nations Children's
Fund



United Nations Industrial
Development
Organization



United Nations Office on
Drug and Crime



UNWOMEN



World Food Programme



World Health
Organization

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 donor 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 (SAA).

Delivery Rate

The percentage of funds that have been utilized, calculated by comparing expenditures reported by a Participating Organization against the 'net funded amount'.

Indirect Support Costs

A general cost that cannot be directly related to any particular programme or activity of the Participating Organizations. UNDG policy establishes a fixed indirect cost rate of 7% of programmable costs.

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 an implementing 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

Date of transfer of first instalment from the MPTF Office to the Participating Organization.

Total Approved Budget

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

2013 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the Cape Verde Transition Fund using the pass-through funding modality as of 31 December 2013. Financial information for this Fund is also available on the MPTF Office GATEWAY, at the following address:

<http://mptf.undp.org/factsheet/fund/CV100>.

1. SOURCES AND USES OF FUNDS

As of 31 December 2013, 6 contributors have deposited US\$ 18,757,889 in contributions and US\$ 198,251 has been earned in interest, bringing

the cumulative source of funds to US\$ 18,956,140 (see respectively, Tables 2 and 3).

Of this amount, US\$ 17,084,063 has been transferred to 17 Participating Organizations, of which US\$ 14,096,300 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ 187,579. Table 1 provides an overview of the overall sources, uses, and balance of the Cape Verde Transition Fund as of 31 December 2013.

Table 1. Financial Overview, as of 31 December 2013 (in US Dollars)*

	Annual 2012	Annual 2013	Cumulative
Sources of Funds			
Gross Contributions	2,240,678	2,062,628	18,757,889
Fund Earned Interest and Investment Income	9,955	3,882	148,291
Interest Income received from Participating Organizations	14,110	1,659	49,960
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MDTF	-	-	-
Other Revenues	-	-	-
Total: Sources of Funds	2,264,743	2,068,168	18,956,140
Uses of Funds			
Transfers to Participating Organizations	1,846,252	1,557,742	17,084,063
Refunds received from Participating Organizations	-	(56)	(56)

Net Funded Amount to Participating Organizations	1,846,252	1,557,686	17,084,007
Administrative Agent Fees	22,407	20,626	187,579
Direct Costs: (Steering Committee, Secretariat...etc.)	-	-	-
Bank Charges	126	81	318
Other Expenditures	-	-	-
Total: Uses of Funds	1,868,785	1,578,393	17,271,904
Change in Fund cash balance with Administrative Agent	395,958	489,775	1,684,236
Opening Fund balance (1 January)	798,502	1,194,460	-
Closing Fund balance (31 December)	1,194,460	1,684,236	1,684,236
Net Funded Amount to Participating Organizations	1,846,252	1,557,686	17,084,007
Participating Organizations' Expenditure	1,620,565	1,737,194	14,096,300
Balance of Funds with Participating Organizations			2,987,707

* Due to rounding of numbers, totals may not add up. This applies to all numbers in this report.

2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this Fund as of 31 December 2013.

Further commitments from the Government of Luxembourg for 2014 and 2015 amount to US\$ 2,069,774.

The Expanded Delivering as One Funding Window for Achievement of the Millennium Development Goals (EFW) was a global funding facility established to support Delivering as One countries. Donors to the EFW were the Netherlands, Norway, Spain and the United Kingdom.

Table 2. Contributors' Deposits, as of 31 December 2013 (in US Dollars)*

Contributors	Prior Years as of 31-Dec-2012	Current Year Jan-Dec-2013	Total
AUSTRIA, Government of	684,225	-	684,225
Expanded DaO Funding Window	3,935,000	-	3,935,000
LUXEMBOURG, Government of	3,535,356	2,062,628	5,597,984
NETHERLANDS, Government of	1,105,280	-	1,105,280
NORWAY, Government of	1,435,400	-	1,435,400
SPAIN, Government of	6,000,000	-	6,000,000
Grand Total	16,695,261	2,062,628	18,757,889

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 2013, Fund earned interest amounts to US\$ **148,291** and interest received from Participating Organizations amounts to US\$ **49,960**, bringing the cumulative interest received to US\$ **198,251**. Details are provided in the table below.

Table 3. Sources of Interest and Investment Income, as of 31 December 2013 (in US Dollars)*

Interest Earned	Prior Years as of 31-Dec-2012	Current Year Jan-Dec-2013	Total
Administrative Agent			
Fund Earned Interest and Investment Income	144,409	3,882	148,291
Total: Fund Earned Interest	144,409	3,882	148,291
Participating Organization			
UNDP	17,174		17,174
UNIDO	4,227	1,108	5,335
UNDP(UNV)	591		591
UNFPA	1,049		1,049
UNWOMEN	941		941
UNCTAD	8,937		8,937
UNESCO	1,859	172	2,031
UNODC	13,522	379	13,901
Total: Agency earned interest	48,301	1,659	49,960
Grand Total	192,710	5,540	198,251

4. TRANSFER OF FUNDS

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December 2013, the AA has transferred US\$ 17,084,063 to 17 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, as of 31 December 2013 (in US Dollars)*

Participating Organization	Prior Years as of 31-Dec-2012			Current Year Jan-Dec-2013			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
FAO	2,910,255		2,910,255	1,190,744		1,190,744	4,100,999		4,100,999
ILO	308,878		308,878				308,878		308,878
IOM	545,210		545,210				545,210		545,210
ITC	113,045		113,045				113,045		113,045
UNCTAD	421,995		421,995				421,995		421,995
UNDP	1,692,447		1,692,447	142,757		142,757	1,835,204		1,835,204
UNDP(UNV)	179,953		179,953				179,953		179,953
UNEP	177,696		177,696				177,696		177,696
UNESCO	435,441		435,441				435,441		435,441
UNFPA	1,222,079		1,222,079	164,983	(56)	164,927	1,387,062	(56)	1,387,006
UNHABITAT	500,279		500,279				500,279		500,279
UNICEF	1,049,408		1,049,408				1,049,408		1,049,408
UNIDO	1,218,010		1,218,010				1,218,010		1,218,010
UNODC	2,059,805		2,059,805				2,059,805		2,059,805

UNWOMEN	297,744		297,744				297,744		297,744
WFP	1,541,181		1,541,181				1,541,181		1,541,181
WHO	852,895		852,895	59,258		59,258	912,153		912,153
Grand Total	15,526,321		15,526,321	1,557,742	(56)	1,557,686	17,084,063	(56)	17,084,007

5. EXPENDITURE AND FINANCIAL DELIVERY RATES

All final expenditures reported for the year **2013** were submitted by the Headquarters of the Participating Organizations. These were consolidated by the MPTF Office.

5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

As shown in the table below, the cumulative net funded amount is US\$ **17,084,007** and cumulative expenditures reported by the Participating Organizations amount to US\$ **14,096,300**. This equates to an overall Fund expenditure delivery rate of **83** percent. Four agencies (IOM, UNFPA, UNHABITAT and UNICEF) report 100% delivery rates, followed by UNODC, 99.89%, and UNV, 98.01%.

Table 5. Net Funded Amount, Reported Expenditure, and Financial Delivery by Participating Organization, as of 31 December 2013 (in US Dollars)*

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years as of 31-Dec-2012	Current Year Jan-Dec-2013	Cumulative	
FAO	4,100,999	4,100,999	1,688,064	725,487	2,413,550	58.85
ILO	308,878	308,878	291,510	7,279	298,789	96.73
IOM	545,210	545,210	522,381	22,829	545,210	100.00
ITC	113,045	113,045	101,284		101,284	89.60
UNCTAD	421,995	421,995	363,153	21,916	385,069	91.25
UNDP	1,835,204	1,835,204	1,662,052	92,970	1,755,022	95.63
UNDP(UNV)	179,953	179,953	158,145	18,221	176,365	98.01
UNEP	177,696	177,696	155,208	5,213	160,421	90.28
UNESCO	435,441	435,441	400,436	8,834	409,270	93.99
UNFPA	1,387,062	1,387,006	1,222,023	164,929	1,386,952	100.00
UNHABITAT	500,279	500,279	498,187	2,093	500,280	100.00
UNICEF	1,049,410	1,049,408	1,025,880	23,493	1,049,373	100.00

UNIDO	1,218,010	1,218,010	1,090,887	63,911	1,154,798	94.81
UNODC	2,059,805	2,059,805	1,952,228	105,394	2,057,622	99.89
UNWOMEN	297,744	297,744	242,940	12,849	255,789	85.91
WFP	1,541,181	1,541,181	435,107	312,306	747,413	48.50
WHO	912,153	912,153	549,623	149,470	699,093	76.64
Grand Total	17,084,065	17,084,007	12,359,106	1,737,194	14,096,300	82.51

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5.2 EXPENDITURE BY PILLARS

Table 6 displays the net funded amounts, expenditures incurred and the financial delivery rates by Pillars.

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Table 6. Expenditure by Pillars, as of 31 December 2013 (in US Dollars)*

Country/Sector	Prior Years as of 31-Dec-2012		Current Year Jan-Dec-2013		Total		Delivery Rate %
	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	
Cape Verde							
Consolidation of Democracy	934,264	975,187		7,976	934,264	983,164	105.23
CPV Food and Nutrition	3,500,002	1,090,770	1,250,002	1,121,177	4,750,004	2,211,947	46.57
CPV-Child & Social Protection	357,874	343,944		5,000	357,874	348,944	97.50
CPV-Coordination Unit	71,937	54,797		1,193	71,937	55,989	77.83
CPV-Env'mt, Energy & Disaster	1,648,846	1,556,910	0	38,492	1,648,846	1,595,401	96.76
CPV-Growth&Econ Opportunities	3,353,536	3,178,648		95,998	3,353,536	3,274,646	97.65
CPV-Quality of the Educatn Sys	866,861	833,039		(2,436)	866,861	830,603	95.82
CPV-Reform of Health Sector	1,451,863	1,293,396		11,502	1,451,863	1,304,897	89.88
CPV-Youth Participation	340,942	319,078	(56)	18,221	340,886	337,299	98.95
Econ Grad&Integ-Glob Ecny	782,500	739,595		20,270	782,500	759,865	97.11
P2 Institutions & Citizenship			226,073	225,512	226,073	225,512	99.75
P4 Environment-Climate Change			81,667	17,303	81,667	17,303	21.19
Strengthening of Security	2,217,696	1,973,742		176,986	2,217,696	2,150,728	96.98
Cape Verde Total:	15,526,321	12,359,106	1,557,686	1,737,194	17,084,007	14,096,300	82.51
Grand Total:	15,526,321	12,359,106	1,557,686	1,737,194	17,084,007	14,096,300	82.51

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5.3 EXPENDITURE 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 Executive Board (CEB) modified these categories as a result of IPSAS adoption to comprise eight categories. All expenditures incurred prior to 1 January 2012 have been reported in the old categories; post 1 January 2012 all expenditures are reported in the new eight categories. The old and new categories are noted to the right.

Table 7 reflects expenditure reported in the UNDG expense categories. Where the Fund has been operational pre and post 1 January 2012, the expenditures are reported using both categories. Where a Fund became operational post 1 January 2012, only the new categories are used.

In 2013, the highest percentage of expenditure was on Staff & Personnel Cost, 32%. The second highest expenditure was on General operating expenses, 20%, and the third highest expenditure was on Transfers and Grants, 15%.

2012 CEB Expense Categories	2006 UNDG Expense Categories
1. Staff and personnel costs	1. Supplies, commodities, equipment & transport
2. Supplies, commodities and materials	2. Personnel
3. Equipment, vehicles, furniture and depreciation	3. Training counterparts
4. Contractual services	4. Contracts
5. Travel	5. Other direct costs
6. Transfers and grants	6. Indirect costs
7. General operating expenses	
8. Indirect costs	

Table 7. Expenditure by UNDG Budget Category, as of 31 December 2013 (in US Dollars)*

Category	Expenditure			Percentage of Total Programme Cost
	Prior Years as of 31-Dec-2012	Current Year Jan-Dec-2013	Total	
Supplies, Commodities, Equipment and Transport (Old)	2,338,383	-	2,338,383	17.86
Personnel (Old)	3,665,811	-	3,665,811	28.00
Training of Counterparts(Old)	1,023,143	-	1,023,143	7.81
Contracts (Old)	2,336,016	-	2,336,016	17.84
Other direct costs (Old)	573,476	-	573,476	4.38

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Staff & Personnel Cost (New)	682,506	518,534	1,201,040	9.17
Suppl, Comm, Materials (New)	62,766	136,204	198,971	1.52
Equip, Veh, Furn, Depn (New)	77,381	95,711	173,092	1.32
Contractual Services (New)	13,247	203,616	216,863	1.66
Travel (New)	274,369	104,933	379,301	2.90
Transfers and Grants (New)	109,759	250,487	360,246	2.75
General Operating (New)	293,704	332,349	626,053	4.78
Programme Costs Total	11,450,561	1,641,833	13,092,394	100.00
Indirect Support Costs Total	908,546	95,360	1,003,906	7.67
Total	12,359,106	1,737,194	14,096,300	

Indirect Support Costs: The timing of when Indirect Support Costs are charged to a project depends on each Participating Organization's financial regulations, rules or policies. These Support Costs can be deducted upfront on receipt of a transfer based on the approved programmatic amount, or a later stage during implementation.

Therefore, the Indirect Support Costs percentage may appear to exceed the agreed upon rate of 7% for on-going projects, whereas when all 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 2013, 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\$ 20,626 was deducted in AA-fees. Cumulatively, as of 31 December 2013, US\$ 187,579 has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ 95,360 was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ 1,003,906 as of 31 December 2013.
- **Direct Costs:** The Fund governance mechanism may approve an allocation to a Participating Organization to cover costs associated with Secretariat services and overall coordination, as well as Fund level reviews and evaluations. These allocations are referred to as 'direct costs'. In 2013, there were no direct costs charged to the Fund. Cumulatively, direct costs amount to US\$ 0 as of 31 December 2013.

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 (<http://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.