

## U4 FINANCIAL STATEMENT January–December 2020

Signed CMI Administration and Finance Director: Lars Petter Sjøberg

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The report period is 1 January–31 December 2020.

We thank all our partners, mentioned below, for their contributions, support, and collaboration with U4:

- Australian Government – Department for Foreign Affairs and Trade – DFAT
- German Federal Ministry for Economic Cooperation and Development – BMZ / German Corporation for International Cooperation – GIZ
- Global Affairs Canada
- Ministry for Foreign Affairs of Finland
- Ministry of Foreign Affairs of Denmark / Danish International Development Assistance – Danida
- Swedish International Development Cooperation Agency – Sida
- Swiss Agency for Development and Cooperation – SDC
- The Norwegian Agency for Development Cooperation – Norad
- UK Aid – Foreign, Commonwealth and Development Office



## Deviations from the 2020 budget

As a result of COVID-19, U4 had to adjust its 2020 workplan to better respond to the challenges posed by the pandemic and redesigned its interactions with donors and the anti-corruption community favouring digital formats. Following consultation with U4 partners in spring, a plan was developed prioritising COVID-19 responses and outputs related to the topic (i.e. online events and publications). This effort along with an increase usage of online formats resulted in an increase of expenditure in the areas of communications, online courses and webinars.

However, it is important to mention that despite COVID-19 reorienting some of U4 efforts, the programme maintained progress on most other planned activities and reached its annual target for self-paced course participation, number of participants at U4 events, and peer reviewed publications.

These are the main changes in the workplan that U4 was prompted to make:

- Cancelled or postponed in-country workshops and events such as the IACC.
- Increase in numbers of online courses and webinars.
- Faster production of planned publications to make the material more readily available and focus on COVID-19 outputs.
- A series of publications and blog posts on corruption and Covid-19.

The Finance and Operations Manager (FOM) along with the U4 Director held a closer monitoring process of the 2020 budget to be able to respond swiftly to the priorities arising from COVID-19 and ensure funds were reallocated between budget lines to meet these demands. Additionally, U4 made the decision to carry over to 2021 some of the funds from an earlier disbursement from Belgium and from the revaluation of the Euro due to funding uncertainty from DFAT and FCDO.

This report presents a detailed explanation of the adjustments done in 2020 per budget category.

## 2020 Income against expenditure – overview

The total income for 2020, including the balance carried over, the gain on foreign exchange from EUR to NOK and the year-end exchange rate revaluation on the specific U4-account as per 31.12.2020, was of **29 693 104 NOK**.

The original budget for 2020 was of **NOK 24 000 179**, and the incurred costs in the period 1 January–31 December 2020 amount to **NOK 25 942 333**, the latter representing an 8% increase from the initial 2020 budget.

The balance of income and expenditures amounts to **NOK 3 750 771** (*EUR 349 863 /GBP 311 231*). This sum will be carried over to 2021. Included in this balance are NOK 1 772 154 that relate to postponements which will be disbursed in 2021.

In general, U4 delivered on the 2020 workplan with some agreed adjustments (the details are included in this report).

The increase in U4's expenditure budget in 2020 was a direct response to the partners' (steering committee) feedback and the need for a quick reaction to the COVID-19 crisis. However, U4 made the decision to carry over into 2021 the funds stemming from an earlier disbursement from Belgium and from the revaluation of the Euro. This carry-over is aimed to mitigate potential effects of non-continued/uncertain funding from other partners, e.g. FCDO and DFAT.

2020	NOK	EUR	GBP
Income including balance carried over	29 693 104	2 769 698	2 463 872
Expenditure	25 942 333	2 419 836	2 152 641
Balance	3 750 771	349 863	311 231

## 2020 Income

INCOME SOURCE	CONTRACT AMOUNT (original currency)	% OF TOTAL (2020 income)	NOK
Australia (DFAT)	AUD 350 000	9%	2 157 710
Germany (BMZ/GIZ)*	EUR 250 000	11%	2 672 821
Global Affairs Canada (GAC)**	EUR 222 000	9%	2 146 740
MFA Finland	EUR 220 000	10%	2 343 660
MFA Denmark / Danida	EUR 222 000	10%	2 364 966
Sweden (Sida)	SEK 3 500 000	14%	3 418 026
Switzerland (SDC)	CHF 255 300	11%	2 708 770
Norway (Norad)	NOK 4 350 000	18%	4 350 000
UK (UK Aid/ FCDO)***	GBP 200 000	10%	2 355 970
Total 2020 income			24 518 663
Belgium (MFA) Carried-over			1 906 951
Carried forward from previous years			2 558 970
Foreign currency gain on sale of Euro to NOK in March 2020****			807 466
End-of-year revaluation of U4 Euro account loss as per 31.12.2020****			-98 945,67
Aggregated 2020 funds	EUR 2 769 698		29 693 104

Currency calculations are based on the following average exchange rates in 2020 (Source: [Norges Bank](#))

NOK/EUR	10,7207
NOK/GBP	12,0514

The contributions from the nine U4 partner agencies for 2020 amount to NOK 24 518 663, adjusted to the actual amounts received for 2020.

U4 carried forward a balance of NOK 4 465 921 from 2019 to 2020, of which NOK 1 906 951 was delayed funding from Belgium (disbursed in 2016), and NOK 2 558 970 were unspent funds from previous years. The foreign exchange gain of NOK 807 466 resulted from the sale of EUR to NOK, and U4 had a loss of NOK 98 945,67 due to the end-of-year revaluation of the EUR bank account.

## Notes

### \*BMZ/GIZ

The changed funding source from BMZ to GIZ in 2019 was a steering committee-approved shift from basket to annual project funding.

Funding from BMZ through GIZ for 2020 increased by an additional EUR 50 000 for 2020.

### \*\*Canada

U4 received EUR 666 000 (NOK 6 440 220) in 2019 for the period 2019–2021.

### \*\*\*UK FCDO

The financial year for FCDO is from 01 April to 31 March, unlike U4 and other partners. U4 agreed to a GBP 100 000 reduction in the contracted 2020-contribution upon request from FCDO, resulting in the new amount of GBP 200 000 for the year 2020. Changes in the financial situation on the UK-side prompted this need. U4 sent a disbursement request in 2020 for GBP 150 000 and GBP 50 000 in February 2021, those funds are regarded as 2020 income.

### \*\*\*\*Currency revaluation gain

A new bank account was created in February 2019 for handling any U4 income and expenses in Euros. Currency gains and losses resulting from revaluations on this account and the sale of EUR to NOK, accrued to U4. Prior to 2019, such transactions were handled through a different CMI (institutional) Euro account, and currency revaluation gains and losses were absorbed by CMI – not affecting the U4 accounts. Reserves in the euro account are revalued as per the exchange rates on 31 December each year.

## Summary overview of incurred expenses, January–December 2020

Incurred expenses from 1 January–31 December 2020, balanced against the approved budget.

Items	Budget 2020	Actual costs Jan–Dec 2020	Balance
<b>1. General management</b>	<b>2 164 175</b>	<b>1 988 223</b>	<b>175 952</b>
a) CMI Staff	1 904 175	1 904 175	-
b) Travel	60 000	-	60 000
c) Strategy process	60 000	60 000	-
d) Running costs	140 000	24 048	115 952
<b>2. General operations</b>	<b>12 793 320</b>	<b>14 113 717</b>	<b>-1 320 397</b>
a) CMI staff (Core team, others)	11 526 400	12 749 887	-1 223 487
b) Travel (excl. workshop, HQ)	512 000	13 426	498 574
c) Communication costs	639 000	1 299 895	-660 895
d) Running costs	115 920	50 509	65 411
<b>3. Thematic research</b>	<b>2 713 958</b>	<b>2 848 029</b>	<b>-134 071</b>
a) Civil society and people's engagement	120 000	248 825	-128 825
b) Climate change	180 000	246 747	-66 747
c) Development cooperation	729 860	678 966	50 894
d) Gender and corruption	25 500	64 600	-39 100
e) Illicit financial flows	120 000	-	120 000
f) Justice sector	194 600	89 621	104 979
g) Measurement and evaluation	223 800	179 711	44 089
h) Migration	60 000	-	60 000
i) Natural resources sector	194 133	195 076	-943
j) Private sector	70 500	12 741	57 759
k) Public financial management	172 500	172 500	-
l) Public service delivery	172 025	471 316	-299 291
m) Social norms	130 240	45 000	85 240
n) Translations (all themes)	150 000	139 518	10 482
o) External reviewers (all themes)	35 800	37 943	-2 143
p) Copyediting (all themes)	135 000	265 465	-130 465
<b>4. Strategic initiatives</b>	<b>177 620</b>	<b>300 558</b>	<b>-122 938</b>
a) Strategic activities	132 620	300 558	-167 938
b) Partnerships in the South	20 000	-	20 000
c) Bergen Hub	25 000	-	25 000
<b>5. Helpdesk (TI)</b>	<b>1 539 300</b>	<b>1 541 474</b>	<b>-2 174</b>
Helpdesk services	1 539 300	1 541 474	-2 174
<b>6. Courses and convening</b>	<b>2 651 806</b>	<b>2 727 722</b>	<b>-75 916</b>
a) Online course	1 504 066	2 305 896	-801 890
b) Partner engagement	165 000	29 354	135 646

Items	Budget 2020	Actual costs Jan–Dec 2020	Balance
c) In-country workshops (Ext costs + all travels)	982 800	392 472	590 328
<b>7. GIZ project funding</b>	<b>1 960 000</b>	<b>2 422 610</b>	<b>-462 610</b>
Staff salary-Thematic areas	1 960 000	2 422 610	-462 610
<b>Total NOK</b>	<b>24 000 179</b>	<b>25 942 333</b>	<b>-1 942 154</b>
Total EUR**	2 238 676	2 419 836	-181 159
Total GBP***	1 991 485	2 152 641	-161 156

Currency calculations based on the following average official exchange rates for 2020

NOK/EUR	10,7207
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NOK/GBP	12,0514
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Source: [Norges Bank](#)

## Financial notes

The following numbered notes relate to the same numbers marked in blue in the table above.

### 1. Management

Items	Approved budget	Actual expenditure	Balance
CMI staff	1 904 175	1 904 175	-
Travel	60 000	-	60 000
Strategy process	60 000	60 000	-
Running costs	140 000	24 048	115 952

**Management staff time:** This category covers part of the salary cost for the U4 Director and the Finance and operations manager (FOM).

**Travel for management:** Travel was not possible due to Covid-19 restrictions.

**Strategy process:** Cost related to the strategy process as estimated in budget.

**Running costs:** There was a decrease compared to the projected budget in this item due to all expected meetings (including the Steering Committee) taking place online.

### 2. General operations

#### CMI staff

Items	Approved budget	Actual expenditure	Balance
CMI staff	11 526 400	12 749 887	-1 223 487

This category covers staff time for core U4 activities: planning and reporting, thematic research, outreach, communications, online courses, in-country workshops, headquarter visits/partner engagement, strategic activities, and coordinating helpdesk operations and outputs. Operationalising gender aspects in U4 work and coordinating the internal monitoring and evaluation framework is also included here. There is an increase in the actual costs compared to the budget, due to:

- U4 Project assistant, Lucie Ducarre: contract extended until 31 December 2020 to cover needs in the areas of monitoring and evaluation, as well as support to online activities.
- CMI affiliated expert, Per Aarvik: contract extended until 31 December 2020 to conduct further research in a 50% position (partly covered by the relevant theme budget lines). Aarvik is a specialist on digital technology and studies how these can be applied for anti-corruption and development.
- Recruitment in autumn 2020 of two health advisers for the Coalition for Accountability, Transparency and Anti-Corruption in Health (CATCH, formerly known as ACTA). Daniel Hausenkamph joined U4 in November 2020, he holds a Bachelor of Science in health promotion and a Master of Medical Science in Public health. Additionally, Daniela Cepeda was also recruited as a health adviser to start in Feb 2021, her costs have not affected 2020 accounts. NORAD has increased its funding to strengthen anti-corruption in the health sector through research, technical assistance, and capacity building.
- U4 Senior Adviser, Cecilie Wathne, has left her position at CMI and U4 on 1 October. Vera Devine – U4's long-standing online course coordinator and anti-corruption expert – receives an 80% temporary



position from September 2020 till the end of 2021 to continue the thematic work Wathne started on corruption/anti-corruption measurement and evaluation, foster the online course coordination tasks, and provide support on other U4 core activities.

- U4 has brought different CMI staff (non U4 core) on short term assignments at different stages and various positions to help U4 deliver on its 2020 workplan. Part of the costs related to these assignments are covered under the thematic budget.
- Note: With a slight delay, the recruitment process for a new position as programme officer for MEL, planning and reporting has been completed. Priscilla Gonzalez has joined the U4 team in Feb 2021. Ms. Gonzalez brings 8 years of experience in the development cooperation sector specialising in programme and grant management, compliance, and donor relations. These costs were not accounted in 2020.

Also in February 2021, Daniela Cepeda started as the second health adviser in the team. Ms. Cepeda holds a Bachelor of Political, Economic and Social Sciences and a Master of Public Policy.

## Staff travel

Items	Approved budget	Actual expenditure	Balance
Travel	512 000	13 426	498 574

This budget line covers staff travel related to advisers' participation at events for thematic outreach (e.g. OECD policy events, the IACC, etc.) and research collaboration purposes.

Most of the planned events in 2020 were either cancelled, postponed, or took place online. Only travel costs for two advisers who attended a conference in Berlin (Rule of law, justice and development: Judicial integrity in the 21st century) are allocated under this budget category, some of these costs were partly covered by the host (BMZ). With the anticipated savings from this line, U4 reallocated the funds to other activities and budget lines.

## Communication costs

Items	Approved budget	Actual expenditure	Balance
Communications	639 000	1 299 895	-660 895

This budget line covers costs for website maintenance and development, licences and IT/communications tools subscriptions, promotion materials, printing, and outsourcing design/communications tasks. It also covers costs for U4 stands at events such as e.g. IACC, etc.

In response to the COVID-19 pandemic, U4 advisers produced several ad-hoc outputs and geared their time towards written outputs (publications and blog posts), webinars, and online training. This placed the communications team under pressure to produce and promote more outputs than planned. U4 also engaged external communication experts help to handle the increased workload. However, the U4 communications team could not focus on completing planned functionality improvements to the website until late in 2020. This work is now near completion and will be implemented in spring 2021. U4 is now working with external UX (User Experience) experts/designers and web developers to ensure high-quality solutions that will work in the long-term.

## Running costs

Items	Approved budget	Actual expenditure	Balance
Running costs	115 920	50 509	65 411

This line covers necessary staff training, purchase and subscriptions of thematic literature, representation, and other miscellaneous expenses related to thematic work and core activities. The costs are lower than budgeted due to some of the planned activities being cancelled as a result of COVID-19.

## 3. Thematic research

Approved budget	Actual expenditure	Balance
2 713 958	2 848 029	-134 071

This aggregated line for thematic research includes expert- and researcher fees for anyone *not* part of the U4 core team. It also includes their travels and other billable costs, as well as quality assurance costs related to thematic outputs in terms of peer reviews and copyediting. Translations are also covered under this line.

As informed to the partners at the Steering Committee in autumn 2019, the U4 team needed to readjust the thematic budgets at regular intervals in 2020 as part of the approach to be flexible and agile in responding to ad-hoc partner needs and opportunities, while still increasing U4 activity level.

Additionally, the pandemic led U4 to prioritise activities that responded to the Covid-19 effect on the development efforts from donor operations. In response to this, the U4 Director and advisers kept a closer eye on the necessary updates needed in their respective thematic work plans and worked with the Finance and Operations Director to reallocate the budget accordingly.

The details under each thematic budget line are presented below.

### Civil Society and people's engagement

Approved budget	Actual expenditure	Balance
120 000	248 825	-128 825

The costs cover these items:

- **An anthropological perspective on overcoming the pitfalls of engaging communities in anti-corruption programmes.** U4 Issue. By an external author.
- **Anti-corruption interventions in agricultural input subsidies.** U4 Issue. By external author, plus CMI affiliated researcher Per Aarvik.
- Research assistance for various outputs.

The costs are higher as the literature review was not considered in the budget.

## Climate change

Approved budget	Actual expenditure	Balance
180 000	246 747	-66 747

The forecast covers a scoping paper on climate change, including a U4 Brief, topic page texts, a webinar, and a literature review. The difference between budget and forecast is caused by the literature review that was more costly than budgeted.

## Development cooperation

Approved budget	Actual expenditure	Balance
729 860	678 966	50 894

The development cooperation theme carries a higher budget than other themes as it gathers a wide range of planned outputs including sub-topics on the politics of anti-corruption, engagement of Chinese civil society in Africa and fragile states. The main outputs in 2020 were:

- **Development aid:** A series of Practitioner Experience Notes and related blog posts by former DFID anti-corruption specialist, Phil Mason on lessons from the past twenty years of anti-corruption.
- **Youth, technology and corruption:** Webinar and guide on how to support civil society during the Covid-19 pandemic, with Per Aarvik.
- **Engagement with Chinese civil society organisation in Africa:** Planned fieldwork has been postponed to 2021 due to travel restrictions, however, the external consultant costs were disbursed according to contract upon delivery of the first draft of the issue paper in late 2020.
- **Covid-19 Cash transfers and corruption** with Inge Amundsen. U4 Brief.
- **Politics of anti-corruption:** Publication and website topic page with Inge Amundsen.
- **International Anti-Corruption Conference:** Virtual panel and background paper on public-private partnerships with external author. Some of the work has been postponed to 2021.

## Gender and corruption

Approved budget	Actual expenditure	Balance
25 500	64 600	-39 100

A U4 Issue originally planned on conceptual clarifications and synthesis of current research on Sextortion has been cancelled due to overlapping publications by Transparency International. U4's research scope was adjusted towards rather addressing sextortion through a feminist approach to anti-corruption.

Additionally, U4 launched a Brief on Haiti titled: Merit versus political contacts: Gender and corruption in the Haitian judiciary with CMI researcher Marianne Toraasen.

### Illicit financial flows

Approved budget	Actual expenditure	Balance
120 000	-	120 000

The original plan of covering for two experts for a workshop at the IACC did not materialised and it was not possible to implement this activity. Thus, no expense was allocated under this budget line.

### Justice

Approved budget	Actual expenditure	Balance
194 600	89 621	104 979

These costs cover:

- **Anti-corruption agency networks.** U4 Brief (infographics).
- **International standards for justice sector integrity and assessment tools.** U4 Issue. To be finalized in 2021
- **Emergency release of people from prison because of Covid-19: A brief analysis through an anti-corruption lens.** U4 Brief and webinar.
- **The Zimbabwean anti-corruption court.** U4 Brief. To be finalized in 2021.

Note that a translation to Ukrainian of the U4 Brief on Ukraine's High Anti-Corruption Court in Ukraine (HACC) was provided by the EUACI project. In addition, a forthcoming U4 Practice Insight on capacity building of the HACC will also be written pro bono by experts at the USAID New Justice Programme in Ukraine. Blog posts have also been authored pro bono, including from graduates from the justice sector online course.

The costs are lower as part of the work was done pro-bono and the U4 Brief on vetting of judges was completed by the U4 Senior Adviser, since one of the external authors was not available to do it.

### Measurement and evaluation

Approved budget	Actual expenditure	Balance
223 800	179 711	44 089

The estimated costs cover the following:

- **Unintended Consequences of Anti-Corruption.** U4 Paper Cancelled
- **How to Evaluate Anti-Corruption Intervention.** U4 Guide to be finished for 2021
- **Best Methodologies to Evaluate Impact of AC interventions,** U4 Paper, along with a seminar in Bergen at the ICRN was cancelled as the Senior adviser left CMI U4 and U4 has not been successful in continuing this activity.
- **Credible but killer corruption facts.** U4 Issue. This was originally a brief.

## Migration

Approved budget	Actual expenditure	Balance
60 000	-	60 000

**Doing business in humans: How is it organised and what might donors do?** This U4 Brief was cancelled due to the unavailability of the author.

## Natural resources sector

Approved budget	Actual expenditure	Balance
194 133	195 076	-943

The costs under this budget line are:

- **EITI theory of change:** A completed U4 Issue was published even though intended field work was cancelled due to travel restrictions, the latter reduced the cost of this activity. Savings from this line were reallocated to other activities under this theme.
- **Illegal fishing:** A U4 Issue, instead of originally planned brief, was developed during 2020 and ready to be published in the second quarter of 2021. Two webinars on this topic were also held in June.

## Private sector

Approved budget	Actual expenditure	Balance
70 500	12 741	57 759

- **Companies, state capture, political corruption in Guyana.** U4 Issue.
- **ISO 37001 certification for small- and medium enterprises.** This U4 Issue was postponed to 2021.

## Public Financial Management

Approved budget	Actual expenditure	Balance
172 500	172 500	

One U4 Brief and a six website topic pages have been produced/updated as planned.

## Public service delivery

Approved budget	Actual expenditure	Balance
172 025	471 316	-299 291

Under this theme, the costs cover:

Health coordination for the Coalition for Accountability, Transparency and Anti-Corruption in Health (CATCH: WHO, Global fund, UNDP and CMI U4). Most of CATCH costs have been postponed to 2021 due to delays at the WHO. Note that the CATCH costs shown under this budget line only relate to publications and coordination.

Note that the course development and the facilitation in relation to the CATCH Coalition will be covered under the online course budget category. The main deviation is the new health project CATCH coordination in light of Covid-19

See below for an overview of CATCH.

- **Coordination** of CATCH by external expert.
- **Weak links: How corruption in medical supply chains leads to sub standards and falsified medical products and impacts the COVID-19 response by external experts.** U4 issue.
- **Using the Universal Periodic Review (UPR), process to address health sector corruption by external expert.** U4 Brief.
- **CATCH online course** revision by external expert.

#### Social norms

Approved budget	Actual expenditure	Balance
130 240	45 000	85 240

**Identifying feasible and high-impact anti-corruption interventions: The case of Albania.** U4 Issue.

The forecast is lower than budgeted as the senior adviser has been reassigned other tasks in relation to the forthcoming strategy, thus the remaining budget has been reallocated to other thematic areas.

#### Translations, external reviewers, Copy-editing

Items	Approved budget	Actual expenditure	Balance
Translations (all themes)	150 000	139 518	10 482
External reviewers (all themes)	35 800	37 943	-2 143
Copyediting (all themes)	135 000	265 465	-130 465

The expenses under the translations category were lower than budgeted, this is partly due to the unavailability of the translators or that the planned paper to be translated was not completed

However, copyediting and external reviewers have increased to reflect the increased volume of publications. It is important to note that some of our reviewers contributed with pro bono work.

## 4. Strategic initiatives

Items	Approved budget	Actual expenditure	Balance
Strategic activities	132 620	300 558	-167 938

Partnerships in the south	20 000		20 000
Bergen hub	25 000		25 000

2020 was also the beginning of a new U4 strategy process. So far, U4 has conducted a horizon scanning, partners forums, and a mapping of other similar institutions – which highlighted that U4 is quite unique – mainly due to its online courses and its proximity to the partners. This category also covers the costs for external consultants to assist U4 in the above-mentioned processes.

Partnership in the South and Bergen HUB were not possible due to Covid-19.

## 5. Helpdesk

Approved budget	Actual expenditure	Balance
1 539 300	1 541 474	-2 174

This line covers the direct cost paid to Transparency International (TI) for the Helpdesk service. The contract has been renewed for two years: 2020–2021. As the contracted sum is in Euros, our budget estimates and actual payments may vary according to currency fluctuations.

During the year 2020 the number of queries to the Helpdesk reached 30, however there were occasions where a maximum of 5 queries were running simultaneously, which resulted in the need to outsource some of the work in order to meet the deadlines. Specifically, for 2020 U4 did 3 outsourcing, all contracts requiring prior approval by the U4 Director.

## 6. Courses and convening

### Online courses

Approved budget	Actual expenditure	Balance
1 504 066	2 305 896	-801 890

This budget line covers the development, review, and delivery of U4's online training portfolio, including:

- online course administration
- expert facilitation
- IT licences
- Asset production and design
- Translation

In response to the demand for more online events and courses due to the COVID-19 pandemic, U4 reallocated the funds from other cancelled outputs and events to this budget line.

The list of courses developed and/or facilitated in 2020 is:

- 4 Essentials II – Development programming.
- 3 Corruption risk management.

- 2 Corruption in the justice sector, including a webinar for each course (spring and autumn).
- 2 Health sectors.
- 1 Gender, including a webinar (co-organised with justice sector course).
- 2 Health sectors (including content adapted for the Coalition for Accountability, Transparency and Anti-Corruption in Health (CATCH), pandemics/emergencies) covered by CATCH budget.
- 1 Addressing corruption in the natural resources sector (development and pilot + a webinar).
- 1 Natural resources sector (English).
- 1 Natural resources sector (French).
- Development of 3 self-paced courses on the topic of Natural Resources Management (to be launched in 2021).
- Development of an Arabic translation of the self-paced ESS 1 (to be launched in 2021).

Measuring corruption (pilot for the Prosecutor General's Office – Uzbekistan)- to be finalized in 2021.

A review of the Essentials II: Development Programming training in line with online learning best practices, began in 2020 and is set to be delivered in a new format from spring 2021. The improvements will incorporate feedback from learners and partners. This includes modules that cover the existing content, which may be self-paced to better accommodate busy working schedules and time constraints, and which could also be combined with more specific, on-demand trainings and webinars for U4 partners.

The U4 team is also currently carrying out a light revision of the Corruption Risk Management course to update some of the content. A more substantial revision, including more self-paced components, is foreseen for 2021.

Development of the fragile states course was postponed to 2021 subject to the availability of the experts.

Note that the development of the education course that was originally in the budget has been cancelled as U4 has prioritised health topics in light of the pandemic.

## Partner engagement

Approved budget	Actual expenditure	Balance
165 000	29 354	135 646

This budget line covers expenses related to organising headquarter-visits and other partner engagement events. During the year 2020 the partner engagement events were held online (i.e. virtual meetings and webinars) allowing U4 to reallocate part of these funds to other budget category. Small costs related to the partner engagement session held online are included in the expenditures of this category.

## In-country workshops (excl. external costs and travel for all)

Approved budget	Actual expenditure	Balance
982 800	392 472	590 328

This category covers the in-country workshop expenses such as expert fees, travel costs, background studies, etc. Most of the costs incurred are for background studies.

U4 was able to implement one face-to-face in-country workshop in February 2020 in Ghana with the support of CMI researcher Inge Amundsen. An Issue was produced on how CSOs have been active in addressing corruption in the agriculture sector as a spin-off of this workshop.



## BMZ/GIZ funding from the middle of February to December 2020

Approved budget	Actual expenditure	Balance
1 960 000	2 422 610	-462 610

Part of the salary for three thematic advisers and the Finance and Operation Manager is allocated to the BMZ/GIZ project funding. Additionally, BMZ/GIZ increased their funding in 2020 by EUR 50 000, thus covering more costs.

## CATCH Coalition for Accountability, Transparency and Anti-corruption in Health-all activities

Approved budget	2020	2021	Sum
Budget 2020 -2021	1 977 450	6 021 500	7 998 950
Used as per 2020	996 673	-	996 673
Available to be transferred to 2021	980 777	6 021 500	7 002 277

## CATCH overview

In 2020, U4 received a grant from Norad to support the World Health organization led Coalition for Accountability, Transparency and Anti-corruption in Health (formerly known as ACTA, Anti-Corruption, Transparency and Accountability Alliance) with research and technical assistance. The coalition consists of the WHO, UNDP, Global Fund and the World Bank, having as main goal to strengthen and improve approaches to health sector anti-corruption at the global and national level through improved coordination, capacity building and learning.

Project implementation has been slightly delayed by several factors, including the due diligence and contracting process from WHO as well as the process of crafting a collaboration framework and define a role for U4 within it.

During 2020 U4 has initiated the following outputs related to corruption in the Covid-19 crisis:

- **Coordination** of CATCH by external expert.
- **Weak links: How corruption in medical supply chains leads to sub standards and falsified medical products and impacts the COVID-19 response by external experts.** U4 issue.
- **Using the Universal Periodic Review (UPR), process to address health sector corruption by external expert.** U4 Brief.
- **CATCH online course** revision by external expert.

## 2020 Overview funding and hours including non-core projects

Details	U4 CORE	USAID–TNRC*	GIZ–C files**	IDS-SDC***	SDC research****
2020 funding (NOK)	24 518 663	4 641 302		465 206	
Number of hours for thematic advisers incl. Director's thematic work	13 016	3 300	260	138	22,5
Total number of hours including for supporting functions (i.e. admin, finance, comms)	21 316	4 200	260	138	22,5

\*Targeting Natural resource Corruption. The total funding for the period Oct 2018–Sep 2023 is USD 2 562 277. Non- Core staff participate in this project. USD 327 651 for 2020

\*\*Assistance in preventing and combating corruption in Indonesia. Contract value- EUR 124 885 -Still awaiting payment from GIZ Indonesia for EUR 62 442.

\*\*\*IDS-SDC-Collaboration with centres of expertise in DDLG

\*\*\*\*SDC climate change research project on climate change (2020-2021). The disbursement will be sent in 2021.

## SDC- Climate change project funding in NOK– This is not part of the core

Approved budget	Actual expenditure	Balance
1 632 615	20 700	1 611 915

SDC research project for corruption and climate change for the period Oct 2020- Oct 2021. The contract amount is CHF 170 200. This will be reported separately.

It's important to note that the climate change expenditure shown under the thematic category for a total of NOK 246 747 is part of U4 core work and is not linked to the specific project on climate change funded by SDC.

## 2020 Overview of Director and thematic advisers' hours

The following table shows the distribution of the director and thematic advisers' billable hours across projects, in percentage of total invoiced hours.

CMI's standard procedure in recent years has been for most U4 thematic advisers to work around 80% of their annual income-generating hours on U4 core work, and the remaining 20% on tasks with separate funding. This system has been flexible, so that e.g. Aled Williams worked 36% on U4 core, and some other advisers worked 100%.

NAME/Projects	U4 CORE	USAID–TNRC	GIZ–C files	IDS-SDC
Strand Arne	65%	18%		
Wathne, Cecilie	81%			
Jackson, David	100%			1%
Williams, Aled	36%	74%		
Hausenkamph, Daniel	20%	1%		
Nicaise, Guillaume	96%			8%
Kirya, Monica	100%			
Aarvik, Per S.	66%			
Mullard, Saul	73%	24%		
Lemaitre, Sophie	100%	3%		
Schütte, Sofie	70%		16%	
Devine, Vera	33%			

## Strategic period 2017–2021 overview - Received income against expenditure (NOK)

This is an overview over the income and expenditures in the current strategic period 2017–2021.

Financial statement	2017	2018	2019	2020
Funds claimed and received	18 584 753	19 480 036	21 704 308	24 518 663
Balance transferred from previous year	2 267 046	1 992 827	1 216 651	2 558 970
Funding from Belgium (delayed)*	1 906 951	1 906 951	1 906 951	1 906 951
The gain resulting from selling EUR to NOK				807 466
End-of-year revaluation of U4 Euro account	Not applied	Not applied	77 717	-98 946
<b>Total income received (incl. balance)</b>	<b>22 758 750</b>	<b>23 379 813</b>	<b>24 905 526</b>	<b>29 693 104</b>
U4 expenditure for the year	18 858 972	20 256 212	20 439 605	25 942 333
Year-end balance transferred to the next	3 899 778	3 123 601	4 465 921	3 750 771

*Note: The payment was received in 2016, but the allocation was not used and the funds were carried over to the next years.*

## Incurred expenses – details (EUROS)-

### Summary overview of incurred expenses, January–December 2020

This is a copy of the overview listed above (in NOK), with all the sums in EUR.

Items	Budget 2020	Actual costs Jan–Dec 2020	Balance
<b>1. General management</b>	<b>201 869</b>	<b>185 456</b>	<b>16 412</b>
a) CMI Staff	177 617	177 617	-
b) Travel	5 597	-	5 597
c) Strategy process	5 597	5 597	-
d) Running costs	13 059	2 243	10 816
<b>2. General operations</b>	<b>1 193 329</b>	<b>1 316 492</b>	<b>-139 159</b>
a) CMI staff (Core team, others)	1 075 154	1 189 277	-114 124
b) Travel (excl. workshop, HQ)	47 758	1 252	46 506
c) Communication costs	59 604	121 251	-61 647
d) Running costs	10 813	4 711	6 101
<b>3. Thematic research</b>	<b>253 151</b>	<b>265 657</b>	<b>-12 506</b>
a) Development cooperation	68 080	63 332	4 747
b) Natural resources	18 108	18 196	-88
c) Illicit financial flows	11 193	-	11 193
d) Public financial management	16 090	16 090	-
e) Migration	5 597	-	5 597
f) Private sector	6 576	1 188	5 388
g) Measurement and evaluation	20 876	16 763	4 113
h) People's engagement	11 193	23 210	-12 016
i) Justice sector	18 152	8 360	9 792
j) Social norms	12 148	4 197	7 951
k) Gender	2 379	6 026	-3 647
l) Climate change	16 790	23 016	-6 226
m) Public service delivery	16 046	43 963	-27 917
n) Translations (all themes)	13 992	13 014	978
o) External reviewers (all themes)	3 339	3 539	-200
p) Copyediting (all themes)	12 592	24 762	-12 169
<b>4. Strategic initiatives</b>	<b>16 568</b>	<b>28 035</b>	<b>-11 467</b>
a) Strategic activities	12 370	28 035	-15 665
b) Partnerships in the South	1 866	-	1 866
c) Bergen Hub	2 332	-	2 332

Items	Budget 2020	Actual costs Jan–Dec 2020	Balance
<b>5. Helpdesk (TI)</b>	<b>143 582</b>	<b>143 785</b>	<b>-203</b>
Helpdesk services	143 582	143 785	-203
<b>6. Courses and convening</b>	<b>247 354</b>	<b>254 435</b>	<b>-7 081</b>
a) Online course	140 290	215 088	-74 798
b) Partner engagement	15 391	2 738	12 653
c) In-country workshops (Ext costs + all travels)	91 673	36 609	55 064
<b>7. GIZ project funding</b>	<b>182 824</b>	<b>225 975</b>	<b>-43 151</b>
Staff salary-Thematic areas	182 824	225 975	-43 151
<b>Total EUR</b>	<b>2 238 676</b>	<b>2 419 836</b>	<b>-181 159</b>

*\*Table presented in EUR currency*

## Incurring expenses – details (GBP)-

### Summary overview of incurred expenses, January–December 2020

This is a copy of the overview listed above (in NOK), with all the sums in GBP.

Items	Budget 2020	Actual costs Jan–Dec 2020	Balance
<b>1. General management</b>	<b>179 579</b>	<b>164 979</b>	<b>14 600</b>
a) CMI Staff	158 004	158 004	-
b) Travel	4 979	-	4 979
c) Strategy process	4 979	4 979	-
d) Running costs	11 617	1 995	9 621
<b>2. General operations</b>	<b>1 061 563</b>	<b>1 171 127</b>	<b>-109 564</b>
a) CMI staff (Core team, others)	956 437	1 057 959	-101 522
b) Travel (excl. workshop, HQ)	42 485	1 114	41 371
c) Communication costs	53 023	107 863	-54 840
d) Running costs	9 619	4 191	5 428
<b>3. Thematic research</b>	<b>225 199</b>	<b>236 323</b>	<b>-11 125</b>
a) Development cooperation	60 562	56 339	4 223
b) Natural resources	16 109	16 187	-78
c) Illicit financial flows	9 957	-	9 957
d) Public financial management	14 314	14 314	-
e) Migration	4 979	-	4 979
f) Private sector	5 850	1 057	4 793
g) Measurement and evaluation	18 570	14 912	3 658
h) People's engagement	9 957	20 647	-10 690
i) Justice sector	16 148	7 437	8 711
j) Social norms	10 807	3 734	7 073
k) Gender	2 116	5 360	-3 244
l) Climate change	14 936	20 475	-5 539
m) Public service delivery	14 274	39 109	-24 835
n) Translations (all themes)	12 447	11 577	870
o) External reviewers (all themes)	2 971	3 148	-178
p) Copyediting (all themes)	11 202	22 028	-10 826
<b>4. Strategic initiatives</b>	<b>14 739</b>	<b>24 940</b>	<b>-10 201</b>
a) Innovation activities	11 005	24 940	-13 935
b) Partnerships in the South	1 660	-	1 660
c) Bergen Hub	2 074	-	2 074
<b>5. Helpdesk (TI)</b>	<b>127 728</b>	<b>127 908</b>	<b>-180</b>

Items	Budget 2020	Actual costs Jan–Dec 2020	Balance
Helpdesk services	127 728	127 908	-180
<b>6. Courses and convening</b>	<b>220 041</b>	<b>226 341</b>	<b>-6 299</b>
a) Online course	124 799	191 338	-66 539
b) Partner engagement	13 691	2 436	11 256
c) In-country workshops (Ext costs + all travels)	81 551	32 567	48 984
<b>7. GIZ project funding</b>	<b>162 637</b>	<b>201 023</b>	<b>-38 386</b>
Staff salary-Thematic areas	162 637	201 023	-38 386
<b>Total GBP</b>	<b>1 991 485</b>	<b>2 152 641</b>	<b>-161 156</b>

*\*Table presented in GBP currency*