

Interim Financial Report and Briefing

The following interim financial information is presented to the CTCN Advisory Board to take note of:

- a) 2024 Cash Receipts
- b) 2024 Interim Financial Report by CTCN Service Areas, including projections
- c) Overview of projected fund balance at the end of 2024
- d) Total secured funds to date

1) CTCN’s Cash Income in 2024, as at August 2024, is USD 3,149,320

Cash receipts for the Climate Technology Centre and Network in 2024

(United States dollars)

Donor	Amount
Republic of Korea	\$2,005,281 (against 2021 pledge)
Adaptation Fund	\$485,545 (against 2020 pledge)
Japan	\$361,877 (new contribution)
Sweden	\$188,763 (new contribution)
Spain	\$107,854 (new contribution)
Grand Total	\$3,149,320

2) 2024 Interim Financial Report by CTCN Service Areas (ref: AB/2024/24/14.2.b)

The CTCN Advisory Board, at its 22nd meeting, approved an Operational Budget of USD 10 million for the year 2024.

As on 31 July 2024, the CTCN has incurred expenditures of USD 5.9 million in 2024. In addition, the pro bono support in 2024 will amount to USD 116,000. We foresee additional expenditures of USD 4.2 million from August-December 2024.

The total projected expenditure for 2024 is USD 10.2 million (102% Implementation rate) – Figure 1.

This is elaborated by the CTCN Service Areas in the 2024 Interim Financial Report, document AB/2024/24/14.2.b.

Figure 1 shows the projected expenditure against the approved budget for 2024 AOP.

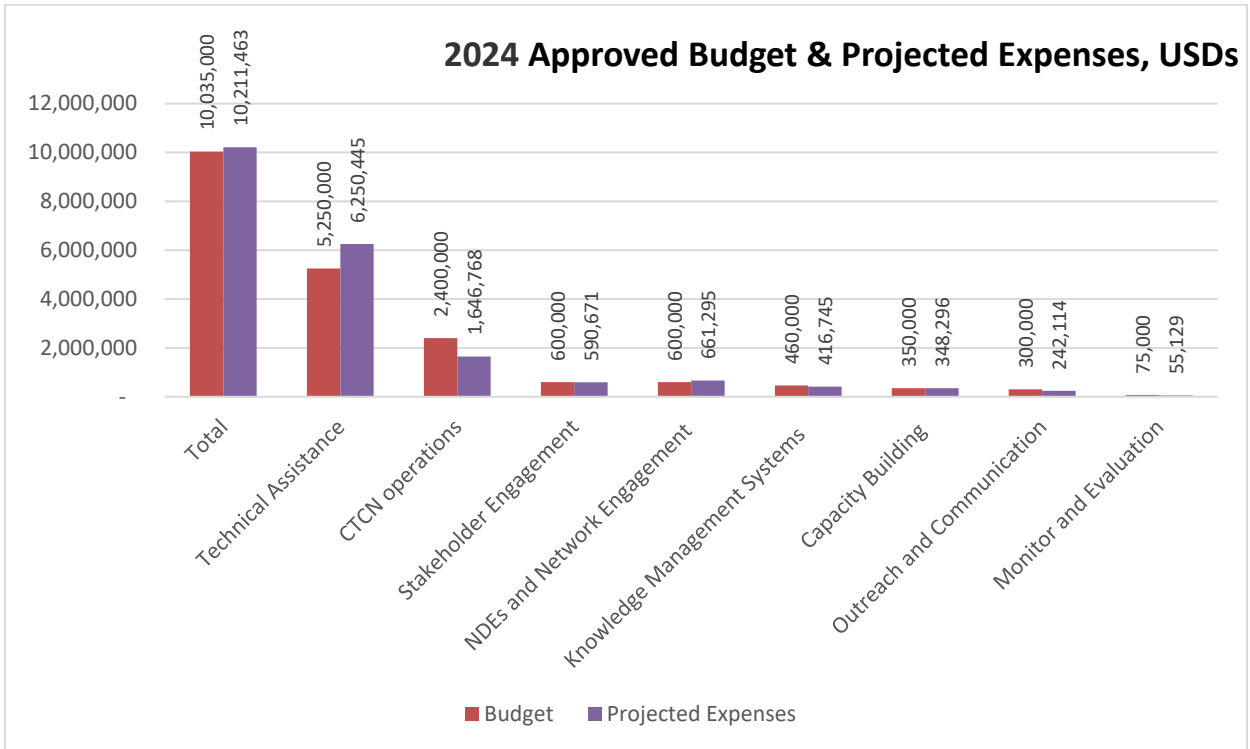
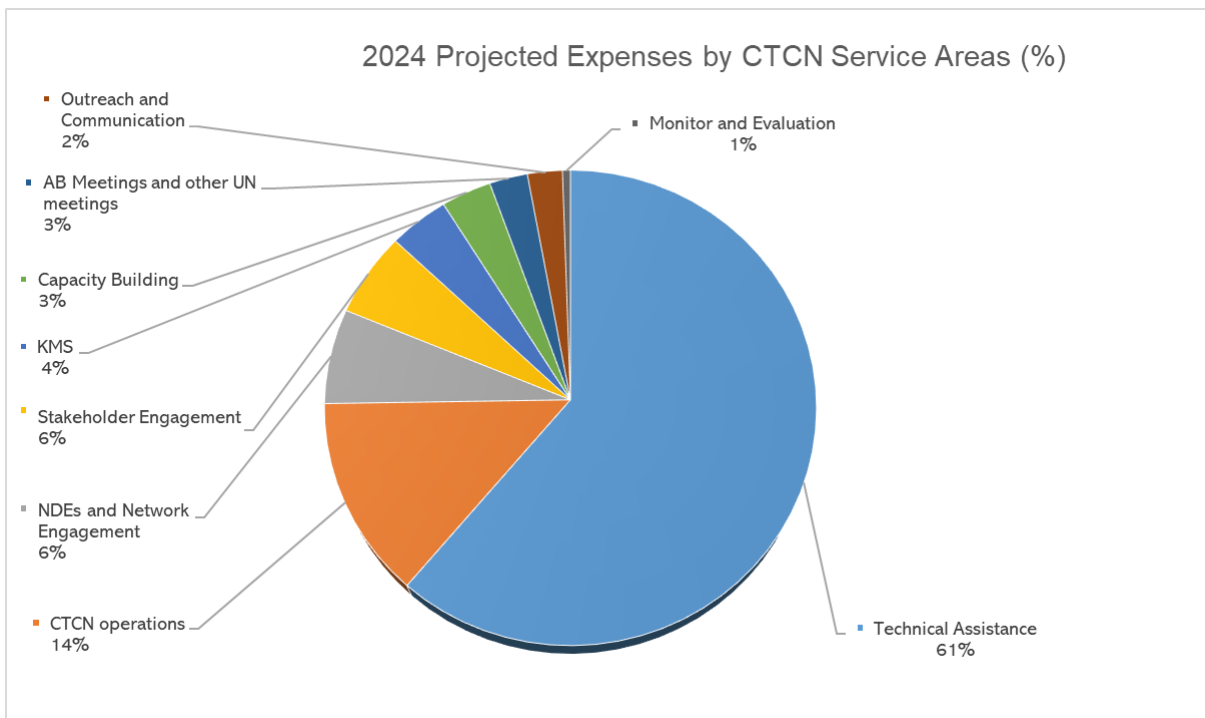


Figure 2, As seen below, 61% of the total projected expenses are for Technical Assistance, 14% for CTCN Operations, 6% for Stakeholder Engagement, and NDEs and Network Engagement each, 4% for KMS and 3% for Capacity Building, Advisory Board and other UN Meeting each, 2 % Outreach & Communications and 1% for Monitoring and Evaluation.



3) Overview of projected fund balance at the end of 2024:

At the end of 2024, the secured income for the 3rd PoW of CTCN is USD 21.9 million, the breakdown of which is as below:

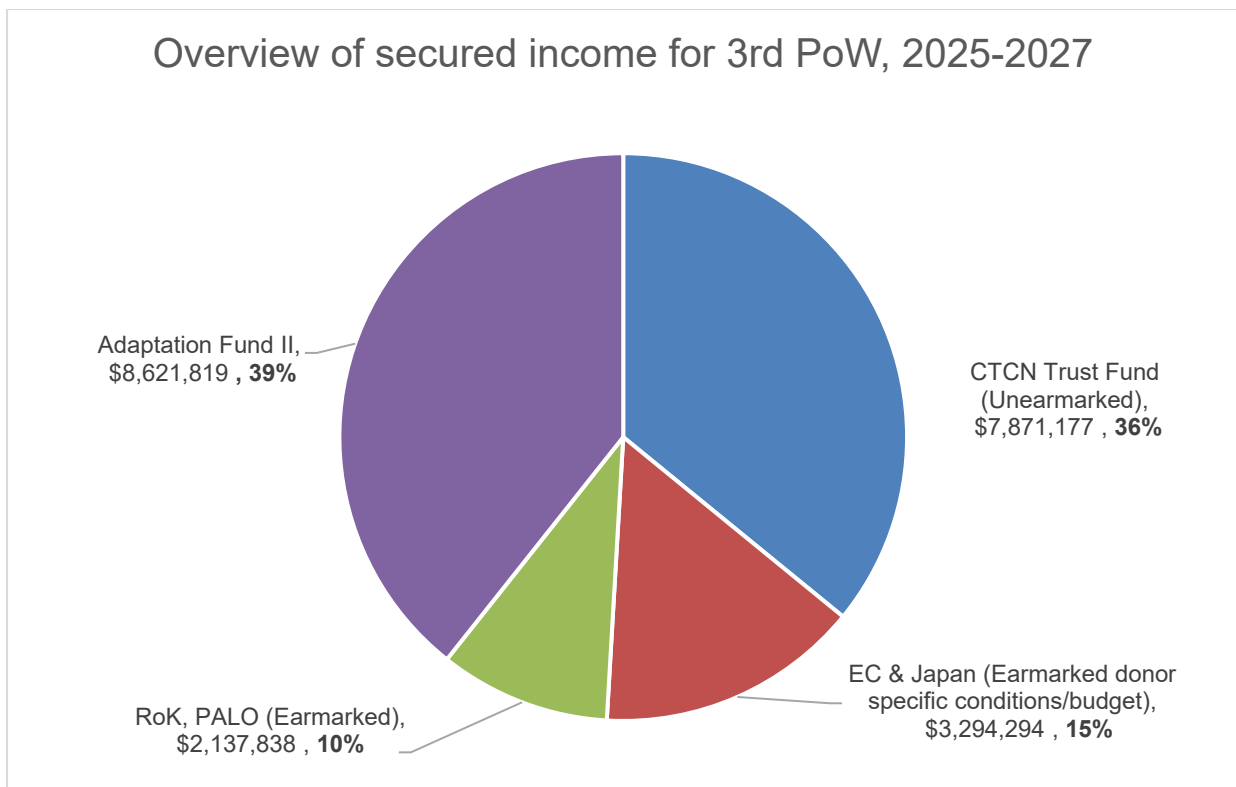
Donor	Conditionalities as per Donor Agreements	2024	2025	2026	2027	%
		Validity of Funds				
	Unearmarked	7,871,177 (Validity is same as CTCN's lifespan)				36%
EU	Approved Budget	1,629,874 (Validity 31.1.2026)				15%
EU	Approved Budget	1,179,706 (Validity 31.1.2027)				
Japan (MOE)	Mitigation Developing Countries	484,715 (Validity 31.12.2026)				
The Republic of Korea	CTCN PALO - approved budget ^B	2,137,838 (Validity 7.10.2026)				10%
Adaptation Fund II	Approved Budget	9,090,910 (Validity 31 May 2030) ^C				39%
TOTAL		9,115,434	8,802,694	2,507,000	1,500,000	21,925,128

^A Multi-Donor Trust Fund includes contributions from Canada (2013, 2023), Germany, Finland, Ireland, Italy, Norway, Spain, UK, and USA.

^B Tri-party agreement between UNEP/CTCN, MSIT and Incheon City, RoK for activities and personnel costs of CTCN Partnership and Liaison Office (PALO)

^C The agreement is valid until 31.5.2030, with last instalment of USD 469,091 due in 2028

The projected fund balance of USD 21.9 million includes 39% funds from Adaptation Fund, 36% funds in the multi-donor trust fund (unearmarked), 25% have approved budget and/or specific validity (earmarked).



Going forward 2025 to 2027

Assuming that,

- 1) the annual budget of CTCN continues to be 10.2 million USD per year, based on the current fund balance, it is projected that there will be a funding gap of approximately USD 8.7 million for the period 2025 to 2027.
- 2) the annual budget of CTCN operations (fixed costs) is USD 2.2 million per year, i.e., USD 6.6 million for the period 2025 to 2027; there will be a funding gap for non-TA related project activities as these are mainly funded with unearmarked funds.

Currently we are projecting a balance of USD 7.8 million in the multi-donor trust fund (unearmarked funds). It is important to note that CTCN must have a fund reserve of USD 6.6 million for the Secretariat to function (for salaries, fixed office expenses, Advisory Board and other UN meetings) until the end of the 3rd PoW, i.e., 2027. This leaves us with a balance of USD 1.2 million for project activities.

The CTCN continues to be optimistic and proactively working with members states and other prospective donors including foundations, network members and the private sector to seek contributions to the CTCN multi-donor trust fund and to strengthen linkages with financial mechanisms, such as the GCF and the GEF, as well as with the Adaptation Fund, and work with other partners on pro-bono assistance.

The CTCN is discussing a continued support from Denmark, in the amount of 33 million Danish Kroner, which is approximately USD 4 million, and with Germany for approximately 1 million EURs to fund technical assistance projects to support countries in eliminating SF6.

To date, the CTCN has secured funding (pledges against the signed Donor Agreements) of USD 124.2 million of which USD 95.7 million is through Voluntary Contributions (Figure 4) and USD 26.4 million through the UNFCCC's Financial Mechanisms (Figure 5), USD 2.1 through other Mechanisms (Figure 6).

Figure 4 – Funds secured through Voluntary Contributions (USD 95.7 million)

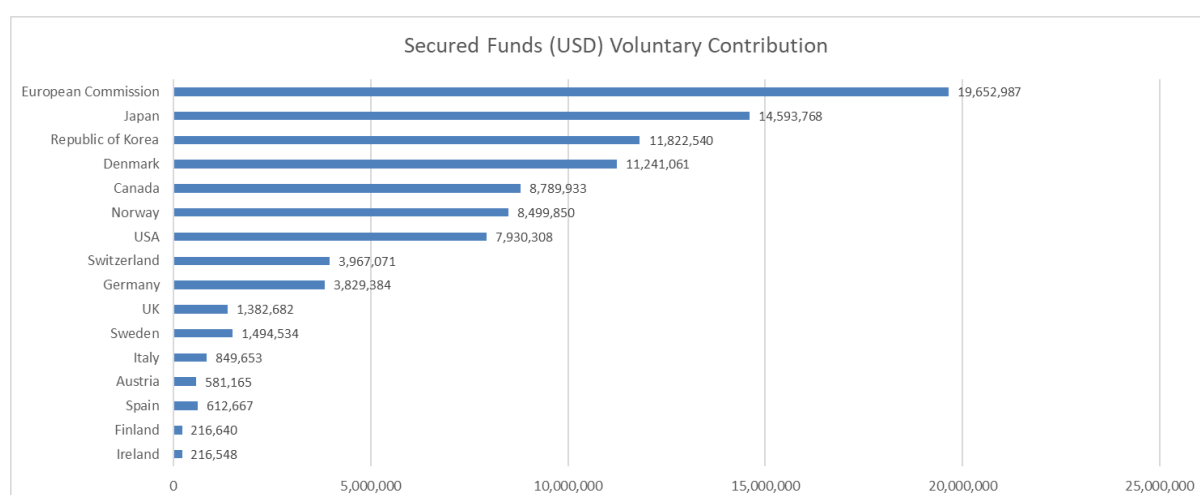


Figure 5 – Funds secured through UNFCCC’s Financial Mechanisms (USD 26.4 million)

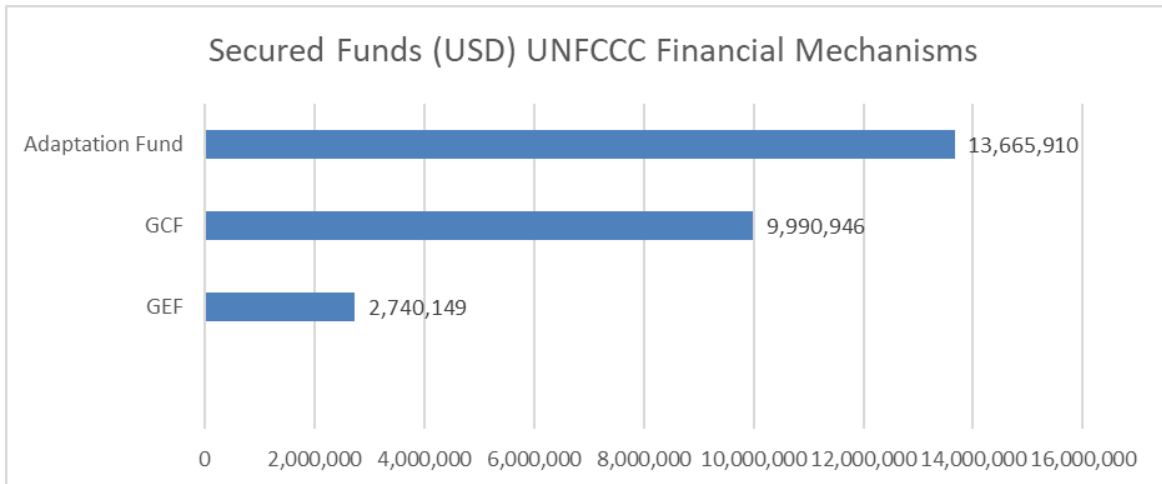


Figure 6 – Funds secured through other Mechanisms (USD 2.1 million)

