

Advisory Board to the Climate Technology Centre and Network

15-17 September 2025

Twenty-sixth meeting

AB/2025/25/13.2.a

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

1. 2025 Cash Receipts
2. 2025 Interim Financial Report by CTCN Service Areas, including projections
3. Overview of projected fund balance at the end of 2025
4. Total secured funds to date

1. CTCN's Cash Income in 2025, as of 30 June 2025, is USD 14,467,917

Cash receipts for the Climate Technology Centre and Network in 2025

Donor	Amount (USD)
Adaptation Fund II ^a	9,090,910
Denmark ^a	2,096,114
Republic of Korea ^b	1,677,458
Canada ^b	1,026,066
Japan ^a	361,877
Republic of Korea ^a	215,492
Grand Total	14,467,917

^a New Contribution

^b Cash against previous year pledges

2. 2025 Interim Financial Report by CTCN Service Areas (ref: AB/2025/25/13.2.b)

The CTCN Advisory Board, at its 24th meeting, approved an Operational Budget of USD 10 million for the year 2025.

As on 30 June 2025, CTCN incurred expenditures of USD 2.9 million in 2025. In addition, the pro bono support in 2025 will amount to USD 120,000. We foresee additional expenditures of USD 6.8 million from July-December 2025, which mainly includes USD 4.2 million for 22 TAs currently in the bidding process, USD 1.8 million for salaries, NDE forums, UN meeting scheduled to be held after June.

Thus, the total projected expenditure for 2025 is USD 9.8 million (96% Implementation rate). This is elaborated in the 2025 Interim Expenditure Report, document AB/2025/25/13.2.b, shared with the Advisory Board.

Figure 1 shows the projected expenditure against the approved budget for 2025 AOP.

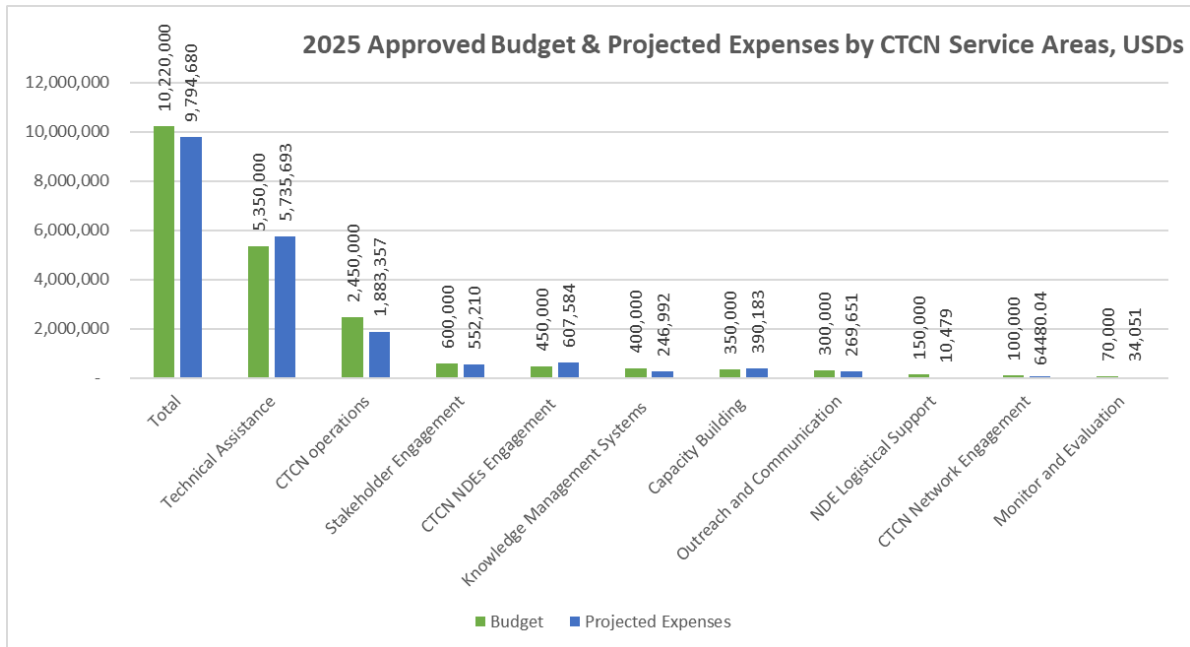
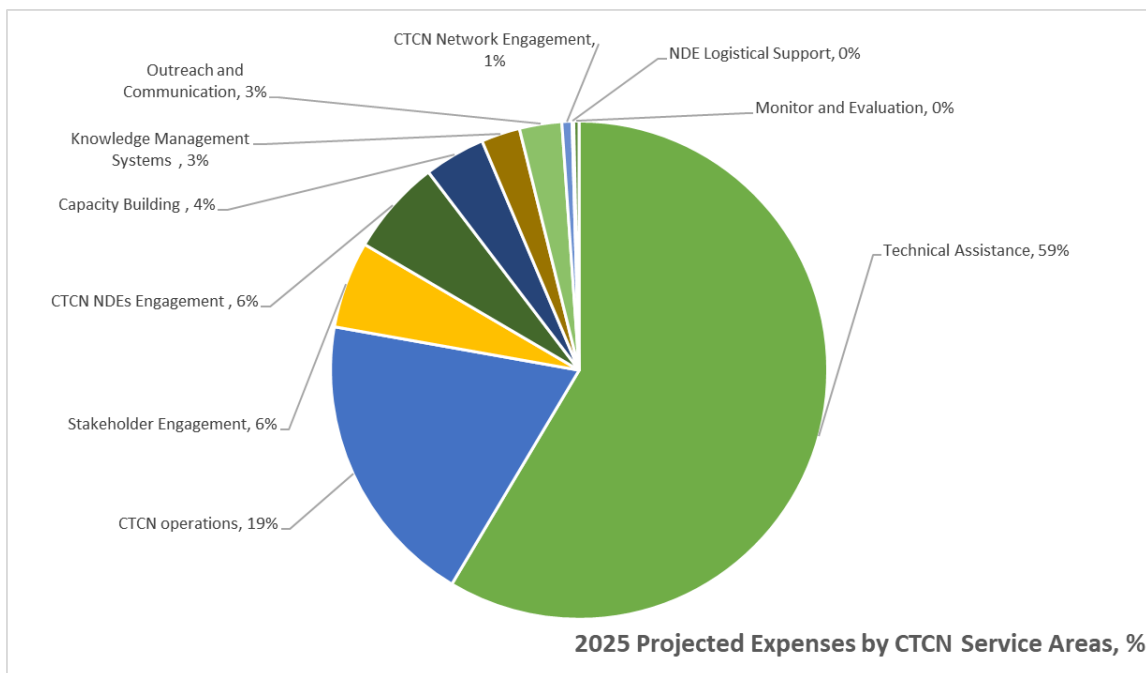


Figure 2, As seen below, 59% of the total projected expenses are for Technical Assistance, 19% for CTCN Operations, 6% for Stakeholder Engagement, and NDEs Engagement each, 4% for Capacity Building, 3% for KMS and Outreach & Communications each, and approximately 1% for Network Engagement, Monitoring and Evaluation, and NDE Logistical Support.



3. Overview of projected fund balance at the end of 2025:

At the end of 2025, the projected secured income for 2026 & 2027 is USD 21.5 million, including the carryover from previous years and future cash inflows. The breakdown of which is as below:

Figure 3

Donor	Conditionalities as per Donor Agreements	2026	2027	2028	%
		Validity of Funds			
Multi Donor Trust Fund ^A	Unearmarked	10,130,495 (Validity is same as CTCN's lifespan)			47%
EU	Approved Budget (CC Security, ICS)	252,450 (Validity 31.1.2027)			3%
Japan (MOE)	Mitigation Developing Countries	452,886 (Validity 31.12.2027)			
The Republic of Korea	CTCN PALO - approved budget ^B	263,365 (Validity 7.10.2026)			1%
Adaptation Fund II	Approved Budget	7,896,509 (Validity 31 May 2030) ^C			48%
Adaptation Fund C	Approved Budget	2,553,903 (Validity 31 Dec 2029)			
TOTAL		19,318,799	2,230,809		21,549,608

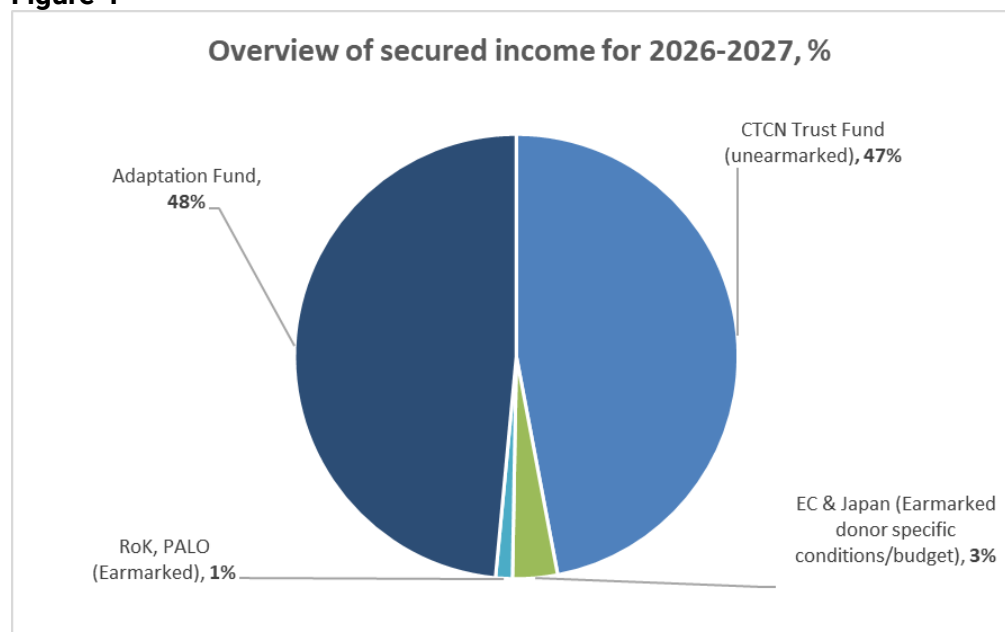
^A Multi-Donor Trust Fund includes contributions from Canada (2013, 2023), Germany, Finland, Ireland, Italy, Norway, Spain, UK, and USA.

^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, not included in the total secured funds for 2026-27

The projected fund balance of USD 21.5 million includes 48% funds from Adaptation Fund, 47% funds in the multi-donor trust fund (unearmarked), 4% have approved budget and/or specific validity (earmarked).

Figure 4



Funding Overview, 2026 & 2027

Noting that,

- 1) the projected fund balance at the end of 2025 is USD 21.55 million,
- 2) the annual budget of CTCN for the years 2026 & 2027 continues to be at the current level; total funds required will be USD 21.65 million,
- 3) of the total projected fund balance at the end of 2025, USD 10.13 million are in the multi-donor trust fund (unearmarked),
- 4) the annual budget of CTCN operations (fixed costs) is USD 2.35 million per year, i.e., USD 4.7 million for 2026 & 2027,
- 5) planned project activities in 2026 will require approximately USD 3.57 million of unearmarked funds,
- 6) CTCN must have a fund reserve of USD 4.70 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.

We are highlighting that in 2027, we will only have approximately USD 1.86 million for project activities requiring unearmarked funding. This is after reserving unearmarked funds for CTCN Operations in 2026 & 2027 and allocating USD 3.57 million for project activities in 2026, under the BAU scenario.

Funding overview, 2026 & 2027

	<i>USD, in millions</i>
Projected fund balance at the end of 2025	21.55
AOP Budget 2026 & 2027 (BAU)	21.65
Small funding gap	(0.10)

Overview of unearmarked funds, 2026-2027

	<i>USD, in millions</i>
Projected unearmarked fund balance at the end of 2025	10.13
Less, CTCN Operations budget 2026 & 2027 (BAU)	4.70
Less, project activities in 2026 budgeted against unearmarked funds	3.57
Approx. unearmarked fund balance for project activities in 2027	1.86

The above funding overview is based on the current secured income, future expenses as per the projections for Jul-Dec 2025, and AOP for 2026 under BAU scenario. This may also change as a result of our continued resource mobilization efforts.

4. Total secured funds to date

To date, CTCN has secured funding (cash receipt and pledges against the signed Donor Agreements) of USD 132.8 million of which USD 101 million is through Voluntary Contributions (Figure 5) and USD 29.6 million through the UNFCCC's Financial Mechanisms (Figure 6), USD 2.1 through other Mechanisms (Figure 7).

Figure 5 – Funds secured through Voluntary Contributions (USD 101 million)

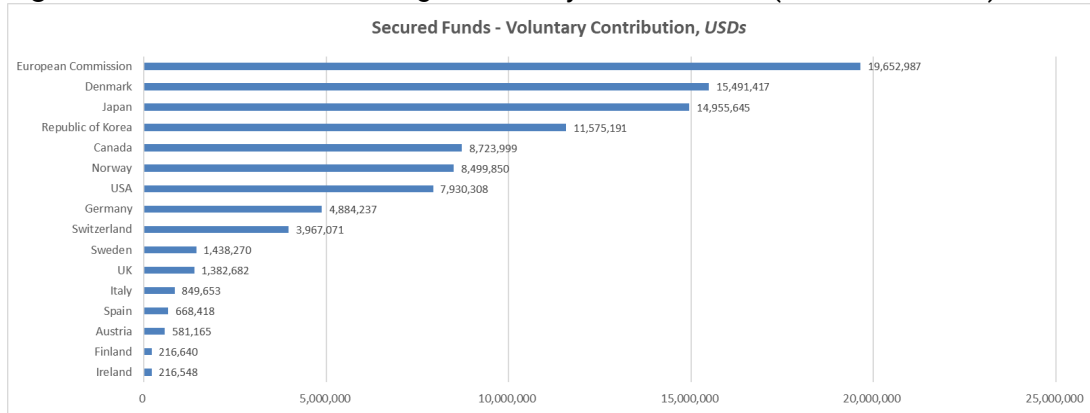


Figure 6 – Funds secured through UNFCCC's Financial Mechanisms (USD 29.6 million). Last contribution received from GCF in 2023, GEF in 2022

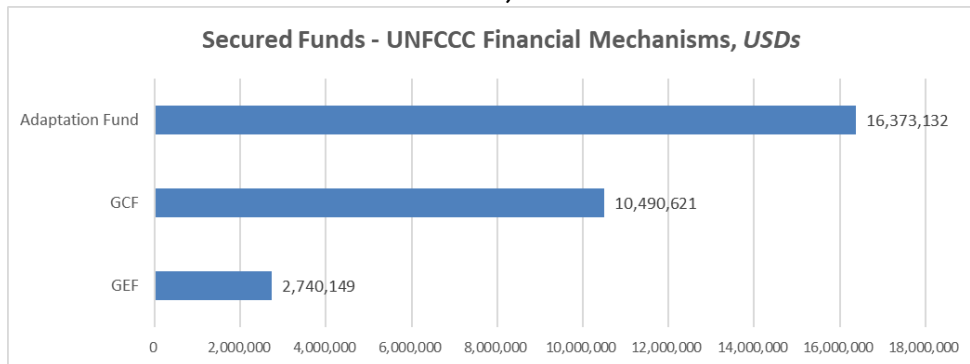


Figure 7 – Funds secured through other Mechanisms (USD 2.1 million). Last contribution received from UNIDO in 2018, NDC Partnership in 2021, UNDP Togo in 2022

