

### CTCN Financials in a Snapshot

In line with decision 2/CP.17, costs associated with the CTC and the mobilization of the services of the Network should be funded from various sources, ranging from the financial mechanism of the Convention to philanthropic sources, as well as financial and in-kind contributions from the host organization and participants in the Network<sup>1</sup>. Parties in a position to do so were invited to support the CTCN through the provision of financial and other resources<sup>2</sup>.

As of the end of July 2016, the CTCN has secured a total of **USD 31.3 million** from bilateral and multilateral sources. Since the previous Advisory Board meeting, no additional funds have been secured.

Donor	Total Contribution (USD)
Norway*	8,499,850
EC	6,784,261
Denmark	5,361,461
Japan	2,856,708
Canada	2,451,461
USA*	2,095,000
Germany	586,207
Switzerland	400,000
Finland	216,640
Ireland	216,548
<b>Sub-Total</b>	<b>29,468,136</b>
GEF	1,800,000
<b>Total</b>	<b>31,268,136</b>
*Executed partially through partnerships (DNV GL for Norway and NREL for USA)	

The funding target for the CTCN's first 5 years of operations amounts to USD 100 million as approved by Parties to the UNFCCC. UNEP and UNIDO as the co-leading organizations of the CTCN Consortium, continue therefore to engage with current and other potential donors, to secure the remaining funds.

Based on the current funding forecast, however, limited additional resources are expected to be received for 2016 and beyond. As reported at the last Advisory Board meeting, Denmark has informed of their intent to provide USD 1.6 million, subject to parliamentary approval, and the European Commission is considering further support of up to EUR 7 million (~USD 8 million) over a 3.5 year period. Once secured, these funds from Denmark and the European Commission are expected to be disbursed starting in late 2016 and in 2017, respectively.

Since the 7<sup>th</sup> Advisory Board meeting, UNIDO has had discussions with Switzerland regarding a contribution to the CTCN in the range of USD 4 million over a 3 year period which would be available starting in late 2016.

If the above contributions are secured, the total funding for the first 5 years of operations would increase to USD 44.9, with a remaining shortfall of USD 55.1 million that will primarily affect technical assistance provided to developing countries in response to country requests.

The CTCN and its co-hosts continue to explore options for additional funds which are required to ensure continuity in the work of the CTCN and for its mandate to be fulfilled.

<sup>1</sup> Decision 14/CP.18, annex I, paragraph 7

<sup>2</sup> Decision 2/CP.17, paragraph 139

**KEY POINTS ON FINANCIAL SITUATION:**

- As conveyed at previous Advisory Board meetings, funding of the CTCN for 2016 and beyond continue to be a going concern.
- The funding gap will soon impact the delivery of CTCN services, including responding to technical assistance requests submitted by developing countries. The estimated 2016 funding gap is about USD 7.2 million, based on the total 2016 budget and excluding funds carried over from the 2015 budget.
- The CTCN has at its disposal “request balancing criteria” to manage the prioritization of requests that are implemented and thus defer the demand for funding. Developing countries that have submitted requests to the CTCN for technical assistance may express disappointment regarding their requests that are not prioritized.
- The CTCN continues to explore linkages between the Technology Mechanism and the Financial Mechanism as one of the means to close the funding gap and ensure the sustainability, adequacy and predictability of funds to the CTCN. However, any funding through the Financial Mechanism is not expected to address the CTCN’s near term funding gap.
- The CTCN continues to discuss with bilateral donors and various other funding sources such as the private sector to address the critical funding gap, particularly for the near term.
- To fulfill its five year mandate, CTCN will require the active guidance, engagement and support of the Advisory Board in mobilizing resources, including guidance from the Advisory Board’s Funding Task Force.