

### 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 March 2017, the CTCN secured a total of **USD 50.7 million** from bilateral and multilateral sources. This includes the latest voluntary contributions kindly provided in the second half of 2016 and the beginning of 2017 by the European Commission and the Governments of Denmark, Germany, Italy, Japan, Republic of Korea, Switzerland and United States of America.

Donor	Total Contribution Secured (USD)
EU	14,429,688
Norway*	8,499,850
Denmark	7,149,305
USA*	4,930,308
Japan	4,637,482
Switzerland	4,260,221
Canada	2,451,461
Germany	1,158,207
Republic of Korea	882,044
Finland	216,640
Ireland	216,548
Italy	73,222
<b>Sub-Total</b>	<b>48,904,976</b>
GEF	1,800,000
<b>Total</b>	<b>50,704,976</b>
*Executed through partnership respectively with DNV GL and NREL	

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, has continued to engage with current and other potential donors as well as the Financial Mechanism of the Convention to secure additional funds to support CTCN operations.

As a result of pledges made to the CTCN during COP22, further funding is anticipated from Canada, Italy and the United States of America. Negotiations are in progress with these governments as a follow up to their pledges made during COP22.

If the above pledges are secured, the total funding for the first 5 years of operations of the CTCN would increase to USD 54.0 million, with a remaining shortfall of USD 46.0 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:**

- The USD 23 million pledged to the CTCN at COP22 allowed the CTCN to avoid a near term funding shortfall in its financial situation. However, the CTCN continues to experience fiscal challenges as it strives to be sustainably funded for its future years of operation.
- In addition to contributions from bilateral donors, the CTCN continues to explore other financing scenarios to diversify its sources of funding and ensure the adequacy and predictability of funding for CTCN technical assistance. The two most promising scenarios are through the Green Climate Fund of the Financial Mechanism and through in-kind contributions from Annex I NDEs.
- The CTCN has explored linkages with the GCF and estimates that, through the GCF's Readiness Programme, USD 2.2 million may be accessed for 2017 by collaborating with developing country NDAs and their country Readiness allocation.
- The CTCN has also engaged in discussions with Annex I NDEs that may be in a position to contribute in-kind support for implementation of CTCN technical assistance. The value of this in-kind assistance is estimated to be about USD 0.6 million for 2017 with the potential for additional contributions as a procedure for providing in-kind assistance is further developed and promoted.
- The CTCN continues to rely on the active guidance, engagement and support of the Advisory Board in mobilizing resources.