



CONSOLIDATED ANNUAL FINANCIAL REPORT

of the Administrative Agent

JP Climate Security Mechanism

for the period 1 January to 31 December 2024

UN Multi-Partner Trust Fund Office
United Nations Development Programme
GATEWAY: <https://mptf.undp.org>

May 2025



United Nations
MPTF Office



DEFINITIONS

Allocation/Total Approved Budget

Amount approved by the Steering Committee for the Joint Programme. The total approved budget represents the cumulative amount of allocations approved by the Steering Committee.

Approved Joint Programme

A Joint Programme including budget, etc., that is approved by the Steering Committee for funds' allocation purposes.

Contributor Commitment

Amount(s) committed by a contributor to a Joint Programme in a signed donor agreement with the UNDP Multi-Partner Trust Fund Office (MPTF Office), in its capacity as the Administrative Agent. A commitment may be paid or pending payment.

Contributor Deposit

Cash deposit received by the MPTF Office for the Fund from a contributor in accordance with a signed donor agreement.

Delivery Rate

The percentage of funds that have been utilized, calculated by comparing expenditures reported by a Participating Organization or Non-UN organization against the 'net funded amount'. This does not include expense commitments by Participating Organizations.

Donor Agreement

Standard Administrative Arrangement and/or European Commission contribution agreement between contributor/donor and MPTF Office.

Net Funded Amount

Amount transferred to a Participating Organization less any refunds transferred back to the MPTF Office by a Participating Organization.

Participating Organization

A UN Organization that is partner in a Fund, as represented by signing a Memorandum of Understanding (MOU) with the MPTF Office for a particular Fund.

Joint Programme Expenditure

The sum of expenses and/or expenditure reported by all Participating Organizations for a Joint Programme irrespective of which basis of accounting each Participating Organization follows for donor reporting.

Joint Programme Financial Closure

A Joint Programme is considered financially closed when all financial obligations of an operationally completed Joint Programme have been settled, and no further financial charges may be incurred. MPTF Office will report a Joint Programme financially closed once the financial report(s) has been received and any balance of funds refunded.

Joint Programme Operational Closure

A Joint Programme is considered operationally closed when all programmatic activities for which Participating Organization(s) received funding have been completed, and the Steering Committee has approved the final narrative report

Joint Programme Start Date

Joint Programme start date as per the programmatic document.

Transferred Funds

Funds transferred to Participating Organizations by the Administrative Agent in accordance with the Steering Committee's request.

US Dollar Amount

The financial data in the report is recorded in US Dollars.



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INTRODUCTION

This Consolidated Annual Financial Report of the **JP Climate Security Mechanism** is prepared by the United Nations Development Programme (UNDP) Multi-Partner Trust Fund Office (MPTF Office) in fulfillment of its obligations as Administrative Agent, as per the Joint Programme Document, the Memorandum of Understanding (MOU) signed between the UNDP MPTF Office and the Participating Organizations, and the Standard Administrative Arrangement (SAA) signed with contributors.

The MPTF Office, as Administrative Agent, is responsible for concluding an MOU with Participating Organizations and SAAs with contributors. It receives, administers and

manages contributions, and disburses these funds to the Participating Organizations. The Administrative Agent prepares and submits annual consolidated financial reports and financial statements, for transmission to stakeholders.

This consolidated financial report covers the period 1 January to 31 December 2024 and provides financial data on progress made in the implementation of Joint Programme of the **JP Climate Security Mechanism**. It is posted on the MPTF Office GATEWAY (<https://mptf.undp.org/fund/jxe00>).



2024 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the **JP Climate Security Mechanism** using the pass-through funding modality as of 31 December 2024. Financial information for this Joint Programme is also available on the MPTF Office GATEWAY, at the following address: <https://mptf.undp.org/fund/jxe00>.

1. SOURCES AND USES OF FUNDS

As of 31 December 2024, 12 contributors deposited US\$ 18,268,474 and US\$ 75,455 was earned in interest.

The cumulative source of funds was US\$ 18,343,930.

Of this amount, US\$ 16,783,893 has been net funded to 4 Participating Organizations, of which US\$ 10,113,756 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ 182,685. Table 1 provides an overview of the overall sources, uses, and balance of the **JP Climate Security Mechanism** as of 31 December 2024.

Table 1 Financial Overview, as of 31 December 2024 (in US Dollars)

	Prior Years up to 31 Dec 2023	Financial Year Jan-Dec 2024	Total
Sources of Funds			
Contributions from donors	14,154,926	4,113,549	18,268,474
Sub-total Contributions	14,154,926	4,113,549	18,268,474
Fund Interest and Investment Income Earned	39,273	36,182	75,455
Total: Sources of Funds	14,194,199	4,149,731	18,343,930
Use of Funds			
Transfers to Participating Organizations	13,090,270	3,693,623	16,783,893
Sub-Total Transfers	13,090,270	3,693,623	16,783,893
Administrative Agent Fees	141,549	41,135	182,685
Bank Charges	138	62	200
Total: Uses of Funds	13,231,957	3,734,820	16,966,777
Change in Fund cash balance with Administrative Agent	962,242	414,911	1,377,153
Opening Fund balance (1 January)	1,432,452	962,242	-
Closing Fund balance (31 December)	962,242	1,377,153	1,377,153
Net Funded Amount	13,090,270	3,693,623	16,783,893
Participating Organizations Expenditure	6,185,756	3,928,001	10,113,756
Balance of Funds with Participating Organizations	6,904,514	(234,378)	6,670,136



2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this Joint Programme as of 31 December **2024**.

The **JP Climate Security Mechanism** is currently being financed by **12** contributors, as listed in the table below.

The table includes financial commitments made by the contributors through signed Standard Administrative Agreements with an anticipated deposit date as per the schedule of payments by 31 December **2024** and deposits received by the same date. It does not include commitments that were made to the Joint Programme beyond **2024**.

Table 2. Contributions, as of 31 December 2024 (in US Dollars)

Contributors	Total Commitments	Total Deposits
Government of Austria	236,340	236,340
Government of Canada	555,062	555,062
Government of Denmark	281,411	281,411
Government of France	500,000	500,000
Government of Germany	5,338,557	5,338,557
Government of Ireland	1,637,915	1,637,915
Government of Norway	1,489,643	1,489,643
Government of Slovenia	55,191	55,191
Government of Switzerland	500,000	500,000
Government of the United Kingdom (other)	4,142,171	4,142,171
Government of United Arab Emirates	600,000	600,000
Government Offices of Sweden	2,932,184	2,932,184
Grand Total	18,268,474	18,268,474



3. INTEREST EARNED

Interest income is earned in two ways: 1) on the balance of funds held by the Administrative Agent (Fund earned interest), and 2) on the balance of funds held by the Participating Organizations (Agency earned interest) where their Financial Regulations and Rules allow return of interest to the AA.

As of 31 December **2024**, Fund earned interest amounts to US\$ **75,455**.

Interest received from Participating Organizations amounts to US\$ **nil**, bringing the cumulative interest received to US\$ **75,455**. Details are provided in the table below.

Table 3. Sources of Interest and Investment Income, as of 31 December 2024 (in US Dollars)

Interest Earned	Prior Years up to 31-Dec-2023	Financial Year Jan-Dec-2024	Total
Administrative Agent			
Fund Interest and Investment Income Earned	39,273	36,182	75,455
Total: Fund Interest Earned	39,273	36,182	75,455
Participating Organization			
Total: Agency Interest Earned	-	-	-
Grand Total	39,273	36,182	75,455



4. TRANSFER OF FUNDS

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December **2024**, the AA has transferred US\$ **16,783,893** to **4** Participating Organizations (see list below).

Table 4 provides additional information on the refunds received by the MPTF Office, and the net funded amount for each of the Participating Organizations.

Table 4. Transfer, Refund, and Net Funded Amount to Participating Organization (in US Dollars)

Participating Organization	Prior Years up to 31-Dec-2023			Financial Year Jan-Dec-2024			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
UNDP	6,927,952	-	6,927,952	1,537,460	-	1,537,460	8,465,412	-	8,465,412
UNDPO	564,156	-	564,156	136,003	-	136,003	700,159	-	700,159
UNDPPA	2,845,314	-	2,845,314	1,241,243	-	1,241,243	4,086,557	-	4,086,557
UNEP	2,752,848	-	2,752,848	778,917	-	778,917	3,531,765	-	3,531,765
Grand Total	13,090,270	-	13,090,270	3,693,623	-	3,693,623	16,783,893	-	16,783,893



5. EXPENDITURE AND FINANCIAL DELIVERY RATES

All final expenditures reported are submitted as certified financial information by the Headquarters of the Participating Organizations. These were consolidated by the MPTF Office.

Joint Programme/ project expenditures are incurred and monitored by each Participating Organization and are reported to the Administrative Agent as per the agreed upon categories for inter-agency harmonized reporting. The expenditures are reported via the MPTF Office's online expenditure reporting tool. The **2024** expenditure data has been posted on the MPTF Office GATEWAY at <https://mptf.undp.org/fund/jxe00>.

5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

In **2024**, US\$ **3,693,623** was net funded to Participating Organizations, and US\$ **3,928,001** was reported in expenditure.

As shown in the table below, the cumulative net funded amount is US\$ **16,783,893** and cumulative expenditures reported by the Participating Organizations amount to **US\$ 10,113,756**. This equates to an overall Fund expenditure delivery rate of **60.26** percent.

Table 5.1 Net Funded Amount and Reported Expenditures by Participating Organization, as of 31 December 2024 (in US Dollars)

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years up to 31-Dec-2023	Financial Year Jan-Dec-2024	Cumulative	
UNDP	23,197,257	8,465,412	3,269,951	1,753,958	5,023,909	59.35
UNDPO	9,609,146	700,159	40,134	252,414	292,548	41.78
UNDPPA	6,454,072	4,086,557	1,377,200	1,121,602	2,498,802	61.15
UNEP	8,335,975	3,531,765	1,498,470	800,026	2,298,496	65.08
Grand Total	47,596,450	16,783,893	6,185,756	3,928,001	10,113,756	60.26



5.2. Expenditures Reported by Category

Joint Programme expenditures are incurred and monitored by each Participating Organization and are reported as per the agreed categories for inter-agency harmonized reporting. In 2006 the UN Development Group (UNDG) established six categories against which UN entities must report inter-agency Joint Programme expenditures. Effective 1 January 2012, the UN Chief Executives Board (CEB) modified these categories as a result of IPSAS adoption to comprise eight categories.

Table 5.2. Expenditure by UNSDG Budget Category, as of 31 December 2024 (in US Dollars)

Category	Expenditures			Percentage of Total Programme Cost
	Prior Years up to 31-Dec-2023	Financial Year Jan-Dec-2024	Total	
Staff & Personnel Cost	3,298,116	3,146,034	6,444,150	68.10
Supplies, commodities and materials	196,496	-	196,496	2.08
Equipment, vehicles, furniture and depreciation	107,389	2,418	109,807	1.16
Contractual Services Expenses	484,443	27,713	512,157	5.41
Travel	334,763	315,236	649,999	6.87
Transfers and Grants	1,169,649	45,420	1,215,069	12.84
General Operating	200,512	134,297	334,809	3.54
Programme Costs Total	5,791,368	3,671,119	9,462,487	100.00
¹ Indirect Support Costs Total	394,387	256,882	651,269	6.88
Grand Total	6,185,756	3,928,001	10,113,756	-

1 Indirect Support Costs charged by Participating Organization, based on their financial regulations, can be deducted upfront or at a later stage during implementation. The percentage may therefore appear to exceed the 7% agreed upon for on-going Joint Programme. Once Joint Programme is financially closed, this number is not to exceed 7%.



6. COST RECOVERY

Cost recovery policies for the Joint Programme are guided by the applicable provisions of the Joint Programme Document, the MOU concluded between the Administrative Agent and Participating Organizations, and the SAAs concluded between the Administrative Agent and Contributors, based on rates approved by UNDG.

The policies in place, as of 31 December 2024, were as follows:

- **The Administrative Agent (AA) fee:** 1% is charged at the time of the contributor deposit and covers services provided on that contribution for the entire duration of the Fund. Cumulatively, as of 31 December 2024, US\$ **182,685** has been charged in AA fees.
- **Indirect Costs of Participating Organizations:** A general cost that cannot be directly related to any particular programme or activity of the Participating Organizations. Participating Organizations may charge 7% indirect costs based on UNSDG policy, establishing an indirect cost rate as a percentage of the programmable costs for interagency pass-through pool funds. In the current reporting period US\$ **256,882** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ **651,269** as of 31 December **2024**.

7. ACCOUNTABILITY AND TRANSPARENCY

In order to effectively provide fund administration services and facilitate monitoring and reporting to the UN system and its partners, the MPTF Office has developed a public website, the MPTF Office Gateway (<https://mptf.undp.org>). Refreshed daily from an internal enterprise resource planning system, the MPTF Office Gateway has become a standard setter for providing transparent and accountable trust fund administration services.

The Gateway provides financial information including: contributor commitments and deposits, approved programme budgets, transfers to and expenditures reported by Participating Organizations, interest income and other expenses. In addition, the Gateway provides an overview of the MPTF Office portfolio and extensive information on individual Funds and Joint Programmes, including their purpose, governance structure and key documents. By providing easy access to the growing number of narrative and financial reports, as well as related project documents, the Gateway collects and preserves important institutional knowledge and facilitates knowledge sharing and management among UN Organizations and their development partners, thereby contributing to UN coherence and development effectiveness.



Contributors



Government of
Austria



Government of
Canada



Government of
Denmark



Government of
France



Government of
Germany



Government of
Ireland



Government of
Norway



Government Offices
of Sweden



Government of
Slovenia



Government of
Switzerland



Government of the
United Kingdom
(other)



Government of
United Arab
Emirates

UN Participating Organizations



United Nations
Peacekeeping

