

CDM-2013Q4-INFO09

Quarterly report

Financial resources

Fourth Quarter, 2013

Version 1.0



United Nations
Framework Convention on
Climate Change

1. Status of income and expenditure to support CDM activities during the period from 1 January to 31 December 2013

1.1. Income

1. Table 1 below shows income received in 2013, including the balance brought forward from 2012.

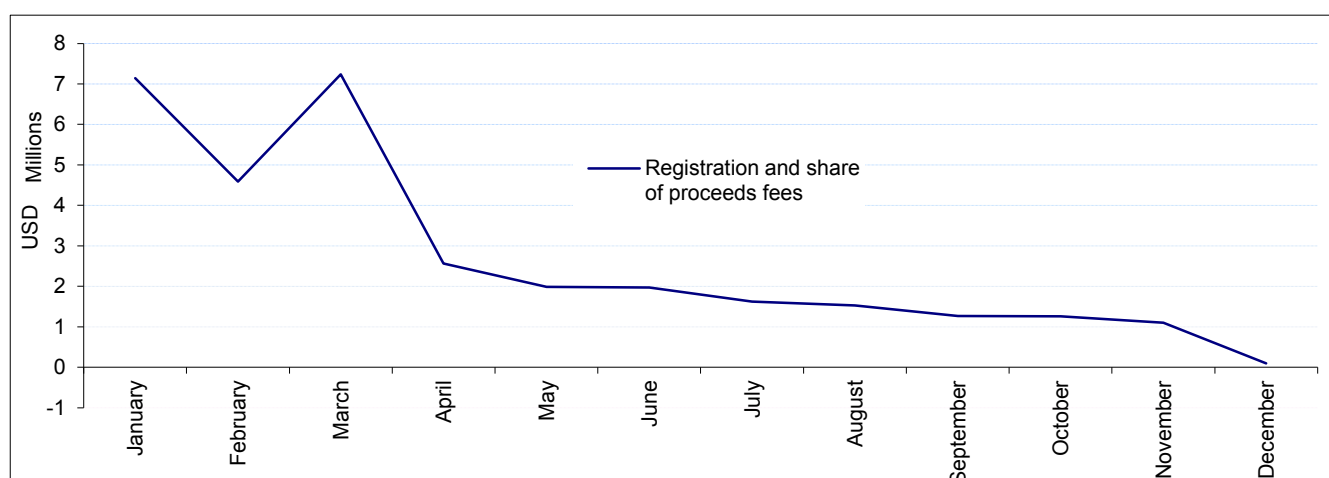
Table 1. Income received in 2013, including carry-over from 2012, in United States dollars

Carry-over figure from 2012 (A)	147,729,143
Accreditation fees	107,385
Fees from the accreditation process	232,637
Registration fees	1,672,543
Methodology fees	11,913
Share of proceeds (SOP)	30,687,967
Sub-total – Income 2013 (B)	32,712,444
Current balance of 2012 carry-over and 2013 income (A + B)	180,441,587

Note: USD 45 million held in reserve (EB 45, 2009) is not included in the above figures.

2. Interest accruing on the CDM Trust Fund from 2009 to 2012 totalled USD 6.8 million. This amount is included in the carry-over and balance given in table 1 and is ear-marked to fund the loan scheme, as decided by Parties to the Kyoto Protocol (*decision 3/CMP.6, paragraph 65*).
3. The total fees received as at 31 December 2013 amounted to USD 32.7 million (table 1). This equates to 92 per cent of the USD 35 million projected income for 2013.

Figure 1. Monthly Registration fees and share of proceeds - 12 months to December 2013



1.2. Expenditure

Table 2 shows the current level of expenditure by object of expenditure and the utilization rate for the reporting period.

Table 2. Comparison of budget and expenditure by United Nations object of expenditure (in United States dollars)

UN object of expenditure	Budget 2013 (12 months) a	Expenditure 2013 (Jan–Dec 2013) b	Available Balance c (a-b)	% Rate Expenditure vs. Budget d (b/a)
Staff	19,063,306	18,283,807	779,499	95.9%
Consultants	1,475,726	579,948	895,778	39.3%
Experts fees	1,019,080	711,100	307,980	69.8%
Experts travel	1,082,797	423,999	658,798	39.2%
Travel of Representatives	1,262,234	1,214,461	47,773	96.2%
Travel of Staff	408,546	332,614	75,932	81.4%
Training	540,647	75,074	465,573	13.9%
Operating Expenses ¹	8,674,147	7,779,273	894,874	89.7%
Communications	49,400	30,520	18,880	61.8%
Supplies and Material	35,000	16,697	18,303	47.7%
Grants (EB)	357,000	126,133	230,867	35.3%
Sub-total	33,967,882	29,573,625	4,394,258	87.1%
13% Programme Support²	4,415,825	3,844,571	571,254	
Total	38,383,707	33,418,196	4,965,512	

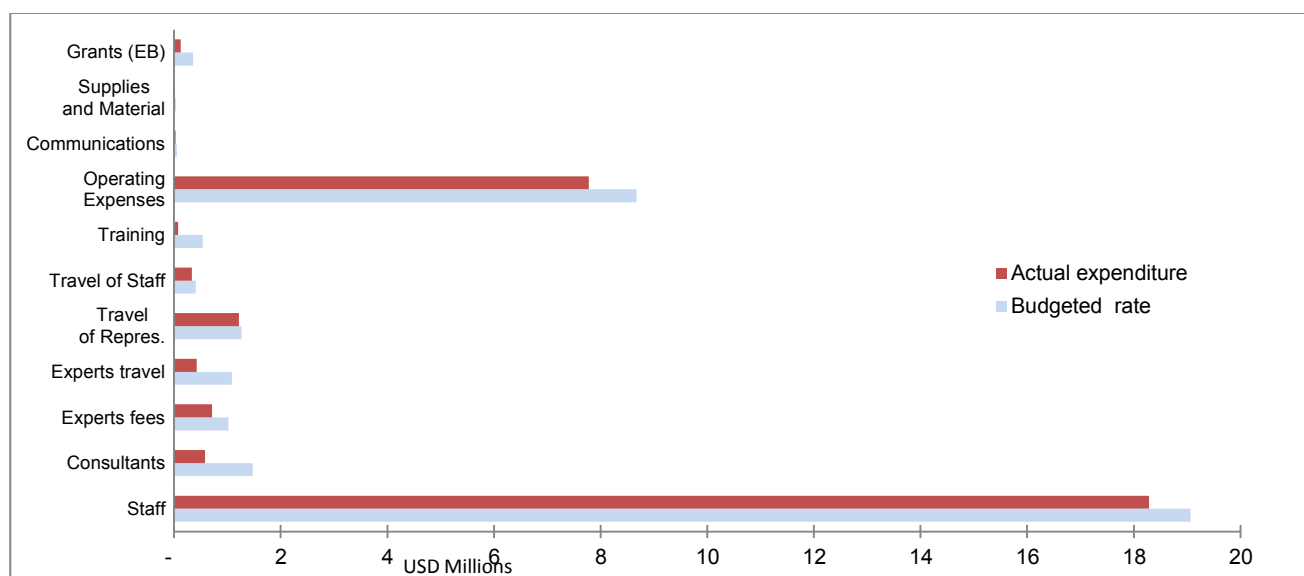
4. In this twelve month budget period, there is a 39 per cent rate of expenditure versus budgeted for the hiring and use of consultants. The low percentage rate of expenditure versus budgeted is due to:
 - (a) The actual cost of consultants was less than budgeted for;
 - (b) The USD 300,000 budgeted administrative fees payable to UNOPS (related to the CDM Loan Scheme) was prepaid at the end of 2012.
5. During this same period, there is a 70 per cent rate of expenditure versus budgeted for expert fees. The lower percentage rate of expenditure versus budgeted is due to cancellation of some MP and SSC WG meetings and reduction of meetings as explained below.
6. There is a 39 per cent rate of expenditure versus budgeted for expert travel. Reasons for a lower rate of expenditure versus budgeted include:
 - (a) Reduction of panel members (to about 5 members each) in the Methodologies Panel (MP) and Accreditation Panel (AP) in the second half of 2013;

¹ Operating Expenses include Total Cost of Ownership (TCO) which is a UNFCCC secretariat-wide cost recovery mechanism for the reimbursement of services provided to secretariat programmes, applied as per Secretariat Management Team decision of 2007. In 2013, TCO (actual) above amounted to USD 2.2 million.

² In accordance with the **financial** procedures of the United Nations, 13 per cent of overhead charges are payable on all trust funds of the UNFCCC to cover administrative services provided by the United Nations Office at Geneva and the UNFCCC secretariat

- (b) No meetings of the Carbon Capture and Storage Working Group took place while one Afforestation and Reforestation Working Group meeting was held;
 - (c) One meeting each of the MP, AP and Small-Scale Working Group (SSC WG) were cancelled. In addition, the meetings of the MP and SSC WG that was scheduled to be held in December 2013 was cancelled.
7. There is a 14 per cent rate of expenditure versus budgeted for training. This low percentage rate of expenditure versus budgeted is due to a reduction in the number of training courses offered in 2013 and thus, a lower number of license fees and course costs than budgeted for.
 8. The low expenditure rate of 35% relating to EB Grants for secretarial support and the purchasing of computer equipment for the Board members in 2013, is related to the savings from the closure of prior years' obligations of USD 87,600. The EB Grants disbursements from January to December 2013 amounted to USD 213,733.

Figure 2. Comparison of actual expenditure versus budget for January to December 2013 (In United States dollars)



1.3. Summary of financial position

Table 3. Status of income and expenditure, in United States dollars

Carry-over figure from 2012 (Table 1) (A)	147,729,143
Income 2013	32,712,444
Less : Expenditure 2013 (Table 2)	33,418,196
Surplus / (Deficit) (B)	(705,752)
Balance available (at 31 December 2013) (A+B)	147,023,391

Note: USD 45 million held in reserve (EB 45, 2009) is not included in the above figures.

9. Table 3 shows the balance of the CDM trust fund as at 31 December 2013.

10. From table 1 above, the income for the twelve months ending 31 December 2013 of USD 32.7 million is less than the expenditure of USD 33.4 million stated in table 2 (for the same period), resulting in a deficit of USD 0.7 million.

Table 4. Quarterly income and expenditure trend - 2013

In USD	Q1	Q2	Q3	Q4	Total
Income	19,008,969	6,626,166	4,491,951	2,585,358	32,712,444
Expenditure	8,443,493	9,252,918	8,457,037	7,264,748	33,418,196
Income minus expenditure	10,565,476	(2,626,751)	(3,965,086)	(4,679,390)	(705,752)

- - - - -

Document information

Version	Date	Description
01.0	13 February 2014	Initial publication.
Decision Class: Operational Document Type: Information note Business Function: Governance Keywords: budget, EB, reporting procedures		
