SUSTAINABLE
ENERGY FOR ALL

Second Consolidated Annual Progress report of the SE4All Multi-Donor Trust Fund

(Report of the Administrative Agent of the SE4All MDTF for the period 1 January - 31 December 2014)

UN
DP

Empowered lives.
Resilient nations.

PARTICIPATING ORGANIZATIONS

Executive Office of the Secretary-General, United Nations (EOSG)

United Nations Development Programme (UNDP)

United Nations Industrial Development Organization (UNIDO)

United Nations Office for Project Services (UNOPS)

CONTRIBUTORS

DENMARK

GERMANY

ICELAND

SWEDEN

DEFINITIONS

Allocation
Amount approved by the Steering Committee for a project/programme.

Approved Project/Programme
A project/programme including budget, etc., that is approved by the Steering Committee for fund allocation purposes.

Contributor Commitment
Amount(s) committed by a donor to a Fund in a signed Standard Administrative Arrangement 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 Standard Administrative Arrangement.

Delivery Rate
The percentage of funds that have been utilized, calculated by comparing expenditures reported by a Participating Organization against the 'net funded amount'.

Indirect Support Costs
A general cost that cannot be directly related to any particular programme or activity of the Participating Organizations. UNDG policy establishes a fixed indirect cost rate of 7% of programmable costs.

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 or other inter-governmental Organization that is an implementing partner in a Fund, as represented by signing a Memorandum of Understanding (MOU) with the MPTF Office for a particular Fund.

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

Project Financial Closure
A project or programme is considered financially closed when all financial obligations of an operationally completed project or programme have been settled, and no further financial charges may be incurred.

Project Operational Closure
A project or programme is considered operationally closed when all programmatic activities for which Participating Organization(s) received funding have been completed.

Project Start Date
Date of transfer of first instalment from the MPTF Office to the Participating Organization.

Total Approved Budget
This represents the cumulative amount of allocations approved by the Steering Committee.

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I.   Background

The Sustainable Energy for All Multi-partner Trust Fund (SE4All MPTF) has been established at the request of the Secretary-General to channel and manage resources to Participating UN Organizations to advance the objectives of the SE4All initiative. To date, the Fund has supported the operations of the Global Facilitation Team (GFT) to carry out the programmatic work of SE4All.

The SE4All MPTF has a governance arrangement that draws on the established governance structure of the SE4All initiative, including an Advisory Board, an Executive Committee and a Chief Executive exercising overall management of the MPTF with support from the GFT.

The Executive Committee has approved the Sustainable Energy for All (SE4All) GFT Business Plan that defines the objectives, actions and outcomes for the GFT, as well as the resources required for the GFT to operate during its first three years of existence and achieve the objectives laid out in the 3-year SE4All Strategic Work Program.

The Chief Executive, who also is the Secretary-General's Special Representative for Sustainable Energy for All, approves resource allocations in line with the GFT Business Plan and based on recommendations made by the Programme Review Committee (PRC) to undertake activities in line with the GFT Business Plan. The PRC, consisting of the Fund's stakeholders, reviews fund allocation proposals to ensure that the proposals are coherent and aligned to the GFT Business Plan.

This report has been prepared jointly by the GFT and the MPTF Office.

II.   Introduction

Sustainable Energy for All (SE4All) seeks to catalyse a transformation in the world's energy systems toward an equitable and sustainable future. Transforming the world's energy systems will lead to new multi-trillion-dollar investment opportunities to eliminate energy poverty, integrate and balance conventional and renewable energy sources, address climate change and enhance prosperity in developed and developing countries alike.

Launched in September 2011 by UN Secretary-General Ban Ki-moon, the three objectives of SE4All are to, by 2030:

1. Ensure universal access to modern energy services

2. Double the global rate of improvement in energy efficiency
3. Double the share of renewable energy in the global energy mix

Sustainable Energy for All aims to change the game by introducing new public-private partnerships built from constructive dialogue on policy, investment and market development by governments, business, civil society, and international organizations. By bringing together the global convening power of the United Nations and the World Bank, SE4All has the ability to leverage large-scale investments and mobilize bold commitments. It also has a rapidly expanding knowledge network.

The SE4All Advisory Board, Co-Chaired by UN Secretary-General Ban Ki-moon and World Bank Group President Jim Yong Kim, provides strategic advice to SE4All. The Advisory Board includes almost 50 distinguished global leaders from government, business, finance, civil society, and international organizations. They are also serving as global ambassadors of SE4All. The Advisory Board has established four standing committees to guide the SE4All work on energy access, efficiency and renewable energy, as well as on finance. For more information, please see Chapter 3.

An Executive Committee provides operational advice and is headed by Mr. Chad Holliday, Board Member at Bank of America. Kandeh Yumkella, the Secretary-General's Special Representative for Sustainable Energy for All, is also the Chief Executive Officer of SE4All, and is supported by a small Global Facilitation Team based in Vienna and New York.

The Global Facilitation Team serves to promote the myriad of SE4All activities around the world. By bringing together SE4All hubs, networks and individual SE4All partners, and continuing to grow the movement, the team serves as a connector, facilitator and launching pad for new initiatives and partnerships that can scale up joint efforts on sustainable energy for all.

SE4All has built a strong network of regional and thematic hubs to support implementation. The regional hubs include an Africa Hub hosted by the African Development Bank together with the African Union, the New Partnership for Africa's Development (NEPAD), and UNDP; a Latin American and Caribbean Hub hosted by the Inter-American Development Bank (IDB) together with the UN Economic Commission for Latin America and the Caribbean (UNECLAC), and UNDP; and an Asia-Pacific Hub hosted by the Asian Development Bank (ADB) together with the UN Economic and Social Commission for Asia and the Pacific (UNESCAP), and UNDP. Thematic hubs exist for Energy Efficiency (Denmark/Technical University of Denmark/UNEP), Renewable Energy (the International Renewable Energy Agency, IRENA), Knowledge Management (World Bank), Capacity Building (The Energy and Resources Institute, TERI), Energy Efficiency Facilitation (the Energy Conservation Center, Japan) and the Base-of-the-Pyramid (UNDP). Combined, these hubs cover the three SE4All

objectives of energy access, efficiency and renewable energy, as well as different crosscutting approaches to addressing them.

III.   SE4All Objectives

VISION AND TARGETS

The Secretary-General's Vision for Sustainable Energy for All

The vision for Sustainable Energy for All (SE4All) has been clearly articulated by the Secretary-General: To eliminate poverty and protect the environment, we can and must achieve Sustainable Energy for All by the year 2030. Accomplishing this vision will require action by all countries and all sectors to shape the policy and investment decisions needed for a brighter energy future. Industrialized countries must accelerate the transition to low-carbon growth pathways. Developing countries, many of them growing rapidly, have the opportunity to leapfrog conventional energy options in favour of cleaner energy alternatives that will drive growth and enhance economic and social development.

The 2030 Targets

To accomplish the vision of SE4All, all stakeholders are urged to take concrete action toward achieving three critical global objectives by 2030:

- Ensuring universal access to modern energy services
- Doubling the global rate of improvement in energy efficiency
- Doubling the share of renewable energy in the global energy mix

These three objectives are ambitious, visionary and cross-sectoral. Meeting them will require that specific outcomes and milestones be attained. Short-term outcomes and milestones must be actionable, measurable, and achievable.[1]

SE4All has helped inform the debate on post-2015 Sustainable Development Goals. The UN General Assembly's Open Working Group on SDGs has proposed SDG #7 on energy that enshrines the same objectives "**Ensure access to affordable, reliable, sustainable, and modern energy for all"** with the following targets**:**

- By 2030 ensure universal access to affordable, reliable, and modern energy services.
- Increase substantially the share of renewable energy in the global energy mix by 2030.
- Double the global rate of improvement in energy efficiency by 2030.

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[1] For further details please refer to 2013-2015 Strategic Work Program.

These targets are envisaged to be achieved through enhancing international cooperation to facilitate access to clean energy research and technologies, including renewable energy, energy efficiency, and advanced and cleaner fossil fuel technologies, and promoting investment in energy infrastructure and clean energy technologies. Additional measures recommended to support implementation include, by 2030, expanding infrastructure and upgrading technology for supplying modern and sustainable energy services for all in developing countries, particularly LDCs and SIDS.

To achieve the 2030 targets, work has been organized around six key result areas:

1. *Accelerating Country Action* by helping to mobilize ideas, actions and investment, and facilitating project/program development and implementation by all partners – public, private, civil society and development agencies in all participating countries.

2. *Catalyzing Investment and Business Action* by providing a platform for private-sector engagement with the initiative and supporting the development of hundreds of public-private, multi-stakeholder partnerships (i.e. High-Impact Opportunities).

3. *Growing the SE4All movement* by leveraging its political capital and convening power to engage with global, regional and national political processes, including the General Assembly's Open Working Group on Sustainable Development Goals, and by mobilizing global public engagement to raise awareness and continually expand outreach to all stakeholders. Forming strategic alliances with CSOs is a priority.

4. *Communications* by scaling up public communications, making use of social media, and developing a comprehensive branding strategy. Communication efforts are leveraged through collaborating and coordinating with the resources of partners.

5. *Knowledge Management* by creating a platform for sharing of best practices and lessons learned, developing common tools and methodologies, and making use of the resources available from academia and large network of partners who produce knowledge through their experience of working on developmental issues.

6. *Monitoring and Evaluation* by putting in place a robust framework for monitoring and accountability, tracking progress made by countries, periodic reports to the donors, and annual reports.

A three-year business plan (2013-16) was prepared to delineate monitorable targets. Detailed targets and achievement against each of the key result areas are presented in Section IV.

IV. Progress on Business Plan Implementation to Date

MANAGEMENT

An Advisory Board, co-chaired by the UN Secretary General and the World Bank Group President, provides strategic guidance to the Initiative. The Board is comprised of global thought leaders representing governments, private sector, academia, international organizations, and civil society. An Executive Committee chaired by Mr. Chad Holliday, former Chairman of Bank of America Merrill Lynch provides strategic and policy advice to the management team headed by Dr. Kandeh Yumkella, Special Representative of the Secretary General and CEO.

A Global Facilitation Team (GFT) has been established to lead and manage the Sustainable Energy for All initiative globally. The Chief Executive Officer directs the GFT, based on overall strategic advice from the SE4All Advisory Board and policy advice of the Executive Committee.

The Advisory Board in its meeting in November 2013 endorsed five immediate priorities for the GFT, which were presented by the SRSG:
1. Ensure a well-functioning GFT.
2. Help SE4All partners accelerate country-level actions and High-Impact Opportunities to meet the agreed objectives and targets.
3. Finalize the long-term institutional arrangements for SE4All.
4. Ensure continued robust engagement with the post-2015 and SDG processes.
5. Enhance both internal and external communications.

In the same meeting the Advisory Board also requested that four Advisory Board Committees be constituted – on Accelerating Access, Scaling up Deployment of Renewables, Establishing Energy Efficiency Partnerships, and Scaling up Finance (cross-cutting). At the meeting, the co-chairs made the case that energy is at the heart of the post-2015 development agenda and asserted that finance was the key to achieving the SE4All objectives.

ADVISORY BOARD COMMITTEES

All four Advisory Board Committees have been constituted, and co-chairs have been appointed, along with GFT focal points. Progress on all four committees is presented below.

<u>Finance Committee</u>

The Finance Committee is co-chaired by Dr. Luciano Coutinho, President of Brazilian National Development Bank (BNDES), and Mr. Purna Saggurti, Chairman of Global Corporate and Investment Banking at Bank of America Merrill Lynch (BAML). Terms of Reference for the Committee were finalized in consultation with the members. A joint task team of senior professionals from the World Bank Group (WBG), BAML, and BNDES worked intensively between January and June 2014, holding weekly conference calls, and established three working groups, one each led by the World Bank (market assessment and absorptive capacity), BNDES (enabling environment and preparation of bankable projects), and BAML (sources of capital, financial markets, structures and instruments) ., The committee's focal point in the Global Facilitation Team is Mr. Mohinder Gulati, the GFT's Chief Operating Officer. The World Bank Group technical support team to the Committee is led by Mr. Richard MacGeorge, Lead Finance Specialist, Financial Solutions Group, and BAML's support team was led initially by Mr. Matthew Hale, Managing Director, and now Mr. Abyd Karmali, Managing Director, Climate Finance. The BNDES team is led by Mr. Leonardo Botelho, Head International Relations Department.

A draft report was prepared and summary presented at the Advisory Board meeting in June 2014 in conjunction with the first SE4All Forum in New York. Since then broad based consultations were held with several commercial and multilateral banks, export-credit agencies, and wealth funds to seek their feedback and suggestions. The draft report was also presented at the Climate Summit in September 2014, and more recently at the Delhi Sustainable Development Summit in February 2015 during consultations on the Global Tracking Framework 2015 chaired by USG Mr. Gyan Acharya. A meeting of the co-chairs of the four committees was held in Vienna on 24 November 2014 to harmonize the approach and recommendations of the four committees, find the gaps, and work out a plan for finalizing the reports. The SDG Finance for Development Working Group requested for a presentation of the findings and recommendations of the Finance Committee report and is considering this to be presented as a deliverable at the Addis Ababa International Conference on Financing for Development in July. The report will be finalized before the second SE4All Forum in May 2015.

<u>Energy Access Committee</u>

The Energy Access Committee of the SE4All Advisory Board is chaired by H.R.H. Prince Abdulaziz bin Salman Al-Saud, Assistant Minister, Ministry of Petroleum and Mineral Resources of Saudi Arabia, Chairman of the National Committee on the Clean Development Mechanism; Reema Nanavaty, Secretary General of the Self Employed Women's Association; and Neven Mimica, European Commissioner for Development and Cooperation. The committee is also supported by AfDB and OFID.

The Energy Access Committee provides advice and recommendations to the Advisory Board and the CEO to bring about breakthroughs in achieving the universal energy access objective, including game-changing approaches to decentralized energy enterprise models that can be used by entrepreneurs, social enterprises, NGOs and other local organizations.

In addition to several virtual meetings, the committee met twice. The first meeting took place in Vienna on April 28 at the OPEC Fund for International Development; the second in Brussels on October 1. The outcome of the meeting on April 28 was a report that includes a set of 12 recommendations which were presented to the Advisory Board at its meeting in June 2014. These recommendations included key areas such as: speaking to the development outcomes emerging from access to energy, taking a multi-sectoral approach, stimulating research and application on energy needs of the poor (especially in cooking solutions based on local service delivery), policy advocacy, gender aspects, utility to utility support, promoting energy councils and SE4All Country Action Agendas, support for innovative game-changing initiatives in business and financing models for decentralized energy (which can be used by entrepreneurs/social enterprises/NGO's/local organizations), establishing a new financing facility, and convening foundations as partners. A first meeting with interested foundations has been scheduled for 24 February 2015. At its meeting on October 1, the committee discussed this and other follow-up actions on the 12 recommendations.

Energy Efficiency Committee

On energy efficiency, most of the year 2014 has been dedicated to the establishment of the Global Energy Efficiency Accelerator Platform, launched in September 2014 during the New York Climate Summit. The Platform promotes private-public partnerships in order to achieve one of SE4All's goals: doubling the global rate of improvement in energy efficiency. The Platform accelerates the impact of existing initiatives and currently includes six energy efficiency sectors, namely: vehicles, lighting, appliances, buildings, district energy systems and industry. Additional initiatives are under development, targeting the power sector and energy-efficiency finance. Under the umbrella of the Platform government entities, United Nations organizations, NGOs, financial institutions and private sector have come together to share their tools, knowledge, and lessons learned.

The purpose is to identify new opportunities for scaling up action on the ground through public-private partnerships and produce the key deliverable of "Road Maps" for energy efficiency improvements. These Road Maps consist of an integrated policy and investment plan of action that describes the commitments and the actions required in each jurisdiction in order to realize the agreed energy efficiency gains.

In the year 2014, about 40 jurisdictions joined the platform. In addition, the GFT actively promoted its energy efficiency work at meetings organized, among other organizations, by the United Nations Framework Convention on Climate Change (UNFCCC), the International Partnership for Energy Efficiency Cooperation (IPEEC), and the UN Economic Commission for Latin America and the Caribbean (ECLAC). SE4All also organized two energy-efficiency side events during the UNFCCC Conference of Parties in Lima.

In addition, the Government of Japan has established an energy efficiency hub in Tokyo, hosted by the Energy Conservation Center, Japan (ECCJ), to help the Platform in securing commitments for reduction of greenhouse gas emissions and to facilitate knowledge sharing on best practices in Asia.

Finally, SE4All is cooperating closely with governments to organize crucial energy-related events, such as with the Government of Austria for the Vienna Energy Forum, which has a key theme of energy efficiency in 2015. For the United Nations climate change conference (COP21) in December 2015, in Paris, SE4All and the French government have come together to organize an exclusive SE4All day during this event to launch a global covenant of mayors and to bring mayors from different regions to announce commitments for GHG reductions and showcase the work that has been achieved.

Renewable Energy Committee

The Renewable Energy Committee is co-led by Mr. Adnan Amin, Director-General of the International Renewable Energy Agency (IRENA), and Mr. José Manuel Entrecanales, President and Chief Executive Officer of Acciona. The work of the committee is supported by the Global Facilitation Team, which provides secretariat services to the committee and coordinates communication among committee members. The Global Facilitation Team focal point for the committee is Minoru Takada.

Aiming at scaling up the deployment of Renewable Energy, the work of the renewable energy committee has focused on two immediate objectives: (1) developing a set of recommendations to advance the objective of doubling the share of renewable energy in the global mix by 2030, and (2) initiating a set of game-changing initiatives/instruments in support of the renewable objective. The committee set out three priority areas where strong action must be taken to advance the renewable energy agenda: knowledge management, policy and regulation, and public support.

COUNTRY ACTION

In the three years since the launch of SE4All , 85 developing countries have joined as partners, indicating their desire to strive towards the three global objectives. If countries with officials on the SE4All Advisory Board are included,

along with developed country donors to the SE4All's core activities, the total number of SE4All country partners totals over 100.

With the support of development partners, regional development banks and the UNDP, 43 developing countries have initiated SE4All Rapid Assessments or Gap Analyses to help determine the main challenges and opportunities in achieving the three objectives of SE4All. The Rapid Assessments/Gap Analyses are intended to describe the status of energy in the national development context, providing the political, economic, social and environmental background for the subsequent drafting of plans to promote SE4All in a particular country. Key SE4All partners have agreed on a Country Action Reference Document (CARD), providing guidance to partners on the SE4All country action process. In addition, the SE4All Africa Hub at the African Development Bank (AfDB) has led the development of an Action Agenda template, which provides concrete guidance to developing country partners, particularly in Africa.

For the year of 2014, 30 initial countries were selected in order to focus the promotion of the country action processes, which includes the production of Action Agendas and Investment Prospectuses. The initial focus countries have been selected based on the availability of programmes and funding, geographical mix, existing enabling environments and readiness to start working immediately. In many more countries, SE4All partners are working to implement and finance transformative energy projects, including through developing Action Agendas, Investment Prospectuses, energy policies, rural electrification plans and strategies for scaling up renewable energy, energy efficiency and clean cooking solutions. A number of Action Agendas and Investment Prospectuses are currently being finalized.

REGIONAL AND THEMATIC HUBS

SE4All has built a strong network of regional and thematic hubs to support implementation. The regional hubs include an Africa Hub hosted by the African Development Bank together with the African Union, the New Partnership for Africa's Development (NEPAD), and UNDP; a Latin Amerian and Caribbean Hub hosted by the Inter-American Development Bank (IDB) together with the UN Economic Commission for Latin America and the Caribbean (UNECLAC), and UNDP; and an Asia-Pacific Hub hosted by Asian Development Bank (ADB) together with the UN Economic and Social Commission for Asia and the Pacific (UNESCAP), and UNDP. Thematic hubs exist for Energy Efficiency (Denmark/Technical University of Denmark/UNEP), Renewable Energy (the International Renewable Energy Agency, IRENA), Knowledge Management (World Bank), Capacity Building (The Energy and Resources Institute, TERI), Base-of-Pyramid solutions, and Energy Efficiency Facilitation (the Energy Efficiency Center, Japan). Combined, these hubs cover the three SE4All objectives of energy access, efficiency and renewable energy, as well as different crosscutting approaches to addressing them. The World Bank, which is

hosting the initiative's Knowledge Hub, provides extremely valuable baseline information regarding the energy and development profiles of the partner countries through the Global Tracking Framework. The United Nations Foundation has established a global Energy Access Practitioner Network composed of more than 1800 energy companies, social enterprises, NGOs, and other groups working on energy access in developing countries – a critically important foundation for engaging non-government stakeholders in country-level activities.

BUSINESS ACTION AND INVESTMENT

A unique aspect of SE4All is the prominent role of the private sector alongside the public sector, civil society and multilateral organizations. Businesses value Sustainable Energy for All for the facilitation and brokering role it can play in enabling a policy dialogue with governments, which is seen as critical to reaching the three SE4All objectives by 2030. From the private sector, Sustainable Energy for All has attracted the personal engagement of leaders from globally recognized companies such as Accenture, Acciona, Bank of America, Bloomberg, EcoNet Wireless, Enel, Eskom, Eni, Masdar, Renault, Royal Dutch Shell and Statoil. Engagement takes the form of concrete commitments, active membership on the SE4All board and committees, or both.

To provide a few examples of business action:
- Bank of America has financed energy efficiency and renewable projects worth more than US$5 billion as against its commitment of US$50 billion made at Rio+20. In September 2014, it launched its Catalytic Finance Initiative (CFI), designed to catalyse at least $10 billion of new investment into high-impact clean energy projects. Under CFI, Bank of America will commit $1 billion in capital to investment structures that employ a range of de-risking tools, developed in conjunction with development finance institutions, insurance providers, foundations and institutional investors.

- Enel, a multinational power company, is strongly committed to Sustainable Energy for All through 'Enabling Electricity', a programme launched by Enel at the end of 2011. Enel envisaged doubling the number of its beneficiaries worldwide by the end of 2014 but reached the goal in advance, with over 2.3 million people worldwide already benefitting from Enel's energy access projects.

- Masdar is a commercially driven renewable energy company and strategic government initiative based in Abu Dhabi, capital city of the United Arab Emirates. In addition to the progress made by the UAE (see section 2.1), Masdar offers an example of action on the commercial side of the clean energy industry. In 2014, Masdar announced another raft of major commercial projects, including a major stake in the 400 MW Dudgeon offshore wind project in the United Kingdom and development of a 117

MW wind farm in Jordan and a 50 MW wind farm in Oman. Dubai, the largest city in the UAE, additionally announced 100 MW of solar photovoltaics (solar PV), setting a world-record for cost competitiveness that promises to reshape the global potential of the technology. These 2014 announcements join news from 2013 that included commissioning of the London Array, the world's largest offshore wind farm; Masdar's 100 MW Shams 1 in Abu Dhabi, one of the world's largest concentrated solar power plants; and a 13 MW solar PV plant in Dubai.

The GFT has carried out a broad range of activities to involve the private sector, including through High-Impact Opportunities, which are specific thematic and/or sectoral areas in which the initiative can convene and support new collaboration between partners to help break down barriers that are impeding action. High-Impact Opportunities are key entry points for businesses to work with the initiative and with a range of stakeholders to drive transformative changes that will drive the development of new business models and opportunities, while making Sustainable Energy for All a reality on the ground. To date, 50 High-Impact Opportunities have been identified. Six of these HIOs are already operationalized: Clean Energy Mini-Grids, the Water-Energy-Food Nexus, Energy for Women's and Children's Health, Universal Adoption of Clean Cooking Solutions, Sustainable Bioenergy, and Phase-out of Gas Flaring.

Clean Energy Mini-Grids. Launched in June 2014, the Clean Energy Mini-Grids, HIO has attracted over 75 external partners.[2] The initial phase has been focused on building the structures for cooperation on the initiative, specifically the rationale and added value, structure and membership arrangements, and objectives and activities. During this period members of the HIO have also continued to develop and deliver their High-Impact Initiatives within the framework of the HIO. A coordination group including the Alliance for Rural Electrification (ARE)**,** GIZ, EU Energy Initiative Partnership Dialogue Facility (EUEI PDF), United Nations Foundation, UNEP, the UK Department for International Development (DFID) and the SE4All Global Facilitation Team will guide the activities of the HIO during the first year of its operations, engaging a wider membership and coordinating startup activities.

The Water-Energy-Food Nexus is a voluntary partnership of like-minded stakeholders that seeks to facilitate the development and deployment of sustainable nexus solutions to aid the SE4All initiative in reaching its three objectives of energy access, efficiency and renewable energy. The HIO aims to promote consideration of the nexus perspective and to support nexus pilot projects. It provides an opportunity to entrench the nexus perspective in the work programmes of relevant institutions in the energy sector. The HIO aims to engage in three major streams: Knowledge Management and Dissemination; Piloting and Innovation; and Policy and Programmatic Support at Country Level. The HIO is being co-led by FAO and Germany (BMZ). It currently involves the

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[2] Clean Energy Mini-Grids: www.se4all.org/hio/clean-energy-mini-grids/

following partners: GIZ, World Bank, IRENA, Renewable Energy and Energy Efficiency Partnership (REEEP), OPEC Fund for Development (OFID), Powering Agriculture (GIZ, USAID) and UNEP.

Energy for Women's and Children's Health[3] aims to increase access to, and encourage the effective and sustained use of, energy-dependent health services. The multidisciplinary effort is jointly led by the United Nations Foundation, UN Women and the World Health Organization, bringing together partners from the energy and health sectors, governments, business and civil society. In one example, sustainable electrification of health facilities is the focus of a United Nations Foundation team working with Ghana, Malawi and Uganda, among other countries. With support from the Government of Norway, work is under way on data gathering and technical and design assessments to catalyze the electrification of health facilities, which will support health service delivery and contribute to the reduction of maternal and newborn mortality. In order to bring high-level attention to this important topic, the first two years of the United Nations Decade of Sustainable Energy for All has a special focus on Energy for Women's and Children's Health.

Universal Adoption of Clean Cooking Solutions[4] will support commitments made under the Global Alliance for Clean Cookstoves, as well as other aligned efforts, and promote the adoption of clean cooking solutions for those who lack safe and efficient cookstoves, fuels and related equipment. Some examples include programmes under the Global LPG Partnership and the World LP Gas Association. The Global Alliance for Clean Cookstoves, hosted by the United Nations Foundation, brings together more than 1,000 international and national partners who are pursuing a market-based approach to foster the adoption of clean cookstoves and fuels (such as ethanol or LPG) in 100 million households by 2020. The Alliance supports capacity building for entrepreneurs and financing mechanisms such as the Spark Fund, Pilot Innovation Fund and Women's Empowerment Fund; the Alliance has provided more than $5 million in grants to date. Promoting the adoption of clean cooking solutions supports Sustainable Energy for All's objective of universal energy access.

Sustainable Bioenergy seeks to promote the development and deployment of sustainable bioenergy solutions in key sectors and industries where the environmental and socioeconomic benefits are greatest. In 2014, the HIO successfully recruited nine additional founding partners: Accenture Development Partnerships, Bloomberg New Energy Finance, Carbon War Room, FAO, IEA, International Union for the Conservation of Nature (IUCN), KLM Royal Dutch Airlines, Roundtable on Sustainable Biomaterials, and the United Nations Foundation. The founding partners serve as the HIO Steering Committee, which is co-chaired by FAO and IUCN. The Steering Committee met for the first time during the 2014 SE4All Forum and set a collaborative tone for recruiting project

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[3] Women's and Children's Health: www.se4all.org/hio/energy-and-womens-health/
[4] Clean Cooking Solutions: www.se4all.org/hio/universal-adoption-of-clean-cooking-solutions/

partners and catalyzing the creation of regional and sectoral Sustainable Bioenergy High-Impact Initiatives. HIIs initiated in 2014 include the Smallholder Certification HII led by the Roundtable on Sustainable Biomaterials, the Aviation Bioport HII led by KLM, the LatAm HII co-led by Novozymes and the Inter-American Development Bank, and the Financing African Bioenergy HII co-led by PANGEA and Everest Energy. The HIO will now work to further incorporate sustainable bioenergy into the work of SE4All, so as to meet the challenges of achieving universal energy access and doubling the use of renewables.

Phase-out of Gas Flaring seeks to reduce the waste of a valuable energy resource that could be used to advance the sustainable development of oil-producing countries. In sub-Saharan Africa alone, the annual amount of gas flared is equivalent to half the continent's power consumption. In 2014, the World Bank set a target date for ending routine gas flaring at oil production sites around the world. The 'Zero Routine Flaring by 2030' initiative brings together governments, oil companies and development institutions that recognize gas flaring is unsustainable from a resource management and environmental perspective, and that agree to accelerate efforts in a collaborative manner. The initiative will have a real impact on how countries and companies approach the development of new oil fields and on how they tackle the problem of ongoing 'legacy' flaring. Already, a dozen governments, oil companies and development institutions have endorsed the initiative prior to its planned official launch in the spring of 2015. The SE4All HIO on Phase-out of Gas Flaring from Oil Production[5] promotes multi-stakeholder cooperation.

Businesses have valued the Sustainable Energy for All platform for the visibility it provides, as well as for the facilitation and brokering role it can play to enable a policy dialogue with governments, which is seen as critical to success in reaching the initiative's three objectives. To date, businesses and investors have committed more than USD $50 billion to achieve the initiative's three objectives. Outreach to the private sector has fallen into two main categories: direct engagement and awareness building at events.

GLOBAL ADVOCACY AND STAKEHOLDER ENGAGEMENT

Global Advocacy and Stakeholder Engagement is a central pillar of SE4All. During 2014, efforts were scaled up and saw major breakthroughs.

Contributions to intergovernmental processes are made through SE4All and its thousands of multi-stakeholder partners. The Special Representative of the Secretary-General for Sustainable Energy for All, Kandeh Yumkella, also serves as Chair of UN-Energy. The 34-country Group of Friends of Sustainable Energy for All in New York, co-chaired by the UN Ambassadors of Denmark, Norway and Pakistan, continues to be crucial in engagements with UN Member States. Building on the already strong and growing political momentum around

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[5] Phase-out of Gas Flaring from Oil Production: www.se4all.org/hio/phase-out-of-gas-flaring-from-oil-production/

Sustainable Energy for All, 2014 became a breakthrough year in the area of SE4All Global Advocacy and Stakeholder Engagement.

Post-2015 development agenda and Sustainable Development Goals (SDGs)
In July 2014, the United Nations General Assembly's Open Working Group on Sustainable Development Goals (OWG-SDG) proposed a SDG on energy largely in correspondence with the three SE4All objectives on energy access, energy efficiency and renewable energy. It is clear that a global SDG on energy would provide an unparalleled platform for global advocacy and stakeholder engagement, for the post-2015 development agenda and beyond. SE4All has been and will be front and centre in many processes to come in leading up to, at, and following up on the UN Summit on the post-2015 development agenda in September 2015. SE4All's convening power will ensure that partners from all sectors and regions of the world stand ready to support implementation for the crucial decades to come.

Climate Change
Achieving the three objectives of the SE4All is fully consistent with staying within the 2-degree pathways for global temperature change, as researches have shown. SE4All organised a high-profile event during the Secretary-General's Climate Summit in New York in September 2014, as well as the United Nations Framework Convention on Climate Change Conference of the Parties 20 (UNFCCC COP20) in Lima in December. The Climate Summit included energy as one of the key Action Areas, and the Summit saw the launch of several SE4All-related initiatives – most notably the SE4All Global Energy Efficiency Accelerator Platform and major initiatives by our leading partners, such as the Africa Clean Energy Corridor and SIDS lighthouse initiative led by IRENA. Building on this, and preparing to scale up energy efficiency efforts on the road to Paris in 2015, SE4All also organized several activities during COP20. SE4All is working closely with the French government in preparation for COP 21 in Paris in 2015.

United Nations Decade of Sustainable Energy for All, 2014-2024
During 2014, the United Nations Decade of Sustainable Energy for All was also launched – both globally during the first annual United Nations Sustainable Energy for All Forum in June, and throughout the year at 15 different locations across all regions and different thematic areas. Examples of launches for different communities include a launch for the Least Developed Countries (LDCs), a launch for the Small Island Developing States (SIDS), a launch for the Landlocked Least Developed Countries (LLDCs), a launch for the business community, as well as cross-regional student launches. The launch of the Decade also saw the launch of an initial two-year campaign on Energy for Women's and Children's Health. The UN Decade on Sustainable Energy for All 2014-2014 follows the International Year of Sustainable Energy for All in 2012, as well as the strong commitment expressed during the UN Conference on Sustainable Development (Rio+20).

The SE4All Forum as a tool for multi-stakeholder engagement
In an attempt to scale up engagement of all stakeholders even further, June 2014 saw the first-ever Sustainable Energy for All Forum held at the United Nations headquarters in New York. The Forum attracted more than a thousand participants from governments, businesses, civil society and international organizations alike. The three days and close to 60 sessions featured more than 300 speakers from all sectors of society, and from all parts of the world, including more than 20 governmental participants at a ministerial level or above.

The objectives of the first SE4All Forum were to:
1) Assess progress on Sustainable Energy for All since the United Nations Conference on Sustainable Development (Rio+20) in June 2012;
2) Inspire and mobilize further action, partnerships and commitments by showcasing success stories, innovation and best practices;
3) Grow the broader movement of civil society organizations and stakeholders by launching advocacy campaigns and outreach under the United Nations Decade of Sustainable Energy for All 2014-2024; and
4) Shape and set the direction for the global policy discourse on energy for the next crucial decades to come.

A second United Nations SE4All Forum is planned for 17-21 May 2015.

SE4All cooperates closely with the civil society community through the United Nations Foundation and the United Nations Non-Governmental Liaison Service (UN-NGLS). The Energy Access Practitioner Network, a SE4All effort led by the UN Foundation, brings together around 2,000 members from a wide range of business, investor, and civil society organizations working to deliver sustainable energy services in more than 170 countries. Some examples of other close civil society partners of SE4All include the Self Employed Women's Association in India, the Global Alliance for Clean Cookstoves, and the International Network on Gender and Sustainable Energy (ENERGIA).

COMMUNICATIONS AND OUTREACH

The Communications and Outreach work stream informed, mobilized, and grew the community of global stakeholders that catalyze action in support of SE4All. In 2014 this work stream provided a platform to involve governments, international organizations, the private sector and civil society organizations in the planning and implementation of SE4All activities at global, regional, and country level.

A number of global and regional events and initiatives were launched throughout the year in order to spread information about SE4All issues. The activities created global awareness of the importance of energy for sustainable development and brought the issue to the top of the agenda of decision makers at the national and international levels, including in the discussions on the

Sustainable Development Goals. Furthermore unprecedented commitments to action have been sparked that promise to advance long-term solutions to critical problems relating to energy, including announcements by Power Africa, the European Union and the Finance Committee of SE4All. The year 2014 also served as a platform for continuing to build partnerships among governments, organizations of the United Nations system, the private sector, civil society and other actors.

The first Annual Sustainable Energy for All Forum was held in New York from 4 to 6 June 2014, attracting more than 1,900 registration requests and 1,000 guests that included more than 200 representatives of civil society organizations and about 100 academics. The three days, and close to 60 sessions, featured more than 300 speakers from all regions and sectors of society, including more than 20 participants at a ministerial level or above. As well as effective coverage of the Forum by US and international media, social media activity spiked around the time of the event, website traffic increased, and on 5 June 2014, SE4All video clips ran on 37 NASDAQ and Reuters screens in New York's Times Square. The United Nations Decade of Sustainable Energy for All was officially launched at the New York Forum, and the first two years were dedicated to a campaign on "Energy, Women, Children and Health."

A range of regional and other launches of the Decade took place in 2014, all of which were supported by the Communications workstream. These included events in New Delhi, India (Delhi Sustainable Development Summit); Nadi, Fiji (Pacific Regional Energy and Transport Ministers Meeting); New York, USA (Bloomberg Future of Energy Summit); Kigali, Rwanda (African Development Bank's Annual Meeting); Manila, Philippines (Asia Clean Energy Forum); Glasgow, Scotland (XX Commonwealth Games); Cotonou, Benin (Ministerial Conference on New Partnerships for the Development of Productive Capacities in Least Developed Countries); Apia, Samoa (Third International Conference on Small Island Developing States); Santiago, Chile (Americas Decade launch); Stockholm, Sweden (World Water Week); as well as cross-regional student launches (Regional Student Energy Summits).

To engage a wide range of stakeholders, SE4All tested out new forms of outreach. In May 2014, SE4All Special Representative Kandeh Yumkella addressed the members of the global organization Student Energy through Twitter, in an interaction that attracted 100 questions, 2.6 million impressions and very positive feedback. Student Energy has 30,000 followers in 80 countries.

SE4All has built up its social media activity, including Twitter (@SE4All) with more than 13,900 followers and Facebook with over 50,000 followers. (www.facebook.com/sustainableenergyforall)

Major Communications and Outreach efforts were undertaken in the context of the Climate Summit of the United Nations Secretary-General in New York. The

rock band Linkin Park, as a longstanding supporter of Sustainable Energy for All, sent its vocalists, Chester Bennington and Mike Shinoda, to speak at the UN Climate Summit on 23 September 2014, raising awareness about energy access and renewable energy. They made inspiring statements and have dedicated one of their songs, "Powerless," to the issue of energy poverty. In addition, Linkin Park is reaching out to its fans with a programme called "Music for Relief – Power the World" and advertised ending energy poverty prominently during its 2014 concert tour throughout Europe.

The SE4All website (www.SE4All.org) has generated increased traffic, supplemented by an electronic quarterly newsletter, in order to foster a three-way exchange between the private and public sectors, civil society and multilateral organizations, while also raising wider awareness of SE4All issues and solutions. Four editions of the electronic newsletter, with a message from Special Representative Kandeh Yumkella, were issued to 4,200 recipients during 2014, and can also be accessed via the SE4All website. The website and the newsletter are continuing to provide up-to-date information on global objectives, catalyzing significant actions and commitments to sustainable energy, advancing activities of partners, and highlighting the progress attained. In addition, the United Nations Foundation supports the engagement of civil society through newsletters for both the SE4All Energy Access Practitioner Network and the Global Alliance for Clean Cookstoves.

SE4All developed materials for differentiated partners and drafted SE4All logo guidelines, which are providing a robust framework for engagement with partners.

The SE4All online Collaboration Platform (based on Yammer) was launched in 2014 and allows for live communication among partners in an effort to synchronize mission planning and strategic coordination in the implementation of Sustainable Energy for All around the world. It also includes outreach to civil society organizations for sharing of information, consultations, multi-directional exchange of views, crowd sourcing of ideas, and involvement of youth. The platform provides this network with space for action-oriented collaboration in individual virtual working groups based on specific topics and/or geographic areas. The platform aggregates information provided by and exchanged between the entities populating the platform and makes this knowledge readily available and easily accessible. The platform also produces information and results that can be utilized to advocate and expand the initiative, mainly via the SE4All website.

GLOBAL KNOWLEDGE AND RESEARCH FORUM

The objectives of SE4All are ambitious but achievable if the necessary investments, political will and appropriate policies and institutions are there to make them happen. But decision makers need to have proper information and

data on which to base crucial decisions. SE4All is embarking on establishing a global partnership with institutions throughout the world. Membership will include institutions dedicated to scientific research, data gathering for tracking and monitoring, and advocacy with easy access policy briefs. The objective is to establish a global SE4All Global Knowledge Forum with the following objectives: to identify knowledge gaps related to the three objectives, to promote a research agenda to address these knowledge gaps, and to become a major research and analytical arm of SE4All. The proposed Global Knowledge Forum will have three groups: scientific research institutions leading work based on modeling and scenarios, institutions focused on monitoring and tracking in support of implementation, and institutions doing policy analysis and advocacy. A resource mobilization campaign is being put in place currently.

MONITORING AND REPORTING

For tracking and monitoring progress on SE4All objectives, four instruments have been developed: (i) Global Tracking Framework, (ii) Readiness for Investment in Sustainable Energy, (iii) Multi-tier access, and (iv) State of Energy Access Report (SEAR). All of these tools will be important instruments of monitoring progress on the energy SDG.

The SE4All Knowledge Hub at the World Bank has developed the "SE4All Global Tracking Framework" (GTF). The second edition of GTF, being prepared with the collaboration of more than 20 organizations, is in advanced stages and is currently open for peer and public review. Consultations were also held with the CSOs, Permanent Representatives to the UN in Vienna, and the Delhi Sustainable Development Summit. In addition, the World Bank has developed and piloted in 20 countries a product called Readiness for Investment in Sustainable Energy (RISE) similar to the "Doing Business" report of the World Bank. A multi-tier definition of access has been developed and is being piloted, The State of Energy Access Report is also making good progress, an inception report has been prepared, and the report is expected to launch in early 2016.

V. Progress Report - Key Results and Deliverables

The SE4All Strategic Program 2013-2015 defines the global outcomes and the initiative's overall milestones for the next three years. These are listed below, and a progress report against these key results and deliverables is provided in the below tables:

2013 – 2015 Energy Access Outcomes	
Key Results and Deliverables	**Progress**
Programs under way to scale up and accelerate the provision of electricity to 200 million people.	All of the Action Agendas and a number of Investment Prospectuses under development promote electrification. Several HIOs have been set up that are working on the provision of electricity, including those on Clean Energy Mini-grids and Phase-out of Gas Flaring from Oil Production. The Energy Access Committee has identified 12 recommendations that will guide and promote the work of its members.
Programs under way to scale up and accelerate the provision of clean and efficient cooking and heating solutions to 400 million people by the end of 2015.	All of the Action Agendas and a number of Investment Prospectuses under development promote the provision of efficient cooking and heating solutions. Several HIOs have been set up that are working on the provision of electricity, including those on the Universal Adoption of Clean Cooking Solutions and Energy and Women's Health. The Energy Access Committee has identified 12 recommendations that will guide and promote the work of its members.
Increased level of annual investment from all sectors (public, private, and civil) to realize universal energy access by 2030.	GFT advocacy has supported the establishment of a number of funds and program to realize universal access to energy, including the EU SE4All Technical Assistance Facility, World Bank S-TAP and DFID Green Mini-Grids Africa Regional Facility. The SE4All Investment Prospectuses under development will promote increased investment toward universal access. EU

has committed €3 billion for connecting 500 million people, Germany 100 million, and Power Africa program of US expects to connect about 60 million people. EU has started inviting proposals prepatory work. In 2014 $35 billion were raised through Green Bonds.

2013 – 2015 Energy Efficiency Outcomes	
Key Results and Deliverables	**Progress**
Policies / actions under way to increase global energy efficiency on a trajectory in line with achieving the 2030 goal.	Two Thematic Hubs are now established and hosted by UNEP and the Government of Denmark in Copenhagen and the Energy Conservation Center, Japan in Tokyo – Both provide technical and other support to assess priorities and develop strategies for energy efficiency improvements.
Increased level of annual investment from all sectors (public, private, and civil) to realize the 2030 energy efficiency goal.	A global initiative on energy efficiency has been developed under the name of the "Global Energy Efficiency Accelerator Platform." It brings together a selected number of jurisdictions willing to commit to specific targets in energy efficiency improvements in selected sectors with public and private partners interested in providing support. Big energy-use sectors are covered: appliances, buildings, district energy, industry, power, transportation as well as finance. The work in each sector is convened by public and private-sector leaders in the sectors.
Commitments to be showcased during COP 21 as part of the "Agenda Positif"/UNFCCC Work-Stream 2	There is close cooperation with the French Ministry of Foreign Affairs and the Ministry of Ecology, Sustainable Development and Energy; and with the UNFCCC. They have agreed to have a "Sustainable Energy Day" during COP 21 in December 2015 in Paris, with announcements of new programs.

2013 – 2015 Renewable Energy Outcomes	
Key Results and Deliverables	**Progress**
Policies / action under way to increase the use of renewable energy globally in-line with the 2030 goal.	Renewable Energy Hub established and hosted by IRENA, with a number of activities under way to scale up the deployment of renewable energy, including:- Launch of the SIDS Lighthouse initiative and the African Clean Energy Corridor, which will provide significant assistance to scale up the use of renewable energy in Small Island Developing States (SIDS) and African countries. - Launch of the REmap 2030 report, a roadmap to double the share of renewable energy in the global energy mix by 2030. - Launch of an online renewable energy knowledge platform, REsource, which provides free access to data and information on renewable energy.
Increased level of annual investment from all sectors (public, private, and civil) to realize the 2030 renewable energy goal.	With the help of IRENA and using SE4All country action as platform, SE4All is bringing together partners to support scaled-up investment opportunities in a number of selected countries. Some specific examples include: - Significant assistance for investments in renewable energy in Small Island Developing States (SIDS) and African countries expected to be made through IRENA's SIDS Lighthouses initiative and the African Clean Energy Corridor - China, Mexico and the United States have now country-specific REmap reports providing a range of options for countries to consider in their energy plans. - Engagement of the Renewable Energy Hub with other SE4All hubs and partners to collaborate in the development of SE4All Country Action Agendas and Investment

	Prospectuses. For example, IRENA has initiated discussions with Rwanda, Gambia, the SE4All Africa Hub, UNDP and the African Union's New Partnership for Africa's Development (NEPAD) to partner in the development of SE4All Country Action Agendas and Investment Prospectuses. - Preparatory work initiated for the establishment of three REmap 2030 action teams focusing on the transport sector, energy efficiency, and a REmap 2030 SE4All framework for cooperation.

VI.   Risks and Deviations

The Business Plan listed several risks identified by the CEO in completing the actions listed in the SE4All Strategic Work Program and Business Plan.

The below table provides a full account of the identified risks and their respective mitigation strategy.

Risk	Mitigation Strategy
Aggressive Milestone Timelines: The milestones contained in the business plan, and adapted from the Strategic Work Program, are at risk of not being met due to tight timelines.	Ensure adequate staffing and resources within the workstreams, and increase engagement with partner organizations to help meet the deliverables.
Legal structure and transition plan: The initiative does not yet have a clear legal entity that it will adopt.	A Working Group has been established to review the institutional framework of the Initiative. The Working Group will present its findings and conclusions to the Executive Committee at its next meeting, scheduled for 5 March, 2015.
Loss of momentum: SE4All is at risk of losing momentum, as many commitment makers have not been engaged and have no direction on how to contribute to the initiative in a tangible way.	Ensure that the stakeholder engagement team, in coordination with the business action and country action teams, comes up with a clear plan to re-engage commitment makers and opt-in countries.
Administrative Set-Up: There were initially no full-time staff and no administrative processes in place for a future independent organization.	In addition, in the area of Administration, the Chief Operating Officer has been on board as of February 2014. Also, the Chief of Administration has encumbered the post since the end of November 2013.
Initiative Funding: The CEO lacks access to critical funding to operationalize the initiative and make key hires.	Three donor meetings were held in 2014 through which funds were mobilized to facilitate the funding of activities well into 2016.

All the risks are constantly being monitored, and in a number of areas the risks have been reduced as specified in the above grid. Processes to ensure the

efficient and effective running of the initiative have been and continue to be put in place.

Other risks mentioned above are being addressed by the CEO and Senior Management on regular basis.

Consolidated Annual Financial
Report of the Administrative Agent
of
the Sustainable Energy for All
for the period 1 January to 31 December 2014

Multi-Partner Trust Fund Office
Bureau of Management
United Nations Development Programme
GATEWAY: http://mptf.undp.org

2014 FINANCIAL PERFORMANCE

This chapter presents financial data and analysis of the Sustainable Energy for All using the pass-through funding modality as of 31 December **2014**. Financial information for this Fund is also available on the MPTF Office GATEWAY, at the following address: http://mptf.undp.org/factsheet/fund/SEA00.

1. SOURCES AND USES OF FUNDS

As of 31 December **2014**, **4** contributors have deposited US$ **5,221,318** in contributions and US$ **10,339** has been earned in interest,

bringing the cumulative source of funds to US$ **5,231,657.**

Of this amount, US$ **5,178,318** has been transferred to **4** Participating Organizations, of which US$ **4,707,357** has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US$ **52,213**. Table 1 provides an overview of the overall sources, uses, and balance of the Sustainable Energy for All as of 31 December **2014**.

Table 1. Financial Overview, as of 31 December 2014 (in US Dollars)

	Annual 2013	Annual 2014	Cumulative
Sources of Funds			
Gross Contributions	-	475,863	5,221,318
Fund Earned Interest and Investment Income	8,995	953	9,948
Interest Income received from Participating Organizations	-	391	391
Refunds by Administrative Agent to Contributors	-	-	-
Fund balance transferred to another MDTF	-	-	-
Other Revenues	-	-	-
Total: Sources of Funds	**8,995**	**477,207**	**5,231,657**
Use of Funds			
Transfers to Participating Organizations	4,502,025	676,293	5,178,318
Refunds received from Participating Organizations	-	-	-
Net Funded Amount to Participating Organizations	**4,502,025**	**676,293**	**5,178,318**
Administrative Agent Fees	-	4,759	52,213
Direct Costs: (Steering Committee, Secretariat...etc.)	-	-	-
Bank Charges	173	29	202
Other Expenditures	-	-	-
Total: Uses of Funds	**4,502,198**	**681,080**	**5,230,733**
Change in Fund cash balance with Administrative Agent	**(4,493,203)**	**(203,874)**	**924**
Opening Fund balance (1 January)	4,698,001	204,798	-
Closing Fund balance (31 December)	**204,798**	**924**	**924**
Net Funded Amount to Participating Organizations	4,502,025	676,293	5,178,318
Participating Organizations' Expenditure	1,036,382	3,670,975	4,707,357
Balance of Funds with Participating Organizations			**470,961**

2. PARTNER CONTRIBUTIONS

Table 2 provides information on cumulative contributions received from all contributors to this Fund as of 31 December **2014**.

Table 2. Contributors' Deposits, as of 31 December 2014 (in US Dollars)

Contributors	Prior Years as of 31-Dec-2013	Current Year Jan-Dec-2014	Total
DENMARK, Government of	1,771,856	-	1,771,856
GERMANY, Government of	-	325,863	325,863
ICELAND, Government of	-	150,000	150,000
SWEDEN, Government of	2,973,600	-	2,973,600
Grand Total	**4,745,456**	**475,863**	**5,221,318**

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 **2014**, Fund earned interest amounts to US$ **9,948** and interest received from Participating Organizations amounts to US$ **391**, bringing the cumulative interest received to US$ **10,339**. Details are provided in the table below.

Table 3. Sources of Interest and Investment Income, as of 31 December 2014 (in US Dollars)

Interest Earned	Prior Years as of 31-Dec-2013	Current Year Jan-Dec-2014	Total
Administrative Agent			
Fund Earned Interest and Investment Income	8,995	953	9,948
Total: Fund Earned Interest	**8,995**	**953**	**9,948**
Participating Organization			
UNIDO		391	391
Total: Agency earned interest		**391**	**391**
Grand Total	**8,995**	**1,344**	**10,339**

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4. TRANSFER OF FUNDS

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December **2014**, the AA has transferred US$ **5,178,318** 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 by Participating Organization, as of 31 December 2014 (in US Dollars)

Participating Organization	Prior Years as of 31-Dec-2013			Current Year Jan-Dec-2014			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
EOSG	1,431,660		1,431,660	520,769		520,769	1,952,429		1,952,429
UNDP	1,016,500		1,016,500				1,016,500		1,016,500
UNIDO	646,815		646,815				646,815		646,815
UNOPS	1,407,050		1,407,050	155,524		155,524	1,562,574		1,562,574
Grand Total	**4,502,025**		**4,502,025**	**676,293**		**676,293**	**5,178,318**		**5,178,318**

5. EXPENDITURE AND FINANCIAL DELIVERY RATES

All final expenditures reported for the year **2014** were submitted by the Headquarters of the Participating Organizations. These were consolidated by the MPTF Office.

5.1 EXPENDITURE REPORTED BY PARTICIPATING ORGANIZATION

As shown in table below, the cumulative net funded amount is US$ **5,178,318** and cumulative expenditures reported by the Participating Organizations amount to US$ **4,707,357**. This equates to an overall Fund expenditure delivery rate of **91** percent.

Table 5. Net Funded Amount, Reported Expenditure, and Financial Delivery by Participating Organization, as of 31 December 2014 (in US Dollars)

Participating Organization	Approved Amount	Net Funded Amount	Expenditure			Delivery Rate %
			Prior Years as of 31-Dec-2013	Current Year Jan-Dec-2014	Cumulative	
EOSG	1,952,429	1,952,429	511,043	1,155,080	1,666,123	85.34
UNDP	1,016,500	1,016,500	103,027	738,270	841,298	82.76
UNIDO	646,815	646,815	326,420	310,942	637,362	98.54
UNOPS	1,562,574	1,562,574	95,891	1,466,683	1,562,574	100.00
Grand Total	**5,178,318**	**5,178,318**	**1,036,382**	**3,670,975**	**4,707,357**	**90.91**

5.2 EXPENDITURE REPORTED BY CATEGORY

Project 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 project expenditures. Effective 1 January 2012, the UN Chief Executive Board (CEB) modified these categories as a result of IPSAS adoption to comprise eight categories. All expenditure incurred prior to 1 January 2012 have been reported in the old categories; post 1 January 2012 all expenditure is reported in the new eight categories. The old and new categories are noted to the right.

Table 6 reflects expenditure reported in the UNDG expense categories. Where the Fund has been operational pre and post 1 January 2012, the expenditures are reported using both categories. Where a Fund became operational post 1 January 2012, only the new categories are used.

2012 CEB Expense Categories
1. Staff and personnel costs
2. Supplies, commodities and materials
3. Equipment, vehicles, furniture and depreciation
4. Contractual services
5. Travel
6. Transfers and grants
7. General operating expenses
8. Indirect costs

2006 UNDG Expense Categories
1. Supplies, commodities, equipment & transport
2. Personnel
3. Training counterparts
4. Contracts
5. Other direct costs
6. Indirect costs

Table 6. Expenditure by UNDG Budget Category, as of 31 December 2014 (in US Dollars)

Category	Prior Years as of 31-Dec-2013	Current Year Jan-Dec-2014	Total	Percentage of Total Programme Cost
Supplies, Commodities, Equipment and Transport (Old)	-	-	-	
Personnel (Old)	-	-	-	
Training of Counterparts(Old)	-	-	-	
Contracts (Old)	-	-	-	
Other direct costs (Old)	-	-	-	
Staff & Personnel Cost (New)	452,141	1,908,839	2,360,980	53.70
Supplies, Commodities, Materials (New)	9,467	3,995	13,462	0.31
Equipment, Vehicles, Furniture, Depreciation (New)	44,916	49,258	94,174	2.14
Contractual Services (New)	46,514	182,260	228,774	5.20
Travel (New)	193,962	661,703	855,665	19.46
Transfers and Grants (New)	-	-	-	
General Operating (New)	221,879	621,510	843,388	19.18
Programme Costs Total	**968,878**	**3,427,564**	**4,396,442**	**100.00**
[1] Indirect Support Costs Total	67,503	243,411	310,915	7.07
Total	**1,036,382**	**3,670,975**	**4,707,357**	

[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 projects. Once projects are financially closed, this number is not to exceed 7%.

6. COST RECOVERY

Cost recovery policies for the Fund are guided by the applicable provisions of the Terms of Reference, 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 **2014**, were as follows:

- **The Administrative Agent (AA) fee:** 1% is charged at the time of contributor deposit and covers services provided on that contribution for the entire duration of the Fund. In the reporting period US$ **4,759** was deducted in AA-fees. Cumulatively, as of 31 December **2014**, US$ **52,213** has been charged in AA-fees.

- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US$ **243,411** was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US$ **310,915** as of 31 December **2014**.

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 (http://mptf.undp.org). Refreshed in real time every two hours 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, 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.

8. DIRECT COSTS

The Fund governance mechanism may approve an allocation to a Participating Organization to cover costs associated with Secretariat services and overall coordination, as well as Fund level reviews and evaluations. These allocations are referred to as 'direct costs'.