

**Critical Ecosystem Partnership Fund
43rd Meeting of the CEPF Donor Council
Virtual Meeting
Wednesday 9 October 2024
8:00 a.m. – 11:00 a.m. Eastern Daylight Time (EDT)
2:00 p.m. – 5:00 p.m. Brussels and Paris Time
9:00 p.m. – 12:00 a.m. (+1 day) Tokyo Time**

Financial Narrative

General

The detailed financial report for the twelve months from 1 July 2023 to 30 June 2024 is attached.

In summary:

- Total expenses are 100% of the spending plan based on grant disbursement.
 - Operational costs were 87% of the category budget.
 - Profile preparation costs were 121% of the category budget, because work began during FY24 to update two ecosystem profiles: for the Guinean Forests of West Africa and Mediterranean Basin Hotspots.
 - Grant disbursements achieved 92% of the spending plan payments target of US\$12,800,000 for FY24.
 - Grant awards achieved 100% of the FY24 Spending Plan target of US\$11,200,000. This was largely due to grant making in the Caribbean Islands, Madagascar and the Indian Ocean Islands, and Tropical Andes Hotspots.
- The balance available for investment based on secured funds is \$0, as all funds received have been fully allocated to active and planned hotspot investments.
- CEPF is in a cash positive situation with cash and investments on hand of US\$7,726,830.

Revenue

- CEPF signed a grant agreement in September 2023 with Synchronicity Earth for \$150,000 to support the investment in the Indo-Burma Hotspot.
- CEPF signed a grant amendment in October 2023 with Margaret A. Cargill Foundation for \$1,000,000 to support the investment in the Indo-Burma

Hotspot.

- CEPF signed a grant agreement in November 2023 with Fondation Franklinia for \$1,000,000 to support the investment in the Madagascar and the Indian Ocean Islands Hotspot.
- CEPF signed a grant agreement in January 2024 with Fondation Hans Wilsdorf for \$15,100,000 to support the investment in the Guinean Forests of West Africa and Mediterranean Basin Hotspots, and for a new work stream on organizational development.
- CEPF signed a grant agreement with AFD in May 2024 for €9,433,962 from the European Union to support the investments in the Coastal Forests of Eastern Africa and the Madagascar and Indian Ocean Islands Hotspots.

CEPF receives awards from AFD, the European Union, KfW and Audemars-Watkins in non-USD currency. During the current fiscal year, the effect of exchange rates on the awards denominated in currency other than USD was a loss of US\$373,846. Any gain or loss impacts the balance available for investment to CEPF. CEPF proactively manages anticipated gains or losses due to foreign currency rates by adjusting planned activities accordingly.

Grantmaking

CEPF has committed 100% of its grant-making budget for the current fiscal year, signing a total of US\$11,164,807 in new awards against a budget of US\$11,200,000.

Payments on active grants achieved 92% of the annual target, with US\$11,776,329 in disbursements against a budget of US\$12,800,000.

Operational Costs

CEPF has spent 87% or US\$3,795,077 of the total operations and management costs budget of US\$4,362,576 for the year.

Preparation / Ecosystem Profiles

During FY24, work began on updating the ecosystem profiles for the Guinean Forests of West Africa and the Mediterranean Basin Hotspots. CEPF also commissioned an independent evaluation of lessons learned by the RIT in the Mediterranean Basin Hotspot, which was completed in the second quarter of FY24.