



UN Inter-agency climate and environment pooled funds

Briefing prepared by the MPTF Office
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1 Advancing Climate and Environment finance agendas through UN inter-agency pooled funds

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Making peace with nature is the defining task of the 21st century

– António Guterres
UN Secretary-General

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Inter-agency pooled funds, with their inherent unique set of features (flexibility, cost efficiency, joint decision-making and joint action), are relevant in leveraging climate finance around the world. United Nations action on climate and environmental SDGs is still highly underfunded, which is problematic as addressing the climate emergency through these SDGs requires integrated approaches and substantial investments, something pooled funds are

designed for. In this context, pooled funds are used to catalyze action and structure available finance that complements financial mechanisms established under international frameworks, such as the Paris Agreement and the Kunming-Montreal Global Biodiversity framework. The UN Common Agenda called for “urgent and bold steps to address the triple crisis of climate disruption, biodiversity loss and pollution destroying our planet.” As the climate and

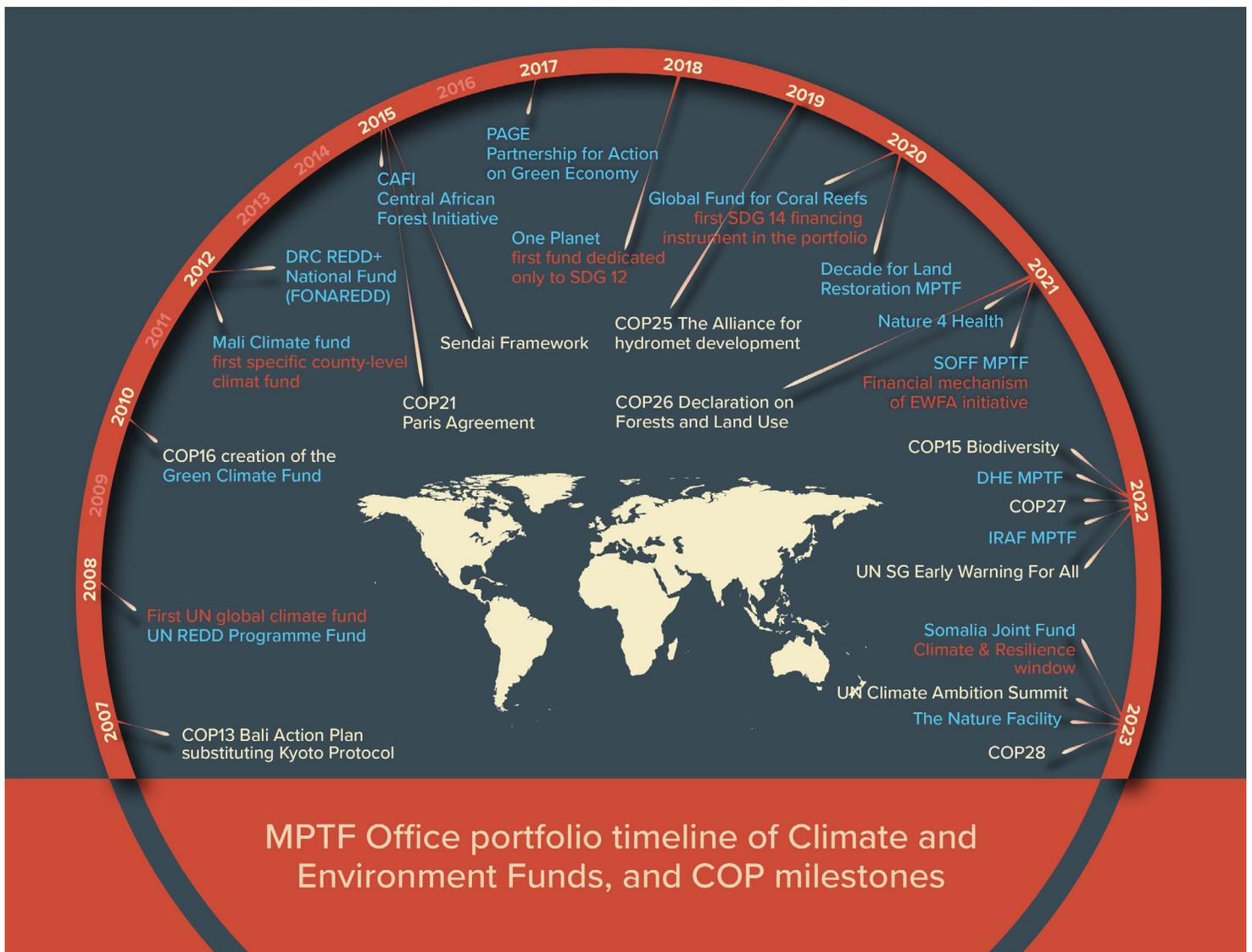
environment agenda has been pushed to the front and center of UN work, with disasters triggered by weather and climate-related hazards costing the global economy over 300 billion USD in 2022 alone, pooled funding, given its inherent flexibility now accompanies

important streams of work. Presented in this brief is an overview of the UN Multi-Partner Trust Fund Office administered climate and environment portfolio, providing examples of global coordinated response to address critical aspects of global climate and nature related challenges.

2 MPTF Office climate and environment portfolio: From fighting deforestation to an expansive and integrated portfolio

Over the last ten years, the MPTF Office has worked with partners to progressively build a diversified, innovative, and comprehensive

pooled funding portfolio in climate and environment. These trust funds are not strictly climate focused, but also address impacts



of climate and environment related risks on different topics, such as food security and nutrition, job security, vulnerable communities, and resilient infrastructure.

The climate and environment trust funds have led to greater gains in forest and marine protection, as well as the resilience of the communities living around these ecosystems. They have also significantly supported the public policies and strategies on climate and environment related priorities of national governments.

The first climate and environment multi-partner trust fund in the portfolio was UN-REDD Programme Fund (reducing emissions from deforestation and degradation), established in 2008. Since then, the total portfolio has passed 1.9 billion USD in commitments, as shown in Table 1.

Protecting forests, the lungs of the planet, is central to tackling climate change. The Central African Forest Initiative (CAFI), a MPTF Office flagship climate finance instrument, was established in 2015. Subsequently, the MPTF Office climate and environment portfolio evolved from a predominantly reforestation profile to encompass biodiversity, blue economy and integrated, sustainable policy development.

Recent years saw the establishment of, among others, the Global Fund for Coral Reefs, the first MPTF built as an innovative blended finance mechanism dedicated to coral reef ecosystem conservation and resilience, and strengthening services in reef-dependent communities. Nature 4 Health MPTF seeks to improve links between environmental, animal and human health, in line with the 'One Health' model. The Systematic Observations Financing Facility (SOFF) provides financial and technical support to countries to close Global Basic Observing Network and climate data gaps.

A common feature of the MPTF Office climate portfolio is that it provides "integrated climate and environment solutions" that are vital for climate and environment action and that are firmly based on financial needs analysis. Thanks to comprehensive theories of change and strong multi-partner alliances, different sources and disbursement modalities can be combined and integrated solutions leveraged. Synergies are identified and leveraged across the portfolio, which generate further economies of scale. Likewise, upfront capitalization of the funds is essential to generate long-term gains and strategic investment opportunities.



Contributions to the MPTF Office climate and environment portfolio

In the portfolio of active funds (Table 1), the first established funds - CAFI, UN REDD Programme Fund and DRC REDD+ - have received significant commitments, currently standing at 843 million USD for CAFI, and 433 million USD for UN-REDD. The Global Fund for Coral Reefs (GFCR) has successfully attracted 43 million USD in 3 years, while the Systematic Observations Financing Facility has reached 63 million USD in

commitments in only 2 years of operations. The climate and environment portfolio grew incrementally from 2008 to 2015. The portfolio reached 220 million USD in contributions deposited in 2020. In 2022, the contributions deposited reached 295 million USD.

During the last decade, Norway and Germany have provided the largest contributions to

the portfolio, with more than 63% of the total contributions received. Other top contributors are the United Kingdom, the European Union, and Sweden (Table 2). There is also an

increasing engagement in contributions by private sector and non-state actors as shown in Table 3.

Table 1. MPTF Office administered climate and environment funds commitment and deposits for active funds as of November 2023 (US\$)

Fund	Years	Total Commitments	Total Deposits as of Nov 2023
Central African Forest Initiative	2015-2027	842,923,321	705,194,588
UN-REDD Programme Fund	2008-2025	433,302,160	377,696,356
DRC Fonds National REDD	2012-2035	250,151,344	250,151,344
Partnership for Action on Green Economy	2017-2030	57,645,142	57,358,282
Systematic Observations Financing Facility	2021-2031	63,674,903	48,824,763
Global Fund for Coral Reefs	2020-2030	43,250,145	39,931,561
Mali Climate Fund	2012-2025	28,170,268	28,170,268
JP Bangladesh LoGIC	2016-2022	27,215,532	22,026,518
Aral Sea UN Human Security Trust Fund for the Aral Sea in Uzbekistan	2018-2023	16,248,943	16,248,943
JP Climate Security Mechanism	2020-2025	9,792,678	9,686,408
JP Cuba EE FRE-DL	2019-2023	23,601,629	9,455,717
The Lion's Share Fund	2018-2030	6,550,422	6,550,422
UNITLIFE Trust Fund	2018-2022	5,000,000	4,626,345
One Planet Multi-Partner Trust Fund	2018-2030	1,211,927	1,211,927
Recently launched funds			
Nature4Health	2022-2030	56,465,000	56,465,000
UN Decade on Ecosystem Restoration	2021-2025	33,560,111	27,900,275
Decarbonizing Humanitarian Energy Multi-Partner Trust Fund	2022-2032	22,206,303	22,206,303
Burundi Multi-Partner Trust Fund	2021-2030	7,598,916	4,904,950
The Nature Facility	2023-2033	5,000,000	1,000,000
Infrastructure Resilience Accelerator Fund (IRAF)	2022-2027	8,840,678	123,971
Grand Total		1,942,409,424	1,689,733,943

Table 2. Top 15 contributors to MPTF Office climate and environment pooled funds, total commitments and deposits per November 2023 (US\$)

Contributors	Total Commitments	Total Deposits as of Nov 2023
Norway	799,247,007	670,266,690
Germany	413,163,444	401,695,554
United Kingdom	110,546,291	61,782,640
European Union	80,850,378	66,417,606
Sweden	55,191,319	52,882,490
Netherlands	49,761,552	37,925,739
Denmark	29,208,740	20,668,719
France	24,594,476	24,594,476
Switzerland	14,945,354	10,130,497
Belgium	13,823,630	12,065,270
United States of America	13,337,000	13,337,000
Republic of Korea	10,533,805	8,532,015
Nordic Development Fund	10,042,250	10,042,250
Spain	8,687,639	8,687,639
Uzbekistan	6,500,000	6,500,000

Table 3. Top 10 Non-state contributions to active climate funds

Contributors	Total Commitments	Total Deposits as of Nov 2023
Paul G Allen Family Foundation	6,000,000	6,000,000
Mars Incorporated	5,280,061	5,280,061
Al Maktoum Global Initiatives	1,500,000	1,126,345
Prince Albert II of Monaco Foundation	500,000	500,000
Guccio Gucci SpA	450,000	450,000
Ascential Events (Europe) Ltd.	307,015	307,015
Private Sector	206,596	206,596
Al Waleed Philanthropies	200,000	200,000
Cartier Philanthropy	170,000	170,000
Cartier SA	85,000	85,000

4 Featured funds

Central African Forest Initiative



The [Central African Forest Initiative](#) (CAFI) supports strategic, holistic and country-level REDD+ and low emission investments in Central African countries that have high-forest cover by assisting local communities and authorities in mitigating climate change, reducing poverty, and contributing to sustainable and inclusive development. As home to the world's 2nd largest rainforest, the over 240 million hectares of tropical rainforests in Central Africa represent a vital source of food, energy, shelter and spirituality for more than 60 million people living in and around it, in countries with some of the lowest Human Development indices, highest food insecurity, and conflict zones. A massive carbon sink, it is one of the few remaining regions of the world that absorb more carbon than they emit, the Central African forests absorb approximately 1.1 billion tons of CO₂ from the atmosphere each year. CAFI acts as a platform for partners to coordinate contextually relevant REDD+ projects in Cameroon, Central African Republic, Republic of Congo, the Democratic Republic of the Congo, Equatorial Guinea, and Gabon—facilitating cross-border learning and information sharing. Focusing on the implementation of National Investment Frameworks, encouraging donor coordination, and promoting inclusive participation, CAFI supports local governments

and communities in addressing the three-fold crisis of climate change, biodiversity loss and poverty that the world is facing. The Fund has become a central financing instrument in Central Africa with significant results such as:

- 8.5 million hectares of land under local management plans in DRC to help local communities and farmers protect forested land, and engage in sustainable forest management and deforestation-free agriculture
- 60.5 MUSD in co-financing mobilized in Republic of Congo
- Nearly 1 million hectares identified for new protected areas in Gabon, and 17 MUSD in results-based payments to Gabon for 5M tons of verified carbon emission reductions (2016-2017)
- A CAFI-funded study on regional trends and drivers of deforestation that provides regularly updated data to policymakers and the scientific community

Participating and Recipient Organizations: FAO, IFAD, UNCDF, UNDP, UNESCO, UNOPS, World Bank/IBRD, DRC National REDD+, AFD, Farm Africa, Initiative Development (ID), IUCN, One Acre Fund, The Nature Conservancy

United Nations REDD+ Programme Fund

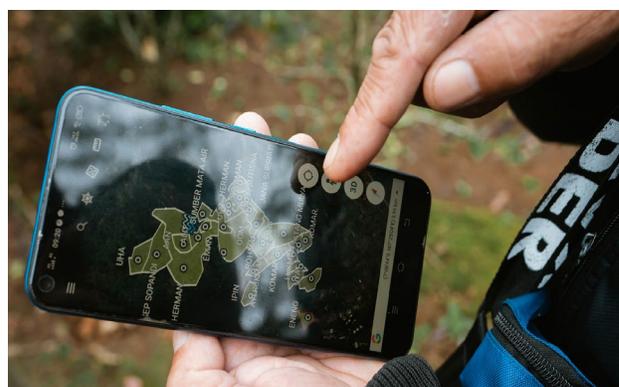
Launched in 2008, the [United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries](#) (UN-REDD is the UN knowledge and advisory platform on the forest solutions to the climate crisis.

UN-REDD's goal is to help realise forest solutions to the climate emergency by avoiding carbon emissions and fostering carbon sequestration. In pursuing this international goal, UN-REDD promotes approaches that ensure the environmental integrity of carbon emissions reductions while supporting non-carbon benefits – from safeguarding biodiversity to supporting local livelihoods and promoting the rights of indigenous peoples.

UN-REDD supports 65 partner countries to advance the implementation of the Paris Agreement, particularly Articles 5 and 6, in order to reduce deforestation, promote sustainable

land uses, advance international cooperative approaches to climate mitigation and mobilise climate finance to turn the tide on tropical deforestation. UN-REDD supports nationally led REDD+ processes and promotes the informed and meaningful involvement (FPIC) of all stakeholders, including indigenous peoples and local communities, in the implementation of REDD+ activities agreed under the UNFCCC.

Participating and Recipient Organizations: FAO, UNDP, UNEP



The Systematic Observations Financing Facility (SOFF)



SOFF is a specialized UN MPTF that aims at closing the climate and weather observations data gap in compliance with the internationally



agreed Global Basic Observing Network (GBON). It focuses on countries with the most severe shortfalls in observations and prioritizing Least Developed Countries and Small Island Developing States. Improving the availability of weather and climate observations from the most data-sparse areas is essential for weather forecasts, early warning systems, and climate information services that save lives and livelihoods. The lack of such observations limits countries' capacity to adapt to climate change and build resilience. SOFF's support to countries is provided in three phases (Readiness, Investment, and Compliance) with outputs designed to achieve sustained GBON compliance as an outcome. SOFF is a delivery vehicle for the UN Secretary General Early Warning for All initiative, and partners with Multilateral Development Banks for overall coordination and implementation.

Participating and Recipient Organizations: IFAD, UNEP, UNDP, WFP, WMO.

Partnership for Action on Green Economy (PAGE)



The [Partnership for Action on Green Economy \(PAGE\)](#) puts sustainability and social equity at the heart of global economic policymaking. Reframing existing practices on sustainability not only fosters economic growth, but also increases income, creates jobs, reduces poverty and inequality, and strengthens the ecological foundations of national economies. Bringing together the expertise and convening power of the United Nations and that of national governments, private sector and civil society, PAGE provides comprehensive, coordinated and cost-effective packages of analytical, technical, and capacity services to 20 countries. Aligned with the 2030 Agenda for Sustainable Development (and those SDGs related to economy, jobs, environment, and climate change), PAGE transforms sluggish economies into drivers for growth, sustainability, and social equity. Delivering transformational change relies on supporting the champions of green strategies, as well as informing policy processes,



financing policy action, and encouraging strong national ownership.

Participating and Recipient Organizations: ILO, UNDP, UNEP, UNIDO, UNITAR

Global Fund for Coral Reefs



The [Global Fund for Coral Reefs \(GFCR\)](#) is the first and only blended finance vehicle dedicated to coral reefs globally. Hosting both a UN Multi-Partner Grant Fund and a privately-managed Investment Fund, the GFCR is designed to scale financial solutions and blue economic transition that bolsters the resilience of coral reefs and the communities that depend on them. In more than 20 coral nations, GFCR focuses on incubating and scaling financial interventions and enterprises that address local drivers of coral reef degradation, unlock conservation funding flows,

and increase communities' adaptive capacities. Supported solutions include waste treatment and recycling facilities, coral reef insurance, sustainable aquaculture and agriculture, ecotourism enterprises, blue carbon credits, and sustainably financed Marine Protected Areas (MPAs).

Participating and Recipient Organizations: UNCDF, UNDP, UNEP, Blue Finance ECRE, Conservation International, Mesoamerican Reef Fund, The Nature Conservation, Wildlife Conservation Society



UN DECADE for Ecosystem Restoration



The [UN Decade for Ecosystem Restoration MPTF](#) aims to combat declining biodiversity, support livelihoods, enhance natural resource bases, and adapt to and mitigate climate change through the restoration of terrestrial, freshwater, and marine ecosystems globally. Ecosystem degradation across the world is negatively affecting the well-being of billions of people. Investing in ecosystem restoration can generate returns well above the cost of initial investments. UN DECADE acts as a catalyst, convener, and contributor to critical and targeted interventions that deliver highly visible, integrated, effective, and sustainable processes

and results. UN DECADE's main three goals are: 1. Enhancing global, regional, national, and local commitments and actions to prevent, halt, and reverse the degradation of ecosystems; 2. Increasing our understanding of the multiple benefits of successful ecosystem restoration; 3. Applying this knowledge in the education system and within public and private sector decision-makers. All investments are designed to reduce migration/displacement and resource conflicts.

Participating and Recipient Organizations: FAO, UNEP



National and Country Funds

The MPTF office portfolio of national and country climate funds include the DRC REDD+ National Fund (FONAREDD), the Mali Climate Fund, the Ethiopia Climate Resilient Green Economy Facility, and the Burundi Multi-Partner Trust Fund. These funds were either established at the request of Government counterparts, in close collaboration with the UN system in country, or by the UN system to support Government efforts in their climate

related priorities. Launched in 2012, the FONAREDD remains the largest MPTFO administered national climate fund, with 250 million USD committed since its establishment. The FONAREDD supports the Government of the DRC in the design and implementation of strategic and holistic low emission development projects that address deforestation and environmental degradation concerns across the country.

Recently established funds

Nature 4 Health (N4H)

Nature for Health (N4H) is a global initiative working to reduce zoonotic spillover events, future pandemics and related health risks by strengthening the environmental and preventive aspects of One Health. N4H will assist countries to develop holistic and coordinated policies, generate and disseminate evidence on the links between biodiversity, climate and health and support decision makers and other relevant actors to take measures focusing on prevention in 18 low and middle-income countries over 8-year period. N4H converges a broader coalition of partners from UN agencies to international NGOs, academia and others.

Participating and Recipient Organizations: UNDP, UNEP, WHO, CBD, EcoHealth, IUCN, WOAH

Decarbonizing Humanitarian Energy (DHE)

The DHE facilitates a broad, global transformation of existing energy infrastructure in fragile settings towards more sustainable sources of energy through technical assistance and sustainable delivery models involving the private sector in operating energy infrastructure in emergency and humanitarian contexts while continually evaluating opportunities to extend electricity access to conflict and crisis-affected communities.

Participating and Recipient Organizations: UNDP, UNITAR, NORCAP

The Infrastructure Resilience Acceleration Fund (IRAF)

IRAF action supports the Coalition for Disaster Risk Infrastructure efforts to create a global platform for knowledge exchange, technical support, and capacity development in service of infrastructure that is resilient to climate and disaster risks. Stakeholders from around the world have come together under the IRAF to assist countries, particularly Small Island Developing States (SIDS), in upgrading infrastructure development capacities, systems, standards, regulations, and practices according to local risks, contexts, and economic needs.

Participating and Recipient Organizations: UNDP, UNDRR, UNOPS, Coalition for Disaster Risk Infrastructure (CDRI)

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Where are activities implemented and who implements them?

Table 4 shows the top 15 recipient countries according to approved budget in millions of US dollars. A diverse group of countries benefit from the climate pooled funding portfolio with a substantial investment in countries categorized as least developed countries (LDCs).

Similarly, Table 5 shows the top participating organizations according to approved amount, with a mix of United Nations entities, multilateral

development banks, and international cooperation agencies involved in programme implementation. This large diversification of partners is unique to the portfolio, reflecting the recognition of the criticality and complementarity of stakeholders in the climate and environment sphere.

Table 4. Total approved budget by country from climate and environment funds (US\$, cumulative)

Country	Total Approved budget
Global and Interregional	583,004,450
Congo (the Democratic Republic of the)	549,832,974
Congo (the)	50,468,063
Gabon	48,195,321
Mali	30,932,338
Bangladesh	20,014,626
Uzbekistan	14,297,818
Cuba	11,590,425
Indonesia	11,257,731
Papua New Guinea	10,829,632
Bahamas (the)	8,075,669
Burundi	7,630,873
Colombia	6,077,514
Myanmar	5,554,370
Panama	5,300,000
Fiji	5,164,331
Other countries	72,732,636

Table 5. Total approved budget by participating organization from climate and environment funds (US\$)

Organization	Total Approved budget
UNDP (United Nations Development Programme)	357,940,262
FAO (Food and Agriculture Organization)	211,845,880
UNEP (United Nations Environment Programme)	138,133,924
AFD (Agence Française de Développement)	81,602,077
UNCDF (United Nations Capital Development Fund)	44,387,414
World Bank-IBRD (International Bank for Reconstruction and Development)	41,240,000
UNOPS (United Nations Office for Project Services)	24,683,677
The Nature Conservancy	17,527,239
Deutsche Gesellschaft für Internationale Zusammenarbeit - GIZ	17,000,000
UNIDO (United Nations Industrial Development Organization)	16,563,341
WMO (World Meteorological Organization)	13,896,823
Enabel (Belgian Development Agency)	12,000,000
UNESCO (United Nations Educational Scientific and Cultural Organization)	11,734,890
UNICEF (United Nations Children's Fund)	11,594,794
UNFPA (United Nations Population Fund)	10,168,752
Other participating organizations	75,538,962



Innovation for climate: Innovative features across pooled funds

Innovative finance across the Portfolio. Driven by the strong demand from the United Nations Development System entities and their partners, there has been a push across the climate portfolio for innovation in financing structures and collaboration with the private sector.

The Global Fund for Coral Reefs is an example on how blended finance solutions—leveraging concessional financing with non-concessional funding—can be structured throughout the fund. A grant funding window (the MPTF) supports the incubation and preparation of projects for investments through an investment window. Private capital can be attracted for investments at an acceptable risk level due to the de-risking provided by the grant window. Loans and guarantees can be provided at the project level, complementing grants that further support small and medium enterprise development.

CAFI has recently launched a regional private sector facility to support investments that will deliver benefits in terms of reducing GHG emissions from deforestation and forest degradation in Central Africa, while increasing the value of standing forests. Through this facility, CAFI's objective is to progressively engage with all the major private sector actors in the region through approved CAFI participating organizations, and to support the sector through preparation or performance-based grants, as well as investment grants through co-financing or risk-sharing grants.

Broad and diverse networks and partnerships.

Pooled funding enables collaboration between different actors. Expanding the types of partners that can engage in climate and environment funds has proved successful and implementation is carried out by UN entities alongside other partners comprised of NGOs, government institutions, and International Financial Institutions.

The “fund alliance,” under the Global Fund for Coral Reefs, is an example of MPTF flexibility and how partnerships can structure innovative offers to build joint strategies for simultaneous investments.

Similarly, 72 international partners are joining forces in SOFF including 9 Multilateral Development Banks and UN organizations, incorporating SOFF resources into their own programs and leveraging them. In addition, 5 major multilateral climate funds partner with SOFF.

Lastly, the recently created Infrastructure Resilient Accelerator Fund was funded to support the Coalition for Disaster Risk Infrastructure, a multi-stakeholder global partnership coalition of national governments, UN agencies and programmes, multilateral development banks and financing mechanisms, the private sector and knowledge institution that aims to promote the resilience of new and existing infrastructure systems to climate and disaster risks in support of sustainable development.

7 What makes a climate and environment UN multi-partner trust fund successful? Lessons learned

While climate and environment pooled funds operate in different and complex contexts, several lessons are applicable across the portfolio:

Multi-partner trust funds are platforms for both financing and dialogue. Well performing and properly capitalized trust funds make for a political multi-partner dialogue platform and programming tool. These elements go hand in hand and require effective engagement and ownership by governments, contributors, United Nations, and environmental organizations.

Pooled financing should be strategically used to sequence available and often disconnected funding for climate initiatives. The effectiveness of a pooled climate fund comes from tapping into and connecting with existing financial systems, using flexible pooled funds to articulate and structure sources of funding other than climate funds such as national, private and blended resources.

Pooled financing is particularly fit to support integrated climate and nature-based solutions.

Multi-partner trust funds combine different sources of funds to derive integrated solutions and require collective commitments from a variety of partners.

The climate portfolio benefits from UN reform. The climate portfolio benefits from the common design features of pooled funds as well as the complementary expertise of UN agencies and their partners. United Nations Resident Coordinators play an important role in galvanizing joint action at the country level and facilitating political engagement.





United Nations MPTF Office

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The UN Multi-Partner Trust Fund Office is the UN center of expertise in inter-agency pooled funds that meet the demand for flexible financing mechanisms and promote inter-agency collaboration. The MPTF Office provides fund design and administration services to UN organizations, national governments and non-governmental partners, offering integrated services throughout the life cycle of pooled funds. Emphasizing transparency, it operates an online platform known as Gateway which provides real-time reporting on fund administration, making information widely accessible.

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