

TECHNICAL COOPERATION COMMITTEE
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TECHNICAL COOPERATION PLANNING AND REPORTING

Annual report for 2023

Overview of financial resource delivery

Note by the Secretariat

SUMMARY

Executive summary: This document provides the overview of financial resource delivery for the Integrated Technical Cooperation Programme and thematic long-term projects during 2023, as set out in annex 2 to the annual report for 2023.

Strategic direction, if applicable: 1 and 8

Output: 1.1, 1.6, 1.8, 1.9, 1.10, 8.3, 8.4, 8.5 and 8.7

Action to be taken: Paragraph 4

Related documents: TC 74/3 and TC 74/4(c)

1 Document TC 74/3 (Secretariat) provided annex 1 to the annual report for 2023, which contained the Organization's implementation results on the technical cooperation activities implemented under the Integrated Technical Cooperation Programme (ITCP) and information on the implementation of thematic long-term projects during 2023.

2 That document also informed the Committee that annex 2 to the annual report, on the overview of financial resource delivery, was dependent on the receipt of the 2023 audited accounts and would be submitted under document TC 74/3/Add.1 once the audited data was available.

3 Accordingly, annex 2 on the overview of financial resource delivery is submitted under this document and provides a comprehensive review and analysis of the financial data recorded against IMO's technical cooperation activities delivered during 2023.

Action requested of the Committee

4 The Committee is invited to consider annex 2 to the annual report for 2023 and take action as appropriate.

ANNEX

ANNEX 2

TECHNICAL COOPERATION PLANNING AND REPORTING

Annual report for 2023

Overview of financial resource delivery

TECHNICAL COOPERATION PLANNING AND REPORTING

Annual report for 2023

Overview of financial resource delivery of ITCP and thematic long-term projects

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DELIVERY OVERVIEW

Introduction

1 The overview of financial resource delivery provides a comprehensive review of the 2023 financial data recorded against the implementation of IMO's technical cooperation (TC) activities. The data is disaggregated by region, discipline and funding source in order to provide baseline comparatives for establishing trends in the delivery of the Integrated Technical Cooperation Programme (ITCP) and the thematic long-term projects. This enables detailed analysis and presentation of the achievements from various perspectives, both for the year under review and over a longer time period.

2 The appendix to this annex supplements the information in the financial overview with financial details of the respective programmes/projects delivered during 2023.

3 IMO adheres to International Public Sector Accounting Standards (IPSAS), and thus the baseline comparatives for monitoring expenditure ensure precision and transparency. IPSAS also ensures that the figures represent the technical cooperation expenditure of the actual delivery within the allotted time frame, and the results, including any related adjustments, are reflected in this report for 2023. Furthermore, a time lapse between the completion of delivery and receipt of charges through the United Nations Development Programme (UNDP) service-clearing account means that a certain percentage of funds committed during 2023 will be reflected in the budget and final expenditure of 2024.

4 In accordance with technical cooperation operational procedures, although resources are made available in different currencies depending on the donor source, all budgetary and expenditure figures in this report are expressed in United States dollars (\$).

5 It should be noted that the ITCP delivery results presented in this annex provide complementary information to the financial reports submitted to the 132nd session of the Council,¹ and may include variances arising from adjustments made subsequent to the completion of Council documents.

General technical cooperation implementation trends

6 During 2023, some \$19.9 million was delivered against a total technical cooperation budget of \$29.6 million, which includes a combination of IMO's TC Fund and donor contributions. This represents a delivery rate of 68%.² The expenditure of \$19.9 million is higher than the \$17.7 million expended in 2022, with a delivery rate also higher than the 57% reached in 2022. It is worth noting that some of the funds programmed under the above-mentioned budget of \$29.6 million relate to projects that are delivered on a multi-year structure.

7 It should also be noted that some activities which commenced in 2023 were not completed as at the end of the year. Therefore, expenditure related to those activities is not recorded in the final expenditure of 2023. This equates to approximately \$1.2 million and will be reflected in the 2024 annual report.

¹ C 132/5(b) – Financial reports.

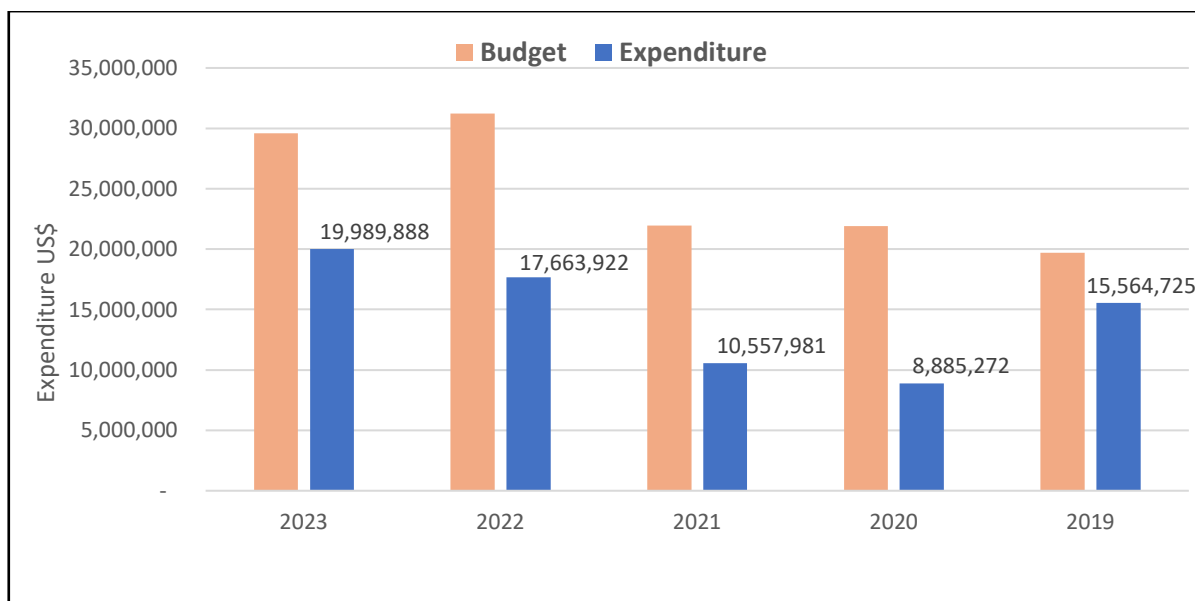
² This document reports on all IMO expenditure related to technical cooperation, including both the ITCP and extrabudgetary thematic long-term projects.

8 Table 1 presents the budget and expenditure figures for 2023, as well as the figures for the previous four years for comparative purposes. The expenditure over the five-year period from 2019 to 2023 is presented visually in chart 1.

Table 1: Technical cooperation budget and expenditure 2023 in \$ – comparison with previous years

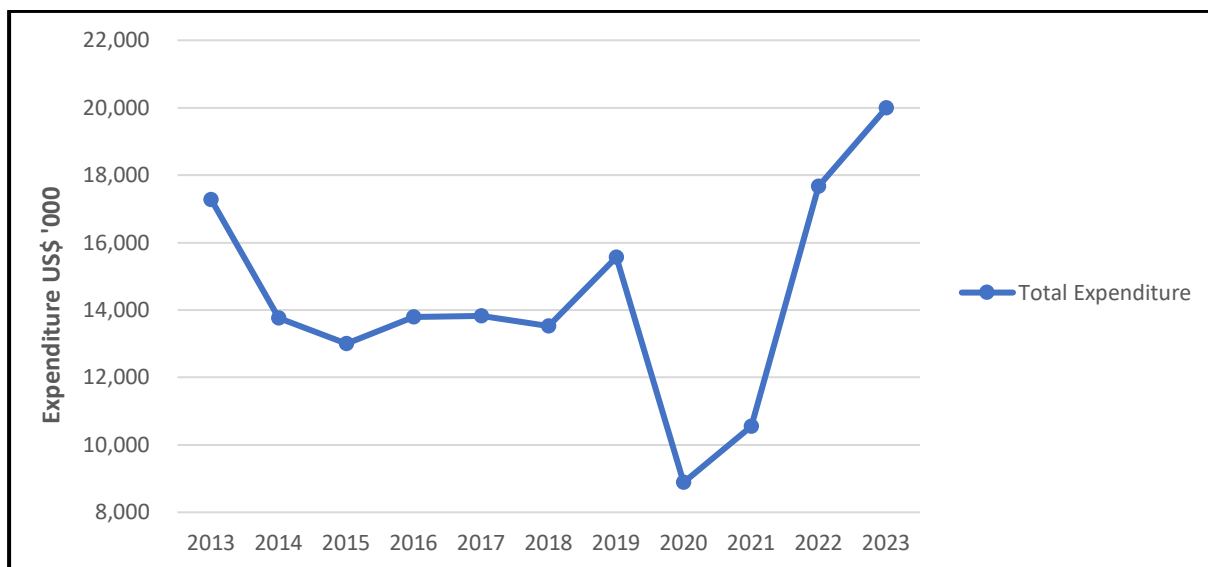
Year	Budget	Expenditure	Delivery rate
2023	29,604,716	19,989,888	68%
2022	31,211,269	17,663,922	57%
2021	21,940,615	10,557,981	48%
2020	21,909,725	8,885,272	41%
2019	19,687,217	15,564,725	79%

Chart 1: Comparative technical cooperation expenditure 2019-2023



9 Chart 2 tracks the annual volume of expenditure since 2013 over the last 10 years. From expenditure of \$17 million in 2013, through the following six years showing a consistent delivery of between \$13 million and \$15 million, to an all-time high expenditure of \$19.9 million in 2023. The period 2020 to 2021 recorded the lowest expenditure in 10 years of some \$8 million and \$10 million, respectively, owing to the COVID-19 pandemic.

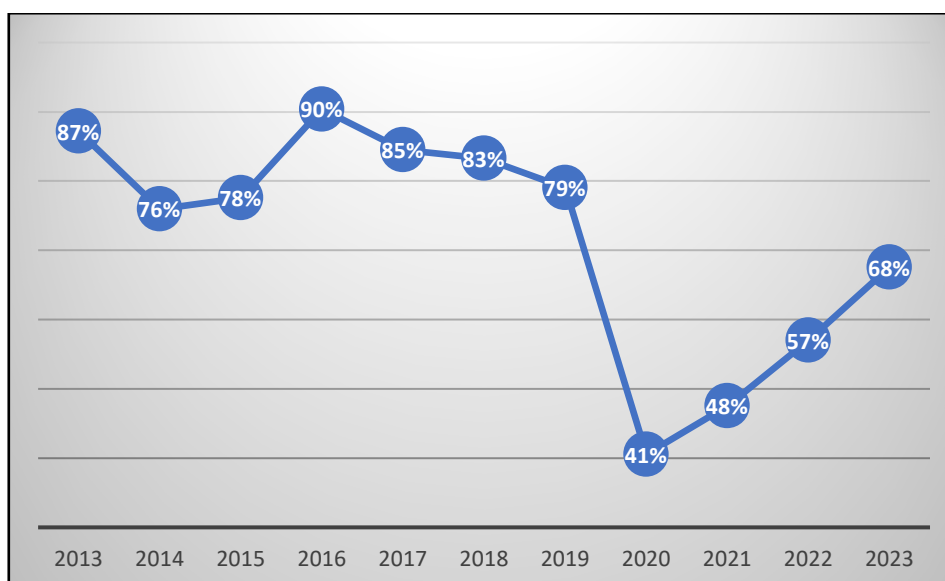
Chart 2: Expenditure trend 2013-2023



10 From another perspective, chart 3 tracks the financial delivery rate over the past decade in percentage terms. The total delivery recorded against funds programmed for 2023 was 68%, which shows a steady increase after the low delivery rates recorded in 2020 and 2021, owing to COVID-19. Although the rate is lower than pre-COVID-19 years, it should be noted that, in recent years, there has been an increase in programmed resources, particularly in thematic long-term projects' resources, which operate on a multi-year structure. Taking this into consideration, the delivery rate of the TC Fund is 80% as per paragraph 15 below.

11 It is also worth noting that there are a number of activities which have no expenditure associated with them, such as virtual activities, or in which financial savings are made through the utilization of memorandums of understanding for the provision of services in kind.

Chart 3: Rate of annual financial delivery since 2013



PROFILE OF RESOURCE DISBURSEMENT

Funding sources

12 Table 2 illustrates the expenditure of funds from 26 donor countries and organisations during 2023. This is a minor decrease from the 27 funding sources recorded the previous year, owing to the completion of the Phase I of the European Union funded Global MTCC Network (GMN) project in March 2022.

13 For the purposes of reporting, the funding sources that have been grouped together and multi-donor funds are categorized as single donors without listing the individual source of contributions e.g. the TC Fund, the International Maritime Security Trust Fund (IMST Fund), the IMO West and Central Africa Maritime Security Trust Fund and the Djibouti Code of Conduct Trust Fund. It also includes the Technical Cooperation Donor Fund Contribution (TCDFC), which was established at the end of 2022 to record the donor contributions received directly into the TC Fund. Details of the full donations received during 2023 can be found in document TC 74/4(c) (Secretariat) on financial contributions to technical cooperation.

14 The highest expenditure was attributed to the TC Fund, at \$7.9 million, representing 40% of the total expenditure, followed by Norway, with an expenditure of \$2.5 million for the IMO-Norway GreenVoyage2050, GloLitter, TEST Biofouling and other technical cooperation projects. This was followed by UNODC with 10% of the overall expenditure for maritime security related projects.³ UNEP accounted for 7% of total expenditure, which includes UNEP/MAP funding for REMPEC as well as funding for the Innovation Forum; UNDP-GEF accounted for 7% for the GloFouling and GloNoise partnership projects.

Table 2: Profile of donor⁴ expenditure for 2023

No.	Source of funding	Expenditure 2023	Donor percentage of total expenditure
1	TC Fund	7,955,556	40%
2	Norway	2,554,387	13%
3	UNODC	1,935,111	10%
4	UNEP	1,436,394	7%
5	UNDP-GEF	1,416,266	7%
6	Republic of Korea	620,021	3%
7	Saudi Arabia	617,207	3%
8	Voyage Together Trust Fund (Republic of Korea)	571,556	3%
9	IMST Fund	481,526	2%
10	TCDFC	416,449	2%
11	China	342,633	2%
12	Model Courses	295,797	1%
13	WCA MARSEC TF	246,088	1%

³ The maritime security related projects in question (Port Security and Safety of Navigation in Eastern and Southern Africa (ESA) and the Indian Ocean and the Regional Programme for Maritime Security in the Red Sea Area) are funded by the European Union. However, the funding is made available to IMO by UNODC.

⁴ For the purposes of budgeting and expenditure of the ITCP, the TC Fund is categorized as "donor", as are the other IMO multi-donor trust funds.

No.	Source of funding	Expenditure 2023	Donor percentage of total expenditure
14	Djibouti Code of Conduct Trust Fund	203,690	1%
15	Germany	156,035	1%
16	United Kingdom	115,171	1%
17	Global Industry Alliance (GIA)	102,932	1%
18	NORAD	100,913	1%
19	Canada	91,806	Less than 1% of the total expenditure each
20	SAR Trust Fund	90,136	
21	Australia	68,461	
22	Malaysia	58,069	
23	Italy	37,259	
24	LC/LP Trust Fund	36,188	
25	Belgium	32,657	
26	ITF Fund	7,580	
	TOTAL in \$	19,989,888	

The TC Fund

15 Chart 4 displays TC Fund expenditure over five years, showing a gradual increase from the lowest level of expenditure in 2020, because of COVID-19, to a high of \$7.9 million in 2023. The TC Fund expenditure as a percentage of the overall expenditure can be seen in chart 5, which compares the years 2019 to 2023. As noted above, the 2023 percentage of 40% is equal to the 2022 percentage but shows an increase from earlier years. From another perspective, \$7.9 million of TC Fund funds were spent against the budget of \$9.8 million TC Fund in 2023, which represents a delivery rate of 80%.

Chart 4: Annual TC Fund expenditure 2019-2023

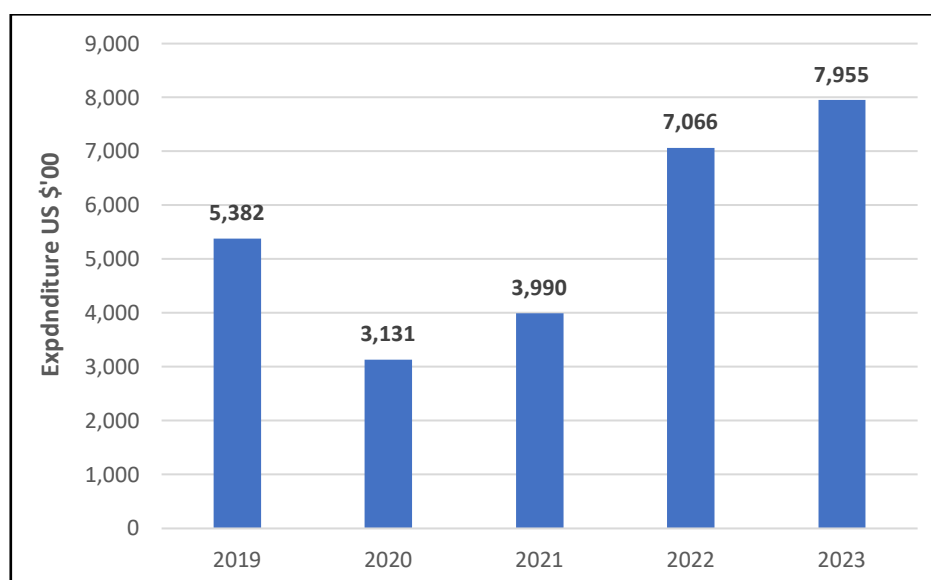
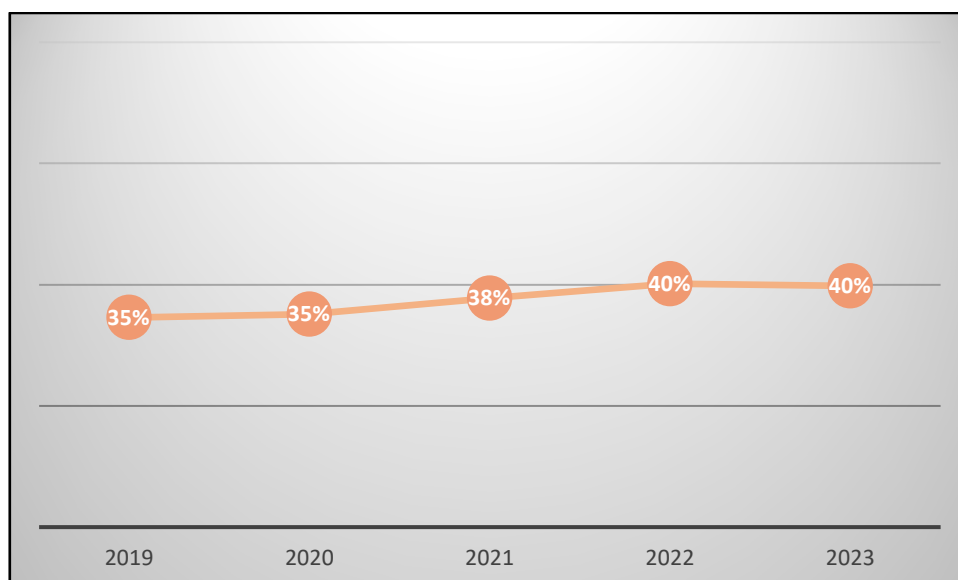


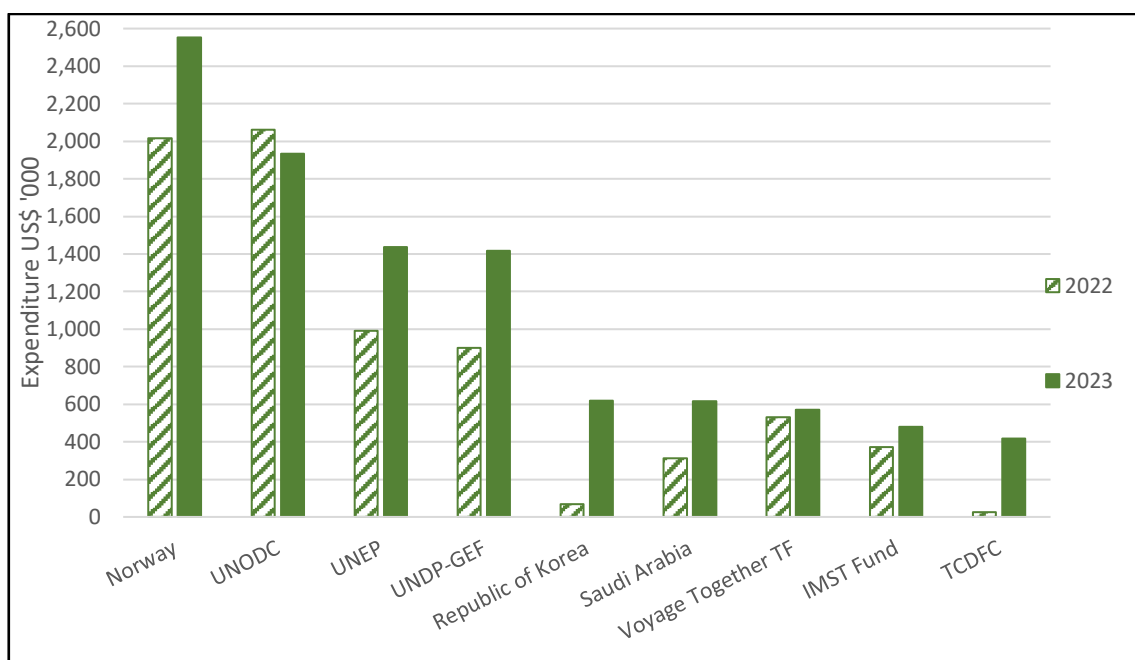
Chart 5: Annual TC Fund expenditure as percentage of overall expenditure 2019-2023



Other donors

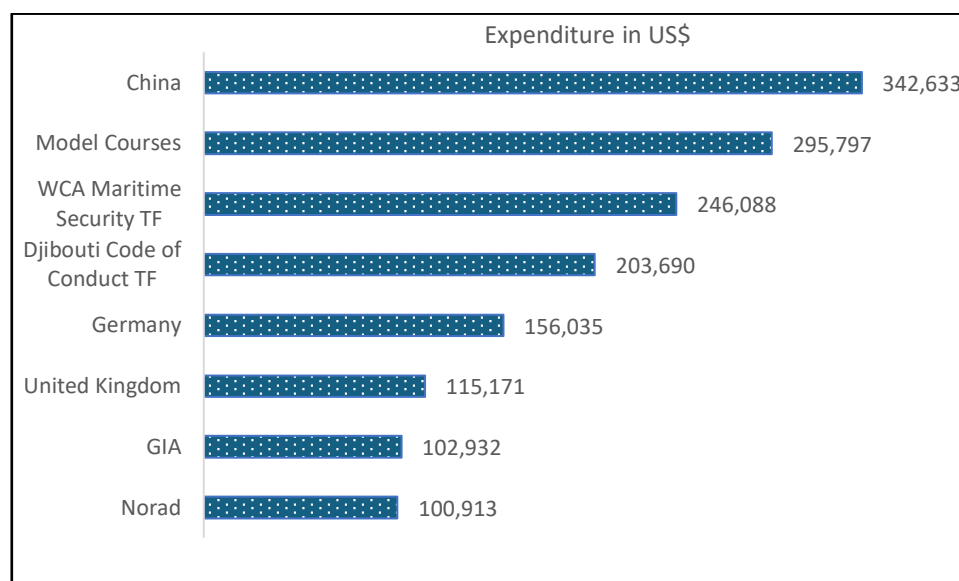
16 Chart 6 displays the nine donors (excluding the TC Fund) that recorded expenditure of over \$400,000 in 2023, in comparison with the amounts expended against these donors in the previous year. All funds show an increase in spending compared to 2022, except for a minor decrease in UNODC. Some, such as Norway, UNEP, UNDP-GEF, the Republic of Korea and Saudi Arabia, show a significant increase, owing mostly to the expanding number of projects such as the GloNoise, GloFouling, RegLitter and IMO CARES projects. Following its establishment at the end of 2022, the new TCDFC also now features on the chart as a source of high expenditure owing to it being a collective fund of multiple contributions.

Chart 6: Donor with expenditure over \$400,000 – comparison with 2022



17 Chart 7 illustrates expenditure between \$200,000 and \$400,000 against other donors, namely China, the Model Courses Trust Fund, the West and Central Africa Maritime Security Trust Fund, the Djibouti Code of Conduct Trust Fund, Germany, the United Kingdom, GIA and NORAD.

Chart 7: Other donors with expenditure in 2023 between \$100,000 and \$400,000



18 Further information on the donors and their support to the respective constituent programmes of the ITCP and thematic long-term projects is presented in the appendix, together with the related total budget and expenditure recorded against each programme/project for 2023.

DISBURSEMENT BY REGION

19 IMO's technical cooperation work consists of two core components. The ITCP has regional and global programmes delivered on an annual basis. Additionally, a number of long-term thematic projects, most of which have an environmental focus, are delivered on a multi-year structure. Expenditure has been analysed as combined ITCP and long-term thematic projects by region, as well as separately.

20 The total regional and global expenditure distribution for 2023 is presented in table 3. The figures for 2022 are shown for comparison only. For the purpose of accuracy, the analysis of the regional expenditure is not only based on the activities of the regional programmes, but also, as far as possible, on the disaggregated data from the global programmes where the delivery of activities can be pinpointed to a particular region.

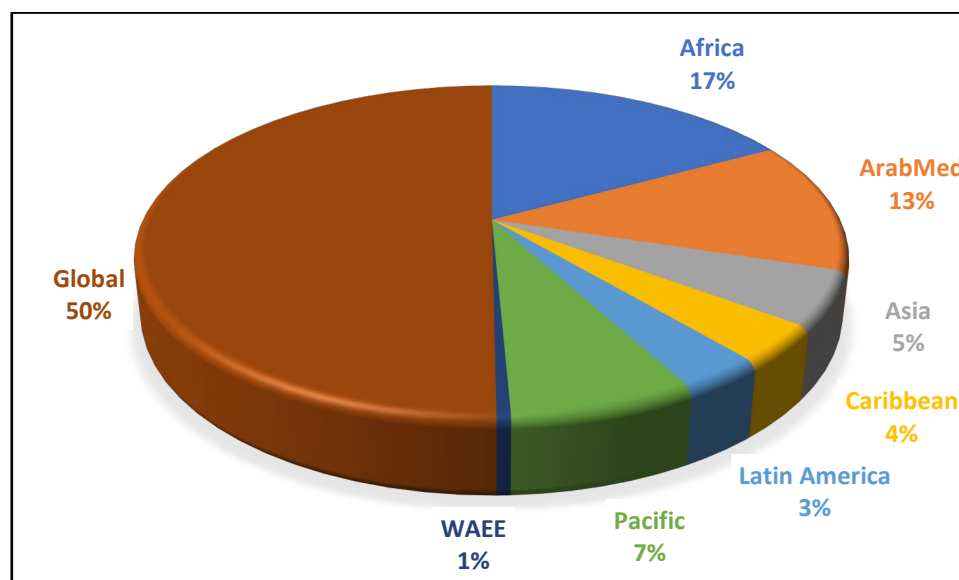
21 By contrast, those activities providing benefits in more than one region remain categorized as global. This category covers a diverse range of maritime subjects across the globe and includes, inter alia, the provision of fellowships, inter-regional workshops and many of the thematic long-term projects. Hence, the results presented in table 3 were identified by the recipient region of the respective activities and, as a consequence, do not correlate to the global and regional programmes summarized in the appendix.

Table 3: Distribution of expenditure by region in 2023 – comparison with 2022 (ITCP and thematic long-term projects)

Region	2023	2022
Africa	3,409,286	3,712,713
Arab States and Mediterranean	2,559,557	2,248,806
Asia	1,061,661	1,508,611
Caribbean	734,309	634,890
Latin America	649,003	573,524
Pacific	1,437,427	484,382
Western Asia and Eastern Europe	109,324	23,238
Global	10,029,320	8,477,758
Total in \$	19,989,888	17,663,922

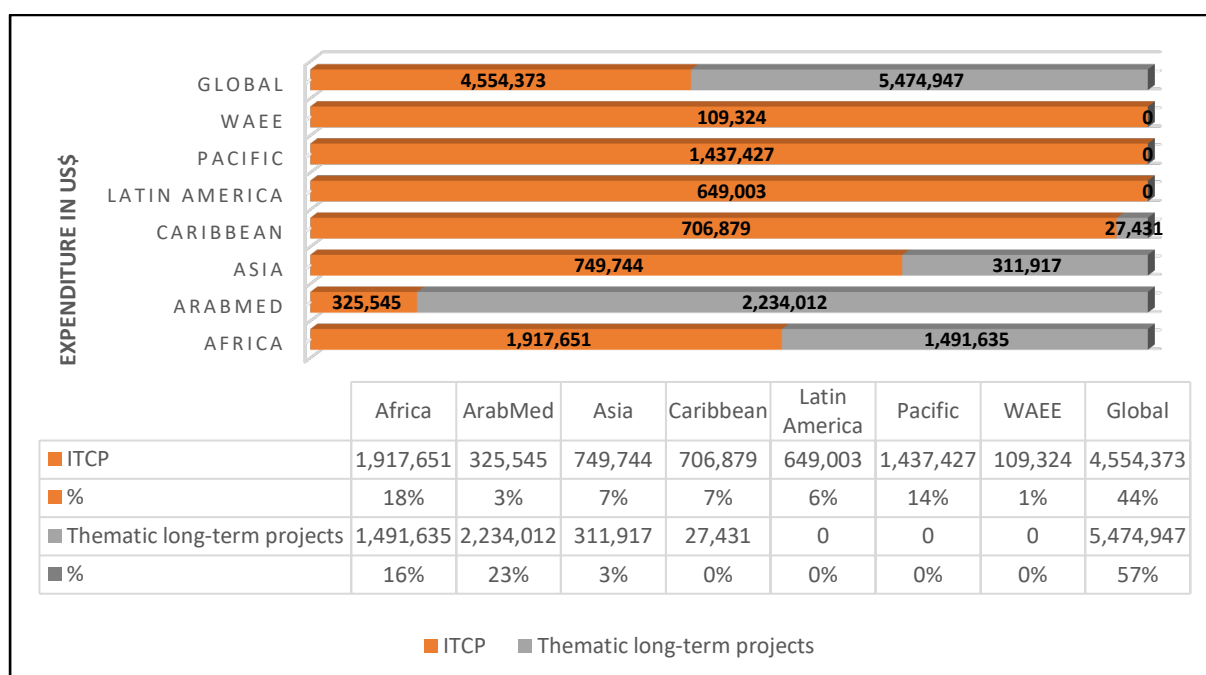
22 Chart 8 illustrates the regional and global distribution for 2023 by percentage. The Africa region accounted for some 17% of total expenditure; Arab States and Mediterranean for 13%; Pacific Islands for 7%; Asia for 5%; Caribbean for 4%; Latin America for 3%; and Western Asia and Eastern Europe for 1% of total expenditure. The remaining activities comprise the balance under the global category with 50% of the total expenditure.

Chart 8: Regional and global percentage distribution of expenditure in 2023 (ITCP and thematic long-term projects)



23 Chart 9 below shows the amount of expenditure per region that was spent on ITCP and thematic long-term projects. It can be informative to view expenditure on the ITCP and on the thematic long-term projects separately, as the budgets for the thematic long-term projects are much larger and often include a staff component. For example, during 2023, in the Africa region, the Port Security and Safety of Navigation in Eastern and Southern Africa and the Indian Ocean Programme accounted for 31% of expenditure, while in the Arab and Mediterranean region, the Regional Programme for Maritime Security in the Red Sea Area accounted for 35% of expenditure. In the Asia region, the SENSREC (phases II and III) and the MEPSEAS projects accounted for 10% and 20% of expenditure, respectively. Under the global category, the GloFouling Partnerships project accounted for 14% of global expenditure and the GreenVoyage2050 and the GloLitter Partnerships projects accounted for 9% of global expenditure each.

Chart 9: ITCP and thematic long-term project spending by region, in \$



DISBURSEMENT BY DISCIPLINE

24 Table 4 below presents the distribution of delivery by maritime discipline for 2023, as compared with 2022, whereas chart 10 demonstrates the disbursement of both ITCP and thematic long-term projects for 2023.

25 During 2023, marine environment protection activities registered 43% of delivery, maritime security 15% and maritime safety 10%. Maritime training, including the provision of fellowships, accounted for 13% of total expenditure, while facilitation accounted for 3%. Maritime legislation and Member State Audit accounted for 1% each. The general maritime sector, which includes activities related to maritime transport policy, integration of women in the maritime sector, the implementation of IMO instruments, and meetings of heads of maritime administrations, made up 14% of total 2023 expenditure.

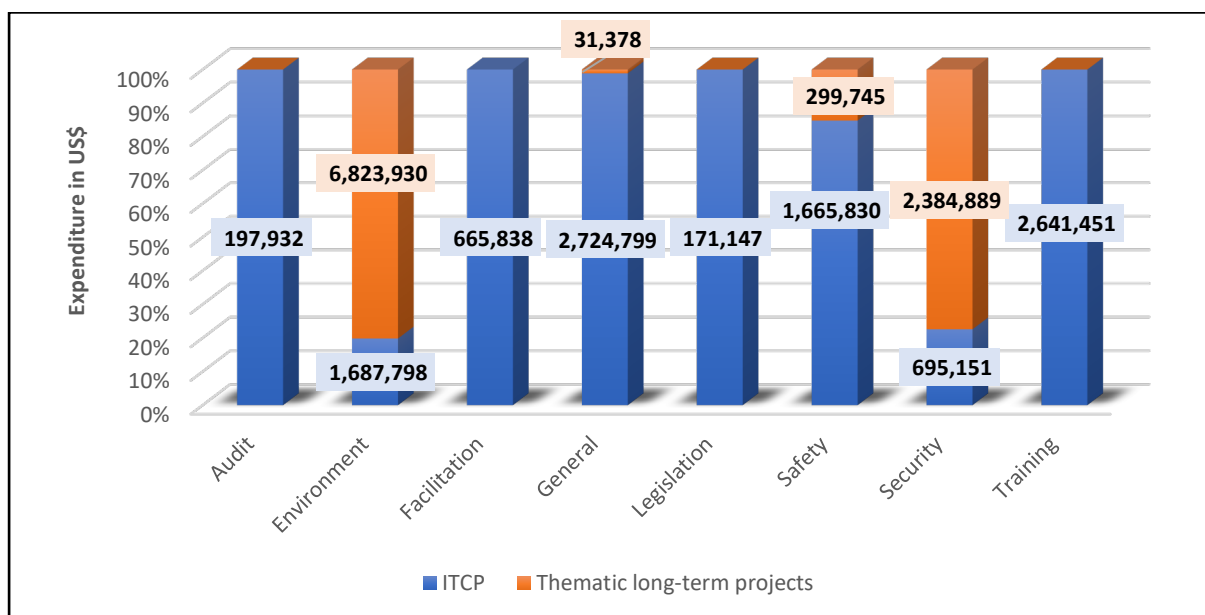
26 Regarding the discipline of marine environment protection, it should be noted that more than three quarters of the expenditure can be attributed to 12 large-scale, multi-year projects currently ongoing or completed in 2023, as well as the annual expenditure towards REMPEC. All were financed through external funding entities, such as GIA, NORAD, Norway, the Republic of Korea, Saudi Arabia, UNDP-GEF, UNEP and the Voyage Together Trust Fund, and many included staff cost components. Together these projects accounted for 80% of all expenditure related to the marine environment for 2023, equal to some \$6.8 million, higher than the \$5.6 million recorded for long-term environmental projects in 2022.

27 On the discipline of maritime security, it should be noted that more than three quarters of the expenditure can be attributed to four multi-year projects currently ongoing. All were financed through external funding entities, such as the Djibouti Code of Conduct Trust Fund, UNODC and the West and Central Africa Maritime Security Trust Fund. Together these projects accounted for 77% of all expenditure related to maritime security for 2023, equal to some \$2.3 million.

Table 4: Distribution of expenditure by discipline in 2023 – comparison with 2022

Discipline	2023	%	2022	%
Audit	197,932	1%	152,312	1%
Environment	8,511,728	43%	6,993,987	40%
Facilitation	665,838	3%	224,420	1%
General	2,756,177	14%	2,348,180	13%
Legislation	171,147	1%	144,778	1%
Safety	1,965,575	10%	1,568,458	9%
Security	3,080,040	15%	3,393,980	19%
Training	2,641,451	13%	2,837,807	16%
Total in \$	19,989,888	100%	17,663,922	100%

Chart 10: Distribution of ITCP and thematic long-term project expenditure by discipline in 2023



Appendix
ITCP regional and global programmes,
other programmes and thematic long-term projects in 2023 - in US dollars

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Programme Title	Budget	Expenditure	Delivery rate	Donor(s)
REGIONAL PROGRAMMES				
Africa				
Support to maritime development, Africa (Anglophone)	1,385,624	1,134,201	82%	TC Fund, China, SAR Trust Fund
Support to maritime development, Africa (Francophone)	670,214	516,197	77%	TC Fund, China, Republic of Korea
Arab States and Mediterranean				
Support to maritime development, Arab States/Mediterranean	414,295	207,892	50%	TC Fund, TCDFC*
REMPEC	1,340,757	1,340,757	100%	UNEP
Asia and Pacific Islands				
Support to maritime development, Asia	677,063	566,165	84%	TC Fund, China, Republic of Korea, TCDFC
Support to maritime development, Pacific Islands	1,145,124	885,491	77%	TC Fund, China, Australia, TCDFC
Capacity-Building for the Solomon Islands Maritime Authority (SIMA)	32,657	32,657	100%	Belgium
Support to the establishment of the new IMO Regional Presence Office Pacific Islands	188,330	107,759	57%	TCDFC
Western Asia and Eastern Europe				
Support to maritime development, Western Asia and Eastern Europe	131,251	109,324	83%	TC Fund
Latin America and Caribbean				
Support to maritime development, Latin America	681,234	517,848	76%	TC Fund, Republic of Korea
Support to maritime development, Caribbean	557,519	525,878	94%	TC Fund
GLOBAL PROGRAMMES				
Technical Advisory Services	26,896	26,866	100%	TC Fund
Support to SIDS and LDCs for their Shipping Needs	271,418	233,982	86%	TC Fund, TCDFC
Women in Maritime	958,966	809,353	84%	TC Fund, Australia, Germany, Malaysia, TCDFC
Capacity-building and Training	3,421,806	2,665,304	78%	TC Fund, China, Germany, Italy, Republic of Korea, TCDFC
Reducing Atmospheric Emissions from Ships and in Ports and Effective Implementation of MARPOL Annex VI and the Initial IMO GHG Strategy	431,267	294,682	68%	TC Fund
Enhancement of Maritime Security	920,207	707,751	77%	TC Fund, IMST Fund, United Kingdom
IMO Member State Audit Scheme (IMSAS)	283,725	197,932	70%	TC Fund, TCDFC

* The TCDFC comprises donor contributions from different Member States and sources. Detailed contributions per donor are presented in document TC 74/4 on Financial contributions to technical cooperation.

Appendix
ITCP regional and global programmes,
other programmes and thematic long-term projects in 2023 - in US dollars

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Programme Title	Budget	Expenditure	Delivery rate	Donor(s)
Maritime Development	999,874	877,882	88%	TC Fund, Canada, ITF Fund, LP/LC Trust Fund, Republic of Korea, TCDFC
Promotion of the London Protocol	50,000	32,780	66%	LC/LP Trust fund
THEMATIC LONG-TERM PROJECTS				
GloFouling	2,510,353	1,455,800	58%	GIA, Saudi Arabia, UNDP
SENSREC Phases II and III	256,139	211,003	82%	Norway
GreenVoyage2050	6,180,792	1,000,473	16%	Norway, GIA
GloLitter	883,198	881,191	100%	Norway, Australia, Saudi Arabia
MEPSEAS	101,772	100,913	99%	Norad
GHG-SMART	571,556	571,556	100%	Voyage Together Trust Fund (Republic of Korea)
TEST Biofouling	551,471	531,424	96%	Norway
Innovation Forum	167,252	95,637	57%	UNEP (Norway)
IMO CARES	911,775	559,747	61%	Saudi Arabia
GloNoise	23,760	23,760	100%	UNDP-GEF
Carib-SMART	32,177	27,431	85%	Norway
RegLitter	51,669	51,669	100%	Republic of Korea
SMART-C Programme (Women and Traffic)	7,894	7,894	100%	Republic of Korea
Port Security and Safety of Navigation in Eastern and Southern Africa and the Indian Ocean	1,072,168	1,041,857	97%	UNODC (European Union)
Regional Programme for Maritime Security in the Red Sea Area	900,853	893,254	99%	UNODC (European Union)
Support to the Implementation of the Djibouti Code of Conduct	220,497	203,690	92%	Djibouti Code of Conduct Trust Fund
West and Central Africa Maritime Security Programme	246,088	246,088	100%	WCA Maritime Security Trust Fund
Other programmes				
Model Courses	327,074	295,797	90%	IMO Model Courses Development Trust Fund

* The TCDFC comprises donor contributions from different Member States and sources. Detailed contributions per donor are presented in document TC 74/4 on Financial contributions to technical cooperation.