

SUBSIDIARY BODY FOR IMPLEMENTATION

Tenth session

Bonn, 31 May - 11 June 1999

Agenda items 10 (a), (b) and (c)

**ADMINISTRATIVE AND FINANCIAL MATTERS**

**PROGRAMME BUDGET FOR THE BIENNIUM 2000-2001**

**INCOME AND BUDGET PERFORMANCE IN THE BIENNIUM 1998-1999**

**ARRANGEMENTS FOR ADMINISTRATIVE SUPPORT TO THE CONVENTION**

**Proposal by the chairman of the contact group**

1. Proceedings

The SBI considered these sub-items at its \_\_, \_\_ and \_\_ meetings, on \_\_, \_\_ and \_\_ June 1999, respectively. It had before it documents FCCC/SBI/1999/3, FCCC/SBI/1999/4 and Add.1, FCCC/SBI/1999/INF.5, FCCC/SBI/1999/CRP.1, and FCCC/SBI/1999/CRP.7.

Statements were made by representatives of \_\_ Parties, including one speaking on behalf of the Group of 77 and China, and one on behalf of the European Community and its member States.

At its \_\_ meeting, the SBI agreed to a proposal by the Chairman that this item be taken up in informal contact group discussions. The informal contact group was chaired by Mr. Mohamed M. Ould El Ghaouth (Mauritania).

2. Conclusions

At its \_ meeting, on \_ June, the SBI, on the recommendation of the Chairman, adopted the following conclusions:

(a) The SBI recommended for adoption by the COP at its fifth session the budget decision included as annex 1 to this document, which would require finalization at the Conference with respect to the contingencies indicated therein;

(b) The SBI noted that the recommended decision provided for the expenditure on programme activities of \$ 22,300,000 in the biennium 2000-2001, representing an increase of \$ 3,638,200 over the comparable figure in the current biennium 1998-1999. It further noted that this increase in the allocation for programme activities was to be partly met by a special drawing of \$ 2,000,000 from the unspent balances or contributions from previous financial periods and that the resulting increase in the total indicative contributions due by Parties over those due in the current biennium 1998-1999 would be 10.7 per cent;

(c) The SBI authorized the Executive Secretary to notify the Parties by 1 October 1999 of their contributions to the core budget due by 1 January 2000 on the basis of the budget recommended to the COP and the contingencies included in paragraph[s] 4 [and 5] of the draft decision contained in annex I and on the basis of the current indicative scale of contributions (see decision 17/CP.4, paragraphs 14-15, and the annex to that decision), revised in accordance with the United Nations scale of assessment for the year 2000 (see annex II to this document);

(d) The SBI took note of the contributions received for the 1998-1999 biennium under the various sources of funding. It expressed concern at the continuing trend toward late payment of contributions, some still outstanding from 1996 and 1997, and encouraged all Parties that had not yet paid their contributions to do so without delay. It requested the Executive Secretary to present possible options to respond to the situation of late payment of contributions for consideration at its twelfth session. The SBI underlined the importance of contributions to the Trust Fund for Participation in the UNFCCC Process and the Trust Fund for Supplementary Activities as important complements to the core budget in advancing work under the Convention. It requested the Executive Secretary to report to COP 5 on the financial situation of the Convention, including on the use of the above-mentioned funds;

(e) The SBI took note of the report of the Executive Secretary on the carry-over balance from the 1996-1997 biennium and agreed to return to the matter in 2000, when further experience and data will be available, and to make a recommendation to COP 6. In the interim, the SBI authorized the Executive Secretary, pending approval by the COP, to enter into commitments up to the level of the approved budget, drawing on available cash resources, including unspent balances or contributions from previous financial periods;

(f) The SBI took note of the information provided by the Executive Secretary on the transfer of administrative responsibilities for the Convention from the United Nations to the UNFCCC and requested that the SBI be kept informed of new developments or any problems that emerge; and

(g) The SBI requested the secretariat to incorporate points (d) through (f) above into a draft omnibus decision on administrative and financial matters to be considered by the SBI at its eleventh session and to be recommended to the Conference of the Parties for adoption at its fifth session.

**Annex I**

**DRAFT DECISION FOR THE COP  
PROGRAMME BUDGET FOR THE BIENNIUM 2000-2001**

*The Conference of the Parties,*

*Recalling* paragraph 4 of the financial procedures for the Conference of the Parties,

*Having considered* the proposed budget for the biennium 2000-2001 submitted by the Executive Secretary,<sup>1</sup>

*Noting* the annual contribution of the host Government, DM 1.5 million, which offsets planned expenditures,

1. *Approves* the programme budget for the biennium 2000-2001, amounting to US\$ 25,286,000, for the purposes specified in table 1 below;
2. *Approves* a drawing of \$ 2 million from the unspent balances or contributions (carry-over) from previous financial periods to cover part of the 2000-2001 budget;
3. *Approves* the staffing table for the programme budget, as contained in table 2 below;
4. *Approves* a contingency budget for conference servicing, amounting to \$ 5,661,800, to be added to the programme budget for the coming biennium in the event that the General Assembly of the United Nations decides not to provide resources for these activities in the regular United Nations budget for the biennium 2000-2001 (see tables 3 and 4 below);
5. [*Approves* a contingency budget for matters related to the consideration of national communications from non-Annex I Parties, amounting to \$ 1,527,900, to be added to the programme budget for the coming biennium in the event that the COP decides to request that work in this area be launched (see tables 5 and 6 below);]
6. *Requests* the Executive Secretary to report to the Subsidiary Body for Implementation at subsequent sessions on the implementation of paragraph[s] 4 [and 5] above, as necessary;
7. *Authorizes* the Executive Secretary to make transfers between each of the main appropriation lines set out in table 1 below, up to an aggregate limit of 15 per cent of total estimated expenditure for those appropriation lines, provided that a further limitation of up to minus 25 per cent of each such appropriation line shall apply;

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<sup>1</sup> Contained in document FCCC/SBI/1999/4 and Add.1, and revised in document \_\_\_\_\_.

8. *Decides* to maintain the level of the working capital reserve at 8.3 per cent of the estimated expenditure;

9. *Invites* all Parties to the Convention to note that contributions to the core budget are due on 1 January of each year in accordance with paragraph 8 (b) of the financial procedures and to pay promptly and in full, for each of the years 2000 and 2001, the contributions required to finance expenditures approved under paragraph 1 above, as offset by estimated contributions noted under the third paragraph of the preamble to this decision and under paragraph 2 above, and the contributions which may result from the decisions referred to in paragraph[s] 4 [and 5] above;

10. *Takes note* of the funding estimate for the Trust Fund for Participation in the United Nations Framework Convention on Climate Change Process specified by the Executive Secretary (\$ 3,691,800 for the biennium 2000-2001), and *invites* Parties to make contributions to this fund (see table 7 below);

11. *Takes note* of the funding estimates for the Trust Fund for Supplementary Activities under the United Nations Framework Convention on Climate Change specified by the Executive Secretary (\$ 6,178,900 for the biennium 2000-2001), and *invites* Parties to make contributions to this fund (see table 8 below);

12. *Requests* the Executive Secretary to report to the Conference of the Parties at its sixth session on income and budget performance, and to propose any adjustments that might be needed in the Convention budget for the biennium 2000-2001;

13. *Authorizes* the Executive Secretary to make a complementary contribution, from available resources, to the IPCC of \$ 300,000 during the biennium 2000-2001.

**Table 1. Programme budget for the biennium 2000-2001**  
(thousands of United States dollars)

	2000	2001	Biennium total
<b>Expenditures</b>			
I. <u>Programmes</u>			
Executive Direction & Management	749.5	773.7	1 523.2
Planning, Coordination & Emerging Issues	1 232.6	1 214.8	2 447.4
Science & Technology	2 170.6	2 173.6	4 344.2
Implementation	2 591.3	2 747.1	5 338.4
Information & Outreach <sup>a</sup>	1 546.5	1 643.7	3 190.2
Intergovernmental & Conference Support <sup>b</sup>	2 752.6	2 704.0	5 456.6
<b>Subtotal (I)</b>	<b>11 043.1</b>	<b>11 256.9</b>	<b>22 300.0</b>
II. <u>Payments to the United Nations</u>			
Overhead charge <sup>c</sup>	1 435.6	1 463.4	2 899.0
<b>Subtotal (II)</b>	<b>1 435.6</b>	<b>1 463.4</b>	<b>2 899.0</b>
III. <u>Working capital reserve<sup>d</sup></u>	69.2	17.7	86.9
<b>Subtotal (III)</b>	<b>69.2</b>	<b>17.7</b>	<b>86.9</b>
<b>TOTAL BUDGET (I+II+III)</b>	<b>12 548.0</b>	<b>12 738.0</b>	<b>25 286.0</b>
<b>Income</b>			
Contribution from the host Government	810.8	810.8	1 621.6
Unspent balances or contributions from previous financial periods (carry-over)	1 000.0	1 000.0	2 000.0
<b>TOTAL INCOME</b>	<b>1 810.8</b>	<b>1 810.8</b>	<b>3 621.6</b>
<b>INDICATIVE CONTRIBUTIONS</b>	<b>10 737.2</b>	<b>10 927.2</b>	<b>21 664.4</b>

<sup>a</sup> Includes resources required to cover the computer needs of all programmes.

<sup>b</sup> Includes resources required to cover a number of secretariat-wide expenditures for non-staff-related items.

<sup>c</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>d</sup> In accordance with paragraph 14 of the financial procedures (see decision 15/CP.1). This will bring the level of the working capital reserve to \$ 916,600 in 2000 and \$ 934,300 in 2001(see paragraphs 17-19 of the financial procedures).

**Table 2. Programme budget staffing table 2000-2001**

	2000	2001
<b>A. Professional category and above</b>		
Executive Secretary	1	1
D-2	3	3
D-1	4	4
P-5	9.75	10
P-4	10	10
P-3	15	16
P-2	8.25	9
<b>Subtotal (A)</b>	<b>51</b>	<b>53</b>
<b>B. General Service category</b>	<b>27.75</b>	<b>28</b>
<b>TOTAL (A+B)</b>	<b>78.75</b>	<b>81</b>

**Table 3. Resource requirements for the conference services contingency**  
(thousands of United States dollars)

Item of expenditure	2000	2001	Biennium total
A. Meeting servicing <sup>a</sup>	987.1	1 015.1	2 002.2
B. Documentation <sup>b</sup>	1 326.8	1 340.1	2 666.9
<b>Subtotal</b>	<b>2 313.9</b>	<b>2 355.2</b>	<b>4 669.1</b>
C. Overhead charge <sup>c</sup>	300.8	306.2	607.0
D. Contingencies and exchange rate fluctuations <sup>d</sup>	78.4	79.8	158.2
E. Working capital reserve <sup>e</sup>	223.5	4.0	227.5
<b>TOTAL</b>	<b>2 916.6</b>	<b>2 745.2</b>	<b>5 661.8</b>

<sup>a</sup> Includes interpretation and conference assistance.

<sup>b</sup> Includes revision, translation, typing, reproduction and distribution of pre-, in- and post-session documentation (regular and temporary staff, travel, and contractual services).

<sup>c</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>d</sup> Calculated at 3 per cent.

<sup>e</sup> In accordance with paragraph 14 of the financial procedures. The 2000 amount has been calculated as 8.3 per cent of the subtotal and the overhead charge; the 2001 amount has been calculated as the amount required to bring the carried-over 2000 reserve to 8.3 per cent of the subtotal and overhead charge for 2001.

**Table 4. Staffing requirements for the conference services contingency**

	2000	2001
<b>A. Professional category and above</b>		
P-4	1	1
<b>Total Professional category and above</b>	<b>1</b>	<b>1</b>
<b>B. Total General Service category</b>	<b>5</b>	<b>5</b>
<b>TOTAL (A+B)</b>	<b>6</b>	<b>6</b>

**Table 5. Resource requirements for the contingency for matters related to consideration of communications from non-Annex I Parties**

Item of expenditure	2000	2001	Biennium total
A. Staff costs	457.6	466.4	924.0
B. Consultants	24.0	24.0	48.0
C. Expert groups	20.0	20.0	40.0
D. Travel on official business	33.0	33.0	66.0
E. Travel of participants	100.0	100.0	200.0
F. Logistics for workshops	10.0	10.0	20.0
<b>Subtotal</b>	<b>644.6</b>	<b>653.4</b>	<b>1 298.0</b>
G. Overhead charge <sup>a</sup>	83.8	84.9	168.7
H. Working capital reserve <sup>b</sup>	60.5	0.6	61.0
<b>TOTAL</b>	<b>788.9</b>	<b>738.9</b>	<b>1 527.8</b>

<sup>a</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>b</sup> In accordance with paragraph 14 of the financial procedures. The 2000 amount has been calculated as 8.3 per cent of the subtotal and the overhead charge; the 2001 amount has been calculated as the amount required to bring the carried-over 2000 reserve to 8.3 per cent of the subtotal and overhead charge for 2001.

**Table 6. Staffing requirements for the contingency for matters related to consideration of communications from non-Annex I Parties**

	2000	2001
<b>A. Professional category and above</b>		
P-4	1	1
P-3	2	2
<b>Total Professional category and above</b>	<b>3</b>	<b>3</b>
<b>B. Total General Service category</b>	<b>1</b>	<b>1</b>
<b>TOTAL (A+B)</b>	<b>4</b>	<b>4</b>

**Table 7. Trust Fund for Participation in the UNFCCC Process: Estimated resource requirements**

*(thousands of United States dollars)*

Item of expenditure	2000	2001
A. Support for eligible Parties to participate in one two-week session of the subsidiary bodies	630.0	630.0
B. Support for eligible Parties to participate in one two-week session of the COP and its subsidiary bodies <sup>a</sup>	855.0	855.0
<b>Subtotal</b>	<b>1 485.0</b>	<b>1 485.0</b>
Overhead charge <sup>b</sup>	193.1	193.1
Working capital reserve <sup>c</sup>	167.8	167.8
<b>TOTAL</b>	<b>1 845.9</b>	<b>1 845.9</b>

<sup>a</sup> Includes funding for a second delegate from least developed countries and small island developing States, in accordance with the practice followed at all meetings of the COP to date.

<sup>b</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>c</sup> Calculated at 10 per cent.

**Table 8. Trust Fund for Supplementary Activities: Estimated resource requirements<sup>a</sup>**

*(thousands of United States dollars)*

<b>Item of expenditure</b>	<b>2000</b>	<b>2001</b>
Estimated resource requirements	2 500.0	2 620.2
Overhead charge <sup>b</sup>	325.0	340.6
Cash reserve <sup>c</sup>	375.0	18.0
<b>TOTAL</b>	<b>3 200.0</b>	<b>2 978.9</b>

<sup>a</sup> Additional information to be included in the revised version of document FCCC/SBI/1999/4/Add.1.

<sup>b</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>c</sup> Calculated at 15 per cent.

**Annex II**

**INDICATIVE SCALE OF CONTRIBUTIONS TO THE  
CORE BUDGET OF THE UNFCCC: 2000**

**(To be completed)**

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