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**SUBSIDIARY BODY FOR IMPLEMENTATION**  
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**Item 11 (a) of the provisional agenda**  
**Administrative, financial and institutional matters**  
**Budget performance for the biennium 2004–2005**

**Budget performance for the biennium 2004–2005 as at 30 June 2005**

**Note by the Executive Secretary**

*Summary*

Budget performance for the first 18 months of the biennium 2004–2005 of the trust funds administered by the secretariat is presented. The aim is to inform Parties of income and expenditure, and results achieved, by 30 June 2005.

About 64.2 per cent of the indicative contributions to the core budget including to the Kyoto Protocol Interim Allocation for 2004–2005 had been received and expenditures for the Convention and the Kyoto Protocol were maintained at about 67.5 per cent of the approved budget for the year. Voluntary contributions to the trust funds for participation in the UNFCCC process and for supplementary activities amounted to USD 2,366,063 and USD 8,808,451, respectively.

The Subsidiary Body for Implementation is invited to take note of the information and decide on the actions to be included in draft decisions on administrative, financial and institutional matters to be recommended for adoption by the Conference of the Parties at its eleventh session and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session.

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## I. Introduction

### A. Mandate

1. The Conference of the Parties (COP), by its decision 16/CP.9,<sup>1</sup> approved the programme budget for the biennium 2004–2005, and requested the Executive Secretary to report to the COP on income and budget performance and to propose any adjustments that might be needed in the Convention budget.
2. Rule 10 (e) of the draft rules of procedure being applied (FCCC/CP/1996/2) stipulates that the provisional agenda for each ordinary session of the COP shall include, as appropriate, questions pertaining to the accounts and financial arrangements.
3. It is the practice of the Subsidiary Body for Implementation (SBI) to consider these matters and prepare recommendations for action by the COP.

### B. Scope of the note

4. This document reports income, expenditure and budget performance as at 30 June 2005. It should be read in conjunction with document FCCC/SBI/2005/INF.10 on the status of contributions as at 31 October 2005.

### C. Possible action by the Subsidiary Body for Implementation

5. The SBI may wish to take note of the information presented and decide on actions that may need to be included in draft decisions on administrative, financial and institutional matters to be recommended for adoption by the COP at its eleventh session and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP) at its first session.

## II. Income and expenditure report

### A. Trust Fund for the Core Budget of the UNFCCC

#### 1. Budget

6. The COP, by its decision 16/CP.9, approved a total budget for the biennium 2004–2005 of USD 34.8 million for the Convention and USD 5.46 million for the Kyoto Protocol Interim Allocation (KPIA). Following the entry into force of the Kyoto Protocol on 16 February 2005 the KPIA has been prorated to 10.5 months for 2005 and amounts to USD 4.77 million. Hence, the total approved budget for 2004–2005 has been adjusted to USD 39.6 million (table 1).

**Table 1. Programme budget for the biennium 2004–2005**

*(United States dollars)*

	2004	2005	2004–2005
Direct cost for programme activities	15 417 307	19 221 184	34 638 491
Programme support costs	2 004 250	2 498 754	4 503 004
Adjustment to the working capital reserve	73 789	365 861	439 650
<b>Total approved budget</b>	<b>17 495 346</b>	<b>22 085 799</b>	<b>39 581 145</b>

<sup>1</sup> FCCC/CP/2003/6/Add.1.

2. Income

7. The approved budget is expected to be funded from indicative contributions by all Parties and the annual contribution of the Host Government. Table 2 shows a breakdown of the expected income.

**Table 2. Expected income for the biennium 2004–2005**  
(United States dollars)

	2004	2005	2004–2005
Contributions from Parties to the Convention	16 663 526	16 480 160	33 143 686
Contribution from the Host Government	831 820	831 820	1 663 640
Contributions from Parties to the Kyoto Protocol Interim Allocation	0	4 773 819	4 773 819
<b>Total expected income</b>	<b>17 495 346</b>	<b>22 085 799</b>	<b>39 581 145</b>

8. By 30 June 2005, USD 22.4 million (67.7 per cent) of the total indicative contributions to the Convention budget expected for the biennium and USD 1.9 million (39.6 per cent) of the KPIA had been received. In addition, receipts of the voluntary contribution from the Host Government, contributions for previous years and advances for future financial periods and interest and miscellaneous income resulted in a total income of USD 28 million (table 3).

**Table 3. Actual income as at 30 June 2005**  
(United States dollars)

	2004–2005
Contributions to the Convention	22 433 648
Voluntary contribution from the Host Government	1 951 083
Contributions for previous years	1 107 467
Contributions for future years received in advance for the Convention	303 604
Contributions to the Kyoto Protocol Interim Allocation 2005	1 892 754
Contributions for future years received in advance for the Kyoto Protocol	85 174
Interest and miscellaneous income	285 996
<b>Total actual income</b>	<b>28 059 726</b>

9. The status of outstanding contributions is shown in table 4. Four of the top 10, or 8 of the top 20, contributors<sup>2</sup> have not yet made their contributions for 2005. Of the 189 Parties to the Convention, 114 have not made their contributions for 2005. Twenty Parties have never made contributions to the core budget of the UNFCCC since its inception in 1996. By 30 June 2005 the Kyoto Protocol had entered into force for 147 Parties and of these only 41 had paid their contributions to the KPIA by that date.

<sup>2</sup> Contributions by the top 10 contributors make up 75 per cent, and those by the top 20 make up 89 per cent, of the total indicative contributions.

**Table 4. Outstanding contributions to the Convention by year as at 30 June 2005**  
(United States dollars)

<b>Outstanding since 1 January of</b>	<b>Number of Parties</b>	<b>Outstanding amount</b>
1996	20	16 134
1997	25	30 828
1998	28	17 506
1999	28	13 874
2000	32	18 522
2001	36	27 521
2002	43	213 721
2003	56	402 709
2004	75	817 950
2005	114	9 586 014
<b>Total</b>		<b>11 144 779</b>

### 3. Expenditures

10. Expenditures as at 30 June 2005 amounted to about USD 23.4 million (about USD 26.4 million including programme support costs) or 67.5 per cent of the approved budget for programme activities for the biennium. The slow receipt of contributions, particularly to the KPIA, has so far resulted in comparatively lower expenditures than the maximum 75 per cent that would normally be expected for the first 18 months of the biennium.

#### *Expenditures by programme*

11. Table 5 (a) provides a comparison of budget appropriation, including from the KPIA, for the biennium and expenditures for the first 18 months, by programme. The comparatively lower expenditure (as a percentage of the budget) under the Cooperative Mechanisms programme is due to the fact that the programme's core budget was greatly increased by the KPIA less than five months before the end of the reporting period. So far, the programme's main source of funding has been the Trust Fund for Supplementary Activities. The picture will change by the end of the year as contributions are received and activities under the KPIA, including recruitment of staff, are intensified.

**Table 5 (a). Expenditures by programme as at 30 June 2005**  
(United States dollars)

<b>Programme</b>	<b>Approved budget for 2004–2005</b>	<b>Expenditures as at 30 June 2005</b>	<b>Expenditure as a percentage of budget</b>
Executive Direction and Management (EDM)	2 879 390	1 873 422	65.1
Administrative Services (AS) <sup>a</sup>	-	-	
Information Services (IS)	4 911 382	3 390 873	69.0
Intergovernmental and Conference Affairs (ICA/CAS)	4 002 169	2 921 119	73.0
Cooperative Mechanisms (COOP)	4 430 966	1 184 144	26.7
Implementation (IMP)	5 143 510	4 111 565	79.9
Methods, Inventories and Science (MIS)	6 399 993	4 641 561	72.5
Sustainable Development (SD)	3 250 801	2 283 047	70.2
Secretariat-wide operating costs	3 620 280	2 976 778	82.2
<b>Total</b>	<b>34 638 491</b>	<b>23 382 509</b>	<b>67.5</b>

<sup>a</sup> The entire cost for the AS programme is covered from the programme support costs.

*Expenditures by object of expenditure*

12. Table 5 (b) shows expenditures by object of expenditure, grouped into six items. Staff costs include salaries and common staff costs of staff members appointed to approved posts, salaries of short-term staff, temporary assistance and overtime. Other external expertise, both individual and institutional, is included under "consultants". Travel of staff on official missions is shown separately from that of experts to workshops and informal consultations. General operating expenses include payments to suppliers of various goods and services. Grants and contributions are payments to the United Nations Common Services Unit in Bonn for premises management, which provides logistical and administrative services to the secretariat, and the annual contribution to the Intergovernmental Panel on Climate Change (IPCC).

13. With the exception of expenditure on grants and contributions, all expenditures are below the ideal maximum level of 75 per cent of the approved budget. The relatively lower expenditures under some of the non-staff elements were a result of efforts made in the first year of the biennium to curtail expenditures on consultants, experts and travel of staff, in order to ensure that sufficient funds for salaries would be available in the event of a continuation of adverse exchange rate fluctuations (see FCCC/SBI/2004/13). In addition, the budget for these items increased due to the inclusion of the KPIA on 16 February 2005. On the other hand, the secretariat could not spend this additional budget as soon as the Protocol entered into force because of the slow receipt of contributions. Grants and contributions show an overexpenditure mainly due to exchange rate fluctuations. In addition, payments for premises management for the period 1 July 2005 to 31 December 2005 were made in advance by June 2005.

**Table 5 (b). Expenditures by object of expenditure as at 30 June 2005**  
(United States dollars)

<b>Object of expenditure</b>	<b>Budgeted amount for 2004–2005</b>	<b>Expenditures as at 30 June 2005</b>	<b>Expenditure as a percentage of budget</b>	<b>Percentage of expenditures by object</b>
Staff costs	23 717 898	17 006 853	71.7	72.7
Consultants	1 608 125	679 876	42.3	2.9
Experts	1 631 250	516 770	31.7	2.2
Travel of staff	1 568 763	869 915	55.5	3.7
General operating expenses	3 912 455	1 984 361	50.7	8.5
Grants and contributions	2 200 000	2 324 734	105.7	10.0
<b>Total direct expenditures</b>	<b>34 638 491</b>	<b>23 382 509</b>	<b>67.5</b>	<b>100.0</b>

#### 4. Impact of exchange rate fluctuations

14. Due to the fall in the value of the United States dollar against the euro and the pressure this exerted on the Convention's financial resources, the COP, by its decision 11/CP.10,<sup>3</sup> authorized the Executive Secretary, on an exceptional basis, to draw up to USD 1.5 million from unspent balances from previous financial periods, to alleviate the overexpenditure on salaries due to the reduced value of the United States dollar. This decision has eased the pressure and the secretariat is in a position to fulfil its mandates without affecting contracts of its appointed staff.

#### **B. Trust Fund for Participation in the UNFCCC Process**

15. Table 6 provides information on income and expenditures under the Trust Fund for Participation in the UNFCCC Process for the period 1 January 2004 to 30 June 2005.

<sup>3</sup> FCCC/CP/2004/10/Add.1.

16. The secretariat continues to apply its current policy of providing financial support to eligible Parties. Parties are eligible for funding if their per capita gross domestic product did not exceed USD 6,500 in 2003 according to the Data Management Service of the United Nations Conference on Trade and Development. This ceiling is raised to USD 10,000 in the case of small island developing States or if a Party provides an officer to serve as a member of the Bureau.<sup>4</sup>

17. In 2004, 120 participants were provided with financial assistance to attend the twentieth session of the subsidiary bodies in Bonn at a cost of USD 504,546, and a further 115 participants were funded to attend COP 10, SBSTA 21 and SBI 21 in Buenos Aires, Argentina, at a cost of USD 777,836. In 2005, 120 participants were provided with financial assistance to attend the twenty-second session of the subsidiary bodies in Bonn, at a cost of USD 623,341.

#### 1. Income

18. As at 30 June 2005, voluntary contributions were received from 16 Parties amounting to about USD 2.4 million; this is only 40 per cent of the funding estimate for the biennium 2004–2005. Carry-over balance from the previous financial period, savings on prior period obligations, and interest and miscellaneous income, brought the total income to USD 2.9 million.

#### 2. Expenditures

19. Total expenditure in providing support to participants as indicated above, coupled with the expenditures incurred for the travel of Bureau members, prior years adjustments and miscellaneous expenses and the 13 per cent incurred in programme support costs, brings the total expenditures to about USD 2.3 million, resulting in a fund balance of USD 616,712.

20. After blocking the required amount (10 per cent of average yearly expenditure) as operating cash reserve, this balance, together with any new contributions, will be used to cover participation of eligible Parties at COP 11, and COP/MOP 1.

**Table 6. Status of the Trust Fund for Participation in the UNFCCC Process  
as at 30 June 2005**

*(United States dollars)*

<b>Income</b>	
Brought-forward from 2002–2003	345 990
Savings on prior period obligations	159 295
Contributions received in 2004–2005	2 366 063
Interest and miscellaneous income	30 760
<b>Total income (as at 30 June 2005)</b>	<b>2 902 108</b>
<b>Expenditures</b>	
Travel of Bureau members	66 996
Travel of 120 participants to SBSTA 20 and SBI 20, Bonn, June 2004	504 546
Travel of 115 participants to COP 10, SBSTA 21 and SBI 21, Buenos Aires, Argentina, December 2004	777 836
Travel of 120 participants to subsidiary body sessions, Bonn, May 2005	623 341
Prior years adjustments and operating expenses	54 164
<b>Total direct expenditures</b>	<b>2 026 884</b>
<b>Programme support costs</b>	<b>258 513</b>
<b>Total expenditures</b>	<b>2 285 396</b>
<b>Balance</b>	<b>616 712</b>

<sup>4</sup> The practice of not supporting Parties who have not paid their contributions to the core budget has been suspended through to 31 December 2007 (FCCC/SBI/2005/10, paras. 90–92).

### C. Trust Fund for Supplementary Activities

21. Table 7 provides information on income and financial commitments made under the Trust Fund for Supplementary Activities for the period 1 January 2004 to 30 June 2005.

#### 1. Income

22. Voluntary contributions amounting to USD 8.8 million were received in the first 18 months of the current biennium, bringing the total amount available under the trust fund to about USD 16.3 million after adding the carry-over balance from 2002–2003, savings on prior period obligations, and interest and miscellaneous income.

#### 2. Expenditures and commitments

23. Actual expenditures as at 30 June 2005 amount to about USD 8.5 million, whereas USD 11.5 million (or almost USD 13 million including programme support costs) have already been committed to fund 31 projects, some of which continued from the biennium 2002–2003. The uncommitted balance of USD 3.3 million will soon be assigned to projects that have activities running through to the end of 2005, or to new activities that are subsequently approved.

**Table 7. Status of the Trust Fund for Supplementary Activities as at 30 June 2005**  
(United States dollars)

<b>Income</b>	
Brought-forward from 2002–2003	7 116 245
Savings on prior period obligations	105 415
Contributions received in 2004-2005	8 808 451
Interest and miscellaneous income	248 030
<b>Total income (as at 30 June 2005)</b>	<b>16 278 141</b>
<b>Approved projects</b>	
Programme support costs	1 493 262
<b>Total commitments</b>	<b>12 979 890</b>
<b>Balance</b>	<b>3 298 251</b>

24. The annex to this document provides a list of projects and events funded from the Trust Fund for Supplementary Activities in the biennium 2004–2005. These projects are related to supplementary activities for which resource requirements were identified in the programme budget for this biennium (FCCC/SBI/2003/15 and decision 16/CP.9).

### D. Trust Fund for the Special Annual Contributions from the Government of Germany (Bonn Fund)

25. As part of its offer to host the UNFCCC secretariat in Bonn, the Government of Germany pledged a special annual contribution (the Bonn Fund) of EUR 1,789,522, which is used to cover expenditures relating to arranging conferences and some workshops in Bonn. Table 8 shows income and expenditures under the Bonn Fund in 2004–2005 as at 30 June 2005. The balance of about USD 1 million will cover activities for the remaining period of 2005.



**Table 8. Status of the Bonn Fund as at 30 June 2005**  
(United States dollars)

<b>Income</b>	
Contributions <sup>a</sup>	4 438 395
Interest and miscellaneous income	30 299
<b>Total income</b>	<b>4 468 694</b>
<b>Expenditure</b>	
<b>Conference support</b>	
Conference facilities	1 762 163
Staff	755 204
<b>Subtotal: Conference support</b>	<b>2 517 367</b>
<b>Information support</b>	
Computers and networking	512 234
Staff	96 490
<b>Subtotal: Information support</b>	<b>608 724</b>
<b>Travel for participation in workshops in Bonn</b>	<b>191 991</b>
<b>Programme support costs</b>	<b>430 072</b>
<b>Total expenditures</b>	<b>3 748 154</b>
Savings from prior periods	5 398
Working capital reserve	300 000
<b>Balance</b>	<b>1 025 938</b>

<sup>a</sup> Equivalent to EUR 1,789,522 per year.

#### E. Programme support costs

26. In accordance with the financial procedures of the United Nations, 13 per cent overhead charges are payable on all trust funds of the UNFCCC to cover administrative services. Most of these services are provided within the secretariat by the Administrative Services programme. Central services such as audit, payroll, investment and treasury services are provided by the United Nations on a reimbursable basis.

27. Table 9 shows the status of the programme support costs for the first 18 months of the biennium 2004–2005.

**Table 9. Status of programme support costs as at 30 June 2005**  
(United States dollars)

<b>Object of expenditure</b>	
<b>Income</b>	
Carry-over from 2002–2003	1 680 975
Programme support costs income from trust funds	5 097 472
Interest and miscellaneous income	73 926
<b>Total income</b>	<b>6 852 373</b>
Secretariat staff costs	3 857 911
Secretariat non-staff costs	127 977
<b>Total secretariat costs</b>	<b>3 985 888</b>
Services rendered by the United Nations	413 136
<b>Total expenditures</b>	<b>4 399 024</b>
Savings from prior periods	16 212
<b>Balance</b>	<b>2 469 561</b>

### **III. Programme Delivery**

#### **A. Executive Direction and Management**

28. The results of activities of the Executive Direction and Management (EDM) programme have been consistent with those described in the work programme presented together with the programme budget for the biennium 2004–2005 (see FCCC/SBI/2003/15/Add.1).

29. The Executive Secretary has provided ongoing management and coordination of the activities of the secretariat, as well as advice to the Convention bodies and their officers. The tenth session of the COP, the twentieth, twenty-first and twenty-second sessions of the subsidiary bodies, the seminar of governmental experts, and several Bureau meetings were prepared and held, and follow-up to requests to the secretariat was initiated.

30. In external relations, EDM placed high priority on keeping close contacts with Parties from all regions, as well as with the Host Government of the secretariat. The programme continued to promote coordination with partner organizations, in addition to representing the UNFCCC secretariat in outreach activities. The secretariat has been represented at more than 250 meetings, conferences and other events. Partnerships have been strengthened. There was also a high demand from the media for information, especially in the context of the entry into force of the Kyoto Protocol.

31. As part of institutional outreach to other bodies within the United Nations system, the Executive Secretary or her representative participated in, inter alia, the 59th session of the United Nations General Assembly, the sessions of the Commission on Sustainable Development, meetings of the Global Environment Facility (GEF) Council, and meetings of the United Nations Environment Programme (UNEP) Governing Council. Active contributions were made to the UNEP Environmental Management Group and to the United Nations High Level Committee on Programmes. The Executive Secretary also participated in the Mauritius International Meeting for the 10-year review of the Barbados Programme of Action and the World Conference on Disaster Reduction and informed the conferences about relevant UNFCCC activities.

32. EDM initiated and oversaw preparation of the proposed programme budget for the biennium 2006–2007, which was linked to a major restructuring of secretariat programmes. Through the acting Deputy Executive Secretary, it led the internal review of activities requested by the COP at its ninth session. It oversaw the implementation of audit recommendations, as well as a review of the implementation of the Integrated Management Information System. Also, the acting Deputy Executive Secretary led the in-house consultations on the move to the new United Nations campus.

#### **B. Administrative Services**

33. Administrative Services (AS) played a central role in supporting the secretariat in the management of its human and financial resources, and in procurement, premises management and travel services, as well as liaison with the United Nations on administrative matters.

34. AS continued to support consultations between the United Nations organizations in Bonn and the Host Government on the establishment of the United Nations campus that will accommodate all United Nations organizations. The secretariat liaised closely with the Host Government to ensure that the new premises meet the highest standards of sustainable design and security of staff and visitors, and that the move takes place with no substantial additional costs to Parties. Regular meetings were held with representatives of the Host Government to ensure the effective implementation of the Headquarters Agreement.

35. In the area of financial management, the accounts for 2002–2003 were prepared and audited by the United Nations Board of Auditors at the beginning of 2004. The audited financial statements, the Board's report and comments by the secretariat on the status of implementation of the Board's recommendation were published in 2004 (FCCC/SBI/2004/12 and Add.1–2) for consideration by the SBI at its twenty-first session and the COP at its tenth session. The implementation of the current programme budget is being monitored closely as explained in chapter II of this document. Notifications of contributions to the core budget for 2004 and 2005 based on the revised budget adopted at COP 9 were dispatched to all Parties to the Convention on time. Notifications of contributions to the Kyoto Protocol were sent to the Parties at the end of 2004. The interim financial statements for the biennium 2004–2005 as at 31 December 2004 were prepared and published for consideration by the SBI at its twenty-second session (FCCC/SBI/2005/INF.4). The proposed programme budget for the biennium 2006–2007 (FCCC/SBI/2005/8 and Add.1–2) was presented to the SBI at the same session, resulting in draft decisions recommended for adoption by the COP at its eleventh session and the COP/MOP at its first session.

36. AS played its central role in coordinating fund-raising efforts and reported on these activities in document FCCC/SBI/2005/INF.5. Several fund raising letters were sent to Parties and a large number of contribution agreements were entered into, resulting in voluntary contributions of USD 2,366,063 to the Trust Fund for Participation in the UNFCCC Process and USD 8,808,451 to the Trust Fund for Supplementary Activities.

37. The Human Resources Unit issued 26 external and 38 internal/external vacancy announcements. Of the 64 posts advertised, 51 had been filled; for the other 13 the recruitment process had not been completed. In preparation for the restructuring of the secretariat effective January 2006, the Human Resources Unit worked closely with managers to ensure a smooth transition to the new structure. In the area of staff development, a wide range of training activities were organized to meet the diverse needs of the organization and to ensure a high level of performance (see chapter V of this report for further information).

38. Following the issuance of a revised delegation of authority to the Executive Secretary on procurement, the Procurement and General Services Unit has taken responsibility for all procurement actions. Procurement actions included a total of 331 purchase orders and several major contracts, with a total volume of more than USD 6.5 million.

39. Travel arrangements were made for staff undertaking 674 missions. In addition, travel support was provided to 1285 participants and experts to attend 91 workshops and informal meetings, and to 355 funded delegates to attend the twentieth and twenty-second sessions of the subsidiary bodies and the tenth session of the COP. Also, 329 travel authorizations were issued to consultants, candidates for interviews, and staff on appointments and home leave.

### **C. Information Services**

40. Information Services ensured that information and communication technology (ICT), knowledge management and public information services were in place to assist Parties to participate effectively in the climate change process and to support the secretariat to manage and disseminate information.

41. A reliable ICT network environment and technical user support were implemented for the secretariat and for sessions of the subsidiary bodies and the COP, as well as for 47 workshops and seven meetings of the Executive Board of the clean development mechanism (CDM). Technical user support was provided to staff and a total of 5,538 support requests were successfully addressed. Network security systems were enhanced with the installation of a high-availability firewall system and new core network infrastructure. E-mail services were fully operational. An average of 6,000 messages were

processed per day making a total of about 3 million for the reporting period. ICT planning for the move to the new United Nations campus in Bonn is under way.

42. Knowledge management systems were updated and access to all official documents was improved, including direct access and search capabilities for decisions and reports. The UNFCCC web site provided access to more than 4,000 documents in the six United Nations official languages through multiple search fields such as keyword, agenda item, date of publication, and symbol number. Additionally, volume 6 of the CD-ROM "Documenting Climate Change" was published allowing those not having ready access to the Internet to access the documentation.

43. Enhancements to the online public access catalogue provided additional access to the library's collection of 1,200 academic articles; 4,641 books, workshop and conference proceedings; and 588 journals and newsletters. Some 9,100 general reference queries and 1,500 official document requests were processed. Three books were published in print and electronic formats.

44. The UNFCCC web site continues to serve as the main external portal for UNFCCC data, documents and information. Within the 18 month period, 27,876,000 web pages and documents were viewed by 1,626,000 persons in 4,100,000 visits.

45. The proceedings of the subsidiary bodies were made accessible through webcast services, which covered a total of 17 days of live and on-demand webcast of the twentieth and twenty-second sessions of the subsidiary bodies, two days of live and on-demand web cast of the seminar of governmental experts, 12 days of live and on-demand webcast of COP 10, and 20 days of live and on-demand webcast of seven CDM Executive Board meetings.

46. Media services helped disseminate the results of UNFCCC work to a wider audience: a total of 42 press/media representatives were accredited to the twentieth and twenty-second sessions of the subsidiary bodies. In addition, some 785 press/media representatives were accredited to COP 10. A total of 183 requests from the press for information and interviews were addressed. Fifteen press releases and advisories were issued.

47. Secretariats of the Rio Convention (Convention on Biological Diversity (CBD), United Nations Convention to Combat Desertification (UNCCD), and UNFCCC) collaborated to exchange data on national focal points and calendar events. The pilot version of an interoperable system is expected to be presented in December 2005 during a joint side event at the eleventh session of the COP.

#### **D. Intergovernmental and Conference Affairs**

48. The Intergovernmental and Conference Affairs (ICA) programme was in regular contact with Parties and observers, supported the Bureau of the COP, provided legal advice to Parties, observers and Convention and Kyoto Protocol bodies, made logistical preparations for and provided support to sessions, meetings and workshops, and edited and processed UNFCCC documents. The work was shared among the three subprogrammes: Intergovernmental and Legal Affairs (ILA), Conference Affairs Services (CAS) and Management and Coordination.

49. Facilities and services provided at sessions enabled the Convention bodies to work smoothly and productively. The programme made arrangements, including registration and security, for the twentieth and the twenty-second sessions of the subsidiary bodies held in Bonn. In close collaboration with the Government of Argentina, the programme contributed to the logistical arrangements for COP 10 and the twenty-first sessions of the subsidiary bodies, held in December 2004 in Buenos Aires. Also, in close collaboration with the Government of Canada, preparatory work commenced for COP 11, COP/MOP 1 and the twenty-third sessions of the subsidiary bodies.

50. Developing countries and observer organizations were able to attend and participate in the sessions. CAS coordinated more than 120 requests for financial support for eligible Parties to make their attendance possible at each session between January 2004 and June 2005. It also contributed to effective participation of observer organizations in the sessions: 105 side events and 60 exhibits were featured at the three sessions; and 50 new observer organizations (two intergovernmental and 48 non-governmental) were provisionally admitted. Participants increasingly used the enhanced participant information and side event online registration system posted on the UNFCCC web site, which contributed to a smooth side event registration and accreditation process.

51. CAS made logistical arrangements for the seminar of governmental experts in May 2005 in Bonn, and three intersessional meetings of the Bureau (one of them in Bonn), which included financial assistance to members from eligible Parties. It also provided the logistics for seven meetings of the CDM Executive Board (six of them in Bonn), and 18 workshops and meetings held in Bonn. The programme supported another 25 meetings held outside Bonn by preregistering participants, assisting in external relations, and providing the framework of legal arrangements with host governments. Model memorandums of understanding and a revised template host country agreement prepared by ILA have already facilitated preparatory work for Parties planning to host workshops, meetings and COPs.

52. Changes in formatting were introduced to enhance the user-friendliness and readability of documents. Progress has also been made in improving the timeliness of documentation. Overall, 409 documents comprising 5,432 pages were edited and processed by ICA between January 2004 and June 2005, including the reports of COP 9 and COP 10.

53. Careful planning and organization of the substantive work of the COP helped advance the intergovernmental process. The programme supported the COP Presidents and Bureaux in the planning for and coordination of COP sessions and assisted in the preparation of agendas and annotations for COP 10, COP 11 and COP/MOP 1. At a workshop conducted by ICA during the twenty-first sessions of the subsidiary bodies, participants developed suggestions for improvements to the intergovernmental process, which flowed into conclusions made at the twenty-second sessions of the subsidiary bodies on arrangements for intergovernmental meetings that aim at smoother organization of upcoming sessions.

54. Parties and observers regularly sought and obtained advice on various procedural, institutional and legal aspects of the Convention process. Experience gained in this close collaboration with Parties flowed into the editorial work on the UNFCCC Handbook, which will go to the printer before COP 11. Legal research on issues pertaining to an enhancement of the functioning of the mechanisms under the Kyoto Protocol was undertaken and has evolved into a major activity. These issues include the privileges and immunities of individuals serving on bodies constituted under the Kyoto Protocol, on which negotiations have begun with the Government of Germany and the Office of Legal Affairs of the United Nations Secretariat with a view to amending the UNFCCC Headquarters Agreement between the Government of Germany, the United Nations and the UNFCCC secretariat.

55. The secretariat is better equipped to support the intensive schedule of meetings. ICA has taken the lead in planning and monitoring all sessional and intersessional activities within the secretariat. It provided input to the German authorities on the design of a new congress centre in Bonn and of meeting facilities in the new United Nations campus in Bonn.

### **E. Cooperative Mechanisms**

56. The Cooperative Mechanisms (COOP) programme provided effective support to the Convention bodies, notably to the COP at its tenth session and the SBSTA at its twentieth, twenty-first and twenty-second sessions, to further the development and implementation of the project-based mechanisms and emissions trading under the Kyoto Protocol. This work is undertaken in accordance with the Marrakesh

Accords (decisions 15/CP.7–19/CP.7), other relevant decisions taken by the COP at its eighth, ninth and tenth sessions and conclusions by the SBSTA. The substantive work was undertaken by the two subprogrammes on Project-based Mechanisms (PBM) and Emissions Trading and Registries (ETR). General supervision and guidance, as well as the management of human and financial resources, was provided by the subprogramme for Management and Coordination (M&C).

57. The work of the PBM subprogramme focused on the further development of project-based mechanisms, in particular on support to the operations of the CDM. Of key importance was the provision of services to the CDM Executive Board, within the limits of available resources, so that it could perform its functions efficiently, cost-effectively and transparently. The secretariat therefore assisted the Board and its panels and working groups in carrying out central functions under the CDM, namely accreditation, the approval of baseline and monitoring methodologies, the registration of CDM project activities and the issuance of credits. It also contributed to the development of the CDM Registry by the ETR subprogramme.

58. The CDM entered into a fully operational mode during the reporting period and the demand for services has especially accelerated since the entry into force of the Kyoto Protocol. The first CDM project activity was registered in November 2004. A total of 17 requests for registration were received, of which 10 became CDM project activities by 30 June 2005. Other results achieved include the accreditation of 10 operational entities and the approval of 17 additional baseline and monitoring methodologies bringing the total number of approved methodologies to 22. In addition, three consolidated methodologies and 15 methodologies for small-scale projects were made available for the use of project developers. In order to ensure the functioning of the Executive Board and its panels and working groups, the secretariat continued to provide extensive technical and logistical support to their meetings and to the work processes between meetings. A total of 29 meetings (seven of which were Board meetings) were supported. The subprogramme prepared drafts of the first CDM management plan and of the third (to the COP) and fourth (to the COP/MOP) annual reports, which provided a comprehensive picture of the work of the CDM.

59. The PBM subprogramme also played a major role in raising funds for the work on the CDM. In order to promote common understanding and consistency of approach on the most critical CDM issues, a workshop was organized for the Board and for the experts it relies on for its work. The interaction with Parties and stakeholders was facilitated by the subprogramme by organizing question-and-answer sessions in conjunction with each Board meeting and session of the COP and the subsidiary bodies as well as by maintaining, updating and improving the UNFCCC CDM web site which has more than 5,000 registered users (more than 3,000 new users registered during the reporting period). Apart from maintaining several electronic communication facilities, such as extranets (9), listservers (more than 60) and discussion tools to facilitate the efficient and cost-effective exchange of information among the Board and its panels and working groups, the secretariat also offers a CDM News facility. The number of registered users increased from 1,500 to nearly 4,800 in the reporting period.

60. The PBM subprogramme also supported the SBSTA and the CDM Executive Board through the preparation of a technical paper on the destruction of hydrofluorocarbon-23 to support consultations by the SBSTA, at its twenty-second session, relating to implications of the implementation of CDM project activities for the achievement of objectives of other environmental conventions and protocols, in particular the Montreal Protocol. In 2004, the subprogramme also convened a workshop for more than 100 participants on joint implementation under Article 6 of the Kyoto Protocol in Moscow, Russian Federation. In order to make the information from this workshop available to all Parties, the subprogramme organized an information event on the same subject during the twentieth sessions of the subsidiary bodies and will post information on the subject on the UNFCCC web site.

61. The work of the ETR subprogramme focused on the development of the technical systems and standards required to facilitate the implementation of emissions trading and the accounting of assigned amounts in accordance with the modalities adopted under the Kyoto Protocol. Results and activities included technical specifications of the data exchange standards to be implemented by national registries of Annex B Parties, the CDM registry and the international transaction log (ITL); requirements and technical specifications for the ITL, to be implemented by the subprogramme, including for testing and initialization procedures enabling registries to establish electronic communications with the ITL; cooperation with registry experts and administrators in Parties, including through three technical expert meetings; and facilitation of two intersessional consultations on registry systems. The subprogramme established the CDM registry with the collaboration of the PBM subprogramme and presented version 1 of the registry at COP 10. Operational procedures were developed for the CDM registry and its interaction with other systems established under the CDM.

62. The ETR subprogramme prepared progress reports to the SBSTA and supported its work on issues relating to registry systems. It further contributed to methodological work relating to assigned amounts. The subprogramme also played a major role in raising funds for its work and pursued measures to reap benefits from collaborative arrangements with efforts to develop registry systems in Parties.

63. The M&C subprogramme ensured the liaison with Parties and actors in the process, including through representing the secretariat at conferences and workshops on market-based mechanisms to the extent that limited resources permitted. One of the key managerial challenges for this subprogramme was the mobilization of sufficient resources for its work, especially for the proper functioning of the CDM Executive Board and the development of the ITL. Even though some additional resources became available in 2005 through the Kyoto Protocol Interim Allocation, the bulk of resources for the work of the programme had to come from voluntary contributions by Parties to the UNFCCC Trust Fund for Supplementary Activities. Considerable resources could be mobilized, but they were not commensurate with the requirements, and the shortfalls led to bottlenecks and delays.

## **F. Implementation**

64. The Implementation (IMP) programme coordinated the work of the SBI at its twentieth, twenty-first and twenty-second sessions and advised its Chair. IMP consists of three subprogrammes: Annex I (AI) Implementation, non-Annex I (NAI) Implementation, and Management and Coordination (M&C).

65. M&C coordinated secretariat activities relating to the implementation of COP guidance to the GEF. It focused on the application of COP guidance on GEF-funded project activities that provide for the implementation of global, regional and national climate change project activities by Parties not included in Annex I to the Convention (non-Annex I Parties), maintaining strategic policy oversight of the actions of the GEF and its implementing and executing agencies. The programme also coordinated the secretariat's collaboration with the Organisation for Economic Co-operation and Development in the climate change area.

66. The AI subprogramme assisted Parties to assess progress in the implementation of the Convention by Parties included in Annex I to the Convention (Annex I Parties) by organizing six in-depth reviews of national communications of Annex I Parties, preparing seven in-depth review reports, other relevant documents and analytical material relating to reviews, sectoral analysis of past and future emission trends and the key drivers thereon, and policies and measures of Annex I Parties, and their impact on emission levels and trends. A report that summarizes information from the in-depth reviews of the national communications of Annex I Parties was prepared for COP 10. Thirty-two country profiles that summarize information for individual Annex I countries, based on their national communications and in-depth review reports, were prepared and posted on the UNFCCC web site.

67. A workshop on the preparation of the fourth national communication and reports demonstrating progress under Article 3, paragraph 2, of the Kyoto Protocol, and a workshop on the preparation of projections of greenhouse gas (GHG) emissions, were organized in cooperation with other programmes. A document was prepared with options for developing a web-based tool on policies and measures.

68. The subprogramme was involved in the organization of the seminar of governmental experts prior to the twenty-second sessions of the subsidiary bodies and in the preparation of a publication to mark the first 10 years of the Convention. It also provided, in close collaboration with other programmes, input and material on the operational and methodological aspects of adaptation and minimizing the impact of response measures on non-Annex I Parties.

69. The NAI subprogramme continued to assist NAI Parties in the preparation of national communications through its support to the work of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (CGE). Three meetings of the CGE were held, and three hands-on workshops were organized involving 120 national experts from 78 non-Annex I countries:

- (a) Training on GHG inventories for the Latin America and the Caribbean region
- (b) Training on GHG inventories for the Asia region
- (c) Vulnerability and adaptation training workshop for the Africa region.

70. The subprogramme organized a workshop on the preparation of national communications from non-Annex I Parties involving 99 participants, including representatives from 47 non-Annex I Parties. The user manual for the guidelines on national communications from non-Annex I Parties was translated into French and Spanish in order to further facilitate its use by non-Annex I Parties. The subprogramme prepared reports for the SBI on the outcomes of the workshops and on progress in the implementation of the CGE work programme. In addition, the subprogramme continued to support the CGE in its examination of national communications from non-Annex I Parties and its cooperation with the National Communications Support Programme (NCSP) of the GEF and other expert groups.

71. The subprogramme contributed to training activities relating to GHG inventories undertaken by the secretariat and the NCSP, including the following:

- (a) Collaboration with the Institute for Global Environmental Strategies and the IPCC on technical issues relating to national GHG inventories
- (b) Collaboration with National Institute for Environmental Studies of the Ministry of the Environment (Japan), UNEP, United Nations Development Programme (UNDP) and the United States Environmental Protection Agency on the development of regional projects aimed at improving the quality of national GHG inventories.

72. The outreach activities of the subprogramme included the preparation of the *NAI Update* and the *NAI Newsletter*.

### **G. Methods, Inventories and Science**

73. The Methods, Inventories and Science (MIS) programme coordinated the work of the SBSTA at its twentieth, twenty-first and twenty-second sessions and advised its Chair. It also provided substantive support to negotiations under various agenda items of the COP at its tenth session. MIS consists of three subprogrammes: Coordination and Management (C&M), Methods (METH), and Inventories (INV). To ensure the best possible use of the expertise available within the MIS programme, the METH and INV subprogrammes have been cooperating closely, particularly on issues relating to GHG inventories.



74. The work of the METH subprogramme focused on issues relating to land use, land-use change and forestry (LULUCF); impacts, vulnerability and adaptation; mitigation; emissions from international aviation and maritime transport; research and systematic observation; projections; and cooperation with international organizations.

75. **Land use, land-use change and forestry:** The subprogramme, in cooperation with the INV subprogramme, supported the work of Parties on the preparation of tables of the common reporting format (CRF) for LULUCF under the Kyoto Protocol, which resulted in the COP at its tenth session forwarding a decision on this matter to the COP/MOP. The subprogramme, in cooperation with the COOP programme, supported the work of Parties on the development of simplified modalities and procedures for small-scale afforestation and reforestation project activities under the CDM and measures to facilitate the implementation of these project activities, which resulted in the COP at its tenth session adopting a decision on this matter and forwarding a relevant decision to the COP/MOP. The subprogramme also organized a workshop on harvested wood products that provided input to the SBSTA discussions on this matter.

76. **Impacts, vulnerability and adaptation, and mitigation:** In response to requests by the SBSTA, the subprogramme supported the exchange of information among Parties relating to adaptation and mitigation by organizing three in-session workshops on adaptation and three on mitigation. It also provided information relating to existing literature on links between adaptation and sustainable development on the UNFCCC web site. The subprogramme continued its efforts to assist Parties in selecting the most appropriate methodologies for their vulnerability and adaptation assessments through the development and regular updating of the UNFCCC compendium on methods and tools to assess impacts, vulnerability and adaptation to climate change. This compendium is a web-based resource that provides key information on more than 90 methods. The subprogramme also organized an expert meeting on review of methods and tools and a side event with users of vulnerability and adaptation methods and tools to launch the updated web-based compendium.

77. **Emissions from international aviation and maritime transport:** The subprogramme continued to support the work of Parties relating to methodological issues on improving estimates of GHG emissions from these two transport activities. In this regard, it enhanced the cooperation with the International Civil Aviation Organization and the International Maritime Organization, which included the organization of two expert meetings on relevant methodological matters that provided input to the SBSTA discussions on this matter.

78. **Research and systematic observation:** The subprogramme continued its work on liaising with organizations on global observing systems for climate and on facilitating and supporting activities relating to systematic observation, including the development and monitoring of the Implementation Plan for the Global Observing System for Climate in Support of the UNFCCC. It also supported the consideration of issues relating to research and facilitated the exchange of information among experts, policy makers and representatives of the international research community by organizing a side event on research needs relating to the Convention.

79. **Projections:** In response to a request by the SBSTA, the subprogramme, in cooperation with IMP, organized a workshop on emissions projections from Annex I Parties, which facilitated the exchange of experiences among experts, as a contribution to the preparation of the fourth national communications from these Parties.

80. **Cooperation with international organizations:** The subprogramme, in cooperation with the INV subprogramme, participated actively in the IPCC work on the development of the *2006 IPCC Guidelines on National Greenhouse Gas Inventories* by attending meetings organized by the IPCC and providing comments on draft versions. The subprogramme was also involved in the work of the IPCC

and the Technology and Economic Assessment Panel of the Montreal Protocol on a special report on safeguarding the ozone layer and the global climate system. The subprogramme hosted a meeting of the Joint Liaison Group (JLG) and, in cooperation with the secretariats of the UNCCD and CBD, prepared options for enhanced cooperation of the three Rio Conventions for consideration by the JLG.

81. The work of the INV sub-programme focused on improving the effectiveness, efficiency and consistency of the review process, in accordance with the UNFCCC review guidelines, and thus helped to ensure the reliability of information on GHG emissions and trends provided to the COP and its subsidiary bodies.

82. **Review activities:** For the 2004 inventory review cycle, the subprogramme organized eight in-country reviews, four centralized reviews and two desk reviews, as well as the second meeting of inventory lead reviewers. The reviews resulted in 38 status reports, the synthesis and assessment report and 37 individual review reports. Almost all of the review reports were completed within the deadlines. For the 2005 inventory review cycle, the subprogramme completed 39 status reports and the synthesis and assessment report and organized the third meeting of inventory lead reviewers. The subprogramme also presented to Parties information on GHG emissions and trends through an official document and the UNFCCC web site. In accordance with decision 12/CP.9, the subprogramme developed and put in place procedures to implement the code of practice for the treatment of confidential information during the inventory review, and prepared an agreement for expert review services that was signed by all experts participating in the 2004 inventory reviews.

83. **GHG information system and related software tools:** The subprogramme continued the development of the GHG information system and related software tools for reporting inventory data by Parties and its further analysis and presentation. It also continued to develop the new software (CRF Reporter) for reporting of national GHG inventories by Annex I Parties; a first version was deployed in December 2004 and was used by four Parties for their 2005 submissions. The subprogramme also developed a separate spreadsheet module for reporting LULUCF emissions and removals which was used by 19 Parties in 2005. The inventory submissions of 37 Annex I Parties in 2004 and 38 in 2005 were imported and integrated into the UNFCCC GHG database.

84. **Training of review experts:** The subprogramme completed the development of a basic inventory review training course as online modules in 2004 and conducted the training course, with a seminar component in 2004 and 2005. In 2004 and 2005, 50 experts participated in the training courses and 43 of them passed the examination and were invited to participate in the 2004 and 2005 inventory review cycles. The subprogramme also developed an online training module on the LULUCF sector for inventory review experts and organized an e-learning course and seminar. Of the 29 experts who participated in the course and attended the seminar, 26 passed the examination.

85. **Reporting on information relating to assigned amounts under the Kyoto Protocol:** The subprogramme, in cooperation with the COOP programme, supported the work of Parties on the development of a standardized electronic format for the reporting of information relating to assigned amounts under the Kyoto Protocol, which resulted in the COP at its tenth session forwarding a decision on this matter to the COP/MOP.

86. **Adjustments under Article 5, paragraph 2, of the Kyoto Protocol:** The subprogramme, in cooperation with the METH subprogramme, completed its work on the technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol, including guidance for adjustments for LULUCF. The COP at its eleventh session is expected to take a decision on this matter, and to forward a decision to the COP/MOP.

## H. Sustainable Development

87. The Sustainable Development (SD) programme provided support to the subsidiary bodies on matters relating to: the development and transfer of technologies, as well as to the Expert Group on Technology Transfer (EGTT); adaptation to the adverse effects of climate change and support for the least developed countries (LDCs), as well as support for the LDC Expert Group (LEG); capacity-building; and activities relating to Article 6 of the Convention. SD consists of three subprogrammes: Coordination and Management, Technology, and Adaptation and LDC Support.
88. The Coordination and Management subprogramme supported the preparation and organization of a pre-session meeting of capacity-building practitioners at SBI 21, which resulted in a successful review of the capacity-building frameworks at COP 10. As it was not possible to raise supplementary funds to support additional activities relating to capacity-building, the activities relating to the resource library were suspended.
89. The subprogramme continued to provide support to Parties in the implementation of the New Delhi work programme on Article 6 of the Convention. It strengthened its cooperation with UNEP to plan for and organize three regional workshops on Article 6 of the Convention. Two of those workshops (for the Africa and the Latin America and the Caribbean regions) took place. A small-scale model of an Article 6 information network clearing house was presented to Parties at the twentieth session of the SBI, and served as a basis for further consultations and guidance from Parties. Drawing on this guidance, and with the assistance of a consultant, the secretariat presented a feasibility study for the further development of the clearing house based on a two-phase implementation process.
90. The Technology subprogramme continued to provide support to Parties in the implementation of Article 4.5 of the Convention and decision 4/CP.7. It provided support to the EGTT in organizing its three regular meetings and in implementing its annual work programme. Following requests by the SBSTA at its nineteenth and twentieth sessions, a workshop on innovative options for financing the development and transfer of technologies, and a seminar on the development and transfer of technologies for adaptation to climate change, were organized.
91. The subprogramme completed a comprehensive questionnaire survey to assess the effectiveness of the use of the UNFCCC technology information clearing house (TT:CLEAR) and the report of the survey was considered by the SBSTA at its twentieth session. TT:CLEAR was maintained and further improved. The subprogramme also worked on a pilot project on networking between TT:CLEAR and national and regional technology information centres in developing countries.
92. The subprogramme liaised with UNDP on its preliminary analysis of results of technology needs assessments. It collaborated with business and industry non-governmental organizations in organizing an event on issues relating to enabling environments for technology transfer.
93. The Adaptation and LDC Support (ALDC) subprogramme continued to support the negotiations on issues relating to Article 4.8 and 4.9 of the Convention, including those on the operationalization of the LDC Fund for the implementation of national adaptation programmes action (NAPAs). It organized pre-session consultations on the LDC Fund prior to SBI 22, which proved instrumental in helping reach a successful conclusion of negotiations on this issue at that session. In cooperation with the Implementation programme, the ALDC subprogramme has supported the negotiations on Article 4.8 of the Convention, which led to the adoption of decision 1/CP.10, the Buenos Aires programme of work on adaptation and response measures.
94. The subprogramme also continued to support the work of the LEG in its provision of guidance for the NAPA preparation process, and in preparation for the NAPA implementation phase. It initiated work on a list of regional experts to support NAPA preparation, developing a database on local coping

strategies, and benchmarking adaptation activities in support of adaptation assessment under the NAPA process. Four technical papers on the NAPA process have been prepared. A “NAPA Primer” has also been formulated, containing a step-by-step introduction to the NAPA process and its components. In its efforts to help in the smooth and effective dissemination of information, the subprogramme continues to maintain a low-bandwidth web page specifically dedicated to LDC issues, for easy access by LDC negotiators and practitioners. Cooperation with United Nations organizations and other international and regional entities has been intensified in support of the NAPA process. Questionnaires for LDC negotiators have been regularly administered in order to monitor and evaluate the secretariat's support for the NAPA process.

## IV. Human resources

### A. Staff

95. The COP, by its decision 16/CP.9, approved staffing levels of 83 Professional (P) and 46.5 General Service (GS) posts under the core budget for the Convention and the Kyoto Protocol Interim Allocation in 2004–2005. In addition, 66 posts were established under the Trust Fund for Supplementary Activities, the Bonn Fund and programme support costs (overheads). A comparison of the number of posts approved with the number filled by 30 June 2005 is given in table 10. “Filled” posts in the table means posts occupied by staff members who have been awarded a fixed-term contract of one year or more, and are appointed against established posts following a complete recruitment process. The relatively high vacancy in core posts is due to the freezing of several positions and pending recruitment for posts under the Kyoto Protocol, which were established only after the entry into force of the Protocol. Moreover, the secretariat had to take a cautious approach in recruitment against these vacant posts until the outcome of the budget negotiations at SBI 22 was known.

96. In addition to the 143 staff members appointed against 142.5 established posts, five P and 15 GS staff members had been hired under temporary assistance contracts as at 30 June 2005.

**Table 10. Comparison of established posts and filled posts by source of funding, as at 30 June 2005**

	Core		Supplementary		Bonn Fund		Overhead		Total	
	Approved	Filled	Approved	Filled	Approved	Filled	Approved	Filled	Approved	Filled
ASG	1	1							1	1
D-2	4	2							4	2
D-1	6	5					1		7	5
P-5	9	6					1	1	10	7
P-4	21	14	2				3	2	26	16 <sup>a</sup>
P-3	34	22	11	5	2	2	5	4	52	33
P-2	8	8	2	2	1		1	1	12	11
P-1			1	1					1	1
<b>Subtotal</b>	<b>83</b>	<b>58</b>	<b>16</b>	<b>8</b>	<b>3</b>	<b>2</b>	<b>11</b>	<b>8</b>	<b>113</b>	<b>76</b>
GS	46.5	35.5	9	7	6	4	21	20	81.5	66.5
<b>Total</b>	<b>129.5</b>	<b>93.5</b>	<b>25</b>	<b>15</b>	<b>9</b>	<b>6</b>	<b>32</b>	<b>28</b>	<b>194.5</b>	<b>142.5</b>

<sup>a</sup> One post is filled by a staff member at one level lower for administrative purposes only.

97. Information on the geographical distribution of the staff appointed at the Professional level and above is provided in table 11 (a). Distribution between Annex I and non-Annex I Parties and gender distribution among Professional staff is shown in table 11 (b). In conformity with SBI 21 conclusions (FCCC/SBI/2004/19, para. 104), efforts are underway to ensure a wider geographical balance in appointed staff at senior and managerial levels in the secretariat. Coordinators and managers have been instructed to give higher priority to applications from non-Annex I Parties and from women, with a view to improving the balance by the end of the biennium. The secretariat has also decided to place vacancy announcements in publications which target relevant professionals from non-Annex I Parties.

**Table 11 (a). Geographical distribution of appointed staff members at the Professional level and above, as at 30 June 2005**

Grade	Geographical Distribution					Total
	Africa	Asia and the Pacific	Latin America and the Caribbean	Eastern Europe	Western Europe and Other	
ASG					1	1
D-2			1		1	2
D-1		1		2	2	5
P-5	3	1	1		2	7
P-4	1	4	3	2	6	16
P-3	3	7	5	1	17	33
P-2	1	3	1	3	3	11
P-1					1	1
<b>Total</b>	<b>8</b>	<b>16</b>	<b>11</b>	<b>8</b>	<b>33</b>	<b>76</b>
<b>Percentage of total</b>	<b>10.5</b>	<b>21.1</b>	<b>14.5</b>	<b>10.5</b>	<b>43.4</b>	<b>100</b>

**Table 11 (b). Distribution of appointed staff members at the Professional level and above, between Annex I and non-Annex I Parties and by gender**

Grade	Distribution by Party Type		Distribution by Gender	
	Annex I	Non-Annex I	Male	Female
ASG	1			1
D-2	1	1	2	
D-1	4	1	4	1
P-5	2	5	5	2
P-4	9	7	12	4
P-3	20	13	18	15
P-2	7	4	9	2
P-1	1			1
<b>Total</b>	<b>45</b>	<b>31</b>	<b>50</b>	<b>26</b>
<b>Percentage of total</b>	<b>59.2</b>	<b>40.8</b>	<b>65.8</b>	<b>34.2</b>

**B. Consultants and individual contractors**

98. Between 1 January 2004 and 30 June 2005 a total of 104 individual consultants and contractors were hired. They provided a combined total of 212.3 working months at a total cost of USD 1,678,037 under all sources of funding. Table 12 provides information on how services were distributed among the various programmes.

**Table 12. Services of individual consultants and contractors by programme, 1 January 2004 to 30 June 2005**

Programme	Person-months	Cost (USD)
Executive Direction and Management	4.0	18 340
Administrative Services	11.8	126 660
Information Services	24.2	163 780
Intergovernmental and Conference Affairs	35.4	172 658
Cooperative Mechanisms	29.3	540 756
Implementation	34.0	122 257
Methods, Inventories and Science	57.8	390 407
Sustainable Development	15.8	143 179
<b>Total</b>	<b>212.3</b>	<b>1 678 037</b>

## V. Social and environmental responsibilities

99. The secretariat constantly monitors best practices both within and outside the United Nations with regard to social responsibilities. The focus has been on an enhanced working environment and staff development policies. Wherever possible, within organizational and operational constraints, policies and procedures are developed to enable staff to achieve a more equitable work/life balance. During the past year, flexi-time measures including working from home, compressed working schedules and scheduled breaks for learning activities, have been introduced on a trial basis.

100. Training continues to play a major role in the life of the secretariat with the ultimate objective of maximizing the use of human resources in achieving the goals of the organization. The external training programme allows staff members to develop and enhance their professional skills in relevant areas of their work. Language training (in French and Spanish) continues to be provided and the possibility to include other official United Nations languages will be explored in the next few months.

101. The secretariat's policy towards a sustainable office and sustainable transport is under development, in cooperation with other United Nations organizations based in Bonn. This policy will cover a broad range of aspects of 'sustainability at work' and is expected to be effective after the secretariat moves to the new United Nations campus in Bonn.

102. As an initial step, the environmental efforts concentrated on determining and reporting GHG emissions resulting from the UNFCCC process. To this end, a first GHG emissions inventory for the current biennium has been prepared. For ease of reference, a summary of emissions for the period 1 January 2004 to 30 June 2005 is reflected in table 13 below. Details can be found on the UNFCCC web site.<sup>5</sup>

**Table 13. Summary of UNFCCC greenhouse gas emissions**  
(tonnes CO<sub>2</sub> equivalent)

Category of emissions	2004	2005	Total
Direct emissions and removals			
UNFCCC cars	3.7	2.4	<b>6.1</b>
Energy indirect emissions			
Electricity	817	408.5	<b>1 225.5</b>
Indirect emissions			
Travel	28 061	4 097	32 158
Conference venue	1 236	192	1 428
Waste	49.8	24.9	74.7
Water	83.6	41.8	125.4
<b>Subtotal</b>	<b>29 430.4</b>	<b>4 355.7</b>	<b>33 786.1</b>
<b>Total emissions</b>	<b>30 251.1</b>	<b>4 766.6</b>	<b>35 017.7</b>

103. More comprehensive environmental reporting, looking at other environmental media as well, may be considered once the secretariat has moved to the new United Nations campus, which will provide the opportunity to establish appropriate baselines.

<sup>5</sup> <[http://unfccc.int/secretariat/ghg\\_inventory/items/3539.php](http://unfccc.int/secretariat/ghg_inventory/items/3539.php)>.

Annex

**Projects and events funded from the Trust Fund for Supplementary Activities  
in the biennium 2004–2005**

<b>Project</b>	<b>Approved commitment (USD)</b>
<p><b>Knowledge networking: building an integrated database for information exchange.</b> This project began in March 2000 and seeks to organize, store, retrieve, and make available data, information and expertise held by the secretariat for Parties and observer organizations to facilitate participation in the Convention process and foster knowledge networking. The project continues to provide support to the development and maintenance of the UNFCCC “Data Portal” for key secretariat data sets, and includes a comprehensive inventory of all other secretariat databases and systems. One P-2 post is funded from this project.</p>	187 500
<p><b>Re-launch of the UNFCCC web site.</b> This project began on 1 February 2003 with the objective of re-launching the UNFCCC web site that serves as the main external portal for UNFCCC data, documents, and information for Parties, observers, the media and the general public, and internally for all programmes working on the Convention. The project has ensured that all data, information and documents are available from a single Internet address that is organized in a consistent and standardized way to facilitate access. The project’s second phase, in 2005, is focusing on further improvement and enhancements of the new web site navigation structure to meet the needs of the Parties. It will incorporate the UNFCCC library’s document archiving functionality into the web site in order to ensure continuous availability of official documents on the Internet.</p>	410 447
<p><b>UNFCCC web site: development of a Spanish portal.</b> This project began on 1 July 2003 to create a Spanish language portal welcome page on the UNFCCC web site. As a result, information on the climate change process is now available to Spanish-speaking stakeholders in the process, mainly Parties, observers, the media and the general public. In addition, the project has made possible the publication of certain information in Spanish.</p>	44 649
<p><b>Computer networking and data communication.</b> This project began on 1 September 2004 to support data communication and networking of specialized information systems and databases developed by programmes in the secretariat. The project ensures that the secretariat information communication and technology (ICT) systems and network infrastructure are secure and reliable, including overall service availability with a stable technology foundation for the secretariat’s electronic communication. One P-3 post is funded from this project.</p>	269 383

<b>Project</b>	<b>Approved commitment (USD)</b>
<p><b>Handbook on the United Nations Framework Convention on Climate Change.</b> This project began on 1 February 2002 with the aim of preparing and publishing a handbook on the Convention, which will serve as a reference tool for Parties and others interested in the climate change negotiation process. The English language version will be completed in 2005. Versions in other official languages of the United Nations are planned for 2006–2007.</p>	99 394
<p><b>Informal high-level consultations in preparation for COP 10 in Buenos Aires, Argentina.</b> This event took place in September 2004. The Argentine presidency of COP 10 wished to consult with a representative group of Parties about issues on the agenda for COP 10. The secretariat arranged for travel of participants from eligible Parties.</p>	22 986
<p><b>Development of methodological activities relating to land use, land-use change and forestry (LULUCF) and further development of the greenhouse gas (GHG) emissions databases of inventories from Annex I and non-Annex I Parties.</b> This project began on 1 April 2002 to analyse available LULUCF data as reported in national GHG inventories by Parties, to promote coherence in the work on LULUCF between the UNFCCC secretariat and other United Nations bodies and to integrate in a common database GHG inventory data from Annex I and non-Annex I Parties. This project ended in 2004.</p>	88 510
<p><b>Support for work on methodologies for adjustments under Article 5.2 of the Kyoto Protocol and activities of inventory lead reviewers under the Convention.</b> This project started on 1 February 2002. One workshop on adjustments was organized, which led to the completion of the technical guidance on methodologies for adjustments at COP 8. A meeting of lead reviewers was held and the continuation of the work on adjustments requested by decision 20/CP.9 has also been supported, which has enabled parties and expert review teams to gain experience with the methods for adjustments during the inventory review process in the period 2003–2005.</p>	109 826
<p><b>Work programme to assist the SBSTA in developing definitions and modalities for including afforestation and reforestation activities under Article 12 in the first commitment period.</b> This project began on 1 February 2002 and has been extended in order to assist the SBSTA in the preparation of a draft decision on modalities and procedures for small-scale afforestation and reforestation project activities under the clean development mechanism (CDM), and on measures to facilitate the implementation of small-scale afforestation and reforestation project activities under the CDM. The COP has adopted decisions 13/CP.10 and 4/CP.10 relating to these matters.</p>	53 028



<b>Project</b>	<b>Approved commitment (USD)</b>
<p><b>Greenhouse gas emissions inventory database and software support for the GHG review process.</b> This project started on 1 November 2002 to provide continuous additional support for the development of the GHG database and software for the GHG inventory reporting and review processes under the Convention, established by decisions 18/CP.8 and 19/CP.8. It focuses on the development of a new common reporting format software application to be used by Annex I Parties; development of software tools to support the technical review of GHG inventories of Annex I Parties; and enhancement of the information on GHG emissions and trends to be provided to Parties, through documents and the UNFCCC web site. Two P-3 posts and one GS post are funded from this project.</p>	883 680
<p><b>Training activities for members of expert review teams.</b> This project began in May 2003 with the objective of developing and implementing a training programme for inventory review experts through e-learning and final seminars. The training programme has almost been fully implemented, enhancing the quality of the GHG inventory review activities mandated by decisions 12/CP.9 and 21/CP.9.</p>	377 096
<p><b>Work programme to assist the SBSTA in considering LULUCF-related issues.</b> This project began in early 2004 to analyse LULUCF information under the Convention, support the development of the corresponding common reporting format for LULUCF, and train inventory experts to review LULUCF information considering the Intergovernmental Panel on Climate Change <i>Good Practice Guidance for Land Use, Land-Use Change and Forestry</i>. It also has been used to support other LULUCF activities, such as the organization of a workshop on harvested wood products.</p>	135 158
<p><b>Two in-session (SBSTA 20) workshops on adaptation and on mitigation resulting from the consideration of the IPCC Third Assessment Report.</b> Two in-session workshops were organized to discuss themes contained within new agenda items: vulnerability and risks; solutions and opportunities; and sustainable development.</p>	40 563
<p><b>Work programme on activities relating to new agenda item on scientific, technical and socio-economic aspect of impacts, vulnerability and adaptation and related work on collection and dissemination of information on vulnerability and adaptation methods and tools.</b> This project began on 1 September 2004 to facilitate the consideration at SBSTA 21 of scientific, technical and socio-economic aspects of impacts of vulnerability and adaptation (including the organization of an in-session workshop) and to improve the dissemination of information on vulnerability and adaptation methods and tools through revising and updating the UNFCCC compendium on vulnerability and adaptation methods and tools.</p>	21 930

<b>Project</b>	<b>Approved commitment (USD)</b>
<p><b>Development of the database system for the annual compilation and accounting (C&amp;A) of emissions inventories and assigned amounts under the Kyoto Protocol.</b> This project started in February 2005 to develop the C&amp;A database to enable the accurate tracking, checking and storing of emissions inventories and assigned amounts under Article 3.7 and 3.8 of the Kyoto Protocol. Preparatory activities are already under way.</p>	303 541
<p><b>Development of a greenhouse gas inventory interface (phase I, prototype).</b> This project started in May 2005 with the aim of developing a prototype to access relevant inventory data by Parties as requested by the SBSTA at its twenty-first session.</p>	44 248
<p><b>Activities relating to the Least Developed Countries Expert Group (LEG).</b> This project began on 1 February 2002 to implement the mandate of COP 7 decisions relating to least developed country (LDC) Parties with the objective of supporting the work of the LEG and other elements of the LDC work programme. For the biennium 2004–2005, this commitment covered the cost of one GS post. This project ended in April 2005.</p>	73 235
<p><b>Building up secretariat capacity for capacity-building.</b> This project began on 1 March 2003 to provide support to the intergovernmental process relating to capacity-building and to facilitate the implementation of the mandated activities contained in the frameworks annexed to decisions 2/CP.7 and 3/CP.7. Activities in the current biennium included the preparation and the organization of a pre-session meeting of capacity-building practitioners at SBI 21, which, together with a number of papers that had been prepared by the secretariat and the negotiations that were supported at SBI 21, resulted in a successful review at COP 10 of the capacity-building frameworks. Internal coordination, as well as seeking external consistency on capacity-building, was pursued. Activities relating to the resource library were not continued due to a lack of resources. An internal task force on adaptation was established, and met several times to improve internal coherence. One GS post is funded from this project.</p>	132 703
<p><b>Support for implementing the programme of work of the Expert Group on Technology Transfer (EGTT).</b> This project began on 1 September 2003 to facilitate the implementation of the programme of work of the EGTT with a view to recommending to the SBSTA appropriate further actions, and to support Parties in implementing the framework with meaningful and effective action to enhance the implementation of Article 4, paragraph 5, of the Convention. Activities in the biennium 2004–2005 to support implementation of the EGTT work programme included two workshops, one on innovative options for financing technology transfer and the other on technologies for adaptation to climate change, and preparation of technical and background papers.</p>	298 862

<b>Project</b>	<b>Approved commitment (USD)</b>
<p><b>Support for the UNFCCC technology information system (TT:CLEAR).</b> This project began on 1 January 2003. The objectives are to design and implement an outreach programme to make TT:CLEAR known to intended users, and to identify and analyse ways to facilitate users' access to the system; and to update and maintain the existing UNFCCC technology information system, including the identification of any information gaps, and make recommendations for improvement. Activities in the biennium 2004–2005 included conducting a client survey to assess the effectiveness of the use of TT:CLEAR. The results were reported at SBSTA 20.</p>	43 447
<p><b>Support for secretariat activities on Article 6 of the Convention.</b> This project began on 1 January 2002 with the objective of responding to the request by the SBSTA to develop cost-effective dissemination of lessons learned, best practices and other information. The project has enabled the organization of three regional workshops to date and the development of a small-scale model for an information network clearing house. The operational prototype will be launched at COP 11. One GS post is funded from this project.</p>	346 063
<p><b>Support to the Least Developed Countries Expert Group for 2004–2005.</b> The objective of this project is to implement the mandate of decision 7/CP.9 relating to activities of the LEG during the biennium 2004–2005. One GS post is being funded from this project.</p>	316 410
<p><b>UNFCCC fellowship programme.</b> The fellowship programme was established in 1998 following a decision by Parties to provide training opportunities in the field of climate change for young professionals from developing countries or countries with economies in transition who would not otherwise have a chance to gain international experience. Three fellows were supported in 2004.</p>	50 622
<p><b>Consultations on the Least Developed Countries Fund.</b> The project started on 1 March 2005. A pre-sessional meeting was held before SBI 22, in order to facilitate the negotiations on the LDC Fund. Progress in the negotiations at SBI 22 and COP 11 will be followed up.</p>	129 400
<p><b>Clean development mechanism (CDM).</b> This project started at the beginning of 2002 to facilitate the prompt start of the CDM by complementing resources provided under the core budget, with the expectation that the CDM would eventually become self-financing. Additional activities have been added to further develop the CDM, in particular to support accreditation, registration of projects, issuance of certified emissions reductions, information outreach and the consolidation of methodologies for baselines and monitoring. Currently, five of the 19 posts (three professional and two GS staff) funded from this project are filled, and a further five posts are in the process of recruitment.</p>	4 642 866

<b>Project</b>	<b>Approved commitment (USD)</b>
<p><b>Work programme on technical standards for registries and the transaction log.</b> This project, which began on 1 February 2002, provides a forum for exchanging information between Parties, and resources for the work of the secretariat, in relation to the development and establishment of national registries, the CDM registry, and the transaction log. Currently one P-3 post is funded from this project.</p>	1 128 623
<p><b>Resource requirements for activities relating to Article 6 of the Kyoto Protocol.</b> This project started in March 2004 with the objective to undertake work that promotes, anticipates and facilitates the establishment and operation of the Article 6 Supervisory Committee. The recruitment of two professional staff and one GS staff has been initiated.</p>	113 141
<p><b>In-depth review of third national communications from Annex I Parties.</b> This project began on 1 January 2002 in order to complete the in-depth review of national communications from Annex I Parties and to prepare the compilation and synthesis of national communications. The project ended on 30 June 2004.</p>	34 209
<p><b>Support for and facilitation of the efforts of non-Annex I Parties to implement the Convention.</b> This project began on 1 January 2004 and provides assistance to non-Annex I Parties to implement the Convention by preparing and disseminating documents/reports on, e.g. financial resources and technical assistance needed and steps taken to implement the Convention, based, inter alia, on information contained in their initial national communications, compilation and synthesis reports on initial national communications, relevant technical papers and reports published by the Global Environment Facility and its implementing agencies, and other bilateral and multilateral agencies. One P-3 and one G-4 post are funded from this project.</p>	308 672
<p><b>Support for the implementation of the programme of work of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (CGE), including the facilitation of the use of UNFCCC guidelines for the preparation of national communications.</b> This project began on 1 January 2004 and is designed to implement decision 3/CP.8 by facilitating and supporting the work of the CGE with a view to recommending to the SBI appropriate further actions on the CGE's mandate and terms of reference; the provision of financial/technical assistance relevant to the implementation of the Convention by non-Annex I Parties; and the meetings and hands-on training workshops of the CGE, and the preparation of related technical papers and reports for consideration by the SBI.</p>	739 598
<p><b>Workshop on the preparation of the fourth national communications from Annex I Parties.</b> This project started in August 2004. A workshop was held from 29 September to 1 October 2004 to address problems encountered by Parties in preparing national communications and to facilitate the submission of fourth national communications by Annex I Parties. This project has now ended.</p>	22 412

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