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Administrative, financial and institutional matters

Budget performance for the biennium 2006–2007

Budget performance for the biennium 2006–2007 as at 30 June 2006

Note by the secretariat*

Summary

Budget performance for the first six months of the biennium 2006–2007 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 2006.

The secretariat received 69.5 per cent of the total indicative contributions expected for 2006 and maintained a level of expenditure of 40.4 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 916,159 and USD 10.9 million, respectively.

The Subsidiary Body for Implementation is invited to take note of the information and to propose a draft decision on administrative and financial matters to be recommended for adoption by the Conference of the Parties, at its twelfth session, and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its second session.

* Submission of this document has been delayed because of the internal consultations that were required for the finalization of section V.

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I. Introduction

A. Mandate

1. The Conference of the Parties (COP) and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP), by their decisions 12/CP.11 and 34/CMP.1, approved the programme budget for the biennium 2006–2007, 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 budget.
2. It is the practice of the Subsidiary Body for Implementation (SBI) to consider these matters and prepare recommendations for action by the COP and the COP/MOP.

B. Scope of the note

3. This document reports income, expenditure and budget performance as at 30 June 2006. It should be read in conjunction with document FCCC/SBI/2006/INF.6, which updates the information on status of contributions as at 15 October 2006.

C. Possible action by the Subsidiary Body for Implementation

4. 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 and financial matters to be recommended for adoption by the COP, at its twelfth session, and the COP/MOP, at its second session.

II. Income and expenditure report

A. Trust Fund for the Core Budget of the UNFCCC

1. Budget

5. The COP, by its decision 12/CP.11, and the COP/MOP, by its decision 34/CMP.1, approved a total budget of USD 53.5 million for the biennium 2006–2007 (see table 1).

Table 1. Programme budget for the biennium 2006–2007

	2006 (USD)	2007 (USD)	2006–2007	
			(USD)	(EUR) ^a
Direct cost for programme activities	23 482 121	23 558 700	47 040 821	35 421 739
Programme support costs	3 052 676	3 062 631	6 115 307	4 604 826
Adjustment to the working capital reserve	338 273	7 182	345 455	260 128
Total approved budget	26 873 070	26 628 513	53 501 583	40 286 693

^a The exchange rate used (1 US dollar = 0.753 euro) is the average exchange rate for the period January to March 2005.

2. Income

6. The approved budget is expected to be funded from indicative contributions by all Parties, the annual contribution of the Host Government and the unspent balance of previous financial periods. Table 2 shows a list of sources of the expected income.

Table 2. Expected income for the biennium 2006–2007

	2006 (USD)	2007 (USD)	2006–2007 (USD) (EUR)	
Indicative contributions from all Parties	24 854 560	24 610 003	49 464 563	37 246 817
Unspent balance of contributions from previous financial periods (carry-over)	1 000 000	1 000 000	2 000 000	1 506 000
Contribution from the Host Government	1 018 510	1 018 510	2 037 020	1 533 876
Total expected income	26 873 070	26 628 513	53 501 583	40 286 693

7. By 30 June 2006, USD 17.3 million (69.5 per cent) of the total indicative contribution expected for the year (or 35 per cent for the biennium) had been received. The voluntary contribution from the Host Government has also been received in full. This income is supplemented by receipt of contributions for previous years as shown in table 3.

Table 3. Actual income as at 30 June 2006*(United States dollars)*

	2006–2007
Indicative contributions for 2006 – Convention	10 061 186
Indicative contributions for 2006 – Kyoto Protocol	7 233 992
Voluntary contribution from the Host Government	906 827
Contributions for previous years	718 409
Contributions for future years received in advance	46 176
Interest and miscellaneous income	297 220
Total actual income	19 263 810

8. Contributions from three of the top 10, or six of the top 20, contributors¹ to the Convention for 2006 had not been received by 30 June 2006. Of the 189 Parties to the Convention, 105 had not made their contributions for 2006. Seventeen Parties have never made contributions to the core budget of the UNFCCC since its inception in 1996. The status of outstanding contributions is shown in table 4.

Table 4. Outstanding contributions to the Convention by year as at 30 June 2006*(United States dollars)*

	Number of Parties	Outstanding amount
Outstanding since 1 January of:		
1996	17	9 762
1997	22	22 955
1998	24	13 368
1999	24	11 580
2000	28	17 004
2001	31	26 684
2002	37	62 401
2003	46	86 303
2004	60	393 025
2005	73	708 158
2006	105	5 646 896
Total		6 998 136

¹ 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.

9. Contributions from two of the top 10, or six of the top 20, contributors² to the Kyoto Protocol for 2006 had not been received by 30 June 2006 (see table 5). Of the 163 Parties to the Kyoto Protocol, 102 had not made their contributions for 2006.

Table 5. Outstanding contributions to the Kyoto Protocol by year as at 30 June 2006
(United States dollars)

	Number of Parties	Outstanding amount
Outstanding since 1 January of:		
2005	69	366 691
2006	102	1 940 586
Total		2 307 277

3. Expenditures

10. Expenditures as at 30 June 2006 amounted to USD 9,484,625 (USD 10,716,750 including programme support costs) or 40.4 per cent of the approved budget for programme activities for the year 2006.

Expenditures by cluster

11. Table 6 (a) provides a comparison of budget appropriation for the year 2006 and expenditures for the first six months, by cluster. At 40.4 per cent the overall expenditure level is fairly low for several reasons which are set out in paragraph 13 below.

Table 6 (a). Expenditures by cluster as at 30 June 2006

Programme	Approved budget for 2006		Expenditures as at 30 June 2006		Expenditure as a percentage of budget	
	(USD)	(EUR)	(USD)	(EUR) ^a	(USD)	(EUR)
Executive Direction and Management (EDM)	1 156 173	870 598	361 599	296 150	31.3	34.0
Cluster 1	7 111 617	5 355 048	2 387 768	1 955 582	33.6	36.5
Cluster 2	7 006 414	5 275 830	2 574 094	2 108 183	36.7	40.0
Cluster 3	8 207 917	6 180 562	4 161 164	3 407 993	50.7	55.1
Totals	23 482 121	17 682 038	9 484 625	7 767 908	40.4	43.9

^a Based on the average exchange rate between the US dollar and the euro for the first six months of 2006.

12. Table 6 (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 travel of

² Contributions by the top 10 contributors make up 72 per cent, and those by the top 20 make up 88 per cent, of the total indicative contributions.

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. Since the approval of the budget the dollar has appreciated against the euro, which has resulted in overall savings on all expenditures. Further savings have been realized on vacant posts. The costs for home leave and education grants are usually incurred in the second half of the year. Most of the mandated meetings of the constituted bodies (Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (CGE), Least Developed Countries Expert Group (LEG), Executive Board of the clean development mechanism (CDM Executive Board), Joint Implementation (JI) and others) will take place in the second half of the year. Contrary to previous years the major part of the in-depth reviews, the annual inventory reviews and the initial reports will be carried out towards the end of the year with the aim of combining the annual inventory reviews with the initial reports. The expenditure in staff travel will rise accordingly with the planned reviews. The expenditure rate of grants and contributions is high because, as usual, the payment for premises management for the period 1 July 2006 to 31 December 2006 was made in advance by June 2006 and the annual grant to the IPCC has also been paid.

Table 6 (b). Expenditures as at 30 June 2006

Object of expenditure	Approved budget for 2006 (USD)	Expenditures as at 30 June 2006 (USD)	Expenditure as a percentage of budget	Percentage of expenditures by object
Staff costs	16 280 811	6 280 183	38.6	66.2
Consultants	1 291 000	490 280	38.0	5.2
Travel of experts	1 423 450	230 692	16.2	2.4
Travel of staff	841 360	231 355	27.5	2.4
General operating expenses	2 185 500	924 788	42.3	9.8
Grants and contributions	1 460 000	1 327 327	90.9	14.0
Total direct expenditures	23 482 121	9 484 625	40.4	100.0

B. Trust Fund for Participation in the UNFCCC Process

14. Table 7 provides information on income and expenditure under the Trust Fund for Participation in the UNFCCC Process.

15. 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 5,500 in 2004 according to the statistics published by the United Nations Conference on Trade and Development. This ceiling is raised to USD 10,000 in the case of small island developing States.³

³ 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).

1. Income

16. As at 30 June 2006, contributions received for this biennium amounted to USD 916,159 and total expenditures amounted to USD 748,432. The excess income over expenditure, including the carry-over balance from the previous financial period and accrued interest, amounted to USD 1,304,953. After blocking the required amount (10 per cent of average yearly expenditure in 2004–2005) as operating cash reserve, this amount, together with any further contributions received to the trust fund, will be used to cover participation of eligible Parties to the forthcoming sessions of the COP and the COP/MOP.

2. Expenditure

17. So far this year, 121 participants have been provided with financial assistance to travel to the twenty-fourth sessions of the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the SBI in May at a total cost of USD 633,893; cost for travel of Bureau members amounted to USD 14,826. A further amount of USD 13,610 has been used to cover expenditures relating to meetings from previous years, along with operating costs arising from travel booked through local United Nations Development Programme (UNDP) offices.

**Table 7. Status of the Trust Fund for Participation in the UNFCCC Process
as at 30 June 2006**
(United States dollars)

Income	
Brought forward from 2004–2005	1 097 192
Savings on prior period obligations	5 822
Contributions received in 2006	916 159
Interest and miscellaneous income	34 212
Total income	2 053 385
Expenditure	
Travel of Bureau members	14 826
Travel of 121 participants to subsidiary body sessions, Bonn, May 2006	633 893
Prior year adjustments and operating expenses	13 610
Total direct expenditures	662 329
Programme support costs	86 103
Total expenditures	748 432
Balance	1 304 953

C. Trust Fund for Supplementary Activities under the UNFCCC

18. A number of mandated core activities continue to be funded from the Trust Fund for Supplementary Activities through voluntary contributions made by Parties. These include activities relating to the CDM, the international transaction log (ITL), JI, and all mandated workshops. Additional activities requested of the secretariat and the additional resources required in order to implement more effectively the work programme for the biennium are also financed from this trust fund.

1. Income

19. During the first six months of 2006, the secretariat continued to undertake intensive fund-raising activities. New contributions of around USD 5.4 million were received, representing 19 per cent of the initial estimated requirements of USD 28.1 million for the biennium. In addition, over USD 5.5 million in CDM fees and shares of proceeds were paid into the trust fund, which will be utilized at the beginning of 2008 once activities relating to the CDM become self-financing.

20. The carry-over balance from 2004–2005 includes:
- (a) The difference between committed funds for the approved project and the actual expenditures recorded at the end of the biennium;
 - (b) Funds that have been received, but are awaiting instructions from the contributing Parties to identify the activity for which they should be used;
 - (c) CDM fees that will be used once activities relating to the CDM become self-financing;
 - (d) The working capital reserve.

2. Expenditures and commitments

21. During the first six months of the current biennium, 24 projects, some of which were continued from 2004–2005, were approved for funding at a total cost of USD 10.8 million. However, it should be noted that although this amount represents the total approved commitment to date, expenditures incurred as at 30 June 2006 amounted to only USD 4.7 million. Additional financial commitments will be made to projects that have activities running through to 2007, or to new projects that are subsequently approved for funding during this biennium, which will utilize further the funds currently available.

22. The annex to this document provides a full list of projects and events funded from the Trust Fund for Supplementary Activities in the first six months of the biennium 2006–2007. These projects relate to supplementary activities for which resource requirements were identified in the programme budget for this biennium.⁴

23. Table 8 provides information on income and financial commitments made under the Trust Fund for Supplementary Activities during the reporting period.

Table 8. Status of the Trust Fund for Supplementary Activities as at 30 June 2006
(United States dollars)

Income	
Brought forward from 2004–2005	13 177 560
Savings on prior period obligations	5 935
Voluntary contributions	5 362 039
CDM fees and share of proceeds	5 508 908
Interest and miscellaneous income	376 510
Total income	24 430 952
Commitments	
Approved projects	9 574 356
Programme support costs	1 244 666
Total commitments	10 819 022
Balance	13 611 930

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

24. 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 (equivalent to DM 3.5 million). By 30 June, the contribution for 2006 had been received in its entirety. Table 9 shows income and

⁴ FCCC/SBI/2005/8/Add.2 and decisions 12/CP.11 and 34/CMP.11.

expenditure under the Bonn Fund in 2006–2007 as at 30 June 2006. “Expenditure” represents the costs of organizing, and ensuring the flow of information to, at, and from, the twenty-fourth sessions of the SBI and SBSTA, the first session of the Ad Hoc Working Group on Further Commitments from Annex I Parties under the Kyoto Protocol (AWG), the first workshop on the dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention (the Dialogue), and another four pre-session and in-session meetings and workshops, which were all held in Bonn during the first sessional period of 2006.

Table 9. Status of the Bonn Fund as at 30 June 2006
(United States dollars)

Income	
Contributions ^a	2 164 427
Interest and miscellaneous income	24 694
Total income	2 189 121
Expenditure	
Conference support	
Conference facilities	987 148
Staff	266 861
Subtotal	1 254 009
Conference information support	
Computers and networking	300 863
Staff	34 422
Subtotal	335 285
Travel for participation in workshops in Bonn	0
Programme support costs	206 495
Total expenditures	1 795 789
Prior period adjustments	10 669
Working capital reserve	300 000
Balance	704 001

^a Equivalent to EUR 1,789,522 per year.

E. Programme support costs

25. 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.

26. As at 30 June 2006, the income for the first six months of the biennium amounted to USD 2,121,471 and includes interest and miscellaneous income. In the same period USD 1,440,169 was used to cover staff and non-staff costs. The charges for services rendered by the United Nations Office at Geneva (UNOG), estimated at USD 360,000 for 2006, will be charged and paid during the second half of the year. The excess income over expenditure, including the carry-over balance from the prior financial period, amounted to USD 2,959,311. Table 10 shows the status of the programme support costs for the first six months of the biennium 2006–2007.

Table 10. Status of programme support costs as at 30 June 2006
(United States dollars)

Object of expenditure	
Income	
Carry-over from 2004–2005	2 279 535
Programme support costs income from trust funds	2 059 768
Interest and miscellaneous income	61 703
Total income	4 401 006
Secretariat staff costs	
Secretariat staff costs	1 439 332
Secretariat non-staff costs	837
Total secretariat costs	1 440 169
Services rendered by the United Nations	0
Total expenditures	1 440 169
Savings from prior periods	1 526
Balance	2 959 311

III. Programme delivery

A. Executive Direction and Management

27. The results of the activities of the Executive Direction and Management programme (EDM) have been consistent with those described in the work programme presented together with the programme budget for the biennium 2006–2007 (see document FCCC/SBI/2005/INF.6).

28. The Officer-in-Charge has provided ongoing management and coordination of the activities of the secretariat. The new secretariat structure was implemented and the management support for this new structure operationalized. A well-prepared transition ensured a smooth transfer of functions and responsibilities to the new programmes.

29. The Officer-in-Charge also ensured that Convention and Kyoto Protocol bodies and their officers received sound advice. Follow-up to the decisions taken at COP 11 and COP/MOP 1 included, in particular, putting in place support for the newly established AWG and the Dialogue. The twenty-fourth sessions of the SBI and the SBSTA, the first session of the AWG, the first workshop under the Dialogue, as well as 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 in close contact with Parties from all regions, as well as with the Host Government of the secretariat. The programme continued to promote cooperation with partner organizations while strengthening existing partnerships. There was a high demand from the media for information, in particular relating to progress of the CDM and the new processes established at COP 11.

31. As part of institutional outreach to other bodies within the United Nations system, the Officer-in-Charge or his representative participated in a number of meetings, including the fourteenth session of the Commission on Sustainable Development, meetings of the Global Environment Facility (GEF) Council, and the ninth Special Session of the Governing Council and the Global Ministerial Environment Forum of the United Nations Environment Programme (UNEP).

B. Cluster 1: Implementation

32. The Deputy Executive Secretary, Implementation, provided strategic direction to the work of Cluster 1, assured coherence of work across the secretariat in consultation with the other deputy executive secretaries and supported the twenty-fourth session of the SBI and the first session of the AWG.

1. Reporting, Data and Analysis programme

33. In the first half of the year, activities of the Reporting, Data and Analysis programme (RDA) focused on supporting the intergovernmental process on matters relating to national communications, greenhouse gas (GHG) inventories, and preparations for the implementation of registry systems and effective operation of the ITL.

34. The programme initiated in-depth reviews of the fourth national communications from Parties included in Annex I to the Convention (Annex I Parties) by conducting a centralized review of the first eight communications. It was the first time that national communications had been considered in this way, and it proved to be efficient and successful. A synthesis of reports demonstrating progress under the Kyoto Protocol submitted in accordance with Article 3, paragraph 2, was prepared by the programme and submitted to the SBI for consideration at its twenty-fourth session.

35. Work continued on further development and improvement of the secretariat's system for collecting, processing and disseminating GHG inventory data both from Annex I Parties and from Parties not included in Annex I to the Convention (non-Annex I Parties). The purpose of the work is to provide Parties and external users with user-friendly online access to inventory data and other information through a data interface. The secretariat held a workshop for the users of the inventory data reporting software, CRF Reporter, which helped to deliver to Parties an improved, more stable release of the software. The development work is well under way on the expanded version of CRF Reporter, which should further enhance its functionality and include a new module for reporting on land use, land-use change and forestry activities. Improved data processing procedures helped to ensure timely publication of the status reports on the inventory submissions received in 2006. In addition, the programme has completed defining requirements for the compilation and accounting database under the Kyoto Protocol and proceeded with its development.

36. The programme continued to organize and support training of experts involved in the review of GHG inventories and national communications. The training courses for reviews under the Convention were held online in May–June 2006; a separate online training programme on national systems, adjustments and modalities for accounting of assigned amount units under the Kyoto Protocol was developed and made available to experts.

37. In relation to the implementation of the ITL, proposals submitted by external service providers to develop and operate the system were evaluated on both technical and financial grounds. Negotiations were held in order to establish the long-term contractual arrangements for the ITL.⁵ The work to develop the ITL is now well under way and is based on clearly defined technical standards and specifications and agreed timelines. The first meeting of the Registry System Administrators (RSAs) Forum was held in April 2006. It set the direction for the ongoing cooperative activities among RSAs, which are aimed at promoting consistency, transparency and efficiency of registry system operations. At the meeting, work priorities and schedules of work to be undertaken in 2006 were agreed, and three working groups were established under the Forum to undertake technical work for the development of operational procedures to be commonly implemented by all RSAs.

⁵ A contract with the developer and the operator of the ITL was signed in August 2006.

38. The programme also provided substantive support to the meetings of the subsidiary bodies and to the AWG and the Dialogue in the form of background materials, documentation and support staff.

2. Financial and Technical Support programme

39. The Financial and Technical Support programme (FTS) provided support to the SBI, at its twenty-fourth session, on the review of the financial mechanism of the Convention, on the implementation of the Special Climate Change Fund (SCCF) and on the Adaptation Fund under the Kyoto Protocol. In particular, it prepared a synthesis report to facilitate negotiations on the review of the financial mechanism and organized a workshop for some 70 participants on the Adaptation Fund from 3 to 5 May 2006 in Edmonton, Canada, for which a report to the SBI and a number of background papers were prepared. Through continuous liaison and coordination of work with the GEF secretariat, the programme also followed up on the status of climate change activities under the GEF trust fund and status of implementation of the SCCF and the Least Developed Countries Fund.

40. The programme provided support to the SBI, at its twenty-fourth session, on capacity-building agenda items under the Convention and under the Kyoto Protocol. A paper was prepared on possible steps to be taken to monitor the capacity-building framework for developing countries as a basis for negotiations during SBI 24 and SBI 25. The programme supported a workshop for the Group of 77 and China as they prepared their submission on monitoring capacity-building, and prepared a background paper on monitoring and indicators at this workshop. The programme is expanding relations with other organizations, and new partnerships have been forged with university networks, research centres and organizations, which included UNEP/GRID-Arendal, the UNDP capacity development programme and private foundations. Under outreach education and training, the programme has enhanced and promoted the information clearing house (TT:CLEAR), and work has started on the review of progress under the New Delhi work programme. In cooperation with UNEP, the programme is developing a communications handbook, and has consolidated a network of national contact points for Article 6 of the Convention.

41. During the first sessional period of 2006, FTS supported the CGE in delivering the activities outlined in its work programme 2002–2007. To this end, the programme organized and conducted the sixth meeting of the CGE (17 and 18 March 2006) and the CGE hands-on training workshop on Vulnerability and Adaptation Assessments (20 to 24 March 2006) in Jakarta, Indonesia. At this workshop, experts from the Asia and the Pacific region involved in the preparation of the second national communications were trained in applying the UNFCCC guidelines for the reporting of vulnerability and adaptation assessments and introduced to tools for conducting and integrating sectoral assessments.

42. In addition, the programme assisted the CGE with the preparation of a template to facilitate the reporting of information on research and systematic observation, technology transfer, capacity-building, education, training and public awareness, and information and networking to assist experts from non-Annex I Parties in preparing their national communications. This template will be disseminated by the secretariat by the end of 2006. The programme continued to facilitate the mobilization of financial and technical support to non-Annex I Parties from the GEF and other bilateral and multilateral agencies through its continued collaboration with the National Communications Support Programme for the UNDP–UNEP, the United Nations Institute for Training and Research and donor countries.

43. The programme provided technical and substantive support for the implementation of the least developed countries (LDC) work programme in general, to the work of the LEG and, in particular, the national adaptation programme of action (NAPA) process. Since its creation, the LEG has been successful in assisting the 48 LDC Parties to the UNFCCC in preparing their NAPAs. Of these, five have submitted completed NAPAs to the secretariat. The programme supported the LEG in the formulation and preparation of its work programme for 2006–2007 at the ninth meeting of the LEG, held in Dhaka, Bangladesh, from 6 to 8 April 2006. The programme also examined draft NAPAs submitted to the

secretariat, using a template developed to facilitate the review, and provided feedback to the Parties concerned through the LEG. The programme provided input to the discussions on and finalization of the implementation of the GEF Least Developed Countries Fund.

C. Cluster 2: Scientific and Technological Advice

44. The Deputy Executive Secretary, Scientific and Technological Advice, provided strategic direction to the work of Cluster 2, assured coherence of work across the secretariat in consultation with the other deputy executive secretaries and supported the twenty-fourth session of the SBSTA and the first workshop under the Dialogue.

1. Adaptation, Technology and Science programme

45. The Adaptation, Technology and Science programme (ATS) supported the implementation of the Buenos Aires programme of work on adaptation and response measures (decision 1/CP.10) and facilitated the further development and implementation of the SBSTA programme of work on impacts, vulnerability and adaptation to climate change (decision 2/CP.11).

46. The programme organized the first regional adaptation workshop for the Latin America and Caribbean region, as mandated by decision 1/CP.10, in which Parties exchanged information and identified adaptation needs and concerns specific to the region. A background paper on impacts, vulnerability and adaptation to climate change in Latin America was prepared to support Parties in their deliberations. With regard to the impact of the implementation of response measures, the programme organized a pre-session expert meeting on economic diversification and supported this issue during the twenty-fourth sessions of the subsidiary bodies.

47. To further develop activities and modalities under the SBSTA programme of work, the programme organized an informal meeting of representatives from Parties prior to SBSTA 24, which proved instrumental in the further consideration of this issue. The programme also supported the negotiations on the matter during SBSTA 24. In addition, the programme initiated work on a list of organizations and institutions active in areas relevant to the programme of work and published it in document FCCC/SBSTA/2006/INF.3 and on the UNFCCC website.

48. The programme continued to provide support to Parties in the implementation of Article 4, paragraph 5, of the Convention and of the technology transfer framework contained in the annex to decision 4/CP.7. It provided support to the Expert Group on Technology Transfer (EGTT) in organizing its special working session in Brussels, Belgium, from 9 to 11 March 2006, to elaborate on its recommendations for enhancing the implementation of the technology transfer framework as requested by decision 6/CP.10. The EGTT submitted its recommendations for consideration by the SBSTA at its twenty-fourth session. The programme also organized one special and one regular meeting of the EGTT and assisted the expert group in implementing its work programme for 2006.

49. Following requests by the SBSTA, the programme prepared a report on the workshop on innovative options for financing the development and transfer of technologies, held in October 2005 in Bonn, a synthesis report of technology needs identified in 23 completed TNA reports and 25 national communications from non-Annex I Parties, and a technical paper on applications of environmentally sound technologies for adaptation to climate change. The programme continued to work on a pilot project on networking between TT:CLEAR and national and regional technology information centres. It also worked on the development of a practitioner's guide to assist project developers in preparing project proposals that will meet the standards of international financial providers. This guide will be made available in English, French and Spanish at COP 12.

50. The programme supported the work of Parties on a range of issues relating to mitigation and science, including reducing emissions from deforestation in developing countries; land use, land-use change and forestry (LULUCF); methodological matters; scientific, technical and socio-economic aspects of mitigation; research needs of the Convention; and cooperation with other organizations and United Nations bodies.

51. The programme prepared official documents for consideration by Parties and organized an in-session workshop on mitigation (addressing agriculture, forestry and rural development) and a special event on research during SBSTA 24. The programme regularly liaised with other conventions, organizations and United Nations bodies, including the IPCC, International Civil Aviation Organization, International Maritime Organization, Food and Agriculture Organization of the United Nations and the Montreal Protocol on Substances that Deplete the Ozone Layer with the aim of ensuring that Parties are kept informed of relevant developments and to facilitate consideration of relevant information from other processes. In addition, the programme assisted RDA with the GHG inventory review process relating to LULUCF issues and other programmes on issues relating to research and systematic observation.

52. Some of the relevant results of the work during the reporting period were: improved understanding among Parties of the issues associated with reducing emissions from deforestation in developing countries; agreement on forwarding a decision to the COP/MOP relating to a specific request by Italy on a new value for its forest management cap; further consideration of the treatment of harvested wood products; continuation of the exchange of information, and sharing of experiences and views on practical opportunities and solutions on scientific, technical and socio-economic aspects of mitigation; agreement on the process for the future consideration of the scientific work on the proposal by Brazil,⁶ and of issues relating to hydrofluorocarbons and perfluorocarbons; and contribution to the enhancement of communication between the SBSTA and the climate change research community as well as agreement on setting a process for exploring ways to further strengthen such communication.

53. The programme supported the first workshop under the Dialogue. During the workshop, Parties engaged in an open exchange of views on sustainable development, adaptation, technology and market-based approaches, setting the stage for future workshops.

2. Project-based Mechanisms programme

54. The Project-based Mechanisms (PBM) programme provided support to the bodies constituted to supervise the implementation of the project-based mechanisms under the Kyoto Protocol, notably the CDM Executive Board and the Joint Implementation Supervisory Committee (JISC), so that mandates of the COP/MOP, under whose authority these bodies work, continue to be fulfilled.

55. During the reporting period, the CDM became fully operational and the demand for services has accelerated since COP/MOP 1. The programme assisted the Board, its panels and working groups in carrying out central functions under the CDM, namely the registration of CDM project activities and the issuance of certified emission reductions (CERs), the accreditation of applicant entities and the approval of baseline and monitoring methodologies. The programme provided support for meetings of the Executive Board and prepared the annual report of the Board to the COP/MOP. The programme also delivered casework relating to project activities, which was funded mostly from supplementary contributions.

56. Based on the CDM management plan for 2006, results achieved included support to 14 meetings of the Board, panels and working groups, the establishment of a Registration and Issuance Team which facilitated the streamlining procedures relating to requests for registration of CDM project activities and

⁶ FCCC/AGBM/1997/MISC.1/Add.3.

the issuance of CERs. The number of CDM project activities registered has risen to 247 and the issuance of CERs has reached a total of 10,235,616 for 27 projects. The Board accredited and provisionally designated six additional operational entities for validation, bringing the total of these designated operational entities to 16, including two entities in non-Annex I countries. The consideration of proposed baseline and monitoring methodologies was accelerated and the work on their consolidation and the broadening of their applicability was continued. The approval of baseline and monitoring methodologies has expanded considerably, with 66 approved methodologies now available in a wide range of sectors for both large- and small-scale project activities. The programme organized a workshop, held in Bonn in February 2006 and attended by 100 participants, for the Board and experts to promote common understanding and consistency of approach on the most critical CDM issues. Interaction with Parties and stakeholders was further promoted by organizing question-and-answer sessions in conjunction with each Board meeting and at the twenty-fourth sessions of the subsidiary bodies, as well as maintaining, updating and improving the UNFCCC CDM website, which is used by 7,716 subscribers, while 6,413 subscribers to the CDM News facility regularly received the latest information on the CDM.

57. Work on JI has progressed considerably in the reporting period with the first three meetings of the JISC taking place. As a result of these meetings and the support of the programme, the JISC now has its own management plan and drafts of the project design document for JI projects and the modalities and rules of procedure of the JISC have been prepared. The programme also helped to organize a side event on JI during the twenty-fourth sessions of the subsidiary bodies and has established a website that includes webcasts.

58. Key managerial challenges for PBM were the mobilization of sufficient financial and human resources for the implementation of the programme budget and the management plans of the CDM Executive Board and JISC. The programme recruited 23 staff members and processed contracts for 22 consultants and 61 desk reviewers. The programme also secured sufficient supplementary financial resources for the work of the CDM in 2006 (USD 9 million). However, in the case of JI, even though significant resources could be mobilized, more resources will be required in order to avoid delays in implementation.

3. Compliance programme

59. During the reporting period, the Compliance programme (COMP) supported the bureau and plenary and the facilitative and enforcement branches of the Compliance Committee, as well as the COP/MOP, by providing substantive and procedural advice and organizing meetings and drafting of documents.

60. The programme supported two plenary meetings of the Compliance Committee in Bonn during the reporting period: the first was held from 1 to 3 March 2006 and the second from 29 to 31 May 2006. The programme also supported meetings and deliberations of the facilitative branch in Bonn in this period (1 to 3 March 2006, 30 May 2006 and 20 June 2006), and one meeting of the enforcement branch from 1 to 3 March 2006.

61. The major work of COMP in support of the plenary has been the rules of procedure, pursuant to the Committee's mandate in the "Procedures and mechanisms relating to compliance under the Kyoto Protocol" (in the annex to decision 27/CMP.1) to develop further rules of procedure, including rules on confidentiality, conflict of interest, submission of information by intergovernmental and non-governmental organizations, and translation. The programme has provided drafting and research support including intersessional work on the rules of procedure; this remains a work in progress at the end of the reporting period. However, there is a well-developed text that addresses issues likely to arise, including compliance to the Kyoto Protocol.

62. The programme supported the Committee, primarily through the bureau, in its consideration of information provided by the secretariat on the status of fourth national communications at each of its plenary meetings. The programme also supported the Committee in its discussion of the links between the work of the Compliance Committee and relevant functions under the Kyoto Protocol.

63. In order to support the Committee, bureau and branches in their work, COMP has developed and is implementing an archive function which is consistent with decision 27/CMP.1 and is cost-effective and efficient, in order to provide reliable and timely information to Parties concerned and members and alternate members of the Committee.

64. The programme provided advice and support to the twenty-fourth session of the SBI in relation to the amendment, proposed by Saudi Arabia, to the Kyoto Protocol in respect of procedures and mechanisms relating to compliance.

D. Cluster 3: Intergovernmental and Support Services

65. Pending the nomination of an Executive Secretary, the Officer-in-Charge and Coordinator of the Intergovernmental and Conference Affairs programme carried out key functions of the Deputy Executive Secretary responsible for Cluster 3. In particular, he led the start of preparatory work for COP 12 and COP/MOP 2, which was undertaken jointly by the three programmes of this cluster.

1. Intergovernmental and Conference Affairs programme

66. The Intergovernmental and Conference Affairs programme (ICA) was in regular contact with Parties and observers, supported the Bureau of COP 11 and the new President in particular in assuming her functions, 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 programme continued to take the lead in planning and monitoring the secretariat's support to the growing number of sessional and intersessional activities, which have expanded considerably since the launch of the new processes at COP 11 and COP/MOP 1.

67. Facilities and services provided at sessions enabled the subsidiary bodies of the Convention and Protocol to function smoothly and productively. The programme made arrangements, including registration and security, for the twenty-fourth sessions of the SBI and SBSTA and the first session of the AWG. Six pre-session and in-session workshops and meetings, including the first workshop under the Dialogue, were held in conjunction with the sessions.

68. Developing countries and observer organizations were able to attend and participate in the sessions. The programme coordinated 121 requests for financial support for eligible Parties to facilitate their attendance in the sessions of the subsidiary bodies and the embedded events. Also, through the enhanced online participant information and side event registration systems, ICA contributed to the effective participation of observer organizations in the sessions. Eight new observer organizations were provisionally admitted. A total of 46 side events and 15 exhibits were featured at the sessions – three and two more respectively than in the same period of the preceding biennium.

69. The programme organized two meetings of the Bureau. It provided support for its work, made the logistical arrangements and coordinated financial assistance to Bureau members from eligible Parties.

70. The logistical organization by ICA contributed to the successful launch of the work of the newly constituted bodies and groups under the Kyoto Protocol, as well as the continuing work of other groups. In the first six months of the new biennium, 19 meetings and workshops were held in Bonn and their logistics fully supported by ICA, almost as many as in the entire previous biennium. In addition to these, the programme also pre-registered participants in seven UNFCCC events held outside Bonn, assisted in

external relations and logistics for these events, and provided the framework for legal arrangements with host governments.

71. ICA continued to aim at reader-friendly and timely documentation to facilitate the flow of information to the Parties and intergovernmental bodies. Overall, 157 documents comprising 2,228 pages were edited and processed by ICA between January and June 2006, including the reports of COP 11 and COP/MOP 1. This represents an increase in volume of nearly 50 per cent over the same period of the preceding biennium.

72. Parties and observers regularly sought and obtained advice from ICA on various procedural, institutional and legal aspects of the Convention and Protocol. Furthermore, the considerations by the SBI at its twenty-fourth session concerning the provision of privileges and immunities for individuals serving on bodies constituted under the Kyoto Protocol were informed by research undertaken in ICA. The programme is continuing to discuss these issues with the United Nations Office of Legal Affairs. The preparation and conclusion of contracts, memorandums of understanding and other agreements by the secretariat drew upon sound legal advice.

73. Preparatory work has commenced for COP 12 and COP/MOP 2 and the twenty-fifth sessions of the subsidiary bodies. Considerations by the Bureau, and the deliberations and conclusions of the SBI, at its twenty-fourth session, on how to organize the expanding intergovernmental negotiation process at COP 12 and COP/MOP 2 and in the longer term, were facilitated by ICA. These considerations, deliberations and conclusions guided ICA in its ongoing support, in close collaboration with the United Nations Office at Nairobi, to the Government of Kenya in preparing for COP 12 and COP/MOP 2.

2. Information Services programme

74. The Information Services programme (IS) puts in place and manages the secretariat's external and internal communications tools and outreach. Covering information and communication technology (ICT), knowledge management and communications and media relations services, IS supports the creation and delivery of mandated work by all programmes, and maintains the secretariat's public website and media relations activities.

75. In the ICT area, the first phase of a strategic assessment of potential risks to the secretariat's information systems was completed. Consequently, a business continuity plan is to be developed that seeks to minimize risks of disruption caused by security incidents or disasters. Thirty staff switched to laptops during the period in order to help reduce conference costs and ensure business continuity. Ninety-five staff now use laptops. Bulk faxing capacity at the secretariat was complemented by an average flow of 15,000 e-mails per day through its system. Overall, 2,426 user support requests were processed, with 80 staff members attending ICT training and awareness sessions.

76. Data communications support was provided to the United Nations Convention to Combat Desertification secretariat to allow them to access the Integrated Management Information System (IMIS) in UNOG from their new offices in the new UN Campus in Bonn. A highly secure ICT network infrastructure was made available for SB 24 which included free Internet services for participants. Additionally, 26 workshops were serviced during the period. Preparatory work on COP 12 was initialized.

77. In the knowledge management area, a records management programme was started to introduce basic policies and procedures for managing the records and files of the secretariat in a more systematic way. The basic elements of a records management policy framework, including an overall record management policy document and supporting guidelines, have been developed. The goal of the programme is to increase organizational efficiency while consolidating and systematizing information management.

78. The request for proposal for an electronic records management system was prepared and submitted. The records management system will initially provide the secretariat with a central repository for storing the final records of the secretariat's Registry and those of the Compliance programme and the RDA programme.

79. Enhancement of the Library's online catalogue was completed. The changes allow for quicker access to the Library's collection of 1,850 academic articles, 5,013 books, workshop and conference proceedings and 698 journals and newsletters. The document archiving system provided users from around the world with access through the website to over 5,000 documents in the six United Nations languages through multiple access points, such as keyword, agenda item, date of publication and symbol number. Some 600 general reference queries and 1,100 official document requests were processed. Additionally, volume 7 of the CD-ROM *Documenting Climate Change* was published, improving access to the documentation.

80. In the communications area, the UNFCCC website <unfccc.int> continues to serve as the main external portal for UNFCCC data, documents and information. From 1 January to 30 June 2006, there were approximately 1.9 million visits, with around 7.42 million pages and documents being viewed. During SB 24, the UNFCCC website attracted record numbers of viewers, with 430,000 visits.

81. Webcast services were provided for the proceedings of the subsidiary bodies: a total of nine days live and on-demand webcast of SB 24 and AWG 1, two days live and on-demand webcast of the Dialogue, six days live and on-demand webcast of two CDM Executive Board meetings and seven days live webcast of three JISC meetings.

82. Media access to the subsidiary bodies was facilitated and 36 press/media representatives were accredited to SB 24. Seventy-six interview requests were handled and an additional 13 interviews were organized for delegates. There were 218 requests for publications and information. Eight press releases and advisories were issued and four press conferences or briefings organized. Information Services programme staff gave 16 presentations on the climate change process and the work of the UNFCCC secretariat to the general public as a support to outreach in the host country, Germany.

3. Administrative Services programme

83. In the reporting period, the Administrative Services programme (AS) finalized the administrative arrangements necessary to ensure full implementation of the new secretariat structure as outlined in the programme budget for 2006–2007 (see document FCCC/SBI/2005/8). Transfer of staff to their new functional units, where necessary, was completed while ensuring minimal interruption of the work of technical programmes. In addition, secretariat policies on the distribution of responsibilities and the delegation of financial authority were put in place to reflect the new structure.

84. The programme continued to represent the secretariat's interests in the negotiations between heads of United Nations agencies in Bonn and the Government of Germany on the relocation of the secretariat to the new UN Campus. Following completion of the negotiations and the signing of the memorandum of understanding by the United Nations agencies and the Government of Germany, the UN Campus was inaugurated by the United Nations Secretary-General and the German Chancellor in July 2006. The secretariat is scheduled to move to the UN Campus in 2008 upon completion of refurbishment of the facilities foreseen as the new headquarters of UNFCCC. In the meantime, AS continued with arrangements to reconsolidate all secretariat staff within Haus Carstanjen, preparing to move 167 staff with their furniture, work stations and equipment, plus conference and meeting rooms, archives and IT support and server rooms. All costs arising from the interim move to Haus Carstanjen and the final move to the UN Campus are borne by the Government of Germany.

85. In line with initiatives taken by the United Nations, and in response to recommendations of the Office of Internal Oversight Services (OIOS), AS supported the secretariat in implementing a results-based approach to its programme budget. A special task force was established by EDM and AS which developed guidelines for staff and prepared workshops to be conducted by OIOS in the second half of 2006 to help establish a results-based budgeting framework for the secretariat. The work programme for the 2006–2007 biennium already reflects this new approach and work is under way to develop performance indicators for inclusion in the work planning, monitoring and reporting cycle, starting with the biennium 2008–2009.

86. With regard to the management of financial resources, the accounts for 2004–2005 were prepared and audited by the United Nations Board of Auditors in June 2006. The audited financial statements will be made available at the time of the second sessional period of 2006 (see documents FCCC/SBI/2006/14 and Add.1 and Add.2). The implementation of the current programme budget is being monitored closely by AS and regular reports are presented to management in order to facilitate optimal fund management at operational levels. Fund-raising activities were effectively supported. This is demonstrated by the significant amount of contributions made to the four trust funds as indicated earlier in this report.

87. In the area of recruitment, AS continued its efforts to ensure swift processing of vacancy announcements in order to fill vacant posts as quickly as possible. In the reporting period, 35 vacancy announcements were issued, out of which 20 had been filled by 30 June.

88. In terms of broader human resources management, AS has launched a review of the secretariat staff selection system with a view to enhancing the current framework where necessary. The review is to be concluded and recommendations implemented, where appropriate, by the end of 2006. The secretariat increased its efforts to support management in recruiting staff on as wide a geographical basis as possible and to attain a better gender balance. Efforts in this area are ongoing, with AS providing regular reports and recommendations to management to help improve the situation. AS has also organized an in-house training course to enhance the interviewing skills of its staff.

89. As for travel, arrangements were made for staff undertaking 189 missions, 507 participants and experts attending 37 workshops and 133 funded delegates to the twenty-third sessions of the subsidiary bodies. The programme issued 53 travel authorizations for consultants, candidates for interviews and travel of staff on appointments and home leave. In procurement, AS oversaw the administrative process for the tendering of the ITL, which, both in terms of dollar value and complexity of contractual arrangements, is the largest procurement package in the history of the secretariat. In addition, about 509 purchase orders and 23 contracts were concluded or initiated in the reporting period, amounting to an aggregate value of about USD 8.9 million.

IV. Human resources

A. Staff

90. The COP, by its decision 12/CP.11, approved the staffing table maintaining the same number of posts as in the previous biennium at 83 Professional (P) and 46.5 General Service (GS) posts. In addition, 92 posts were established under the Trust Fund for Supplementary Activities under the UNFCCC, the Bonn Fund and programme support costs (overheads). Following the reduction in real value of the originally proposed budget, five of the established positions under the core budget could not be funded and have been frozen. A comparison of the number of posts approved with the number filled by 30 June 2006 is given in table 11. “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 after going through the complete recruitment process, including review by the Review Board.

91. In addition to the 170.5 staff members appointed against established posts, five P and ten GS staff members had been hired under temporary assistance contracts as at 30 June, bringing the total number of staff to 185.5.

Table 11. Comparison of established posts and filled posts by source of funding, as at 30 June 2006

	Core		Supplementary		Bonn Fund		Overhead		Total	
	Approved	Filled	Approved	Filled	Approved	Filled	Approved	Filled	Approved	Filled
ASG	1								1	
D-2	4	2							4	2
D-1	6	6					1		7	6
P-5	10	7					1	1	11	8
P-4	22	19	5	3			3	2	30	24 ^a
P-3	30	23	16	8	1	1	6	6	53	38 ^b
P-2	10	8	6	3	1	1	3	2	20	14
P-1			1	1					1	1
Subtotal	83	65	28	15	2	2	14	11	127	93
GS	46.5	41.5	21	13	6	5	21	18	94.5	77.5
TOTAL^c	129.5	106.5	49	28	8	7	35	29	221.5	170.5

^a One post filled by a staff member at one level lower for administrative purposes only.

^b Two posts filled by staff members at one level lower, pending effective date for promotion.

^c The relatively high vacancy rate in core posts is due to the freezing of 5 positions.

92. Information on the geographical distribution of the staff appointed at the Professional level and above is provided in table 12 (a). Distribution between Annex I and non-Annex I countries and gender distribution among P staff is shown in table 12 (b).

Table 12 (a). Geographical distribution of staff members appointed at the Professional level and above, as at 30 June 2006

Grade	Geographical Distribution					Total
	Africa	Asia and the Pacific	Latin America and the Caribbean	Eastern Europe	Western Europe and Other	
ASG						
D-2		1			1	2
D-1		1	1	2	2	6
P-5	2	1	1	1	3	8
P-4	3	7	3	3	8	24
P-3	3	8	4	2	21	38
P-2	1	4	1	2	6	14
P-1					1	1
Total	9	22	10	10	42	93
Percentage of total	9.7	23.6	10.8	10.8	45.1	100

Table 12 (b). Distribution of staff members appointed at the Professional level and above, between Annex I and non-Annex I countries and by gender

Grade	Annex I	Non-Annex I	Male	Female
ASG				
D-2	1	1	2	
D-1	4	2	5	1
P-5	4	4	4	4
P-4	13	11	21	3
P-3	25	13	25	13
P-2	10	4	8	6
P-1	1		1	
Total	58	35	66	27
Percentage of total	62.4	37.6	70.9	29.1

B. Consultants and individual contractors

93. Between 1 January and 30 June 2006 a total of 71 individual consultants and contractors were hired. They provided a combined total of 77.3 working months at a total cost of USD 623,579 under all sources of funding. Table 13 provides information on how services were distributed among the various programmes.

Table 13. Services of individual consultants and contractors by programme, 1 January to 30 June 2006

Programme	Person-months	Cost (USD)
Executive Direction and Management	1.25	2 340
Cluster 1	35.90	401,583
Cluster 2	8.25	76 523
Cluster 3	31.90	143 133
Total	77.30	623 579

V. Funding of travel-related expenditures of members of constituted bodies

94. Following a recommendation by the CDM Executive Board, the COP/MOP, by its decision 7/CMP.1, paragraphs 17 and 18, requested the secretariat to make appropriate arrangements, effective 1 January 2006, to remunerate members and alternate members of the Executive Board through an increased daily subsistence allowance that is 40 per cent more than the standard rate, not to exceed USD 5,000 per year, bearing in mind that this is not so much an adequate compensation for their services as an acknowledgement of the substantial sacrifice of time and financial interest on their part. It also requested the secretariat to adjust UNFCCC practices so that the costs of travel and the daily subsistence allowance of all members and alternate members of the Executive Board would be covered from the part of the Trust Fund for Supplementary Activities dedicated to funding work on the clean development mechanism.

95. Based on this decision, the secretariat has made the necessary arrangements for members of the CDM Executive Board, as of 1 January 2006.

96. At its meeting in July 2006, the CDM Executive Board, "in the context of the CDM-MAP moving toward self-finance based on fees and shares of proceeds, as well as the substantially increased work-, and related travel-load of Board members and alternate members, agreed to request the secretariat,

that subject to the availability of resources, the travel of Board members and alternates henceforth, follow the same UN rules and regulations as those applied to UN staff' (Report of the twenty-fifth meeting of the CDM Executive Board, para. 117).

97. The secretariat complied with this request and accorded CDM Executive Board members and alternate members the same treatment as UNFCCC staff in terms of travel accommodation for their attendance at meetings of the Board, its panels and working groups. The SBI may wish to take note of the request of the CDM Executive Board and the action taken by the secretariat.

98. In the meantime, the Compliance Committee in its annual report (FCCC/KP/CMP/2006/6, to be made available at COP 12) recommended that in order for members and alternate members to maintain their independence, and to ensure that a quorum to adopt decisions is reached, all members and alternate members receive support for their travel-related expenses. It also recommended that when the duration of a journey to meetings of the Compliance Committee is 9 hours or longer, members and alternate members travel business class.

99. In view of the overall financial implications of such arrangements and the need for a consistent approach to constituted bodies, the SBI may wish to review this matter and provide guidance to the Executive Secretary in time for the preparation of the programme budget for 2008–2009. The secretariat has undertaken an initial analysis of such financial implications, which may be made available to the SBI for its deliberation at this session

VI. Social and environmental responsibilities

100. The secretariat is committed to upholding its social and environmental responsibilities. To this end, it has strengthened its Sustainable Office Committee, which is tasked with advising management on options to increase the sustainability of the secretariat's operations in relation to procurement and travel, power consumption, waste management and other relevant areas. The secretariat will continue to monitor its GHG emissions inventory. The preliminary inventory for the 2004–2005 biennium has been updated and can be found on the UNFCCC website.⁷ Information on emissions for the current year will be provided in the next performance report. In terms of its social responsibilities, the secretariat has continued to work towards improving the working environment and staff development opportunities in consultation with the staff association.

⁷ <http://unfccc.int/secretariat/environmental_responsibilities/items/3539.php>.

Annex

Projects and events funded from the Trust Fund for Supplementary Activities in the biennium 2006–2007

Project	Approved commitment (USD)
<p>Knowledge networking: building an integrated database for information exchange. This project began in March 2000. The objective is to organize, store, retrieve, and make available data, information and expertise of the secretariat to Parties and observer organizations. Documentation of all development systems as well as technical and end-user manuals have been prepared, and a UNFCCC Knowledge Systems Inventory and Projects matrix completed. A new means of effective data-sharing was identified and implemented with the United Nations Convention to Combat Desertification and the United Nations Convention on Biodiversity secretariats based on the concept of interoperability of remote systems. One post at P-2 level is funded from this project.</p>	152 500
<p>Website implementation focusing on the harmonization of web services and response to user needs. This project began in February 2003. The objective is to improve the delivery of content on the website. During the reporting period, a new e-mail newsletter was introduced; four thousand external users have requested to be added to the mailing list. Extranet services were harmonized and improved with the implementation of the CC:iNet service.</p>	43 158
<p>UNFCCC website: development of a Spanish portal. This project began in July 2003 to provide outreach to Spanish-speaking stakeholders in the process, mainly Parties, observers, the media and the general public. During the reporting period, press releases on the climate change process were regularly translated into Spanish and posted on the website.</p>	52 213
<p>Computer networking and data communication. This project began in September 2004 to support data communication and networking of specialized information systems and databases developed by programmes in the secretariat. The recruitment of an Associate Network Officer at P-2 level was initiated to carry out project activities.</p>	253 513
<p>Handbook on the United Nations Framework Convention on Climate Change. This project began in 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 published in 2006. Versions in other official languages of the United Nations are planned for 2006–2007.</p>	88 315
<p>Support for the UNFCCC technology information system (TT:CLEAR). This project began in 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 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 improvements.</p>	74 728

Project	Approved commitment (USD)
<p>Support for the implementation of the programme of work of the Expert Group on Technology Transfer (EGTT). This project began in September 2003 to facilitate the implementation of the programme of work of the EGTT with a view to recommending to the Subsidiary Body for Scientific and Technological Advice (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.</p>	228 878
<p>Work programme to assist the SBSTA in considering land use, land-use change and forestry (LULUCF) related issues. Activities under this project, that began in early 2004, include: reporting and reviewing LULUCF information under the Convention, including the development of the corresponding common reporting format; training of inventory experts to review LULUCF information considering the IPCC <i>Good Practice Guidance for Land Use, Land-Use Change and Forestry</i> for LULUCF issues relating to factoring out and to the future treatment of LULUCF activities within the Convention; and estimation, reporting and accounting of greenhouse gas (GHG) emissions and removals resulting from forest harvesting and wood products.</p>	111 099
<p>Support for the implementation of the Buenos Aires programme of work on adaptation and response measures (1/CP.10). This project aims to ensure the delivery of the substantial mandates requested of the secretariat in decision 1/CP.10. Activities began in late 2005 but most will be implemented in the biennium 2006–2007. They include the organization of three regional workshops and one Small Island Developing States (SIDS) expert meeting on adaptation as well as some initial activities from the SBSTA five-year programme of work on impacts, vulnerability and adaptation to climate change.</p>	506 526
<p>Facilitate the reduction of emissions from deforestation in developing countries. This project aims to provide opportunities for Parties to consider the varied and complex issues and drivers of deforestation and to initiate the consideration of effective potential approaches and actions to reduce deforestation in developing countries, mainly by supporting the organization of workshops mandated by Parties on this issue. The implementation of the project will also allow Parties and experts to discuss the complex scientific, technical and methodological issues surrounding this topic and to exchange information and experiences on policy approaches and identify positive incentives. Discussions at the workshops are likely to contribute to Parties' consideration of the necessary further process to address the issues over the next two years.</p>	50 000
<p>Inter-sessional workshop on the implementation of Article 3, paragraph 14, of the Kyoto Protocol (31/CMP.1). This workshop will contribute to the delivery of the mandate under decision 31/CMP.1, namely to develop reporting methodologies on ways to minimize adverse social, environmental and economic impacts on developing country Parties of the implementation of the policies and measures by Annex I Parties in achieving their commitments under Article 3, paragraph 14, of the Kyoto Protocol.</p>	70 000

Project	Approved commitment (USD)
<p>Building up of secretariat capacity for capacity-building. 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 activities as mandated in the frameworks annexed to decisions 2/CP.7 and 3/CP.7. Activities in 2006–2007 include preparing a report on steps to regularly monitor the capacity-building framework for developing countries (see document FCCC/SBI/2006/5), and a report on best practices and lessons learned in implementing capacity-building activities, as well as interaction with the Global Environment Facility (GEF) on performance indicators to be used in monitoring capacity-building. One secretarial post is funded from this project.</p>	100 279
<p>Support 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) from 2003–2007, including the facilitation of the use of UNFCCC Guidelines for the preparation of national communications. This project was 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 action 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 the regional hands-on training workshops of the CGE and the preparation of related technical papers and reports for consideration by the SBI. One secretarial post is funded from this project.</p>	395 191
<p>Development and maintenance of an information network clearing house to support the implementation of education and outreach activities by Parties. This project was initiated in July 2005 to facilitate the prompt start of the first development phase of the clearing house, as requested by the Parties at SBI 21 and contained in document FCCC/SBI/2004/14. The prototype model <www.unfccc.int/ccinet> was launched and presented to the Parties at SBI 23 in Montreal. The prototype will be developed further, based on continuous guidance from Parties, into a full-scale clearing house in a second phase (2007–2008) in order to add functionality and meet the needs of a broader user base. One general staff post is funded from this project.</p>	102 004
<p>Support to the Least Developed Countries Expert Group (LEG) for 2006–2007. The objective of this project is to implement the mandate of decision 4/CP.11 relating to activities of the LEG during the biennium 2006–2007. This includes providing effective support to the LEG in its advisory role to Parties that are least developed countries (LDCs) for the preparation of their national adaptation programme of actions (NAPAs) as well as on NAPA implementation strategy, and facilitating the LEG meetings (two per year) by performing logistical and substantive tasks. Regular interaction with the GEF and its implementing agencies on NAPA related activities would also be facilitated. One secretarial post (team assistant) is funded from this project.</p>	382 648

Project	Approved commitment (USD)
<p>Meeting of the Group of 77 and China (G77 and China) negotiators to prepare G77 and China submission on capacity-building. This project was carried out from 1 February to 1 July 2006. The objective was to support a workshop of G77 and China held from 20 to 22 March in Dar es Salaam, Tanzania, on their deliberations on steps to regularly monitor the capacity-building framework. This project funded the participation of 15 delegates from developing countries, and 2 staff members from the secretariat.</p>	85 000
<p>Workshop on the Adaptation Fund. This project was designed to implement decision 28/CMP.1, which requested the secretariat to organize a workshop to provide a forum for an exchange of information on guidance for the operation of the Adaptation Fund. The workshop on the Adaptation Fund was held in Edmonton, Canada, from 3 to 5 May 2006. A total of 37 participants (of which 22 were funded) representing 31 countries, together with representatives of several intergovernmental and non-governmental organizations, attended the workshop. Three consultants were hired; they prepared background papers and presentations to facilitate discussions at the workshop. A web page for the UNFCCC website was created in the workshop, where all the information relevant to the workshop is available.</p>	253 647
<p>Support for secretariat activities on Article 6 of the Convention: small island developing States (SIDS) workshop. This project began in January 2006 to support the organization of a SIDS workshop to address the particular needs of these countries in implementing the New Delhi work programme on Article 6 of the Convention. This workshop would be the last of a series of regional workshops facilitating discussions among experts to generate information and ideas on climate change education and outreach. The report of the workshop will be an important contribution to the review of the New Delhi work programme in 2007.</p>	70 593
<p>Support to the operations of the clean development mechanism (CDM). This project started at the beginning of 2002 with the objective of facilitating the implementation of the CDM. It is through this Kyoto mechanism that Annex I Parties that have ratified the Kyoto Protocol can use certified emission reductions (CERs), which are generated from CDM project activities, to meet their emission limitation and reduction commitments in a cost-effective manner. At the same time, the CDM assists developing countries in achieving sustainable development and in contributing to the ultimate objective of the Convention. The CDM Executive Board exercises supervisory/executive functions. It fulfills policy-related, procedural and important technical functions relating to project registration, approval of methodologies (including consolidation) and issuance of CERs as well as the accreditation of operational entities which validate projects and verify and certify CERs. For technical tasks, the Board can draw on panels, committees and working groups as appropriate. The UNFCCC secretariat, mandated to service the CDM Executive Board, supports the whole range of functions. It is expected that in the biennium 2006–2007 there will be a rapid increase in the outcomes generated by the project such as registered projects and that CERs will be issued and methodologies approved. The project is expected to be self-financing as early as 2008.</p>	5 603 211

Project	Approved commitment (USD)
<p>Activities relating to Article 6 of the Kyoto Protocol (joint implementation). This project began in March 2004 with the overall objective of undertaking work which promotes and facilitates the implementation of Article 6 of the Kyoto Protocol (joint implementation, or JI). Joint implementation is a Kyoto Protocol mechanism under which an Annex I Party (with a commitment inscribed in Annex B of the Kyoto Protocol) may implement an emission-reducing project or a project that enhances removals by sinks in the territory of another Annex I Party (with a commitment inscribed in Annex B of the Kyoto Protocol) and count the resulting emission reduction units (ERUs) towards meeting its own Kyoto target. An Annex I Party may also authorize legal entities to participate in JI projects. The Joint Implementation Supervisory Committee, under the authority and guidance of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol and the support of the UNFCCC secretariat, supervises the JI including the verification of ERUs. During the next biennium, a further strengthening and advancement of JI to an operational phase is expected.</p>	451 648
<p>Development of the transaction log and data exchange standards. This project began in January 2003. The objectives are: (a) to complete the technical specifications of the data exchange standards, in order to ensure consistent implementation of the standards in all registry systems; (b) to develop and establish the international transaction log, with a view to it becoming operational in April 2007; (c) and to facilitate cooperation among registry system administrators (RSAs), including through the RSA Forum, in order to promote consistency, accuracy, transparency and efficiency of registry system operations. The initial technical specifications of the data exchange standards have been completed.</p>	463 300
<p>Greenhouse gas emissions inventory database and software support for the greenhouse gas review process. This project began in November 2002 to provide continuous additional support for the development of the GHG database and software for the GHG inventory reporting and review processes, including development of the common reporting format software application (CRF Reporter) to be used by Annex I Parties; development of software tools to support the CRF related decisions taken by the Conference of the Parties as well as 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 secretariat website.</p>	573 006
<p>Development of the database system for the annual compilation and accounting of emissions inventories and assigned amounts under the Kyoto Protocol. This project began in February 2005 to develop the compilation and accounting (C&A) database to enable the accurate tracking, checking and storing of emissions and assigned amount units under the Kyoto Protocol. The database records, for each Annex 1 Party, all the information relevant for assessing compliance with Article 3, paragraph 1, of the Kyoto Protocol, including the Party's eligibility to participate in the Kyoto mechanisms. The database also allows for the submission, processing and maintenance of additional information required to track and assess compliance under the Kyoto Protocol and to prepare the annual compilation of the assigned amounts and emissions under the Kyoto Protocol.</p>	437 477

Project	Approved commitment (USD)
Activities to support the expert review process under the UNFCCC and the Kyoto Protocol: training for expert review teams and meetings of lead reviewers. This project began in January 2006. The objectives are to develop and implement a training programme for the review experts under the Kyoto Protocol; to continue to implement the training programme for the review experts under the Convention and to organize a training seminar; and to facilitate the review process and improve its efficiency and effectiveness by organizing a meeting of lead reviewers.	264 438
