



**UNITED  
NATIONS**



**Framework Convention  
on Climate Change**

Distr.  
GENERAL

FCCC/SBI/2007/19  
21 September 2007

Original: ENGLISH

**SUBSIDIARY BODY FOR IMPLEMENTATION**

Twenty-seventh session

Bali, 3–11 December 2007

**Item 15 (a) of the provisional agenda**

**Administrative, financial and institutional matters**

**Budget performance for the biennium 2006–2007**

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

**Note by the secretariat**

*Summary*

The budget performance for the first 18 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 expenditures and results achieved by 30 June 2007.

The secretariat is currently showing a budget implementation rate of 73 per cent, which is just below the ideal implementation rate of 75 per cent at this point in the biennium, while only 77 per cent of the total indicative contributions expected for the biennium had been received at the time of the report.

The Subsidiary Body for Implementation may wish to take note of the information presented, particularly the work achieved, the generous contributions made and the need for Parties to pay their contributions, 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 Conference of the Parties at its thirteenth session, and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its third session.

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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 (CMP), 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 CMP.

### B. Scope of the note

3. This document reports income, expenditure and programme delivery and performance under all sources of funds as at 30 June 2007. It should be read in conjunction with document FCCC/SBI/2007/INF.11, which updates the information on status of contributions as at 15 November 2007.

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

4. The SBI may wish to take note of the information presented, particularly the results achieved, the contributions made and the need for Parties to pay their contributions, 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 thirteenth session, and the CMP at its third 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 CMP, 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) <sup>a</sup>
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
<b>Total approved budget</b>	<b>26 873 070</b>	<b>26 628 513</b>	<b>53 501 583</b>	<b>40 286 693</b>

<sup>a</sup> The exchange rate used (USD 1 = EUR 0.753) 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
<b>Total expected income</b>	<b>26 873 070</b>	<b>26 628 513</b>	<b>53 501 583</b>	<b>40 286 693</b>

7. By 30 June 2007, USD 38.2 million or 77.3 per cent of the total indicative contribution expected for the biennium had been received; this includes USD 1.9 million received as advances in previous bienniums. 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 2007***(United States dollars)*

	2006–2007
Indicative contributions to the Convention	22 285 590
Indicative contributions to the Kyoto Protocol	14 036 668
Voluntary contribution from the Host Government	1 938 665
Contributions for previous years	1 850 708
Contributions for future years received in advance	181 889
Interest and miscellaneous income	273 709
<b>Total actual income</b>	<b>40 567 229</b>

8. Contributions from three of the top 10, or six of the top 20, contributors<sup>1</sup> to the Convention for 2007 had not been received by 30 June 2007. Of the 191 Parties to the Convention, 100 had not made their contributions for 2007. The status of outstanding contributions is shown in table 4.

<sup>1</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 2007**  
(United States dollars)

	<b>Number of Parties</b>	<b>Outstanding amount</b>
Outstanding since 1 January of:		
1996	14	8 430
1997	18	13 041
1998	19	6 701
1999	19	7 835
2000	21	8 855
2001	25	21 848
2002	27	32 514
2003	33	33 356
2004	43	92 165
2005	50	202 389
2006	68	565 982
2007	100	7 289 249
<b>Total</b>		<b>8 282 365</b>

9. Contributions from three of the top 10, or six of the top 20, contributors<sup>2</sup> to the Kyoto Protocol for 2007 had not been received by 30 June 2007 (see table 5). Of the 175 Parties to the Kyoto Protocol, 99 had not made their contributions for 2007.

**Table 5. Outstanding contributions to the Kyoto Protocol by year as at 30 June 2007**  
(United States dollars)

	<b>Number of Parties</b>	<b>Outstanding amount</b>
Outstanding since 1 January of:		
2005	46	158 497
2006	69	390 652
2007	99	2 990 662
<b>Total</b>		<b>3 539 811</b>

### 3. Expenditures

10. Expenditures as at 30 June 2007 amounted to USD 34.4 million excluding programme support costs or 73.2 per cent of the approved budget for programme activities for the year 2007.

#### *Expenditures by cluster*

11. Table 6 (a) provides a comparison of budget appropriation for the biennium 2006–2007 and expenditures for the first 18 months, by cluster. The secretariat is currently showing a budget implementation rate of 73 per cent, which is just below the ideal implementation rate of 75 per cent at this point in the biennium.

<sup>2</sup> 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.

**Table 6 (a). Expenditures by cluster as at 30 June 2007**

Programme	Approved budget for 2006–2007		Expenditures as at 30 June 2007		Expenditure as a percentage of budget	
	(USD)	(EUR)	(USD)	(EUR) <sup>a</sup>	(USD)	(EUR)
Executive Direction and Management	2 312 345	1 741 196	1 494 277	1 171 513	64.6	67.3
Cluster 1	14 226 734	10 712 730	9 690 829	7 597 610	68.1	70.9
Cluster 2	14 051 328	10 580 651	9 588 916	7 517 710	68.2	71.1
Cluster 3	16 450 414	12 387 162	13 636 596	10 691 091	82.9	86.3
<b>Totals</b>	<b>47 040 821</b>	<b>35 421 739</b>	<b>34 410 618</b>	<b>26 977 924</b>	<b>73.2</b>	<b>76.2</b>

<sup>a</sup> Based on the average exchange rate (USD 1 = EUR 0.784) between the United States dollar and the euro for the 18 months from January 2006 to June 2007.

12. Table 6 (b) shows expenditures divided into six categories. ‘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 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. During the 18-month period, the secretariat used consultants to bridge the recruitment period for approved posts, which is currently showing a post occupancy rate of 84 per cent. It is expected that expenditures on consultants will stabilize and staff costs will increase significantly as posts continue to be filled permanently. The costs for general operating expenses include the purchase of records management system licences and support services, which were originally planned for 2008 but were purchased this year as a result of the budget negotiations at the twenty-sixth session of the SBI in May 2007. The expenditure rate of grants and contributions is also slightly higher than the ideal percentage as it includes the obligation for premises management for the period 1 July 2007 to 31 December 2007 and the annual grant to the IPCC.

**Table 6 (b). Expenditures as at 30 June 2007**

Object of expenditure	Approved budget for 2006–2007 (USD)	Expenditures as at 30 June 2007 (USD)	Expenditure as a percentage of budget	Percentage of expenditures by object
Staff costs	32 696 202	21 764 849	66.6	63.3
Consultants	2 582 000	2 636 773	102.1	7.7
Travel of experts	2 888 900	1 940 842	67.2	5.6
Travel of staff	1 682 719	1 462 880	86.9	4.3
General operating expenses	4 271 000	4 051 014	94.8	11.8
Grants and contributions	2 920 000	2 554 260	87.5	7.4
<b>Total direct expenditures</b>	<b>47 040 821</b>	<b>34 410 618</b>	<b>73.2</b>	<b>100.0</b>

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

14. 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.<sup>3</sup>

### 1. Income

15. As at 30 June 2007, contributions received for this biennium amounted to USD 3.5 million and total expenditures amounted to USD 2.8 million. The excess income over expenditure, including the carry-over balance from the previous financial period and accrued interest, amounted to USD 2.2 million. After blocking the required amount (10 per cent of expenditures incurred in 2006) as operating cash reserve, this amount, together with any further contributions received to the trust fund, will be used to cover the participation of eligible Parties to the forthcoming first part of the fourth session of the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG) and the fourth workshop under the dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention (the Dialogue), and to COP 13 and CMP 3.

### 2. Expenditure

16. In May 2006, 121 participants were provided with financial assistance to attend the twenty-fourth sessions of the SBI and the Subsidiary Body for Scientific and Technological Advice (SBSTA) and AWG 1 and the first workshop under the Dialogue, at a cost of USD 654,589, and in November of the same year, a further 180 participants were funded to attend COP 12, CMP 2, the concurrent sessions of the subsidiary bodies (SBI 25, SBSTA 25 and AWG 2) and the second workshop under the Dialogue, at a cost of USD 986,748. In May 2007, 125 participants were provided with financial assistance to attend the sessions of the subsidiary bodies (SBI 26, SBSTA 26 and AWG 3) and the third workshop under the Dialogue, at a cost of USD 719,664. Travel costs for Bureau members amounted to USD 36,880. A further amount of USD 90,597 has been used to cover expenditures relating to meetings from previous years, as well as operating costs arising from travel booked through local United Nations Development Programme (UNDP) offices.

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

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<sup>3</sup> The SBI, at its twenty-sixth session, requested the secretariat to discontinue the practice of not supporting Parties that have not paid their contributions to the core budget for two years or more (FCCC/SBI/2007/L.5).

**Table 7. Status of the Trust Fund for Participation in the UNFCCC Process  
as at 30 June 2007**  
(United States dollars)

<b>Income</b>	
Brought forward from 2004–2005	1 097 192
Savings on prior period obligations	203 218
Contributions received in 2006–2007	3 516 231
Interest	157 164
Miscellaneous income	18 366
<b>Total income</b>	<b>4 992 171</b>
<b>Expenditure</b>	
Travel of Bureau members	36 881
Travel of 121 participants to SBI 24, SBSTA 24, AWG 1 and the first workshop under the Dialogue in Bonn, May 2006	654 589
Travel of 180 participants to COP 12, CMP 2, SBI 25, SBSTA 25, AWG 2 and the second workshop under the Dialogue in Nairobi, November 2006	986 748
Travel of 125 participants to SBI 26, SBSTA 26, AWG 3 and the third workshop under the Dialogue in Bonn, May 2007	719 664
Previous meetings and other operating expenses	90 597
<b>Total direct expenditures</b>	<b>2 488 479</b>
Programme support costs	323 617
<b>Total expenditures</b>	<b>2 812 096</b>
<b>Balance</b>	<b>2 180 075</b>

*Abbreviations:* SBI = Subsidiary Body for Implementation, SBSTA = Subsidiary Body for Scientific and Technological Advice, AWG = Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol, COP = Conference of the Parties, CMP = Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, the Dialogue = the dialogue on long-term cooperative action to address climate change by enhancing the implementation of the Convention.

### 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, enabling the secretariat to implement more effectively the work programme for this biennium. Voluntary contributions and fees for the clean development mechanism (CDM), joint implementation (JI) and the international transaction log (ITL) are currently paid into the trust fund.

#### 1. Income

19. Voluntary contributions amounting to USD 17.7 million were received in the first 18 months of the current biennium. In addition, USD 25.99 million received in CDM income and USD 359,453 in JI income have been paid into the trust fund. Taking into account the carry-over balance from 2004–2005, interest and miscellaneous income, and savings on prior period obligations, income to the trust fund currently stands at USD 59.55 million.

#### 2. Expenditures and commitments

20. The secretariat has spent a total of USD 19.5 million on 29 projects that have been active in the current biennium. After taking out USD 26.1 million to be used by the CDM and JI projects in the next biennium, the balance will be used to finance projects that have activities running through to the end of 2007, or to new projects that are subsequently approved for funding during the latter part of this biennium, which will utilize further the funds currently available.



21. The annex to this document provides a full list of projects and events funded from the Trust Fund for Supplementary Activities in the first 18 months of the biennium 2006–2007, which, as requested by Parties during COP 12,<sup>4</sup> includes a more detailed overview of the status of income received and expenditures incurred for each activity covered by supplementary funds. These projects relate to supplementary activities for which resource requirements were identified in the programme budget for this biennium,<sup>5</sup> plus others that have since been mandated. The income reflected against each project includes funds carried over from 2004–2005, reallocation of funds from projects with similar activities that are now closed, and voluntary contributions received in this biennium. Expenditures also include all funds that have been obligated but not yet spent.

22. Table 8 provides information on income received and expenditures incurred under the Trust Fund for Supplementary Activities during the 18-month reporting period, which includes fee-based income that is being set aside until such time as the CDM and JI projects become self-financing.

**Table 8. Status of the Trust Fund for Supplementary Activities as at 30 June 2007**  
(United States dollars)

<b>Income</b>	
Brought forward from 2004–2005	13 177 560
Savings on prior period obligations	140 382
Voluntary contributions	17 666 669
CDM income	25 992 368
JI income	359 453
Interest	1 962 626
Miscellaneous income	253 564
<b>Total income</b>	<b>59 552 622</b>
<b>Expenditures</b>	
Actual expenditures	17 296 145
Programme support costs	2 231 570
Less: Total expenditures	19 527 715
<b>Fees set-aside</b>	
CDM fees	25 755 011
JI fees	359 453
Less: Total fees set-aside	26 111 464
<b>Balance</b>	<b>13 913 443</b>

*Abbreviations:* CDM = clean development mechanism, JI = joint implementation.

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

23. 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 1.8 million (equivalent to 3.5 million German marks). By 30 June, the contribution for 2007 had been received in its entirety. Table 9 shows income and expenditure under the Bonn Fund in 2006–2007 as at 30 June 2007. As in previous years, this fund was used to cover the costs of organizing the twenty-fourth and twenty-sixth sessions of the SBI and the SBSTA and facilitating the appropriate flow of information. It also enabled the organization of AWG 1 and AWG 3, the first and third workshops under the Dialogue and a press conference held in Bonn on the eve of COP 12 and CMP 2. It is intended to offset the operating expenses of the first three

<sup>4</sup> Decision 8/CP.12, paragraph 8.

<sup>5</sup> FCCC/SBI/2005/8/Add.2 and decisions 12/CP.11 and 34/CMP.1.

plenary meetings of the Compliance Committee and its first branch meeting, and the running costs of mobile information technology for sessions, from the funds available by the end of the biennium.

**Table 9. Status of the Bonn Fund as at 30 June 2007**  
(United States dollars)

<b>Income</b>	
Contributions <sup>a</sup>	4 579 621
Interest and miscellaneous income	66 040
<b>Total income</b>	<b>4 645 661</b>
<b>Expenditure</b>	
<b>Conference support</b>	
Conference facilities	2 102 294
Staff	785 799
<b>Subtotal</b>	<b>2 888 093</b>
<b>Conference information support</b>	
Computers and networking	533 562
Staff	119 061
<b>Subtotal</b>	<b>652 623</b>
<b>Travel for participation in workshops in Bonn</b>	<b>0</b>
<b>Programme support costs</b>	<b>458 993</b>
<b>Total expenditures</b>	<b>3 999 709</b>
Prior period adjustments	13 039
Less: Working capital reserve	300 000
Less: Refund to donor	8 375
<b>Balance</b>	<b>350 616</b>

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

#### **E. Programme support costs**

24. 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 (AS) programme. Central services such as audit, payroll, investment and treasury services are provided by the United Nations on a reimbursable basis.

25. The AS programme is responsible for all matters concerning human resources, procurement, travel of staff and delegates, budget, finance and administrative policies and guidelines for the whole secretariat. This work is currently carried out by 32 staff who are supported by staff hired under temporary assistance and a few contractors pending the filling of vacant positions. The funding of AS staff and their work is derived solely from the 13 per cent overhead charges; AS does not have access to funds under the core budget or any of the other trust funds (see also para. 89–96 below).

26. Table 10 shows the status of the programme support costs for the first 18 months of the biennium 2006–2007. As at 30 June 2007 the income amounted to USD 7.7 million. In the same period USD 4.8 million 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 2007, will be charged and paid during the second half of the year. The fund balance as at 30 June 2007 amounted to USD 4.8 million.

**Table 10. Status of programme support costs as at 30 June 2007**  
(United States dollars)

<b>Object of expenditure</b>	
<b>Income</b>	
Carry-over from 2004–2005	2 279 535
Programme support costs income from trust funds	7 400 109
Interest and miscellaneous income	333 767
<b>Total income</b>	<b>10 013 411</b>
<b>Total secretariat costs</b>	
Secretariat staff costs	4 641 247
Secretariat non-staff costs	168 748
<b>Total secretariat costs</b>	<b>4 809 995</b>
Services rendered by the United Nations	377 565
<b>Total expenditures</b>	<b>5 187 560</b>
Savings from prior periods	6 540
<b>Balance</b>	<b>4 832 391</b>

### III. Programme delivery

27. The programme delivery is based on the work programme for the biennium 2006–2007, which stipulates mandates, objectives, expected results and planned major activities of each programme, and mandates given to the secretariat after the presentation of the work programme. This section should therefore be read in conjunction with document FCCC/SBI/2005/INF.6 containing the work programme.

28. The structure of the secretariat was fine-tuned at the end of 2006;<sup>6</sup> this programme delivery report reflects the current programme structure. The report provides a brief overview of each programme's responsibilities, indicates whether the expected results of the biennial work programme are being achieved and summarizes the activities that have contributed to the secretariat's achievements.

#### A. Executive Direction and Management

29. The Executive Direction and Management programme (EDM) ensures overall coherence of the secretariat and its responsiveness to the needs of the Convention and Kyoto Protocol bodies. It provides leadership and strategic direction for the secretariat and furthers the secretariat-wide objectives.

30. The Executive Secretary, and before his appointment the Officer-in-Charge, provided management and coordination of the activities of the secretariat. The secretariat structure was adjusted at the end of 2006 in the light of experience to ensure effective leadership. The role of the management team was enhanced and a special management retreat organized to ensure coherence in all activities across the secretariat and close collaboration between programmes. Many of the substantive activities of the secretariat benefit from involvement of all programmes concerned. Examples include the work on adaptation, including the launch of the Nairobi work programme on impacts, vulnerability and adaptation to climate change, and the project on investment flows and finance schemes relevant to the development of an effective and appropriate international response to climate change, with particular reference to the needs of developing countries, where several programmes collaborated closely to ensure success.

31. The Executive Secretary coordinated the preparation of a comprehensive budget proposal for 2008–2009 that identified resource requirements for the core and supplementary activities, including those funded from fee-based income, to support a work programme that clearly links mandates to

<sup>6</sup> The proposed programme budget for the biennium 2008–2009 as contained in document FCCC/SBI/2007/8 provides a summary of the adjustments made to the secretariat's structure (paras. 19–22).

objectives and expected results with secretariat-wide performance indicators, further expanding the secretariat's use of results-based budgeting from the current biennium.

32. Effective coordination ensured that the execution of the programme budget for the biennium 2006–2007 was properly monitored, which resulted in a nearly ideal budget implementation rate.<sup>7</sup> The Executive Secretary instituted monthly bilateral meetings with directors and programme coordinators to monitor programme delivery and to enhance performance. Effective coordination also ensured that supplementary funds were managed and used effectively. Fund-raising efforts have resulted in increased contributions for supplementary activities<sup>8</sup> and for supporting participation by eligible Parties.<sup>9</sup>

33. Convention and Kyoto Protocol bodies and their officers received advice and were made aware of emerging and key policy issues. Follow-up to the decisions taken at COP 11 and CMP 1 included, in particular, putting in place support for the newly established AWG and the Dialogue. COP 12, CMP 2, three sessions of the SBI and the SBSTA, the first three sessions of the AWG, the first three workshops under the Dialogue, and several Bureau meetings were prepared and held, and follow-up to requests to the secretariat was initiated. The adoption of the Nairobi work programme and other decisions responding to the needs of Parties, and particularly of Parties in Africa, was a considerable achievement.

34. EDM placed high priority on keeping in close contact with Parties from all regions, as well as with the Host Government of the secretariat. Demand from the media for information, in particular relating to progress of the CDM and progress in developing a framework for post-2012 cooperation, has continuously increased. The Executive Secretary has responded to this demand by providing information about the UNFCCC process, enhancing its public profile.

35. The Executive Secretary has established close contact with the Secretary-General of the United Nations, who has made climate change one of his priorities. The secretariat has been supporting the initiatives taken by the Secretary-General, including the preparation for a high-level event at the time of the opening of the General Assembly.

36. As a matter of priority, the Executive Secretary has enhanced contacts with other organizations by building on existing partnerships and establishing new links. Emphasis has been placed on expanding institutional outreach to other bodies within the United Nations system, in particular those that are in a position to support the implementation of climate change policies at national and international levels. One example of such a collaborative effort is the Nairobi Framework launched in November 2006 as a collaborative effort with several agencies (UNDP), the United Nations Environment Programme (UNEP), the World Bank and the African Development Bank to build capacity in those developing countries that are not yet able to access the CDM.

## **B. Office of the Deputy Executive Secretary**

37. The Office of the Deputy Executive Secretary (ODES) supports the COP and CMP President and Bureau, plans and directs the secretariat-wide support to the intergovernmental process, and coordinates the service programmes (AS, Conference Affairs Services and Information Services). The programme mobilizes support from the United Nations and various international agencies to support the UNFCCC process.

38. The Presidents and Bureaux of COP 11 and CMP 1 and COP 12 and CMP 2, as well as the President designate of COP 13 and CMP 3, received full substantive and organizational support in their preparations for the sessions of the COP and the CMP. During the sessions held in Nairobi, the Deputy Executive Secretary (DES) and his staff assisted the President in his efforts to make the negotiations a success.

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<sup>7</sup> See paragraph 11.

<sup>8</sup> See chapter II.C for details.

<sup>9</sup> See chapter II.B for details.

39. Sessional and intersessional activities have expanded considerably since COP 11 and CMP 1. In this dynamic environment, the DES assisted the Executive Secretary in the management and institutional development of the secretariat including by leading senior management groups, monitoring programme delivery and budget performance for the current biennium, and preparing the proposed work programme and programme budget for the 2008–2009 biennium. The DES acted as Officer-in-Charge of the secretariat until the Executive Secretary's entry on duty in September 2006.

40. ODES took the lead in enhancing the secretariat's capacity to provide information, administration and conference support so that levels of service to Parties and the secretariat could be maintained and strengthened. It oversaw the introduction of a records management programme and supporting system to enable the secretariat to handle information that is critical to an increasingly complex negotiation and implementation process in a reliable and safe way.

41. Launching his initiative on climate change, the Secretary-General called upon the UNFCCC secretariat to assist him and his Special Envoys in consulting with leaders worldwide and preparing for the high-level event scheduled for 24 September 2007. The DES has been leading the Climate Change Team of senior representatives of UNEP, UNDP and the United Nations Department of Economic and Social Affairs, who assist the Secretary-General and his Special Envoys in preparing the event.

### **C. Reporting, Data and Analysis**

42. The Reporting, Data and Analysis programme (RDA) supports the intergovernmental process on matters relating to national communications and greenhouse gas (GHG) inventories from Parties included in Annex I to the Convention (Annex I Parties) including their reviews, assigned amounts, registry systems, policy instruments and emissions trading. The programme is also responsible for coordinating support to the SBI and it contributed to the effective and efficient functioning of the SBI during the reporting period.

43. RDA coordinated in-depth reviews of the fourth national communications from Annex I Parties by conducting the centralized review of the first 16 communications. A synthesis of the information from the national communications is under preparation for consideration by the COP at its thirteenth session and the CMP at its third session. The programme ensured continuity of the inventory review process under the Convention, which aims to improve the reliability of the GHG emissions inventories submitted by Annex I Parties. It assisted the review teams in their effort to have a consistent and thorough review of the submitted GHG inventories through training of experts and organizing a meeting of the lead reviewers.

44. Significant progress was made in the training of experts involved in the review of GHG inventories. The training courses for reviews under the Convention were held online in May and June 2006 and a seminar was organized in June 2006 that concluded with an examination for the newly-trained review experts. A separate online training programme on national systems, adjustments and modalities for accounting of the assigned amount under the Kyoto Protocol was developed and made available to experts in 2006. More than 150 experienced and newly-trained experts took part in this programme and passed the online examinations. This has ensured that the review experts are well prepared for the challenges of the Kyoto Protocol reviews and for the continuing reviews under the Convention.

45. RDA continued to develop and improve the systems of Annex I Parties for reporting GHG inventory data and the secretariat's systems for collecting, processing and disseminating such data. This included the improvement of the common reporting format (CRF) reporting software and the facilitation of the timely publication of the inventory review tools and documents with information on GHG emission trends. RDA further developed the GHG data interface, which contains up-to-date GHG emission data for both Annex I Parties and Parties not included in Annex I to the Convention (non-Annex I Parties).

46. As a result of the activities referred to in paragraphs 43–45 above, Parties can assess progress in implementing the Convention and its Kyoto Protocol with regard to policy instruments and GHG emissions. Parties were enabled to improve the quality of national communications and inventory data and made use of the information provided by the secretariat to advance the international response to climate change, including at the AWG.

47. A new area of activities in 2007 where significant progress was made is in coordinating the initial reviews under the Kyoto Protocol. As at June 2007, 30 in-country reviews had been conducted and six more planned to be carried out by the end of 2007. This involved more than 150 experts nominated by their governments. Most of the review reports are expected to be published by the end of 2007 and emission and assigned amount data that have been comprehensively reviewed and accurately recorded in the compilation and accounting database (CAD) will be forwarded to the Compliance Committee together with the reports. Parties that meet the eligibility criteria are expected to be able to initiate their participation in the mechanisms under the Kyoto Protocol thereafter.

48. Considerable progress was made in the preparation and implementation of the key systems for the implementation of the Kyoto Protocol, including the ITL and the CAD. RDA proceeded with the development of the ITL and CAD, based on clearly defined technical standards and specifications and agreed timelines. The work is now close to completion. The CAD was released for testing in June 2007 and will be fully operational at the end of 2007. To facilitate the ITL preparation and registry systems operations RDA organized five meetings of the Registry System Administrators (RSA) Forum. These meetings set the direction for the ongoing cooperative activities among RSAs and are aimed at promoting consistency, transparency and efficiency of registry system operations. Five registries have completed their initialization with the ITL and, following testing for user acceptance, the ITL is expected to 'go live' by December 2007. RDA has ensured through, inter alia, the RSA, ITL and national registry systems, that emissions trading will be facilitated at national, regional and international levels and will be consistent with the registry systems and modalities for the accounting of assigned amounts under the Kyoto Protocol. It has also ensured that the validation of transactions by the ITL will be in conformity with the rules adopted by the CMP. RDA completed the CRF tables for reporting on land use, land-use change and forestry activities under the Kyoto Protocol, which are now used by Parties on a voluntary basis.

#### **D. Financial and Technical Support**

49. The Financial and Technical Support programme (FTS) provides support to Parties, especially non-Annex I Parties, in the implementation of the Convention and the Protocol in the following key areas: funding under the Convention and the Protocol; national communications; national adaptation programmes of action (NAPAs); capacity-building; and education, training and public awareness.

50. FTS has continued to support Parties in negotiating issues relating to the improvement of financial cooperation under the Convention. The programme's support resulted in, inter alia, guidance to the Global Environment Facility (GEF) and progress relating to the Special Climate Change Fund (SCCF), the Adaptation Fund and the Least Developed Countries Fund (LDCF). The COP, at its twelfth session, provided guidance that will allow the SCCF to be fully operationalized. A timeline and basis for reviewing the progress of the LDCF was agreed upon. The third review of the financial mechanism was concluded and a fourth review launched. Through continuous liaison and coordination of work with the GEF secretariat, the programme has followed up on the status of climate change activities under the GEF trust fund and the status of the implementation of the SCCF and the LDCF. In providing support to negotiations on the Adaptation Fund the programme has liaised with various stakeholders and prepared four official documents. Parties made progress towards the operationalization of the Adaptation Fund, including agreeing on principles, modalities and key governance elements and making provisions for addressing eligibility criteria, priority areas and monetization of the share of proceeds of certified emission reductions (CERs) from CDM project activities for covering the costs of adaptation.

51. FTS is leading a project to review and analyse existing and planned investment flows and finance schemes relevant to the development of an effective and appropriate international response to climate change. The secretariat has collaborated with international financial institutions, United Nations agencies and many other relevant stakeholders, including the private sector. FTS will prepare papers to inform Parties at COP 13 and at the fourth workshop under the Dialogue on the outcome of the analysis undertaken.

52. FTS continued to support the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (CGE) in delivering the activities outlined in its work programme 2002–2007 and in ensuring that non-Annex I Parties have the necessary training and tools for preparing initial and subsequent national communications. By the end of 2007, it is expected that the CGE will have successfully implemented all of the activities contained in its work programme. In the reporting period the programme organized three meetings of the CGE and prepared six documents to facilitate discussions of the group. FTS assisted the CGE in undertaking its stocktaking exercise and supported the preparation of a template to assist non-Annex I Parties in their reporting of information on: research and systematic observation; technology transfer; capacity-building; education, training and public awareness; and information and networking. The programme supported the CGE in conducting two training workshops: one on vulnerability and adaptation assessments for the Latin America and the Caribbean region and one on national GHG inventories for the Asia and the Pacific region, and a scoping meeting for sustainable national GHG inventory management systems in South-East Asia.

53. FTS assisted the Least Developed Countries Expert Group (LEG) in implementing its work programme 2006–2007 and in providing support for the implementation of the least developed countries (LDC) work programme. During the reporting period 18 LDCs submitted their draft NAPAs to the LEG for guidance and technical advice on matters such as implementation strategies. The LEG provided this guidance and technical advice and 14 LDCs submitted their completed NAPAs to the secretariat during the period. FTS has contributed to the United Nations Institute for Training and Research training initiatives on NAPAs.

54. The programme supported the intergovernmental process on matters relating to capacity-building under the Convention and its Kyoto Protocol. It prepared progress reports for consideration by the COP on the implementation of capacity-building activities and on the work by the GEF on the development of performance indicators for capacity-building. The reports showed the diversity of capacity-building opportunities and programmes available to developing countries, including training workshops organized by the expert groups established under the Convention as well as tools and resources to support assessments and adaptation planning provided by the groups. The programme assisted Parties in reaching agreement on steps to be taken to monitor and evaluate capacity-building in developing countries, including through the preparation of a background paper. FTS helped to design the Nairobi Framework, launched at CMP 2 for capacity-building for the CDM.

55. The programme has enhanced and promoted the prototype information network clearing house (CC:iNet).<sup>10</sup> CC:iNet provides Parties and partner organizations with information on needs relating to education, training, public awareness and participation, and ways to meet them. Through cooperation with other organizations, UNEP has developed a handbook on raising awareness of climate change for government focal points, and FTS has consolidated a network of national contact points for activities under Article 6 of the Convention. The programme has made preparations for a regional workshop on the implementation of Article 6 of the Convention, which is scheduled to be held in July 2007. It is designed to provide a platform for Pacific and Caribbean small island developing States to exchange experiences in this area of the Convention.

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<sup>10</sup> An evaluation report of CC:iNet will be considered by the SBI at its twenty-seventh session.

## E. Adaptation, Technology and Science

56. The Adaptation, Technology and Science programme (ATS) supports Parties in developing adaptation strategies and actions to meet their specific needs and concerns relating to adaptation to the adverse effects of climate change and to the impacts of the implementation of response measures. ATS further supports the UNFCCC process in enhancing the development and transfer of technologies and improving the methodological and scientific bases for international climate policy and action by Parties, including actions to reduce emissions from deforestation in developing countries. The programme is responsible for coordinating support for the SBSTA; it contributed to the effective and efficient functioning of the SBSTA during the reporting period.

57. The implementation of the Buenos Aires programme of work on adaptation and response measures (decision 1/CP.10) has advanced significantly through the organization of a series of regional adaptation workshops, in which about 70 per cent of all developing countries Parties participated.<sup>11</sup> The workshops identified appropriate action to address the adaptation needs and concerns relating to adverse effects of climate change, and Parties agreed to further consider these actions under the SBI.

58. Parties were also supported in identifying tools and methodologies to address the impacts of climate change from a scientific and technological point of view. Parties adopted the Nairobi work programme at COP 11 and subsequently defined the initial activities to be carried out up to mid-2008. The implementation of the Nairobi work programme is progressing, including through the organization of the mandated workshop on climate related risks and extreme events, and the preparation of the workshop on adaptation planning and practices. ATS has also engaged 75 organizations with nominated focal points to assist in the implementation of the Nairobi work programme.

59. Possible actions to address the impacts of the implementation of response measures through economic diversification were identified at a pre-session expert meeting.<sup>12</sup> Progress was made at a workshop in addressing methodological approaches for reporting on ways to minimize the adverse social, environmental and economic impacts on developing country Parties of the implementation by Annex I Parties of policies and measures necessary to fulfil commitments under the Kyoto Protocol.<sup>13</sup>

60. The programme continued to provide support to Parties and the Expert Group on Technology Transfer (EGTT) in stimulating the development and transfer of technologies, with the active involvement of the public and private sectors. To this aim, it helped the EGTT to prepare its recommendations for enhancing the implementation of the technology transfer framework that were endorsed by the SBSTA at its twenty-fourth session.<sup>14</sup> The programme helped the EGTT to implement its work programme for 2006 and 2007, including helping to organize its meetings and prepare its annual report and papers to stimulate discussions within the group.

61. ATS prepared, published and disseminated a guidebook to assist project developers in developing countries to prepare technology transfer projects that will meet the standards of international financial providers. It supported two training sessions on the use of the guidebook. It also published a brochure on the five years of work carried out by the EGTT. Two other brochures prepared by ATS contain updated information on applications of technologies for adaptation to climate change and on innovative options for financing the development and transfer of technologies. The programme continued to provide Parties with access to information on technology matters through its technology information clearing house TT:CLEAR and its networking with national and regional technology information centres. The programme prepared a first synthesis report of technology needs identified by

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<sup>11</sup> FCCC/SBI/2007/14.

<sup>12</sup> FCCC/SBI/2006/18.

<sup>13</sup> FCCC/SBI/2006/27.

<sup>14</sup> FCCC/SBSTA/2006/5, paragraph 21.



non-Annex I Parties in 23 technology needs assessments (TNAs) and 25 initial national communications, and organized a workshop on sharing best practices with regard to conducting TNAs.

62. ATS supported the work of Parties on a range of issues relating to mitigation, methodological matters and science. The work of the programme resulted in improved understanding among Parties of the issues associated with reducing emissions from deforestation in developing countries, for which two workshops were organized, and in the adoption of decision 8/CMP.2 relating to a specific request by the Government of Italy on a new value for its forest management cap. The programme also supported, through the organization of four in-session workshops, the continuation of the exchange of information and the sharing of experiences and views on practical opportunities and solutions on the scientific, technical and socio-economic aspects of mitigation. It contributed to the enhancement of communication between the SBSTA and the climate change research community and the strengthening of systematic observation through the efforts of Parties and organizations.

63. The programme regularly liaised with other conventions, organizations and United Nations bodies (including the Food and Agriculture Organization of the United Nations; the IPCC; the World Meteorological Organization; UNEP; the International Civil Aviation Organization; the International Maritime Organization; the Convention on Biodiversity; the United Nations Convention to Combat Desertification; and the United Nations International Strategy for Disaster Reduction) and thereby ensured that Parties were kept informed of relevant developments and facilitated consideration of relevant information from other processes.

64. The programme supported the three workshops under the Dialogue by preparing background papers, supporting the co-facilitators of the Dialogue and assisting in organizational matters. During the workshops, Parties engaged in an open exchange of views on concrete action for sustainable development, adaptation, technology and market-based approaches.

#### **F. Sustainable Development Mechanisms**

65. The Sustainable Development Mechanisms (SDM) programme provides support to the bodies constituted to supervise the implementation of the project-based mechanisms under the Kyoto Protocol, notably the Executive Board of the CDM and the Joint Implementation Supervisory Committee (JISC). The programme undertakes capacity-building activities to support the implementation and enhancement of the mechanisms.

66. The CDM has been fully operational since early 2006 and the demand for services has accelerated since CMP 1 and CMP 2. Based on the CDM management plans for 2006 and 2007, SDM provided support to 45 meetings of the Executive Board, its panels and working groups and established a Registration and Issuance Team (RIT), which facilitated the streamlining of procedures relating to requests for registration of CDM project activities and the issuance of CERs. The number of CDM project activities registered has risen to 718 and the issuance of CERs has reached a total of 62.4 million. The programme supported the Executive Board in accrediting and provisionally designating eight operational entities for validation functions and five for verification functions. SDM contributed to an accelerated consideration of proposed baseline and monitoring methodologies and facilitated the consolidation and broadening of their applicability. Ninety-seven approved and consolidated methodologies are now available in a wide range of sectors for both large- and small-scale project activities. The programme organized two coordination workshops for the Executive Board and experts to promote common understanding and consistency of approach on the most critical CDM issues.

67. SDM enhanced the exchange of information and views on CDM by organizing the first two meetings of the Designated National Authorities and by developing the CDM Bazaar and the Catalogue of Decisions, which will be launched in the next few months. The interaction with Parties and stakeholders was further promoted by organizing question-and-answer sessions in conjunction with each Executive Board meeting and at the twenty-fourth and twenty-fifth sessions of the subsidiary bodies, as

well as by maintaining, updating and improving the UNFCCC CDM website, which is used by 11,300 named users and a similar number of anonymous users each month, while 9,500 subscribers to the CDM news facility regularly received the latest information on the CDM.

68. Work on JI has progressed considerably in the reporting period with the first seven meetings of the JISC taking place. As a result of these meetings and the support of the programme, the JISC has developed its own management plans, the project design document for JI projects and the modalities and rules of procedure of the JISC, and officially launched the verification procedure under the JISC in October 2006. The programme facilitated the establishment and the work of the Accreditation Panel of the JISC, which met six times and considered the requests of applicant independent entities for accreditation by the JISC. The programme prepared side events and question-and-answer sessions on JI during the last three sessions of the subsidiary bodies and established a website that includes webcasts from JISC meetings and information on JI projects. SDM enhanced the exchange of information and views on JI by the organization of two technical workshops, which have been attended by members of the JISC and its Accreditation Panel, Designated Focal Points, representatives of independent entities and stakeholders.

69. The programme continues to support the activities implemented jointly under the pilot phase (AIJ) mechanism as needed. Many AIJ projects are still operational in many countries in various sectors, such as the renewable energy, energy efficiency, forest preservation, reforestation and restoration sectors. Therefore, some Parties are interested in continuing AIJ under the pilot phase and having the COP review its progress.

70. Key managerial challenges for SDM 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 the JISC. During the reporting period the programme recruited 49 staff members, including 29 at the Professional level (of which 52 per cent are from non-Annex I Parties and 31 per cent are women). It processed 94 contracts for 60 consultants, 190 contracts for 81 desk reviewers, 34 contracts for members of the RIT and 28 contracts for Assessment Team Members and Case Leaders. The programme secured sufficient supplementary financial resources for the work of the CDM in 2006 and part of 2007. It is expected that the CDM will be fully financed from the share of proceeds. In the case of JI, even though significant resources (USD 1.6 million) could be mobilized, more resources will be required in order to avoid delays in further implementation.

### **G. Legal Affairs**

71. The Legal Affairs programme (LA) provides advice to Parties, the Presidents and Bureaux of the COP and the CMP, and the secretariat in order to promote the implementation of the Convention and its Kyoto Protocol and conduct the associated intergovernmental processes and operations of the secretariat in a manner that is legally, procedurally and institutionally sound. It supports intergovernmental negotiations regarding compliance under the Kyoto Protocol, and provides support to the Compliance Committee to enable it to fulfil its mandate.

72. In the reporting period the President, the Bureau, Parties, observers and the secretariat regularly sought and received advice from LA on various legal, procedural and institutional issues concerning the implementation of the Convention and its Kyoto Protocol. The advice assisted Parties in their understanding of the provisions of, and the fulfilment of their obligations under, the Convention and the Protocol. LA also supported their consideration of new and emerging complex legal issues, in particular those concerning the newly established constituted bodies under the Kyoto Protocol, such as privileges and immunities, and the amendment of the Kyoto Protocol to allow Belarus to assume a quantified emission reduction commitment. Sessions of the COP, the CMP and the subsidiary bodies were conducted in full accordance with the draft rules of procedure of the COP and international law; officers

of Convention and Protocol bodies were elected in a timely manner. The institutional linkage of the secretariat to the United Nations was successfully extended.

73. LA ensured that host country agreements for conferences, contracts, memorandums of understanding and other agreements concluded by the secretariat were in accordance with the rules and regulations of the United Nations by streamlining and improving procedures for review and clearance of contractual arrangements. Legal advice was provided to the Executive Secretary and other members of the secretariat regarding concerns or issues raised about the implementation of contractual agreements entered into by the secretariat; these concerns and issues were addressed and resolved in a timely and satisfactory manner.

74. The CMP adopted the Rules of procedure of the Compliance Committee of the Kyoto Protocol (annex to decision 4/CMP.2) developed by the Compliance Committee based on drafts prepared by LA and approved by the plenary of the Committee at its third meeting in September 2006. LA supported the three meetings of the plenary of the Compliance Committee.

75. A cost-effective and efficient registrar function has been established, with a dedicated Compliance Committee Registry e-mail account,<sup>15</sup> through which all formal communication relating to the Committee is channelled. Reliable and timely information on the activities of the Committee has been provided to the Parties through the posting of documents of the Committee on the compliance page of the UNFCCC website.<sup>16</sup> A system has been implemented to ensure that due process is supported, documents and information relating to the matters dealt with by the Committee are correctly numbered and filed, easily traced and quickly retrieved, and that confidential information in the possession of the secretariat is kept secure.

#### **H. Conference Affairs Services**

76. The Conference Affairs Services programme (CAS) facilitates participation by Parties and observers in the intergovernmental process, makes logistical preparations for and provides support to sessions, meetings and workshops, and edits and processes UNFCCC documents. CAS has been operating as a programme since January 2007, led by a Coordinator under the overall guidance of the Deputy Executive Secretary.

77. Facilities and services provided at sessions during the reporting period enabled Parties and observers to meet, work together and take the intergovernmental process further. Innovative approaches towards setting up and funding the conference were taken in the arrangements for COP 12 and CMP 2 in close collaboration with the Host Government, contributing governments and United Nations partners. The programme also made arrangements, including registration and security, for the twenty-fourth to twenty-sixth sessions of the SBI and the SBSTA, the first three sessions of the AWG and the first three workshops under the Dialogue. Sessional activities in the current biennium fully supported by CAS were particularly complex and involved about 500 meetings during each session of the subsidiary bodies and over 750 meetings during COP 12 and CMP 2, including plenary sessions, meetings of contact groups, regional and negotiating groups, delegations and observer organizations, and side events and media events.

78. Representatives of developing countries and observer organizations were able to attend and participate in the sessions. The programme processed an average of 123 requests for financial support for eligible Parties to facilitate their attendance in each of the sessions of the subsidiary bodies, and 185 for COP 12 and CMP 2 and the related media and side events. Through the enhanced online participant information and side event registration systems, CAS contributed to the effective participation of observer organizations in the sessions. A survey conducted among all participants during the twenty-

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<sup>15</sup> <Compliance.Committee@unfccc.int>.

<sup>16</sup> <unfccc.int/kyoto\_protocol/compliance/items/2875.php>.

sixth session of the subsidiary bodies (with a representative response rate of 10 per cent, among them 91 Party representatives) showed that over 90 per cent found side events and exhibits a useful source of information and a very important component of sessions, and between 75 and 96 per cent appreciated the various current organizational arrangements (e.g. with regard to timing, duration, print and web coverage, and location).

79. The work of the constituted bodies and groups under the Kyoto Protocol commenced and gained momentum in the 2006–2007 biennium and the work of the constituted bodies and other groups under the Convention continued and increased. A mandated UNFCCC meeting took place, on average, for every working day in the reporting period. CAS supported 90 meetings and workshops in Bonn and another 28 events that took place outside Bonn by pre-registering participants, facilitating 442 visa matters and assisting in logistical arrangements.

80. The programme continued to aim at reader-friendly and timely documentation to facilitate the flow of information to the Parties and intergovernmental bodies. Overall, 463 official documents comprising 5,888 pages were edited and processed by CAS between January 2006 and June 2007, about one tenth more than in the same period of the last biennium. Increasingly, CAS also reviews reports, publications and other documentation in order to ensure readability and consistency.

81. More proactive input to the Bureau and cooperation with host governments on future meetings is improving the effectiveness of preparations for sessions. Preparations for AWG 4 and the fourth workshop under the Dialogue in August 2007 are well under way. The host country agreement for COP 13 and CMP 3 has already been signed. Work is in progress with the prospective hosts of COP 14 and CMP 4 (2008) and COP 15 and CMP 5 (2009).

### **I. Information Services**

82. The Information Services (IS) programme provides a range of essential services covering three strategic areas: information and communication technology (ICT); knowledge management; and communications and media relations. IS supports the mandated work by all programmes, maintains availability of the UNFCCC public website and Intranet, informs the general public of climate change objectives and activities, and promotes media relations.

83. The climate change intergovernmental process benefited during the reporting period from a globally accessible website <unfccc.int> that continues to serve as the main external portal for UNFCCC data, documents and information. UNFCCC is seen as the authoritative source of information on the climate change process; this is demonstrated by the steady increase of visits to the UNFCCC website for information. There were approximately 8.6 million visits (compared with 4 million visits between 1 January 2004 and 30 June 2005), with about 52 million pages and documents viewed. The UNFCCC website was further enhanced through the provision of targeted information for Parties, observers and the general public including online newsletters, articles and news announcements published on the home page. A transparent intergovernmental process was maintained through the provision of webcast services covering the proceedings of the COP and the CMP and its subsidiary bodies, selected side events, CDM Executive Board and JISC meetings and a special UNFCCC press conference.

84. IS worked closely with the media to foster understanding and to ensure that the media reported accurately on climate change issues. Media access to the UNFCCC conferences was facilitated and 763 press/media representatives were accredited for COP 12 and CMP 2. IS processed 264 interview requests, issued press releases and advisories and organized press conferences or briefings.

85. The programme facilitated public understanding of the climate change process through responding to requests for information and through public information events and products and the provision of library services. IS processed a total of 798 information requests and made print material and CD-ROMs available to the public. It also produced 10 publications. IS programme staff gave 24

presentations on the climate change process and the work of the UNFCCC secretariat to the general public as part of outreach activities in the host country, Germany.

86. IS ensured that documentation, information and data, including books and other media, were well organized and enabled easy retrieval internally and externally. The programme facilitated 2,653 general reference queries and 7,613 requests for official documents. It disseminated 21,350 copies of the fourth national communications from Annex I Parties to all the Parties, observer States, non-governmental and intergovernmental organizations. The secretariat has enhanced its capacity to manage the records and files of the secretariat in a systematic way through the implementation of a records management programme and policy framework. It procured an electronic records management system that will be based on the policy framework. IS supports each programme in implementing the records management programme.

87. The intergovernmental process and the secretariat were supported by a dependable and secure information and communication technology infrastructure. The network serves the secretariat with 500 network end points for a user community of about 300 staff, consultants, contractors and interns. To improve computer support services, the programme conducted a user survey of views on ICT services as part of the secretariat's service level policy. The feedback was positive, with 90 per cent rating the services highly for network, Internet and e-mail services. The network at UNFCCC headquarters in Bonn was extended to accommodate the entire secretariat after the consolidation of all staff at Haus Carstanjen. The total number of laptop users increased from 59 to 194, which has reduced rental costs of computers at conferences. IS ensured that a highly secure ICT network infrastructure was made available during conferences and workshops.

88. IS deployed a consolidated electronic data storage solution providing about 2000 gigabytes of storage capacity for headquarters operations, which is complemented by a mobile storage solution of about 1600 gigabytes capacity providing support to UNFCCC conferences. The programme implemented a new secretariat-wide information infrastructure to improve the availability, speed of implementation, deployment and stability of ICT services. The second phase of implementation of business continuity planning for the whole secretariat has been completed. This provides the secretariat with a full analysis of secretariat systems, the risks associated with those systems and an agreed framework on the maximum tolerable outages for each. This analysis and framework will serve as the basis of a secretariat business continuity plan, to be developed during the third phase, that will ensure continuity of business operations and rapid disaster recovery for its ICT operations and mandated information systems should the need arise.

## **J. Administrative Services**

89. The Administrative Services (AS) programme provides central support services in the management of the human and financial resources of the secretariat, the development of administrative policies and guidelines, procurement, premises management and travel arrangements. It also liaises with UNOG and the Secretariat of the United Nations on administrative issues and with the Government of Germany on matters relating to the implementation of the Headquarters Agreement.

90. In the reporting period, AS monitored the implementation of the programme budget to ensure that funds were spent in accordance with approved mandates and United Nations financial regulations. Proactive monitoring and reporting contributed to an improved budget implementation rate compared with the same period of the previous biennium (see chapter II for details). On the income side, AS regularly notified Parties of the status of contributions, enabling the secretariat to achieve a contributions collection rate of 77.3 per cent. In terms of planning for the biennium 2008–2009, AS supported the Executive Secretary in developing a sound and realistic programme budget proposal, which the SBI, at its twenty-sixth session, endorsed with minor adjustments for approval by the COP at its thirteenth session and the CMP at its third session. AS also continued to coordinate the secretariat's efforts to raise funds

for a number of mandated activities financed through the Trust Fund for Supplementary Activities and the Trust Fund for Participation in the UNFCCC Process. Work has been launched to establish separate trust funds for the CDM and ITL to ensure a simpler and more transparent approach when reporting on income and expenditures to Parties.

91. Responding to recommendations by the United Nations Board of Auditors, a number of initiatives were implemented to strengthen financial procedures and to make the information presented in the financial statements more transparent and useful to Parties.<sup>17</sup> Arrangements with the Office of Internal Oversight Services on internal auditing were concluded. A resident internal auditor will commence work in July 2007 and will take forward work undertaken by AS in 2006 and 2007 to conclude a comprehensive risk assessment exercise in the secretariat and will contribute to the continued strengthening of internal controls.

92. In the area of Human Resources (HR), a total of 76 posts were advertised, of which 32 posts were filled internally and 37 externally. All candidates went through a rigorous selection process designed to ensure that all staff have the required high qualities and competencies. The secretariat increased its efforts to improve the geographical and gender balance among staff at the Professional and higher levels, which, between June 2006 and June 2007, led to an increase in the number of staff from non-Annex I Parties (37.6 per cent compared with 43.1 per cent) (see chapter IV below for details). In the same period, the number of female staff in the Professional (P) and higher levels increased from 29.1 per cent to 30.3 per cent. AS has engaged the services of an HR consultant to identify measures to enhance the targeting of female candidates and candidates from non-Annex I Parties, with a view to further improving the geographical and gender balance of staff of the secretariat.

93. The staff selection system has been revised to increase career opportunities for staff so that the secretariat may better retain and develop in-house expertise. The revised system comprises a leaner and simpler set of rules allowing for quicker processing of applications while fully adhering to United Nations regulations and rules. It is expected that, on average, the new system will reduce the turnaround time between the issuance of the vacancy announcement and approval by the Executive Secretary from approximately five months to three months.

94. In order to ensure a strategic approach to recruitment that integrates requirements arising from Parties' mandates with a coherent and forward-looking staff development policy, the post of Chief, Human Resources unit, was upgraded and re-advertised. AS also launched a review of the secretariat performance appraisal system with a view to enhancing planning, performance management and career development.

95. As a result of the rapid growth of the secretariat, the current premises were re-organized to accommodate more offices. This was achieved within current budget limitations, in consultation with the Government of Germany and the United Nations common premises management unit. As a result, it has been possible to absorb new staff and consultants with a minimum of disruption to the work of the secretariat.

96. AS continued to ensure that travel and daily subsistence allowance arrangements were made for participants, experts and staff at meetings, including the sessions of the subsidiary bodies, the COP and the CMP, the Designated National Authorities Forum and meetings of constituted bodies, including an increasing number of meetings of the CDM Executive Board and related working groups. Comparing the period January 2006 to June 2007 with the same period in 2004 and 2005, the number of travel requests increased by over 50 per cent. In spite of this demand, travel arrangements were made on time and within budgetary constraints. In the area of procurement, more than 500 purchase orders were processed in the reporting period, procuring goods and services at a value of approximately USD 13 million.

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<sup>17</sup> See document FCCC/SBI/2007/INF.1 for details.

## IV. Human resources

### A. Staff

97. 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 P and 46.5 General Service (GS) posts. In addition, 121 posts were established under the Trust Fund for Supplementary Activities under the UNFCCC, the Bonn Fund and programme support costs (overheads). A comparison of the number of posts approved with the number filled by 30 June 2007 is given in table 11. 'Filled' posts 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.

98. The gap between approved and filled posts is considerable among supplementary funded and overhead posts. These posts are approved to be filled on the condition that enough funds are raised to sustain a position for a longer period. As at 30 June 2007 a number of these posts could be filled only through general temporary assistance.

99. In addition to the 186.5 staff members appointed against established posts, 16 P and 24 GS staff members had been hired under temporary assistance contracts as at 30 June, bringing the total number of staff to 226.5.

**Table 11. Comparison of established posts and filled posts by source of funding, as at 30 June 2007**

Grade	Core		Supplementary		Bonn Fund		Overhead		Total	
	Approved	Filled	Approved	Filled	Approved	Filled	Approved	Filled	Approved	Filled
ASG	1	1							1	1
D-2	4	3							4	3
D-1	6	4					1	1	7	5
P-5	10	10					2		12	10
P-4	22	20	7	4			2	2	31	26 <sup>a</sup>
P-3	30	26	23	12	1	1	8	7	62	46 <sup>b</sup>
P-2	10	4	23	11	1	1	3	1	37	17
P-1			1	1					1	1
<b>Subtotal</b>	<b>83</b>	<b>68</b>	<b>54</b>	<b>28</b>	<b>2</b>	<b>2</b>	<b>16</b>	<b>11</b>	<b>155</b>	<b>109</b>
GS	46.5	40.5	32	22	6	6	26	21	110.5	89.5
<b>TOTAL</b>	<b>129.5</b>	<b>108.5<sup>c</sup></b>	<b>86<sup>d</sup></b>	<b>50</b>	<b>8</b>	<b>8</b>	<b>42</b>	<b>32</b>	<b>265.5</b>	<b>198.5</b>

*Abbreviations:* ASG = Assistant Secretary-General, D = Director, P = Professional, GS = General Service.

<sup>a</sup> One post filled by a staff member at one level lower for administrative purposes only and one post filled by staff member at one level lower, pending effective date for promotion.

<sup>b</sup> One post filled by staff member at one level lower, pending effective date for promotion.

<sup>c</sup> The vacancies under the core budget are partly attributed to three positions remaining frozen during the reporting period. The recruitment process for five posts was close to completion at the time of preparation of the report.

<sup>d</sup> Fifteen posts were established at the end of June 2007.

100. 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 2007**

<b>Grade <sup>a</sup></b>	<b>Africa</b>	<b>Asia and the Pacific</b>	<b>Latin America and the Caribbean</b>	<b>Eastern Europe</b>	<b>Western Europe and Other</b>	<b>Total</b>
ASG					1	1
D-2		1			2	3
D-1	1	2	1	1		5
P-5	3	1	1	1	4	10
P-4	2	6	4	3	11	26
P-3	3	10	4	5	24	46
P-2	1	3	5	1	7	17
P-1					1	1
<b>Total</b>	<b>10</b>	<b>23</b>	<b>15</b>	<b>11</b>	<b>50</b>	<b>109</b>
<b>Percentage of total</b>	<b>9.2</b>	<b>21.1</b>	<b>13.8</b>	<b>10.0</b>	<b>45.9</b>	<b>100</b>

*Abbreviations:* ASG = Assistant Secretary-General, D = Director, P = Professional.

**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**

<b>Grade <sup>a</sup></b>	<b>Annex I</b>	<b>Non-Annex I</b>	<b>Male</b>	<b>Female</b>
ASG	1		1	
D-2	2	1	3	
D-1	1	4	4	1
P-5	5	5	6	4
P-4	14	12	21	5
P-3	29	17	29	17
P-2	9	8	11	6
P-1	1		1	
<b>Total</b>	<b>62</b>	<b>47</b>	<b>76</b>	<b>33</b>
<b>Percentage of total</b>	<b>56.9</b>	<b>43.1</b>	<b>69.7</b>	<b>30.3</b>

*Abbreviations:* ASG = Assistant Secretary-General, D= Director, P = Professional.

## **B. Consultants and individual contractors**

101. Between 1 January 2006 and 30 June 2007 a total of 189 individual consultants and contractors were hired. They provided a combined total of 392.7 working months at a total cost of USD 3,224,184 under all sources of funding. The various areas of support included developing databases, new ICT tools and products, reformatting methodologies, implementing the records management system, supporting the ITL, writing scientific and technical papers, providing expert advice on issues related to personnel and legal matters, assisting in drafting and issuing official documents, providing support before and during UNFCCC sessions and training of staff. In some cases contractors had to be hired to support activities pending recruitment for vacant posts. Table 13 provides information on how services were distributed among the clusters.



**Table 13. Services of individual consultants and contractors by programme,  
1 January 2006 to 30 June 2007**

<b>Programme</b>	<b>Person-months</b>	<b>Cost (USD)</b>
Executive Direction and Management	3.4	26 901
Cluster 1	149.8	1 584 272
Cluster 2	101.9	748 595
Cluster 3	137.6	864 416
<b>Total</b>	<b>392.7</b>	<b>3 224 184</b>

Annex

**Projects and events funded from the Trust Fund for Supplementary Activities  
in the biennium 2006–2007**  
(United States dollars)

<b>Project</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance</b>
<b><u>Executive Direction and Management</u></b>			
<b>Additional support to the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG) in considering further commitments from Parties included in Annex I to the Convention (Annex I Parties).</b> This project recently started to support the AWG in determining the mitigation potential and identifying ranges of emission reduction objectives of Annex I Parties, and to analyse possible means to achieve mitigation objectives.	9 040	7 460	1 580
<b><u>Office of the Deputy Executive Secretary</u></b>			
<b>High-level consultations in preparation for the twelfth session of the Conference of the Parties (COP).</b> These consultations were held in September 2006 to prepare for COP 12.	184 380	103 266	81 114
<b><u>Reporting, Data and Analysis</u></b>			
<b>Development of the transaction log (ITL) and data exchange standards.</b> This project began in January 2003. Its objectives are: (a) to pursue the development of the ITL; (b) to facilitate cooperation among administrators of registry systems, including through intersessional consultations with Parties and experts. (Information on the status of the ITL and related activities is contained in para. 48 of this document.)	4 326 977	3 600 322	726 655

<b>Project</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance</b>
<p><b>Inventory database and software support for the greenhouse gas (GHG) review process, and the development of a GHG inventory data interface.</b></p> <p>This project began in November 2002. Its objectives are: (a) to deploy an integrated GHG information system that supports the reporting, review and analysis of GHG inventory data and information. This system is central in ensuring that the required systems and infrastructure are in place to accommodate the GHG inventory reviews and supporting activities; (b) to integrate data on Parties not included in Annex I to the Convention (non-Annex I Parties) into the GHG information system and to enhance UNFCCC reporting software (formerly Intergovernmental Panel on Climate Change (IPCC) reporting software). This integration is necessary to create a central repository for all GHG data to support data analysis by the Reporting, Data and Analysis (RDA) programme and secretariat reporting requirements; (c) to provide improved access to GHG data and contextual information on the UNFCCC website by developing a GHG data interface (portal); and (d) to facilitate the implementation of an integrated GHG information system and the GHG data interface by adopting an appropriate level of consultations with Parties and experts. (Information on the development of the GHG data systems and related activities is contained in para. 45 of this document.)</p>	573 007	186 032	386 975
<p><b>Development of the database system for the annual compilation and accounting of emissions inventories and assigned amounts under the Kyoto Protocol.</b></p> <p>This project began in February 2005. Its objective is to develop the compilation and accounting database (CAD) to enable the accurate tracking, checking and storing of emissions and assigned amounts under the Kyoto Protocol. (Information on the status of the CAD and related activities is contained in para. 48 of this document.)</p>	616 169	408 525	207 644

<b>Project</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance</b>
<p><b>Activities to support the expert review process under the Convention and its Kyoto Protocol: training for expert review teams and meetings of lead reviewers.</b></p> <p>This project began in January 2006. Its objectives are: (a) to provide technical training to members of expert review teams to ensure the quality and consistency of the review process under the Convention and its Kyoto Protocol; and (b) to provide a forum for consideration by lead reviewers of methodological and procedural issues in order to ensure a common approach by expert review teams in future reviews. (Information on the expert review process and related activities is contained in paras. 43–44 of this document.)</p>	348 420	279 054	69 366

### **Financial and Technical Support**

<p><b>Building up of secretariat capacity for capacity-building.</b></p> <p>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. (Information on the secretariat's support for capacity-building is contained in para. 54 of this document.)</p>	168 079	115 198	52 881
<p><b>Support to 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 to 2007, including the facilitation of the use of UNFCCC Guidelines for the preparation of national communications.</b> This project was designed to implement decision 3/CP.8 by facilitating and supporting the work of the CGE. The results of this project were recommendations to the Subsidiary Body for Implementation (SBI) for appropriate further action relating to (a) the implementation of the work programme of the CGE; (b) technical advice to non-Annex I Parties in the preparation of national communications; and c) 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. (Information on the secretariat's support to the CGE is contained in para. 52 of this document.)</p>	1 427 499	979 596	447 903

<b>Project</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance</b>
<p><b>Development and maintenance of an information network clearing house (CC:iNet) to support the implementation of education and outreach activities by Parties.</b> This project was initiated in July 2005 to facilitate the prompt start of the first development phase of the clearing house, as requested by Parties at SBI 21 and contained in document FCCC/SBI/2004/14. (Information on the CC:iNet is contained in para. 55 of this document.)</p>	162 778	117 567	45 211
<p><b>Support to the Least Developed Countries Expert Group (LEG) for 2006–2007.</b> 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 for the preparation of their national adaptation programmes of action (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 Global Environment Facility and its implementing agencies on NAPA-related activities would also be facilitated. (Information on support provided to the LEG is contained in para. 53 of this document.)</p>	694 778	245 661	449 117
<p><b>Meeting of the Group of 77 and China (G77 and China) negotiators to prepare a G77 and China submission on capacity-building.</b> 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 two staff members from the secretariat.</p>	85 000	64 340	20 660

Project	Income	Expenditure	Balance
<p><b>Workshop on the Adaptation Fund.</b> 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, in May 2006. A total of 37 participants (of which 22 were funded) representing 31 countries, together with representatives of several intergovernmental organizations (IGOs) and non-governmental organizations (NGOs), 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, where all the information relevant to the workshop is available.<sup>1</sup></p>	159 065	158 417	648
<p><b>Support for secretariat activities on Article 6 of the Convention: small island developing States (SIDS) workshop.</b> 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. The workshop is scheduled to be held in July 2007. It will be the last in 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 contribute to the review of the New Delhi work programme at SBI 27.</p>	230 593	142 802	87 791

<sup>1</sup> <[http://unfccc.int/meetings/workshops/other\\_meetings/items/3672.php](http://unfccc.int/meetings/workshops/other_meetings/items/3672.php)>

Project	Income	Expenditure	Balance
<p><b>Investment flows and finance schemes relevant to the development of an effective and appropriate international response to climate change, with particular reference to developing countries' needs.</b> This project was initiated after COP 12 to review investment and financial flows relevant to the development of an effective and appropriate international response to climate change. The secretariat has collaborated with more than 40 stakeholders and held four consultative meetings, including two with experts and representatives of international financial institutions, United Nations agencies, IGOs and NGOs and two with representatives of the private, financial and insurance sectors. An additional stakeholder consultation meeting is planned for October 2007. A web page has been created where a detailed database with information on investment and financial flows by sector and by country, draft papers and bibliography were posted for comments. (Information on this project is contained in para. 51 of this document.)</p>	1 293 839	556 624	737 215
<b><u>Adaptation, Technology and Science</u></b>			
<p><b>Support for the UNFCCC technology information system (TT:CLEAR).</b> This project began in January 2003. The objectives are (a) 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 (b) to update and maintain the existing UNFCCC technology information system, including the identification of any information gaps, and make recommendations for improvements. (Information on TT:CLEAR is contained in para. 61 of this document.)</p>	74 728	35 263	39 465
<p><b>Support for the implementation of the programme of work of the Expert Group on Technology Transfer (EGTT).</b> This project began in September 2003 with the objectives of facilitating 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 supporting Parties in implementing the framework with meaningful and effective action to enhance the implementation of Article 4, paragraph 5, of the Convention. (Information on support to the EGTT is contained in para. 60 of this document.)</p>	876 368	418 394	457 974

Project	Income	Expenditure	Balance
<p><b>Work programme to assist the SBSTA in considering land use, land-use change and forestry (LULUCF) related issues.</b> Activities under this project, that began in early 2004, include: (a) reporting and reviewing LULUCF information under the Convention, including the development of the corresponding common reporting format; (b) training inventory experts to review LULUCF information using 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 under the Convention; and (c) estimation, reporting and accounting of GHG emissions and removals resulting from forest harvesting and wood products.</p>	111 203	38 949	72 254
<p><b>Support for the implementation of the Buenos Aires programme of work on adaptation and response measures (1/CP.10).</b> This project ensured the delivery of the substantial mandates requested of the secretariat in decision 1/CP.10. Activities began in late 2005 but most are being implemented in the biennium 2006–2007, including early activities under the Nairobi work programme on impacts, vulnerability and adaptation to climate change, implemented in 2006. (Information on the implementation of the Buenos Aires programme of work is contained in para. 57 of this document.)</p>	724 704	693 868	30 836
<p><b>Facilitating the reduction of emissions from deforestation in developing countries.</b> 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 the consideration by Parties of the necessary further process to address the issues in 2007 and 2008. (Information on activities relating to the reduction of emissions from deforestation in developing countries is contained in para. 62 of this document.)</p>	665 043	457 318	207 725



<b>Project</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance</b>
<p><b>Mitigation workshops.</b> This project began in March 2006. Its objective is to continue the exchange of information and views among Parties on practical opportunities and solutions to facilitate the implementation of the Convention as mandated by decision 10/CP.9. (Information on activities relating to the mitigation workshops is contained in para. 62 of this document.)</p>	37 642	5 718	31 924
<p><b>Intersessional workshop on the implementation of Article 3, paragraph 14, of the Kyoto Protocol (31/CMP.1).</b> This workshop was held in September 2006. It was designed to 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 by Annex I Parties of the policies and measures necessary to fulfil their commitments under Article 3, paragraph 14, of the Kyoto Protocol. (Information on progress made in this area of work is contained in para. 59 of this document.)</p>	70 000	37 803	32 197
<p><b>Support to the implementation of the Nairobi work programme on impacts, vulnerability and adaptation to climate change.</b> This project began in January 2007. It is designed to ensure implementation of decision 2/CP.11 and the delivery of the substantial and numerous mandates requested of the secretariat in pursuing the objectives of the Nairobi work programme and its associated activities. (Information on the implementation of the Nairobi work programme is contained in para. 58 of this document.)</p>	735 101	325 415	409 686
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<b><u>Sustainable Development Mechanisms</u></b>	12 150 256 <sup>2</sup>	9 565 213	2 585 043
<p><b>Support to the operations of the clean development mechanism (CDM).</b> This project started at the beginning of 2002 with the objective of facilitating the implementation of the CDM. (Information on support provided to the operations of the CDM is contained in paras. 66–67 of this document.)</p>			

<sup>2</sup> Does not include USD 25,775,011 received in CDM project registration fees, share of proceeds and methodology fees, which is being set aside until such time as the project becomes self-financing.

<b>Project</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance</b>
<b>Activities relating to Article 6 of the Kyoto Protocol (joint implementation).</b> This project began in March 2004 with the overall objective of undertaking work that promotes and facilitates the implementation of Article 6 of the Kyoto Protocol (joint implementation, or JI). (Information on support provided to the work on JI is contained in para. 68 of this document.)	1 700 656 <sup>3</sup>	683 659	1 016 997

### **Legal Affairs**

<b>Handbook on the United Nations Framework Convention on Climate Change.</b> 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 handbook <sup>4</sup> was disseminated to all Parties to the Convention in December 2006. Work is under way to prepare an updated version in 2008. It is intended to translate the updated version into the other languages of the United Nations. The handbook is also available on the UNFCCC website at: < <a href="http://unfccc.int/essential_background/background_publications_htmlpdf/items/2625.php">http://unfccc.int/essential_background/background_publications_htmlpdf/items/2625.php</a> >.	88 315	57 721	30 594
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### **Information Services**

<b>Knowledge networking: building an integrated database for information exchange.</b> 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. The secretariat's knowledge base has been maintained and a sizeable data archive now exists, based on data generated internally or that coming from external sources. Knowledge management systems in the secretariat include the data portal and the ADLIB library system. The introduction of an enterprise content management system in 2007, in particular its records management module, will greatly expand the secretariat's knowledge base. In addition, technical support for the development of functional specifications for other secretariat systems has been provided.	174 155	98 113	76 042
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<sup>3</sup> Does not include USD 359,453 in JI accreditation and determination fees, which is being set aside until such time as the project becomes self-financing.

<sup>4</sup> UNFCCC. 2006. *United Nations Framework Convention on Climate Change: Handbook*.

Project	Income	Expenditure	Balance
<p><b>Website implementation focusing on the harmonization of web services and response to user needs.</b> This project began in February 2003. The objective is to improve the delivery of content on the website. (Information on enhanced web services is contained in para. 83 of this document.)</p>	43 159	35 655	7 504
<p><b>UNFCCC website: development of a Spanish portal.</b> This project began in July 2003 with the objective of providing outreach to Spanish-speaking stakeholders in the process, mainly Parties, observers, the media and the general public. The Spanish language portal on the UNFCCC website was maintained and updated to provide basic information on the processes under the Convention and its Kyoto Protocol in Spanish to interested stakeholders. One publication (<i>Caring for Climate</i><sup>5</sup>), and press releases on these processes were made available in Spanish, in addition to a special joint issue of the United Nations Environment Programme magazine <i>Our Planet</i> produced for COP 12.</p>	93 216	7 076	86 140
<p><b>Computer networking and data communication.</b> This project was initiated in September 2004 to support data communication and networking of specialized information systems and databases developed by programmes in the secretariat. Support was provided to the deployment and operation of the CDM Registry, the CDM and JI information systems, the ITL and its administrative connection to the secretariat headquarters network, including related database systems such as the compilation and accounting database, the GHG database and its public data interface.</p>	253 514	102 378	151 136

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<sup>5</sup> UNFCCC. 2005. *Caring for Climate: A guide to the Climate Change Convention and the Kyoto Protocol* (revised 2005 edition).