

The UNFCCC Budget 2018-19

Presenting a revised work programme

Background

- In May 2017, Parties discussed the proposed UNFCCC budget for the period 2018-19 at the session of the Subsidiary Body for Implementation (SBI 46).
- As a result, Parties agreed on a total core budget of close to Euro 57 million for approval by COP 23 in Bonn.¹
- At the same time, SBI 46 requested the secretariat to revise its work programme² to reflect considerations Parties provided in the course of the budget negotiations, in particular with regard to strengthening core capacity in support of the work of Parties in some key areas.
- The secretariat will submit its revised work programme,³ as mandated by Parties, for consideration at SBI 47, and subsequent approval by COP 23. This note is to share key elements of the revised work programme.

Key elements of the revised work programme

- A number of Parties commented on the need to enhance core capacity in support of important work streams mandated by the Parties, in particular in relation to adaptation, finance, technology, capacity-building, and consequences of response measures. The revised work programme addresses these issues by enhancing core staff capacity in relation to:
 - Adaptation, incl. in support of the Nairobi Work Programme and the Least Developed Countries Expert Group (LEG);
 - Finance, technology and capacity-building, in support of related work in the intergovernmental process, the Standing Committee on Finance, and work on capacity-building
 - Enhanced secretariat support to work on response measures.
- Some Parties have also voiced concerns about sustainable funding for reviews of Biennial Reports and National Communications of developed countries every two years. The secretariat is looking to determine the appropriate means to ensure the necessary funding in the revised work programme.
- Responding to concerns about ensuring sustainable funding for the work of constituted bodies⁴, one additional meeting per body has been included in the core budget.
- Parties were also concerned about sustainable funding for the work of the Intergovernmental Panel on Climate Change (IPCC). The revised work programme reflects this by fully restoring in the core budget the funding of a grant to the IPCC as provided in previous budgets.
- The revisions to the work programme referred to above are within the appropriations of the core budget as agreed at SBI 46.

¹ FCCC/SBI/2017/L.18 and L.18/Add.1

² Issued as an Addendum (FCCC/SBI/2017/4/Add.1) to the budget document (FCCC/SBI/2017/4)

³ The revised work programme document is based on documents FCCC/SBI/2017/4/Add.1 and FCCC/SBI/2017/INF.8.

⁴ The LEG, the Adaptation Committee (AC), the Warsaw International Mechanism for Loss and Damage Executive Committee, the Standing Committee on Finance (SCF), the Technology Executive Committee (TEC), and the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (CGE).

The way forward

- The revised work programme is intended to be a first step in moving to a more balanced allocation of resources in future. The secretariat recognizes that two aspects need to be addressed: enhanced balance between activities funded from core and from supplementary resources; and enhanced balance of core-funded activities across major work streams.
- Initial steps taken in the revised work programme include adjustments within the existing core staff pool to increase staff capacity in the areas mentioned above (see “Key elements”)
- During the May sessions, concerns were raised about disproportionate priority being given to activities related to mitigation and the MRV framework. It is important to clarify that current work in support of the MRV framework goes beyond support to mitigation-related activities. The reporting, review or analysis and multilateral consideration of information covers all aspects of the implementation of the Convention – from mitigation through vulnerability and adaptation up to the provision or receipt of financial and technology support, including also climate-related research and observation as well as education, training and public awareness. The secretariat will reflect more clearly the nature of this work in support of developing countries in future budget documents.
- In relation to the distribution of activities funded from core versus supplementary resources, the current situation reflects the significant increase of work mandated to the secretariat over time, while there has been no commensurate increase in core budget resources.
- To address this situation, the secretariat will undertake (a) a review of mandated activities to establish which types of support structures and services should be included in the core budget in future, and (b) a review of its programme delivery structure to enhance efficiency and alignment of core resources in support of key mandates of Parties. While the full impact of such reviews cannot be realized in the short term, first results will be reflected in the programme budget 2020-21 in an effort to further move towards a more balanced budget.
- Last but not least, the secretariat will also intensify its partnership and resource mobilization efforts to enhance the sustainability and predictability of supplementary funding sources.
- All of these activities will be undertaken in full transparency and in continuous dialogue with all Parties.

Outstanding contributions under the core budget

- Indicative core contributions are key to financial predictability and sustainability. The secretariat is therefore concerned with the level of outstanding indicative contributions and urges concerned Parties to provide their indicative contributions on time, including any outstanding balances. The secretariat remains available to engage with concerned Parties to discuss ways and means to assist them in making their payments.