



20 March 2019

Building the UNFCCC budget 2020–2021: process and key figures

A. Introduction

The proposal for the UNFCCC budget has been developed from the ground up. It reflects real needs, which are based on the functions mandated to the secretariat for 2020–2021.

In addition to this real needs budget, the secretariat will present to Parties a zero nominal growth (ZNG) budget, as mandated. It should be noted, however, that a ZNG budget is unlikely to deliver with the required predictability, completeness and timeliness the full range of activities mandated by Parties.

Both the real needs and ZNG budget proposals reflect the results of the 2018 review of secretariat structure and operations,¹ and are based on the categories, criteria and principles below.

B. Categories, criteria and principles for the real needs budget proposal

The secretariat costed all **mandated activities to be undertaken in 2020–2021** and **categorized** them according to the mandates they support as follows:

1. Essential mandates;
2. Permanent or long-term mandates;
3. Temporary or short-term mandates;
4. Complementary activities broadly mandated as beneficial to achieving UNFCCC objectives and goals.

For activities in **categories 1 and 2**, sufficient, predictable and timely resources are of utmost importance. Activities in **categories 3 and 4 are considered project specific or time bound**.

The costing of mandated activities underwent a **rigorous multi-step peer review** in the secretariat **against the following criteria**:

- Consistency with the categorization above;
- Validity of assumptions underlying the budget estimates; and
- Avoidance of redundancies in and overlap of activities.

The secretariat further applied the **following principles** to budgeting for the mandated activities to **enhance coherence and consistency**:

¹ For details, see <https://unfccc.int/about-us/budget/review-of-the-secretariat-structure-and-operations>



- Core resources are expected to deliver essential operational support for different workstreams and to act as anchors for supplementary work:
 - a. Workstreams established by Parties are assigned a **manager** for continuous and consistent support to the intergovernmental process;
 - b. Constituted bodies are assigned:
 - i. A **team lead** each to support the implementation of the body's work programme and Chair/Co-Chairs;
 - ii. Necessary resources for the minimum number of mandated meetings with standardized costs for participation and logistics;
 - c. Established processes such as forums and work programmes are assigned **programme officers**.

C. Principles for and approach to the zero nominal growth budget proposal

Decision 21/CP.23, paragraph 20, requests the Executive Secretary to present a ZNG scenario in the official budget documents in the same format and at the same level of detail as any other budget scenarios that the secretariat might provide.

Given that estimated resource requirements for mandated activities in categories 1 and 2, exceed core resources in a ZNG budget scenario, the secretariat applied the following **principles in determining which mandated activities to propose for funding from core resources** (as opposed to non-core resources):

- All category 1 activities (essential mandates);
- Category 2 activities (permanent or long-term mandates) as follows:
 - a. **Balance** across different thematic areas is ensured;
 - b. **Anchors** for critical workstreams are kept in core;
 - c. **Staff and non-staff costs** is not significantly altered;
 - d. **Due consideration of all mandates** regardless of age and overarching instrument (Convention, Kyoto Protocol, Paris Agreement and Katowice outcomes).

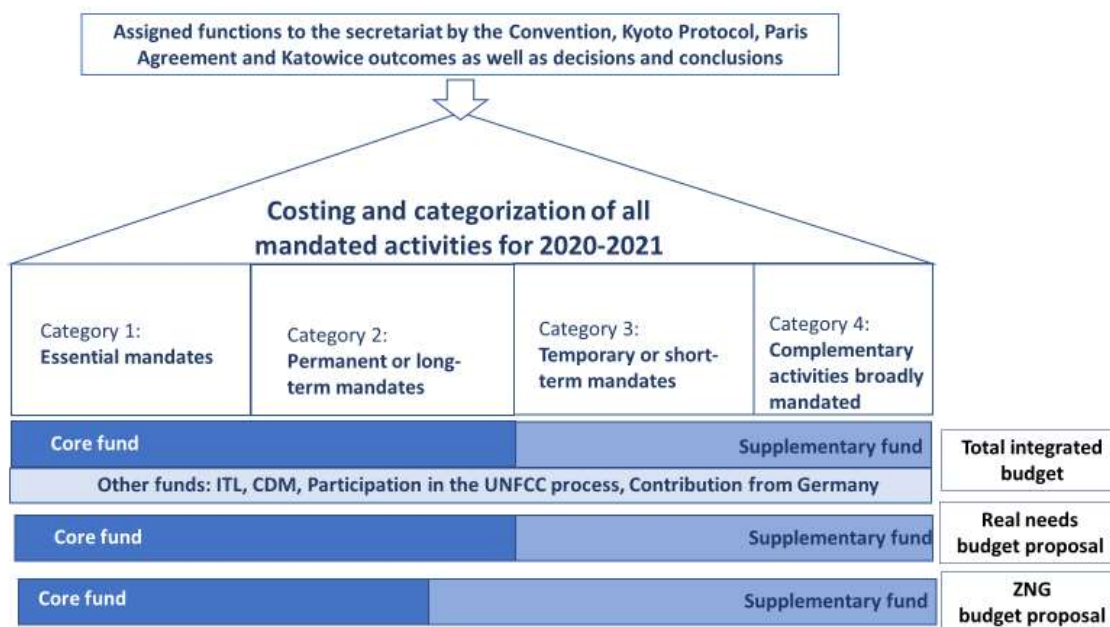
On the basis of these principles, the **ZNG budget proposal shifts support for activities** responding to permanent or long-term mandates **from core to non-core resources**. Given the shift from core to supplementary resources lowers the level of predictability, completeness and timeliness of outputs, activities subject to this shift could be negatively impacted. The table below summarizes affected areas and potential impacts:

Areas funded from supplementary under ZNG	Potential impact
Support for the intergovernmental process and constituted bodies: <ul style="list-style-type: none">a. Shifting staff resources;b. Reducing the number of meetings/events covered from core resources by 50%;c. Reducing consultancies (100%) and staff travel (25%) funded from core	Activities may not be undertaken at the quality and scale and within the timeframe as mandated, leading to increased inefficiencies and undermining trust in and the legitimacy of the process



Support for coordination of activities: shifting staff resources	Reduced coherence, synergies/efficiencies and negative impact on the quality of support for presiding officers
Support for activities that are still under negotiation (shifting staff and non-staff resources for activities related to the implementation of provisions related to Article 6 of the Paris Agreement)	Any agreed activities related to Article 6 that may be mandated to the secretariat may not be undertaken in a timely and adequate manner, leading to delays in the implementation of Article 6
Support for facilitating engagement and communications (shifting of staff and non-staff resources)	Mandated engagement (incl. public awareness, ACE, gender) may not be undertaken in a timely and adequate manner, leading to reduced stakeholder engagement and thus less process legitimacy.

D. The 2020–2021 budget proposal at a glance



The annexes to this document contain details on the 2020-21 budget proposal as follows:

1. Annex 1: Total integrated budget– Resource estimates for all funding sources
2. Annex 2: Total real needs budget– Resource estimates for activities where the funding source is not pre-defined for core and supplementary
3. Annex 3: Core real needs budget– Resource estimates for core
4. Annex 4: Zero nominal growth (ZNG) budget – Resource estimates for core

**Annex 1: Total integrated budget:****Summary of overall resource estimates across all funding sources**

This annex presents summaries of total resource needs across ALL UNFCCC secretariat funding sources (e.g. core, supplementary, CDM trust fund, host country contributions, participation fund, ITL, overheads).

Table A1.1. below provides a summary of the resource estimates (EUR and staff) for each category.

Table A1.1: Overview of resource estimates by category

Category	EUR	%	P staff	G staff	All staff
1: Essential mandates	58,851,900	33.2%	115	90	205
2: Permanent or long-term mandates	59,778,130	33.7%	119	36	155
3: Temporary or short-term mandates	27,498,891	15.5%	50	22	73
4: Complementary activities broadly mandated as beneficial to achieving UNFCCC objectives and goals	31,224,506	17.6%	41	16	57
Grand Total	177,353,426	100.0%	326	164	490

Table A1.2. below provides a summary of the resource estimates (EUR and staff) for each objective.

Table A1.2: Overview of resource estimates by objective

Objective	EUR	%	P staff	G staff	All staff
Intergovernmental Process	51,345,494	29.0%	98	50	148
Constituted bodies	44,909,052	25.3%	89	30	118
Data and information management	21,491,802	12.1%	41	14	55
Enhance participation	23,225,101	13.1%	52	14	67
Oversight and Administration	36,381,978	20.5%	46	56	102
Grand Total	177,353,426	100.0%	326	164	490



Table A1.3 below provides a summary of the resource requirements by department and by each division.

Table A1.3: Overview of resource estimates by department/division

Department/Division	EUR	%	P staff	G staff	All staff
Executive	5,812,230	3.3%	10	10	20
Executive	5,812,230	3.3%	10	10	20
Programmes	91,562,026	51.6%	184	65	249
Programmes Coordination	1,899,720	1.1%	5	5	10
Adaptation	12,339,860	7.0%	24	8	32
Mitigation	37,124,308	20.9%	83	26	109
Means of Implementation	10,455,800	5.9%	20	10	30
Transparency	29,742,338	16.8%	52	16	68
Operations	58,153,907	32.8%	65	67	131
Operations Coordination	2,181,520	1.2%	6	4	10
CAS	15,617,480	8.8%	8	10	18
LA	4,853,640	2.7%	12	5	17
AS/HR/IT	32,612,472	18.4%	39	48	86
Secretariat wide costs	2,888,795	1.6%	-	-	-
Cross-cutting	21,825,263	12.3%	67	23	90
Intergov. Support and Progress	4,184,680	2.4%	12	6	18
Communications and Engagement	17,640,583	9.9%	55	17	72
Grand Total	177,353,426	100.0%	326	164	490

**Annex 2: Total real needs budget (core and supplementary)**

This annex presents only summaries of resource needs where the funding source is not already prescribed (i.e. CDM work is funded by CDM trust fund, ITL is funded by ITL budget, administrative overheads is funded by PSC charges on ALL funds). Therefore these summaries represent the resource needs that would be required from either core or supplementary.

Table A2.1. below provides a summary of the resource estimates (EUR and staff) for each.

Table A2.1: Overview of resource estimates by category

Category	EUR	%	P staff	G staff	All staff
1: Essential mandates	33,825,200	30.3%	74	41	115
2: Permanent or long-term mandates	29,302,155	26.3%	75	15	90
3: Temporary or short-term mandates	22,487,352	20.1%	39	12	51
4: Complementary activities broadly mandated as beneficial to achieving UNFCCC objectives and goals	25,999,984	23.3%	30	9	39
Grand Total	111,614,691	100.0%	218	78	296

Table A2.2. below provides a summary of the resource estimates (EUR and staff) for each objective.

Table A2.2: Overview of resource estimates by objective

Objective	EUR	%	P staff	G staff	All staff
Intergovernmental Process	38,338,402	34.3%	94	34	127
Constituted bodies	25,425,776	22.8%	41	14	54
Data and information management	15,794,254	14.2%	30	11	41
Enhance participation	16,700,128	15.0%	38	8	47
Oversight and Administration	15,356,131	13.8%	16	10	26
Grand Total	111,614,691	100.0%	218	78	296



Table A2.3 below provides a summary of the resource requirements by department and by each division.

Table A2.3: Overview of resource estimates by department/division

Department/Division	EUR	%	P staff	G staff	All staff
Executive	4,283,230	3.8%	7	7	14
Executive	4,283,230	3.8%	7	7	14
Programmes	67,559,360	60.5%	127	42	169
Programmes Coordination	800,160	0.7%	2	1	3
Adaptation	12,339,860	11.1%	24	8	32
Mitigation	14,221,202	12.7%	29	7	36
Means of Implementation	10,455,800	9.4%	20	10	30
Transparency	29,742,338	26.6%	52	16	68
Operations	22,616,061	20.3%	31	12	43
Operations Coordination	1,199,560	1.1%	3	1	4
CAS	4,539,840	4.1%	7	4	11
LA	4,577,280	4.1%	11	5	16
AS/HR/IT	9,410,586	8.4%	10	2	12
Secretariat wide costs	2,888,795	2.6%	-	-	-
Cross-cutting	17,156,040	15.4%	53	17	70
Intergov. Support and Progress	4,184,680	3.7%	12	6	18
Communications and Engagement	12,971,360	11.6%	41	11	52
Grand Total	111,614,691	100.0%	218	78	296

**Annex 3: Total real needs budget (core)**

This annex presents only summaries of resource needs where the funding source is not already prescribed (i.e. CDM work is funded by CDM trust fund, ITL is funded by ITL budget, administrative overheads is funded by PSC charges on ALL funds) and the underlying work to be funded is an essential or long term mandate. Therefore these summaries represent the resource needs that should be covered by the core budget.

Table A3.1. below provides a summary of the resource estimates (EUR and staff) for each category

Table A3.1: Overview of resource estimates by category

Category	EUR	%	P staff	G staff	All staff
1: Essential mandates	33,825,200	53.6%	74	41	115
2: Permanent or long-term mandates	29,302,155	46.4%	75	15	90
Total	63,127,355	100.0%	149	57	206

Table A3.2. below provides a summary of the resource estimates (EUR and staff) for each objective.

Table A3.2: Overview of resource estimates by objective

Objective	EUR	%	P staff	G staff	All staff
Intergovernmental Process	30,645,510	48.5%	81	29	110
Constituted bodies	9,432,490	14.9%	20	8	27
Data and information management	7,801,718	12.4%	22	6	28
Enhance participation	4,356,802	6.9%	11	4	15
Oversight and Administration	10,890,835	17.3%	16	10	26
Grand Total	63,127,355	100.0%	149	57	206



Table A3.3 below provides a summary of the resource requirements by department and by each division.

As this table represents the proposed appropriation lines for the 2020/21 budget the 13% programme support costs are reflected here in this annex to aid comparability with the approved 2018/19 budget.

Table A3.3: Overview of resource estimates by department/division

Department/Division	EUR	%	P staff	G staff	All staff
Executive	4,283,230	6.8%	7	7	14
Executive	4,283,230	6.8%	7	7	14
Programmes	33,090,840	52.4%	85	28	113
Programmes Coordination	800,160	1.3%	2	1	3
Adaptation	6,872,300	10.9%	17	5	22
Mitigation	5,481,880	8.7%	15	4	19
Means of Implementation	6,060,120	9.6%	15	6	21
Transparency	13,876,380	22.0%	36	12	48
Operations	15,165,325	24.0%	27	10	37
Operations Coordination	1,199,560	1.9%	3	1	4
CAS	2,922,240	4.6%	7	3	10
LA	3,209,440	5.1%	7	4	11
AS/HR/IT	4,945,290	7.8%	10	2	12
Secretariat wide costs	2,888,795	4.6%	-	-	-
Cross-cutting	10,587,960	16.8%	30	12	42
Intergov. Support and Progress	3,902,360	6.2%	12	5	17
Communications and Engagement	6,685,600	10.6%	18	7	25
Total	63,127,355	100.0%	149	57	206
Programme support costs (13%)	8,206,556	-	-	-	-
Grand total²	71,333,911	-	149	57	206

² Excluding required adjustment to working capital. This adjustment would be reflected in the final formal budget proposal



Annex 4: Summary of overall resource estimates (ZNG scenario)

This annex presents only summaries of how the secretariat would allocate resources in a zero nominal growth scenario for the core budget. These summaries and this scenario imply that not all of the resource needs of the long-term recurring mandates would be met from the core budget and that alternative funding sources would be required for the secretariat to be able to deliver on these mandates.

Table A4.1. below provides a summary of the resource estimates (EUR and staff) for each category.

Table A4.1: Overview of resource estimates by category

Category	EUR	%	P staff	G staff	All staff
1: Essential mandates	33,842,748	67.2%	74	41	115
2: Many but not all permanent or long-term mandates	16,501,582	32.8%	45	12	57
Grand Total	50,344,330	100.0%	119	54	172

Table A4.2. below provides a summary of the resource estimates (EUR and staff) for each objective.

Table A4.2: Overview of resource estimates by objective

Objective	EUR	%	P staff	G staff	All staff
Intergovernmental Process	24,751,306	49.2%	65	27	92
Constituted bodies	6,598,492	13.1%	17	8	25
Data and information management	6,548,880	13.0%	17	6	24
Enhance participation	3,206,077	6.4%	8	4	12
Oversight and Administration	9,239,575	18.4%	12	9	21
Grand Total	50,344,330	100.0%	119	54	172



Table A4.3 below provides a summary of the resource requirements by department and by each division.

As this table represents the proposed appropriation lines for the 2020/21 budget the 13% programme support costs are reflected here in this annex to aid comparability with the approved 2018/19 budget and to confirmed how this scenario would reflect a zero nominal growth from the 2018/19 budget.

Table A4.3: Overview of resource estimates by department/division

Department/Division	EUR	%	P staff	G staff	All staff
Executive	3,404,663	6.8%	6	7	13
Executive	3,404,663	6.8%	6	7	13
Programmes	26,487,622	52.6%	71	28	99
Programmes Coordination	517,800	1.0%	1	1	2
Adaptation	5,649,260	11.2%	16	5	21
Mitigation	3,758,822	7.5%	11	4	15
Means of Implementation	5,035,580	10.0%	14	6	20
Transparency	11,526,160	22.9%	29	12	41
Operations	13,064,805	26.0%	22	9	31
Operations Coordination	823,200	1.6%	2	1	3
CAS	2,642,240	5.2%	7	3	10
LA	2,476,760	4.9%	6	3	9
AS/HR/IT	4,233,810	8.4%	7	2	9
Secretariat wide costs	2,888,795	5.7%	-	-	-
Cross-cutting	7,387,240	14.7%	20	10	30
Intergov. Support and Progress	3,033,320	6.0%	9	4	13
Communications and Engagement	4,353,920	8.6%	11	6	17
Sub-Total	50,344,330	100.0%	119	54	172
Programme support costs (13%)	6,544,762	-	-	-	-
Grand total	56,889,092	-	119	54	172