

## Secretariat responses to questions received on 7 June 2021, noon - 8 June 2021, 10 p.m.

1. **Question:** To what extent does the budget apply lessons learnt from the utilization of new means of engagement such as virtual platforms?

➤ **Response:** The secretariat has made good use of virtual meetings throughout the pandemic to ensure continued progress. Lessons learnt in this area, such as the pros and cons of virtual meetings as well as costs for virtual meetings, where possible, have been taken into consideration in the budget proposal for 2022–2023. As such, staff travel has been reduced by 25 per cent and divisions were asked to plan to hold meetings virtually where applicable, for example, if the meeting purpose is information sharing only. Constituted body meetings, expert group meetings and meetings going beyond information sharing were planned as in-person meetings.

Lessons learnt included the need to maintain and enhance the infrastructure for virtual meetings and to provide required support for participants to enable effective participation, transparency and inclusiveness. The proposed budget reflects these lessons learned.

2. **Question:** To what extent for instance can those lessons learnt (referring to question 1 above) be applied in the context of the constituted bodies for adaptation and loss and damage and related activities and specifically activities listed under supplementary in line item ER200-001-2 (Table 4). Would doing so allow for such activities then to be absorbed in the core? We are particularly concerned for the Adaptation Division workstream because much of the work related to implementation falls under supplementary. For instance, 22 meetings of the WIM/EX Com are in supplementary in both the ZRG and the ZNG. This is in spite of the increased workload -- with 3 new Expert Groups coming on stream, and the difficulties already being experienced with convening meetings and ensuring participation of developing country representatives. When the headlines point to a growing gap of support for adaptation and the increasing risks bearing down on small island developing states, there is sound expectation that the UNFCCC should be deploying every effort to help SIDS engage in processes, build their capacity and benefit from knowledge exchange.

➤ **Response:** Many of the lessons learnt will be applied in the context of constituted bodies for adaptation and loss and damage (AC, LEG, WIM ExCom and LCIPP FWG). While the Adaptation division seeks to organize the regular meetings of the constituted bodies in person, meetings of supporting working groups and task forces will be mostly organized virtually. In addition, the division plans to continue organizing virtual events when the objective is mainly sharing of information and knowledge, for example introducing a new tool kit for the NAP process, and of experience and lessons learned as a complement and if needed alternative to in-person meetings. Staff support for virtual meetings of the Adaptation division is anchored in core budget. Pending the evolution of the COVID 19 pandemic and the availability of supplementary funds to support travel of representatives and logistics, the division will strive to organize training and expert meetings in-person. The 22 meetings of the WIM ExCom in supplementary budget consist of 4 technical meetings, 8 regional workshops and 10 expert group meetings. In case meetings of the task forces and expert groups are not organized as in-person meetings (due to lack of funds, the COVID19 pandemic, or lack of opportunity to bring experts together in one place), these meetings would be organized virtually and supported by core staff. Likewise, if needed, the 4 technical meetings which have a global scope, could also be organized virtually; whereas the secretariat would likely consider postponing any of the regional workshops as these warrant an in-person event set-up. Finally, the secretariat will continue to accommodate, on a

rotation basis, time zones of the AIMS, Caribbean and Pacific SIDS to facilitate their engagements when planning for virtual meetings of the WIM ExCom and its expert groups.

- 3. Question:** In relation to Mitigation, we note that a placeholder has been indicated in the supplementary budget for Article 6. It is AOSIS expectation that we will finally complete the Article 6 rule set. This will then mean that the apparatus for Article 6 will have to be put in place to ensure an efficient start to work. The issue of reallocation of the Clean Development Mechanism surplus of funds would also have to be contemplated. So too will capacity building to facilitate the transition such as through RCC's. Can the Secretariat provide clarification on the budgeted amount for the placeholder and what it contemplates?
- **Response:** In expectation of the completion of negotiations on the operationalization of Art. 6 at the upcoming CMA, the secretariat has included in the supplementary budget an indication that activities would need to be funded in order to ensure an efficient start. However, at the same time the specifics are not clear yet in terms of exact activities that would need to be undertaken. Thus, the secretariat has indicated this with a placeholder and included in the supplementary budget the same amount as in 2020–2021 (EUR 3.7 million plus PSC) considering that this amount will likely need to be revised based on the outcome of the negotiations. Regarding the reallocation of the CDM resources to support future Art. 6 work, the secretariat would be ready to prepare the necessary arrangements to ensure this happens in a timely manner should the Parties decide to proceed in this way. Likewise, the secretariat can confirm the RCCs are positioned to support the capacity building needed by Parties to implement Art. 6 and will be included in supplementary budget that will be developed once the details of operationalization of Art. 6 are further clarified.
- 4. Comment:** As earlier pointed out in the case of Adaptation, we note that implementation related support for instance under objective 4, line-item ER 400-002-2, all activities related to support for international, regional and national entities engaged with implementation of the Paris Agreement is in supplementary.
- **Response:** Correct, all activities are included in supplementary budget. It should be noted that activities to be carried out by the regional collaboration centres, fundraising will be undertaken to cover staffing and related costs.
- 5. Comment:** In relation to means of implementation, we note that there is no provision or placeholder for activities related to long-term finance (LTF). The question of extension of that programme remains at issue.
- **Response:** The question regarding allocation for LTF and other additional activities relating to climate finance not envisioned in the current budget will depend on the outcomes of Parties' deliberations in Glasgow. The practice of the secretariat is that Parties will be informed before the conclusion of the COP on the budgetary implications of the draft decisions and those amounts will be added in the first instance to the supplementary budget requirements.
- 6. Question:** Turning now to Transparency, AOSIS notes yet again that implementation related support is relegated largely to supplementary. For instance, look at objectives 1a and 1b to validate this point. This is the same approach to objective 2 relating to constituted bodies and objective 4 on

enhanced engagement. Looking at Table 14, almost 60 percent of the budget will be supplementary. What proportion of that amount is for activities related to implementation?

➤ **Response:** For objective 1a, most of the non-staff costs for implementing the new ETF by organizing regional meetings, workshops, events, webinars and for developing training materials are covered by supplementary funds. For objective 1b, most of the costs are related to the implementation of the current MRV process (reviews, technical analysis) where approximately half of the operations are covered by core funds and the other half by supplementary funds. Under the same objective 1b, some non-staff costs for developing new training courses, certifying experts for the new ETF and for enhancing technical, administrative and logistical procedures with a view to supporting Parties in implementing ETF are also covered by supplementary funds. In terms of objective 2, most of the non-staff costs for supporting Parties in implementing the new ETF by organizing regional meetings, workshops, events, webinars are covered by supplementary funds. For objective 3, the non-staff costs required to develop and implement the new tools for reporting, review and multilateral consideration processes required to support the new ETF are also covered by supplementary funds. Similarly, the non-staff costs under objective 4 for enhancing the engagement of Parties and providing support and training for implementing transparency and NDCs in the context of the ETF by organizing regional meetings, workshops, events, webinars are covered by supplementary funds. It should be noted that the proposed allocation of estimated costs of these activities to core and supplementary takes into consideration the categorization of these activities in line with the established budget methodology.

7. **Question:** Finally, under the operations department, we wish to draw your attention to the section dealing with the Legal Affairs Division. Notably, the KP Compliance Committee and the PAICC are on equal footing. Given the relatively recent establishment of the PAICC, would there be a need to increase the resources for the PAICC?

➤ **Response:** The budget proposal provides adequate resource requirements for four meetings of the PAICC under core and supplementary funding. The PAICC is mandated to meet twice a year, “unless otherwise decided”. Given the importance, support to PAICC is prioritized accordingly when allocating supplementary funds.

8. **Question:** Constituted Bodies:

- a. Have there been meetings of the Constituted Bodies that could not take place in previous and current biennia due to lack of funding?
- b. What would be the additional costs of including all meetings of the Constituted Bodies under the core budget in the zero real and zero nominal growth scenarios?
- c. Could the Secretariat please indicate how this would change the distribution between core and supplementary funding for the relevant appropriation lines?
- d. Does this also impact the Trust Fund for Participation in the UNFCCC Process? If yes, how (much)?

➤ **Response:**

- a. There have been no meetings of constituted bodies that could not take place in previous and current biennia due to lack of funding.
- b. The additional costs of including all meetings of the Constituted Bodies under the core budget in the zero real and zero nominal growth scenarios would be EUR 1.0 million and EUR 1.5 million, respectively.

- c. Tables 1 and 2 below provide the distribution of core and supplementary funding after including the costs of all meetings of the Constituted Bodies under the core budget.

**Table 1:** Distribution of core and supplementary funding after including the costs of all meetings of the Constituted Bodies in the core budget in a ZRG (plus) scenario

ZRG	CORE	SUPPLEMENTARY
<b>Adaptation</b>	50.4% (EUR 6,7 million)	49,6% (EUR 6,6 million)
<b>Mitigation</b>	25,1% (EUR 3,8 million)	74,9% (EUR 11,3 million)
<b>Means of Implementation</b>	59.2% (EUR 6,5 million)	40.8% (EUR 4.5 million)
<b>Transparency</b>	42.4% (EUR 13,0 million)	57,6% (EUR 17,7 million)
<b>Legal</b>	63,7% (EUR 2.9 million)	36,3% (EUR 1,6 million)

**Table 2:** Distribution of core and supplementary funding after including the costs of all meetings of the Constituted Bodies in the core budget in a ZNG (plus) scenario

ZNG	CORE	SUPPLEMENTARY
<b>Adaptation</b>	48,2% (EUR 6,4 million)	51,8% (EUR 6,9 million)
<b>Mitigation</b>	24,7% (EUR 3,7 million)	75,3% (EUR 11,3 million)
<b>Means of Implementation</b>	57,8% (EUR 6,3 million)	42,2% (EUR 4.6 million)
<b>Transparency</b>	41,0% (EUR 12,5 million)	59% (EUR 18,1 million)
<b>Legal</b>	63,7% (EUR 2.9 million)	36,3% (EUR 1,6 million)

- d. There would be no impact on the Trust Fund for Participation.

9. **Question:** Could the Secretariat please confirm that the divisional budget distribution **between Core and Supplementary** for the Secretariat's Programmes is as follows (**in zero real growth scenario**):

ZRG	CORE	SUPPLEMENTARY
<b>Adaptation</b>	49% (EUR 6,5 million)	51% (EUR 6,8 million)
<b>Mitigation</b>	24,9% (EUR 3,7 million)	75,1% (EUR 11,3 million)
<b>Means of Implementation</b>	57,6% (EUR 6,3 million)	42,4% (EUR 4.6 million)
<b>Transparency</b>	41,9% (EUR 12,8 million)	58,1% (EUR 17,8 million)

- **Response:** We confirm that the above table contains the divisional budget distribution between core and supplementary for the Secretariat's programme divisions as proposed in the zero real growth scenario.

10. **Question:** What would be the divisional budget distribution between Core and Supplementary for the Secretariat's Programmes (Adaptation, Mitigation, Means of Implementation, Transparency) in the zero nominal growth scenario?

- **Response:** The budget distribution between core and supplementary of the programme divisions in the ZNG scenario is as follows:

ZNG	CORE	SUPPLEMENTARY
<b>Adaptation</b>	45,3% (EUR 6,0 million)	54,7% (EUR 7,3 million)
<b>Mitigation</b>	24,1% (EUR 3,6 million)	75,9% (EUR 11,4 million)
<b>Means of Implementation</b>	55,4% (EUR 6,0 million)	44,6% (EUR 4.9 million)
<b>Transparency</b>	40,3% (EUR 12,4 million)	59,7% (EUR 18,3 million)

**11. Question:** Could the Secretariat please provide an overview of how the **new activities for 2022-2023** (as identified in FCCC/SBI/2021/4, pp.8) are reflected under the zero real and zero nominal growth scenarios (this includes the global stocktake, ETF operationalisation, review of GHG inventories, outcomes of negotiations under Article 6 of the Paris Agreement).

➤ **Response:** Activities in support of the **global stocktake** are reflected in the work programmes of the following divisions: Intergovernmental Support and Collective Progress (core staff and some non-staff costs to support the process, including co-facilitators of the technical dialogue and the joint contact group; supplementary non-staff costs to support workshops and other activities); and the Adaptation, Mitigation, MOI and Transparency Divisions (core staff costs and supplementary staff/non-staff costs to support technical analyses and syntheses reports). There is no difference between the ZNG and the ZRG scenarios in the support for the Global Stocktake.

**ETF operationalization and review of GHG inventories:** The new activities for the ETF operationalization are reflected under both scenarios in the work programme of the Transparency division. These activities include the establishment of the infrastructure required to operationalize the ETF by developing new tools and systems, enhancing reviewing practices and procedures, establishing new training programmes and training experts, conducting technical reviews of biennial transparency reports and supporting developing countries in transitioning from MRV and implementing the ETF. Most of the non-staff costs for these activities are covered under the supplementary budget under both scenarios and some of the estimates will need to be revised pending further guidance from Parties and decisions made at COP 26 (CMA.3). Furthermore, in addition to the on-going operation of the current MRV system, the Transparency division has included the new activities for supporting the review of GHG inventories and true-up period reports, accounting and compliance processes under the second commitment period of the Kyoto Protocol, following the entry into force of the Doha Amendment.

Please see the response to question 3 for details on how **Article 6** is reflected in the budget. There is no difference between the ZNG and the ZRG scenarios in relation to Article 6.

**12. Question:** How much of the 2020-2021 budget for **staff travel** has not been used due to the COVID-19 pandemic (% of allocated budget & in real terms (EUR))? Was that amount used for other purposes? If yes, which purposes?

➤ **Response:** The 2020-2021 core budget included a budget for staff travel of EUR 1.16 million. Based on the expected shortfalls of core contributions only EUR 0.8 million of the budgeted amount was originally allocated to divisions. As at 31.05.2021 EUR 0.2 million have been spent for staff travel from the core budget. The unspent staff travel amount remained a portion of the available core contributions, which were allocated to divisions in line with the approved budgets per appropriation line. This means that the travel savings were proportionally used across the whole secretariat to cover contribution shortfalls elsewhere.

**13. Question:** Could the Secretariat please confirm that an increase (EUR 499,422 to the Communication and Engagement Cross-cutting unit) was already provided to enhance support for the work related to **gender and ACE**, as well as the engagement of **non-Party stakeholders**, the continuation of the **Marrakech Partnership for Global Climate Action** and annual high-level events,

as well as enhanced communication and information-sharing on gender (see Annex III of FCCC/SBI/2021/4).

- **Response:** Correct, the increase of EUR 499,422 in the reallocated budget for 2020-2021, as explained in paragraph 4 of Annex III, covers the Director post for Communication and Engagement to ensure effective oversight and management of the Division and a professional staff post in support for work related to gender and ACE as described in Annex III paragraph 4.

**14. Question:** Could the Secretariat please confirm that the reallocations in the Secretariat's programmes **Adaptation and Mitigation** are due to the structural review of the secretariat and don't imply a reduction in core funding allocated to relevant activities as agreed in the current biennium?

- **Response:** The re-allocations in the Adaptation and Mitigation divisions do not imply reduction in core funding for relevant activities as agreed in the current biennium. The re-allocations are partly due to the implementation of the new structure and to enhance support for agreed COP 25 outcomes. In the case of adaptation, support for research and systematic observation was moved to the cross-cutting Intergovernmental Support and Collective Progress division to ensure greater coherence in the provision of science in support of collective progress, in particular the review of the long-term global goal under the Convention and the global Stocktake. In the case of mitigation, support for enhanced engagement was moved to the Executive division and support for data was made more efficient to allow additional support for gender and ACE in the Communications and Engagement division.

**15. Question:** Were there any further changes made to the structure of the budget and appropriation lines following the changes announced during the briefing in June 2020 (as reflected in the Work programme of the secretariat for the biennium 2020–2021: update as at 1 January 2020)?

- **Response:** In order to ensure consistency and coherence of the new structure, some adjustments to specific parts of the structure were approved under the vested authority of the Executive Secretary in the second half of 2020, including corresponding reallocations of core budget posts and funding between appropriation lines, as follows:
  - a. Change of the funding source for the position of Director (D-1), Communications & Outreach (C&E) from the overhead budget (PSC) to the core budget and a corresponding re-allocation of funding to the amount of EUR 0.22 million between core budget appropriation lines from AS/HR/ICT to C&E;
  - b. Temporary transfer of one professional position at P-4 level from the Adaptation division to the Intergovernmental Support and Collective Progress (ISCP) division and the corresponding re-allocation of funding to the amount of EUR 0.19 million from Adaptation to ISCP for 2020-2021 only.

**16. Question:** Could the Secretariat please provide information on the staffing of the **Organizational Development and Oversight (ODO)** unit and the expected date when it will begin to function.

- **Response:** The ODO unit will include 1 professional position at P-5 level, supported by one post at P-3 level and one in the General Service category. The unit is planned to become functional in August 2021.

**17. Question:** Could the Secretariat please provide an update on the **Board of Auditors' recommendations**? As there seems to be a slowdown in implementation: Are you expecting to improve the implementation rate of the recommendations in the near future?

➤ **Response:** The audit report from the UN Board of Auditors for 2020 is in its final stages and will be published with an unqualified opinion as soon as it becomes available. The report will include a status update on pending audit recommendations. Of the 32 pending recommendations, 19 have been implemented by the secretariat or were taken over by events, which shows that the implementation rate has improved significantly, which has been appreciated and acknowledged by the external auditors.

**18. Question:** Could the Secretariat please provide an update regarding the **Director positions** that have not been filled in for a long time?

➤ **Response:** Two director positions, for ISCP and C&E, will be filled in July and August. The recruitment of the other 3 positions is being finalized and positions are expected to be filled in late summer.

**19. Question:** How would the secretariat implement the following suggestions to further strengthen the transparency of the **budget process and documentation**:

- a. The delivery of information regarding savings and efficiency gains for each biennium;
- b. The publication of the advanced versions of the main budget documents, including the work programme, earlier (e.g. 60 days prior to the SB session in May/June);
- c. The break-down of staff per objective/output in the work programme;
- d. The delivery of information on transfers made within/between each of the main appropriation lines of the approved budget the Executive Secretary, including an explanation of the necessity of those transfers, in relation to the availability of funds and the ability of the secretariat to fulfil its core mandates;
- e. The delivery of information on the gender balance of the secretariat (according to staff post level).

➤ **Response:**

- a. The Subsidiary Body for Implementation (SBI), at its thirty-fourth session, requested the Executive Secretary to provide a report on planned efficiency gains for the biennium 2012–2013 for its consideration at its thirty-fifth session ([FCCC/SBI/2011/7](#), paragraph 191). The report is contained in [FCCC/SBI/2011/INF.15](#). The Conference of the Parties (COP), by [decision 18/CP.17](#), requested the Executive Secretary to monitor and report on efficiency gains made during the biennium 2012–2013. In response, the secretariat prepared a note on dynamic efficiency gains achieved by the end of 2012 ([FCCC/SBI/2013/INF.5](#)) and a report on efficiency gains made during the biennium 2012–2013 ([FCCC/SBI/2014/INF.4](#)). The systematic efforts to enhance, monitor and report on efficiency gains were discontinued in the run-up to COP 15 in Paris. Information on efficiency gains could in the future be integrated into the annual reports on budget performance and programme delivery for consideration by the SBI. In response to a recommendation from the United Nations Board of Auditors, the report on budget performance for the biennium 2020–2021 as at 31 December 2020 ([FCCC/SBI/2021/5](#)) places a stronger emphasis than previous reports on information relating to budgets administered by the secretariat and their implementation. The analysis of information relating to budget implementation and staffing

- could be further enhanced in future reports to facilitate the consideration of budgets versus actuals and action taken by the secretariat in response to evolving requirements.
- b. The secretariat aims to publish all regular official documents six weeks ahead of the start of the sessional meeting at which they are intended to be considered. This is in line with requirements for regular United Nations documents. It will enhance its efforts to meet the six-week deadline when preparing the budget proposal for the biennium 2024–2025.
  - c. The work programme for the biennium 2022–2023 contains detailed information on post requirements per division, funding source per scenario. The comprehensive work programme contains many tables with information on planned outputs by division, objective, funding source and scenario. Breaking down staffing data to the level of outputs would not only make the document even longer, but also potentially more confusing as post requirements per output would need to be presented in percentages or decimals (e.g. 0.05 P-4, 0.1 P-3, 0.25 P-2 and 0.5 GS) for each output, funding source and scenario. Detailed information on budgeted and filled posts per division and funding source is contained in the report on budget performance for the biennium 2020–2021 as at 31 December 2020 ([FCCC/SBI/2021/5](#)).
  - d. Information on the core budget reallocations approved through the vested authority of the Executive Secretary is provided in annex III of the Programme Budget for the biennium 2022-2023 ([FCCC/SBI/2021/4](#)) and in the report on budget performance for the biennium 2020–2021 as at 31 December 2020 ([FCCC/SBI/2021/5](#), chapter III.B). Further details on such re-allocations, including their rationale could be provided in future budget performance reports.
  - e. Information on gender balance has been and continues to be included in the budget performance reports. For the recent information on gender balance please see annex III of the report on the budget performance for the biennium 2020–2021 as at 31 December 2020 ([FCCC/SBI/2021/5](#)).

**20. Question:** We appreciate to see a decrease of the ITL budget proposal compared to the last Biennium, nevertheless could the Secretariat please provide a detailed breakdown of tasks and cost in the remaining time for the true-up of the 2nd commitment period.

- **Response:** The activities related to the ITL foreseen for the biennium 2022-2023 have been provided in the proposed budget (see document [FCCC/SBI/2021/4/Add.2](#), section III, proposed work programme). Similar activities and costs are expected until the end of the CP2 true-up period, noting that the secretariat has been optimizing the ITL budget for the previous bienniums and will continue to do so in future bienniums and also noting that the CMP has yet to set a date for the end of the CP2 true-up period.

**21. Question:** Could the Secretariat provide additional Information of the current spending for the ITL in the present Biennium (2020/2021) and on the present financial status of the Trust Fund for the ITL.

- **Response:** Information on the current ITL spending and the status of the trust fund is available in the report on the budget performance for the biennium 2020–2021 as at 31 December 2020 ([FCCC/SBI/2021/5](#)).