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Administrative, financial and institutional matters

Other administrative, financial and institutional matters

Efforts to further improve the efficiency and transparency of the UNFCCC budget process

Note by the secretariat

Summary

This document provides an update on measures taken by the secretariat to further improve the efficiency and transparency of the UNFCCC budget process and documentation, including in relation to the mandates in decisions [18/CP.24](#), [18/CP.25](#) and [23/CP.26](#), building on the information contained in previous documents on this matter.



I. Introduction

A. Mandate and background

1. At its twenty-fifth session the Conference of the Parties (COP) requested the secretariat to report, for consideration at the first session of the Subsidiary Body for Implementation (SBI) each year, on its efforts to further improve the efficiency and transparency of the UNFCCC budget process and documentation, including on its implementation of decision [18/CP.25](#) and the provisions on other budgetary matters contained in decision [18/CP.24](#).¹

2. The SBI has regularly considered the information documents prepared by the secretariat on its efforts in this regard² since COP 25. COP 26 welcomed the measures proposed by the secretariat for improving the efficiency and transparency of the UNFCCC budget process³ and requested the secretariat to report on the implementation thereof as part of the reporting referred to in paragraph 1 above.⁴ COP 29 took note of the information in documents prepared by the secretariat on financial and budgetary matters, including on efforts to further improve the efficiency and transparency of the UNFCCC budget process.⁵

B. Possible action by the Subsidiary Body for Implementation

3. The SBI may wish to consider the information in this document as part of its consideration of the relevant agenda sub-item and to provide guidance to the secretariat on next steps, as appropriate.

II. Further improving the efficiency and transparency of the UNFCCC budget process and documentation

4. As noted in the programme budget for the biennium 2026–2027 proposed by the UNFCCC Executive Secretary, beginning in August 2024 the secretariat set out to maximize efficiency gains across all activities and funding sources by reviewing mandates with the aim of lowering costs.⁶ The secretariat-wide process involved taking stock, within all divisions, of each function and its related mandates, both new and ongoing, and assessing opportunities for further efficiency gains.

5. The secretariat has further strengthened its internal budgeting approach, partly in response to the recommendation of the United Nations Board of Auditors to submit a new methodology for budget proposal and approval,⁷ which builds on the established framework for categorizing activities by improving the consistency of its application and reinforcing its use for strategic activity prioritization and resource allocation. This effort included the establishment of an internal, multidisciplinary mandate budgeting task force that reviews how mandates from the governing and subsidiary bodies are translated into tangible activities and resource needs, leading to more transparent and consistent costing of activities and a clearer definition of actual needs, including by determining whether mandated activities are essential (category 1), recurrent or long-term (category 2), temporary or short-term (category 3) or complementary (category 4).⁸

¹ Decision [18/CP.25](#), para. 19.

² See documents [FCCC/SBI/2016/INF.14](#), [FCCC/SBI/2018/INF.18](#), [FCCC/SBI/2020/INF.2](#), [FCCC/SBI/2022/INF.2](#), [FCCC/SBI/2023/INF.3](#) and [FCCC/SBI/2024/INF.2](#).

³ See document FCCC/SBI/2020/INF.2, paras. 30, 31 and 33.

⁴ Decision [23/CP.26](#), paras. 21–22.

⁵ Decision [19/CP.28](#), para. 38.

⁶ [FCCC/SBI/2025/8](#), para. 10.

⁷ See document [FCCC/SBI/2024/INF.7](#), p.50, para. 196.

⁸ See annex I to document [FCCC/SBI/2025/8](#) for further information on activity categorization and alignment of budget with mandates.

6. The secretariat undertook enhanced consultations with Parties throughout the process of preparing the programme budget for 2026–2027 to receive their guidance and ensure alignment of the budget with their priorities.⁹ The consultative process included a briefing convened by the SBI Chair for heads of delegation during COP 29, two virtual briefings with all Parties in March 2025, and bilateral consultations between the secretariat and representatives of individual Parties from all groups of Parties. Briefings with Parties have also taken place following the publication of the proposed programme budget for 2026–2027, which presents, in addition to the proposed budget, three mandated scenarios: zero nominal growth, zero real growth and actual needs.¹⁰

7. The secretariat has further enhanced the transparency of budget documentation by including in its work programme for 2026–2027 references to key mandates per output.¹¹ The secretariat is working to establish a cross-divisional review process in order to implement the Board of Auditor’s recommendation to improve the quality and coherence of reporting by the secretariat on budget management and performance,¹² ensuring that it follows a consistent format and includes consistent data definitions and narratives. Data analytics tools will be used to detect discrepancies, inconsistencies or missing data across reports. A centralized reporting dashboard has been developed to consolidate and visualize financial and performance data, thus improving accessibility and transparency. Going forward, a formal quality assurance process, including the development of reporting guidelines, will be introduced to ensure that all reports are reviewed for consistency prior to publication. These efforts, to be implemented by the end of 2025, will significantly enhance the secretariat’s accountability and effectiveness in reporting to the COP.

8. The secretariat has already implemented several measures for improving the efficiency and transparency of the UNFCCC budget process in the context of preparing and considering the programme budget for 2026–2027, including by:

- (a) Providing Party representatives involved in the budget negotiations with background information and details relevant to consideration of the budget;
- (b) Holding virtual briefings for Parties on the budget sufficiently in advance of its formal consideration by the SBI, including question and answer sessions;
- (c) Conducting a thorough review and costing of mandated activities to ensure consistent translation of mandates into outputs and accurate categorization of activities;
- (d) Optimizing the delivery of mandated activities by strategically clustering events where appropriate, streamlining the arrangement of travel, budgeting for strategic investment in digital solutions to improve efficiency, and reviewing and standardizing non-staff costs across divisions.

9. Furthermore, the secretariat has updated its work programme for 2024–2025,¹³ for consideration at SBI 62, to serve as a transparent baseline against which to assess future budget performance.

⁹ See para. 28 of decision [19/CP.28](#) and the recommendation of the Board of Auditors on informing and consulting Parties far ahead of the budget appropriation process ([FCCC/SBI/2024/INF.7](#), p.21, para. 57).

¹⁰ Pursuant to decision [22/CP.21](#), para. 22.

¹¹ [FCCC/SBI/2025/8/Add.1](#).

¹² See document [FCCC/SBI/2024/INF.7](#), p.32, para. 99.

¹³ See document [FCCC/SBI/2025/INF.2](#).