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INTERGOVERNMENTAL NEGOTIATING COMMITTEE FOR AN
INTERNATIONAL LEGALLY BINDING INSTRUMENT
FOR IMPLEMENTING INTERNATIONAL ACTION ON
CERTAIN PERSISTENT ORGANIC POLLUTANTS

Seventh session
Geneva, 14-18 July 2003
Item 4 of the provisional agenda*

**Activities of the secretariat and review of the situation
as regards extrabudgetary funds**

**COMPILATION OF REPORTS USED BY OTHER MULTILATERAL ENVIRONMENTAL
AGREEMENTS FOR DEALING WITH THEIR BUDGETS**

Note by the secretariat

At its sixth session, the Intergovernmental Negotiating Committee requested the secretariat to prepare, in advance of its seventh session, an information paper compiling the reports used by other multilateral environmental agreements for dealing with their budgets (see paragraph 50 of the report of the work of the sixth session of the Committee (UNEP/POPS/INC.6/22)). In response to the request, the secretariat has provided information on such reporting in the annex to the present note from:

- (a) The Basel Convention on the Control of Transboundary Movement of Hazardous Wastes and Their Disposal;
- (b) The Convention on Biological Diversity;
- (c) The United Nations Framework Convention on Climate Change;
- (d) The United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa;
- (e) The Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade;

* UNEP/POPS/INC.7/1

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(f) The Vienna Convention for the Protection of the Ozone Layer and its Montreal Protocol on Substances that Deplete the Ozone Layer.

The annex has been produced as issued without any formal editing.

Annex

EXAMPLES OF REPORTS USED BY OTHER
MULTILATERAL ENVIRONMENTAL AGREEMENTS
FOR DEALING WITH THEIR BUDGETS¹

A. BASEL CONVENTION ON THE CONTROL OF TRANSBOUNDARY MOVEMENT OF
HAZARDOUS WASTES AND THEIR DISPOSAL

Decision of the sixth meeting of the Conference of the Parties (UNEP/CHW.6/40)

VI/41. Financial matters

The Conference of the Parties,

Recalling its decision V/35 on financial matters,

Having noted the comprehensive information provided on the Trust Funds of the Basel Convention by the secretariat,

Recognizing the continued management by the secretariat of the finances of the Basel Convention Trust Funds,

Taking note of the financial report on the Trust Funds for 2002 (UNEP/CHW.6/INF/3),

Noting the increase in the number of Parties to the Convention, the need for greater assistance to be provided financially and in other forms to the Parties to achieve more effective implementation, and the necessity to implement the various decisions, including the strategic plan for the implementation of the Basel Convention,

Recognizing that voluntary contributions are an essential complement for the effective implementation of the Basel Convention,

Noting the need to manage financial arrangements supporting the Basel Convention in a way that is fully transparent;

1. Approves the budget of the Trust Fund for the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention Trust Fund) in the amount of 4,201,854 United States dollars for 2003 and 4,201,854 United States dollars for 2004, as contained in appendix II to the present decision;

2. Authorizes the Executive Secretary to utilize an amount not exceeding 1,200,000 United States dollars in the year 2003 and 1,200,000 United States dollars in the year 2004 from the reserve and fund balance of the Basel Convention Trust Fund to meet expenditure in the approved budget;

3. Notes that, as a result of utilization authorized in paragraph 2 above, the reserve and fund balance will be drawn down by an amount not exceeding 15 per cent, reduced by the income from interest and contributions from others than Parties;

4. Decides that the total amount of the contributions to be paid by the Parties is 3,001,854 United States dollars for 2003 and 3,001,854 United States dollars for 2004, as set out in appendix II to the present decision;

¹ Indicative scales of contribution, which are associated with a number of the examples, are not included.

5. Also decides that the contributions of individual Parties shall be as listed in appendix III to the present decision;
6. Further decides to establish a working capital reserve and to maintain the level of a working capital reserve at 15 per cent of the estimated annual planned expenditures at any time;
7. Decides that the Executive Secretary may make transfers of up to 20 per cent from one main appropriation line of the approved budget to other main appropriation lines;
8. Authorizes the Executive Secretary, in addition to the approved budget, on an exceptional basis to utilize an amount not exceeding 1,200,000 United States dollars in the period 2003-2004 from the reserve and fund balance of the Basel Convention Trust Fund for the purpose of putting into effect activities to implement the strategic plan in 2003-2004;
9. Agrees to review at its seventh meeting, on the basis of a document to be prepared by the secretariat, a plan for working towards a reduction in the reserve and fund balance and identify the optimal means of balancing the Convention's operating funds and expenditures;
10. Expresses its concern over the delays in payment of the agreed contributions by Parties, contrary to the provisions of the terms of reference for the administration of the Trust Fund for the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, as contained in paragraph 8 of appendix I to the present decision;
11. Urges all Parties to pay their contributions promptly and in full and further urges Parties that have not done so to pay their contributions for prior years as soon as possible;
12. Takes note of the budget for the Trust Fund to Assist Developing Countries and Other Countries in Need of Technical Assistance in the Implementation of the Basel Convention (Technical Cooperation Trust Fund) in the amount of 4,556,160 United States dollars for 2003 and 5,347,160 United States dollars for 2004, as contained in appendix IV to the present decision;
13. Invites voluntary contributions to the Technical Cooperation Trust Fund and to the Basel Convention Trust Fund from Parties and non-Parties, as well as from other sources;
14. Invites Parties to notify the secretariat of the Basel Convention of all contributions made to the Basel Convention Trust Funds at the time such payments are made;
15. Decides that the Trust Funds for the Basel Convention shall be further continued until 31 December 2006 and requests the Executive Director of the United Nations Environment Programme to extend the two Trust Funds to the Basel Convention for 2005-2006, subject to the approval of the Governing Council of the United Nations Environment Programme;
16. Requests the secretariat of the Basel Convention to ensure the implementation of the decisions adopted by the Conference of the Parties as approved, within the budgets and the availability of financial resources in the Trust Funds;
17. Also requests the secretariat to report annually to the Open-ended Working Group and to the Expanded Bureau on all sources of income received, including the reserve and fund balance and interest, as well as actual provisional and projected expenditure and commitments, and further requests the Executive Secretary to report on all expenditures against the agreed budget lines;
18. Requests the Executive Secretary to report to the Open-ended Working Group and the Expanded Bureau on the use of the funds referred to in paragraph 8 above on an annual basis;

19. Requests the Open-ended Working Group to consider, on the basis of comments provided by Parties to the secretariat by 28 February 2003, how to improve the format for reporting in accordance with paragraph 17 above;
20. Also requests the Open-ended Working Group and the Expanded Bureau to keep under review the financial information provided by the secretariat, including the timeliness and transparency of that information;
21. Approves that the scope of the Technical Cooperation Trust Fund shall be enlarged as provided for in decision V/32 on the enlargement of the scope of the Technical Cooperation Trust Fund;
22. Approves the revised terms of reference for the administration of the trust funds for the Basel Convention as contained in appendix I to the present decision, from the financial period beginning on 1 January 2003;
23. Further approves modification of the scale of assessments for the Basel Convention Trust Fund by substituting 25 per cent by 22 per cent in accordance with United Nations General Assembly resolution 55/5 B to F of 23 December 2000;
24. Invites Parties to submit to the secretariat their views in writing on the scale of assessments for the Basel Convention Trust Fund, before 31 May 2004;
25. Requests the secretariat to compile a paper in this regard to be considered by the Parties at the seventh meeting of the Conference of the Parties.

Appendix I

TERMS OF REFERENCE FOR THE ADMINISTRATION OF THE TRUST FUNDS
FOR THE BASEL CONVENTION ON THE CONTROL OF TRANSBOUNDARY MOVEMENTS OF
HAZARDOUS WASTES AND THEIR DISPOSAL

1. The scope of the Trust Fund for the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (hereinafter referred to as the Basel Convention Trust Fund) is to provide financial support for the ordinary expenditure of the secretariat of the Basel Convention.
2. The scope of the Trust Fund to Assist Developing Countries and Other Countries in Need of Technical Assistance in the implementation of the Basel Convention (hereinafter referred to as the Technical Cooperation Trust Fund) is to provide financial support in particular for:
 - (a) Technical assistance, training and capacity-building;
 - (b) Basel Convention Regional Centres;
 - (c) Appropriate participation of the representatives of developing countries Parties and of Parties with economies in transition;
 - (d) Cases of emergency and compensation for damage resulting from incidences arising from transboundary movements of hazardous wastes and other wastes and their disposal.
3. The financial period of both Trust Funds will be a biennium consisting of two consecutive calendar years.
4. The trust funds shall be administered by the Executive Director of the United Nations Environment Programme (UNEP), with the approval of the Governing Council of UNEP, pursuant to the Financial Regulations and Rules of the United Nations.

Contributions

5. The appropriations for the Basel Convention Trust Fund shall be replenished by:
 - (a) Contributions made by the Parties to the Convention, by reference to the table attached as an appendix to the budget, including additional contributions and contributions from any new Parties, which are to be added to the table;
 - (b) Contributions from States not party to the Convention, other governmental, intergovernmental and non-governmental organizations and other sources.
6. The appropriations of the Technical Cooperation Trust Fund for this period shall be financed from voluntary contributions made by the Parties and the non-parties to the Convention, intergovernmental and non-governmental organizations and other sources.
7. The contributions referred to in paragraph 5 (a) above are to be based on the United Nations scale of assessments for the apportionment of the expenses of the United Nations.
8. All contributions are due to be paid in the year immediately preceding the year to which the contributions relate.

9. All contributions shall be paid in United States dollars or their equivalent in a convertible currency into a bank account to be designated by the Executive Director, in consultation with the Executive Secretary of the Convention secretariat.
10. The secretariat shall acknowledge all pledges and contributions and shall inform the Parties once a year of the status of pledges and payments of contributions.
11. Contributions from States that become Parties after the beginning of the financial period shall be made *pro rata temporis* for the balance of the financial period.
12. Contributions not immediately required for the purpose of either trust fund shall be invested at the discretion of the United Nations and any interest so earned shall be credited to the funds.

Budget

13. The budget estimates covering the income and expenditure for each of the calendar years constituting the financial period to which they relate, prepared in United States dollars, shall be submitted for approval at the regular meeting of the Conference of the Parties to the Convention at least 90 days prior to the meeting for submission to the Conference of the Parties.
14. The estimates for each of the calendar years covered by a financial period shall be specified according to objects of expenditure and shall be accompanied by such information as may be required by, or on behalf of, the contributors and such further information as the Executive Director of UNEP may deem useful and advisable.
15. The decision of the Conference of the Parties on the budget, including contributions thereto, shall be made by consensus prior to the commencement of the financial period it covers.
16. Adoption of the budget by the Conference of the Parties shall constitute authority to incur obligations and make payments for purposes for which the appropriations were approved and up to the amount so approved. Commitments against the resources of the trust funds may be made only if they are covered by the necessary income. No commitments shall be made in advance of the receipt of contributions.
17. The Executive Secretary may make transfers within each of the main appropriation lines of the approved budget. The Executive Secretary may also make transfers between such appropriation lines up to limits, which the Conference of the Parties may set as appropriate.

Funds

18. The Basel Convention Trust Fund shall be managed by the Executive Secretary of the secretariat of the Basel Convention. All resources under paragraphs 5 (a) and 5 (b) above shall be credited to the Basel Convention Trust Fund and all expenditures included in the approved budget shall be charged to the Fund.
19. Within the Trust Fund there shall be maintained a working capital reserve at a level to be determined from time to time by the Conference of the Parties by consensus. The purpose of the working capital reserve shall be to ensure continuity of operations in the event of a temporary shortfall of cash. Drawdowns from the working capital reserve shall be restored from contributions as soon as possible.

20. The Technical Cooperation Trust Fund shall be managed by the Executive Secretary of the secretariat of the Basel Convention and shall receive voluntary contributions under paragraph 6 above.

21. At the end of a calendar year of a financial period, the Executive Director shall transfer any uncommitted balance of appropriations to the following calendar year.

Accounts and audit

22. All funds governed by the present terms of reference shall be subjected to the internal and external audit process of the United Nations.

23. At the end of each calendar year of a fiscal period, the Executive Director shall submit to the Parties the certified accounts for the year and a report of activities under the Convention. The Executive Director shall submit the accounts for the two-year financial period audited by the Board of Auditors of the United Nations as soon as practicable.

Programme support costs

24. Programme support cost will be charged by UNEP for the services provided to the Conference of the Parties, its subsidiary bodies and the Convention secretariat from the funds referred to in paragraphs 5 (a) and (b) and 6 above under such terms as may from time to time be agreed upon between the Conference of the Parties and UNEP, or in the absence of such agreement, in accordance with the general policy of the United Nations.

General provisions

25. In the event that the Parties wish both trust funds to be further extended, the Executive Director of UNEP shall be so requested by the Parties at least six months earlier. Such extension of both trust funds shall be subject to the approval of the UNEP Governing Council.

26. Any amendments to the present terms of reference shall be adopted by the Conference of the Parties by consensus.

	Budget		
	2002	2003	2004
1326Expert Group on end of life cycle mobile phones	-	3,000	3,000
1327Committee on Compliance (English only, in conjunction with OEWG)	-	3,000	3,000
1399Sub-total Administrative Support and Conference Servicing Costs	1,149,900	1,604,900	1,604,900
<i>1600Travel on Official Business</i>			
1601Official Travel	180,000	200,000	200,000
1699Total, Travel On Official Business	180,000	200,000	200,000
1999TOTAL STAFF COMPONENT	2,729,400	3,267,400	3,289,400
20SUB-CONTRACT COMPONENT			
<i>2100Sub-contracts Component</i>			
2101Information System	50,000	50,000	50,000
2199Sub-total sub-contracts - non-commercial	50,000	50,000	50,000
2999TOTAL SUB-CONTRACT COMPONENT	50,000	50,000	50,000
30MEETINGS AND CONFERENCES COMPONENT			
<i>3300Travel and DSA Costs of Participants</i>			
3301Conference of the Parties	-	-	-
3302Open-ended Working Group 1 (25 travels)	-	87,500	-
3303Open-ended Working Group 2 (25 travels)	75,000	87,500	-
3304Open-ended Working Group 3 (50 travels)	75,000	-	175,000
3305Expanded Bureau (some 14 travels)	90,555	51,555	51,555
3399Sub-total Meetings and Conferences	240,555	226,555	226,555
3999TOTAL MEETINGS AND CONFERENCES COMPONENT	240,555	226,555	226,555
40EQUIPMENT AND PREMISES COMPONENT			
<i>4100Expendable Equipment</i>			
4101Office Supplies, library acquisitions and computer software	31,000	24,500	24,500
4199Sub-total, Expendable Equipment	31,000	24,500	24,500
<i>4200Non Expendable Equipment</i>			
4201Computer Equipment, printers, furniture, multimedia and others	28,000	28,000	28,000
4299Sub-total, Non Expendable Equipment	28,000	28,000	28,000
<i>4300Premises</i>			
4301 Office space fees, building maintenance, security, utilities and insurance	129,000	60,000	60,000
4399Total, Premises	129,000	60,000	60,000
4999TOTAL, EQUIPMENT AND PREMISES COMPONENT	188,000	112,500	112,500
50MISCELLANEOUS COMPONENT			
<i>5100Operation, Rental and Maintenance of Equipment</i>			
5101Computers, Printers, photocopiers and other	51,300	51,300	51,300

	Budget		
	2002	2003	2004
5199Sub-total, Maintenance of Equipment	51,300	51,300	51,300
<i>5200Reporting costs</i>			
5201Newsletters, publications and other media	99,800	55,000	55,000
5299Sub-total, Reporting costs	349,800	55,000	55,000
<i>5300Sundry</i>			
5301Communications, freight and other (with carry over to COP year)	99,900	67,500	67,500
5399Sub-total Sundry	99,900	67,500	67,500
<i>5400Hospitality</i>			
5401Hospitality	9,500	9,500	9,500
5499Sub-total Hospitality	9,500	9,500	9,500
5999TOTAL, MISCELLANEOUS COMPONENT	510,500	183,300	183,300
99SUB – TOTAL OPERATIONAL COSTS	3,718,455	3,839,755	3,861,755
Less UNEP Contribution ***		(118,300)	(140,300)
99TOTAL OPERATIONAL COSTS	3,718,455	3,718,455	3,718,455
13% Programme Support Costs	483,399	483,399	483,399
TOTAL BUDGET OF THE TRUST FUND	4,201,854	4,201,854	4,201,854
Deduction from the Reserve and Fund Balance ****	1,200,000	1,200,000	1,200,000
TO BE COVERED BY CONTRIBUTIONS BY PARTIES	3,001,854	3,001,854	3,001,854
Proposed implementation of the Strategic plan. Amount is deducted from the Reserve and Fund Balance without direct impact on contribution by Parties.	-	353,982	707,965
13 % Programme Support Cost	-	46,018	92,035
Sub-total	-	400,000	800,000
Total reduction from the Reserve and Fund balance of BC Trust Fund.	1,200,000	1,600,000	2,000,000

* Review of the existing post is taking place. Grade of asterixed posts has been proposed for reclassification in higher grade in line with the revised functions within existing budget. Reclassification to be effective in 2004 subject to approval of the Executive Director of UNEP.

** Provided fully by UNEP from 13% Programme Support Cost (PSC).

*** UNEP will contribute USD 118,300 in 2003 and USD 140,300 in 2004, should the overall level of expenditure reach the total approved budget level.

**** The reduction in the reserve and fund balance will be reduced by interest for period 2003 -2004 and by contributions from other than Parties.

B. CONVENTION ON BIOLOGICAL DIVERSITY

Decision of the sixth meeting of the Conference of the Parties (UNEP/CBD/COP/20)

VI/29. Administration of the Convention and the budget for the programme of work for the biennium 2003-2004

The Conference of the Parties,

Having considered the report of the Executive Secretary on the administration of the Convention and the performance of the Convention's trust funds,^{2/}

Having also considered the proposed budget for the biennium 2003-2004 submitted by the Executive Secretary,^{3/}

Noting the increased cooperation between the Convention on Biological Diversity, the United Nations Framework Convention on Climate Change, the United Nations Convention to Combat Desertification, the Convention on Wetlands (Ramsar, Iran, 1971), the Convention on International Trade in Endangered Species of Wild Fauna and Flora, the Convention on the Conservation of Migratory Species of Wild Animals, and other related agreements and the wide support for the implementation of the Convention's programme of work among governments, international organizations, non-governmental organizations and the private sector through the provision of expertise, information and financial and human resources,

Noting with appreciation the commendable efforts of the Executive Secretary and his staff in the delivery and effective management of the programme of work for the biennium 2001-2002, including the substantial increase of the workload, within the approved budgetary and human resources,

1. *Welcomes* the annual contribution of US\$ 1,000,000 from Canada, the host country of the Secretariat, to offset contributions from Parties for the biennium 2003-2004;
2. Approves a core budget (BY Trust Fund) of US\$ 10,742,500 for the year 2003 and of US\$ 11,214,300 for the year 2004, for the purposes listed in table 1 below;
3. *Adopts* the indicative scale of contributions for 2003 and 2004 contained in the annex to the present decision;
4. *Decides* to establish a working capital reserve at a level of 4 per cent of the core budget (BY Trust Fund) expenditure, including programme support costs,^{4/}
5. *Approves* a Secretariat staffing table for the programme budget contained in table 2 below; requests that all staff positions be filled expeditiously and authorizes the Executive Secretary to redeploy staff within the Secretariat, where appropriate, to meet evolving needs and priorities and to ensure the smooth functioning of the Secretariat;
6. *Welcomes with appreciation* the decision of the Secretary-General of the United Nations of 8 December 2000, to upgrade the post of the Executive Secretary of the Convention from D-2 to Assistant Secretary-General (ASG), pursuant to paragraph 21 of its decision V/22; and *endorses* the decision of the

^{2/} UNEP/CBD/COP/6/10.

^{3/} UNEP/CBD/COP/6/16 and Corr.1 and Add.1.

^{4/} The purpose of the working capital reserve shall be to ensure continuity of operations of the Convention's Secretariat in the event of a temporary shortfall of cash. Drawdowns from the working capital reserve shall be restored from contributions as soon as possible.

Bureau of the fifth meeting of the Conference of the Parties approving the upgrading of the post of the Executive Secretary to Assistant Secretary-General in April 2001;

7. *Requests* the President of the Conference of the Parties, taking into account paragraph 6 above, to invite the Secretary-General of the United Nations to appoint the Executive Secretary at the level of Assistant Secretary-General, for a three-year term of office, starting on 1 July 2002;

8. *Approves* a drawing of US\$ 5 million from the unspent balances or contributions (“carry-over”) from previous financial periods to cover part of the 2003-2004 budget;

9. *Authorizes* the Executive Secretary to transfer resources among the programmes within the limits agreed to in decisions V/22, IV/17 and III/23, namely the ability to transfer between each of the main appropriation lines set out in table 1 up to an aggregate of 15 per cent of the total programme budget, provided that a further limitation of up to a maximum of 25 per cent of each such appropriation line shall apply;

10. *Notes with concern* that a number of Parties have not paid their contributions to the core budget (BY Trust Fund) for 2002 and prior years, which are due on 1 January of each year in accordance with paragraph 4 of the financial rules, and the late payment of contributions to the core budget by Parties during each calendar year of a biennium, which have contributed to the significant carry-over from one biennium to the next, and, in the event that there is no improvement in the payment of contributions by Parties, and *invites* the Executive Secretary to submit proposals for promoting full and timely payment of contributions by Parties for consideration and review by the Conference of the Parties at its seventh meeting;

11. *Urges* Parties that have still not paid their contributions to the core budget (BY Trust Fund) to do so without delay, and requests the Executive Secretary to publish and regularly update information on the status of contributions of Parties to the Convention’s trust funds (BY, BE, BZ);

12. *Reiterates*, with regard to contributions due from 1 January 2001 onwards, that Parties whose contributions are in arrears for two or more years will be allowed to attend the meetings of the Convention’s bodies with a maximum of two delegates until their arrears have been cleared;

13. *Further reiterates* that, with regard to contributions due from 1 January 2001 onwards, Parties that are not least developed countries or small island developing States whose contributions are in arrears for two or more years, will not receive funding from the Secretariat to attend meetings of the Convention’s bodies until their arrears have been cleared;

14. *Authorizes* the Executive Secretary to enter into commitments up to the level of the approved budget, drawing on available cash resources, including unspent balances, contributions from previous financial periods and miscellaneous income;

15. *Decides* to fund, upon request, from the core budget (BY Trust Fund) the participation of members of the bureaux of the Conference of the Parties and Subsidiary Body on Scientific Technical and Technological Advice at the inter-sessional meetings of the respective bureaux;

16. *Endorses* the decisions of the Bureau of the fifth meeting of the Conference of the Parties authorizing the Executive Secretary to utilize savings, unspent balances from previous financial periods and miscellaneous income in the amount of US\$ 2,319,500 from the BY Trust Fund, of which US\$ 1,157,142 was spent, to fund inter-sessional activities recommended by the Subsidiary Body on Scientific, Technical and Technological Advice, the Intergovernmental Committee for the Cartagena Protocol on Biosafety and the Ad Hoc Open-ended Working Group on Access and Benefit-sharing, which were not envisaged and therefore for which no budgetary allocations were approved by the Conference of the Parties at its fifth meeting, including the participation of developing country Parties, in particular the least developed and small island developing States, and Parties with economies in transition, in the meetings of the Convention as well as to carry out activities approved by the Conference of the Parties and *requests* the Executive

Secretary, in consultation with the Bureau, to continue to monitor the availability of voluntary contributions to the BE and BZ Trust Funds in the event of any shortfalls;

17. *Decides* that the Trust Funds (BY, BE, BZ) for the Convention shall be extended for the period of two years, beginning 1 January 2004 and ending 31 December 2005;

18. *Invites* all Parties to the Convention to note that contributions to the core budget (BY) are due on 1 January of the year in which these contributions have been budgeted for, and to pay them promptly, and *urges* Parties, in a position to do so, to pay by 1 October 2002 for the calendar year 2003 and by 1 October 2003 for the calendar year 2004 the contributions required to finance expenditures approved under paragraph 2 above, as offset by the amount in paragraph 4, and, in this regard, *requests* that Parties be notified of the amount of their contributions by 1 August of the year preceding the year in which the contributions are due;

19. *Urges* all Parties and States not party to the Convention, as well as governmental, intergovernmental and non-governmental organizations and other sources, to contribute to the trust funds (BY, BE, BZ) of the Convention;

20. *Takes note* of the funding estimates for the Special Voluntary Trust Fund (BE) for Additional Voluntary Contributions in Support of Approved Activities for the Biennium 2003-2004 specified by the Executive Secretary and included in table 3 below, and *urges* Parties to make contributions to this Fund;

21. *Takes note* also of the funding estimates for the special voluntary Trust Fund (BZ) for facilitating participation of developing country Parties, in particular the least developed and the small island developing States among them, and Parties with economies in transition, for the biennium 2003-2004, as specified by the Executive Secretary and included in table 4 below, and *urges* Parties to make contributions to this Fund;

22. *Authorizes* the Executive Secretary to consult with the Bureau of the Conference of the Parties on any adjustments which may be necessary in the servicing of the programme of the work as foreseen in the core budget (BY Trust Fund) for the biennium 2003-2004, including the postponement of meetings, in the event that sufficient resources are not available to the Secretariat in a timely fashion from the approved budget (BY Trust Fund), including available cash resources, unspent balances, contributions from previous financial periods and miscellaneous income;

23. *Authorizes* the Executive Secretary to draw, in consultation with the bureau of the Conference of the Parties, on available cash resources, including unspent balances, contributions from previous financial periods and miscellaneous income within the approved core budget (BY Trust Fund) for the biennium 2003-2004, to cover any shortfalls in the special voluntary Trust Fund (BZ) for facilitating participation of developing country Parties, in particular the least developed and the small island developing States among them, and Parties with economies in transition, for the biennium 2003-2004, in priorities ^{5/} identified in the core budget (BY Trust Fund);

24. *Authorizes* the Executive Secretary, in consultation with the Bureau of the Conference of the Parties, to draw on available cash resources, including unspent balances, contributions from previous financial periods and miscellaneous income within the approved core budget (BY Trust Fund) for the biennium 2003-2004, to fund inter-sessional activities recommended by the Subsidiary Body on Scientific, Technical and Technological Advice, the Intergovernmental Committee for the Cartagena Protocol on Biosafety and the ad hoc open-ended working groups, that have not been envisaged and for which no budgetary allocations were approved by the Conference of the Parties at its sixth meeting, up to a maximum of 20 per cent (US\$ 855,523) of the cost of the priorities ^{5/} identified within the core budget (BY Trust Fund) for the biennium 2003-2004;

^{5/} See footnote in table 1 below.

25. *Approves* a contingency of US\$ 250,000 to meet the costs of the conference services if a second meeting of the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol on Biosafety takes place in 2004, back-to-back with the seventh meeting of the Conference of the Parties to the Convention, and in the event that the first meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol does not decide on budgetary arrangements to this end;

26. *Requests* the Executive Secretary, in accordance with the provisions of Article 31, paragraph 3 of the Cartagena Protocol on Biosafety, to identify the costs of the secretariat services for the Protocol, to the extent that they are distinct, for inclusion in a proposed budget for the consideration of the first meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol;

27. *Decides* to establish, pursuant to paragraphs 6 and 7, section B, of recommendation 2/9 of the Intergovernmental Committee for the Cartagena Protocol on Biosafety, and on a pilot phase basis, a trust fund, to be administered by the Secretariat, for voluntary contributions from Parties and Governments for the specific purpose of supporting developing country Parties, in particular the least developed and the small island developing States among them, and Parties with economies in transition to pay for the use of experts selected from the roster of experts on biosafety; and *requests* the Executive Secretary to seek submissions from Governments on the operation of this Fund, and to report thereon to the first meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol;

28. *Requests* the Executive Secretary to prepare and submit a budget for the programme of work for the biennium 2005-2006 for the seventh meeting of the Conference of the Parties, and report on income and budget performance as well as any adjustments made to the Convention budget for the biennium 2003-2004;

29. *Authorizes* the Executive Secretary, in an effort to improve the efficiency of the Secretariat and to attract highly qualified staff to the Secretariat, to enter into direct administrative and contractual arrangements with Parties, governments and organizations—in response to offers of human resources and other support to the Secretariat—as may be necessary for the effective discharge of the functions of the Secretariat, while ensuring the efficient use of available competencies, resources and services, and taking into account United Nations rules and regulations. Special attention should be given to possibilities of creating synergies with relevant, existing work programmes or activities that are being implemented within the framework of other international organizations;

30. *Welcomes* the generous offer of the Botanic Gardens Conservation International to second a staff member to the Secretariat to promote the implementation of the Global Strategy for Plant Conservation and *requests* the Executive Secretary to enter arrangements to this end, in accordance with paragraph 29 above.

Table 1: Biennium budget of the Trust Fund for the Convention on Biological Diversity 2003-2004

EXPENDITURES	2003 (US\$ thousands)	2004 (US\$ thousands)
I Programmes		
Executive direction and management <u>1/</u>	782.9	809.1
Scientific, technical and technological matters <u>2/</u>	1,412.1	1,539.5
Social, economic and legal matters <u>3/</u>	1,395.5	1,101.8
Implementation and outreach <u>4/</u>	1,971.7	2,070.3
Biosafety <u>5/</u>	1,705.6	1,217.1
Resource management and conference services <u>6/</u>	2,238.8	3,186.4
Sub-total (I)	9,506.6	9,924.2
II Programme support charge 13%	1,235.9	1,290.1
<i>Sub-total (II)</i>	1,235.9	1,290.1
III Working capital reserve <u>7/</u>	-	-
<i>Sub-total (III)</i>	-	-
GRAND TOTAL (I + II + III)	10,742.5	11,214.3
Less contribution from the host country	1,000.0	1,000.0
Less savings from previous years (surplus)	2,500.0	2,500.0
NET TOTAL (amount to be shared by Parties)	7,242.5	7,714.3

Priorities identified in the core budget (US\$4,277,615 including 13% programme support costs)

- 1/ Meeting of the Bureau of the Conference of the Parties
- 2/ Ad Hoc Technical Expert Group on Forest Biological Diversity; support to expert groups on genetic use restriction technologies and invasive alien species; meetings of the Bureau of the Subsidiary Body on Scientific, Technical and Technological Advice.
- 3/ Open-ended Ad Hoc Working Group on Access and Benefit-sharing; support to expert groups on incentive measures.
- 4/ Support to expert groups on communication;
- 5/ First meeting of the Conference of the Parties to the Convention serving as the meeting of the Parties to the Cartagena Protocol on Biosafety; meetings of the Bureau of the Intergovernmental Committee for the Cartagena Protocol on Biosafety.
- 6/ Seventh meeting of the Conference of the Parties; ninth meeting of the Subsidiary Body on Scientific, Technical and Technological Advice; tenth meeting of the Subsidiary Body on Scientific, Technical and Technological Advice; Open-ended Ad Hoc Working Group on Article 8(j); Open-ended Inter-Sessional Meeting on the Multi-Year Programme of Work for the Conference of the Parties up to 2010.
- 7/ For the biennium 2003-2004, an amount of \$878,272 will be taken from the carry-over for the working capital reserve on an exceptional basis without setting a precedent for future biennia.

Table 2: Secretariat-wide staffing requirements from the core budget

	2003	2004
A Professional category		
ASG *	1	1
D-1	3	3
P-5	4	4
P-4	14	14
P-3	13	13
P-2	1	1
Total professional category	36	36
B. Total General Service category	26	26
<i>TOTAL (A + B)</i>	62	62

Table 3 Special Voluntary Trust Fund (BE) for additional voluntary contributions in support of approved activities for the biennium 2003-2004 (thousands of United States dollars)

DESCRIPTIONS	2003 (US\$ thousands)	2004 (US\$ thousands)
I		
A Meetings/workshops		
Executive direction and management		
Regional meetings for the seventh meeting of the Conference of the Parties (4)		40.0
Scientific, technical and technological matters		
Regional workshops on taxonomy (4)	160.0	160.0
Liaison group – restoration and recovery of ecosystems and species	60.0	0
Advisory group on anthologies of terms on invasive alien species	80.0	0
AHTEG - genetic use restriction technologies	0	80.0
AHTEG - mountain biodiversity	80.0	80.0
AHTEG - protected areas	80.0	80.0
AHTEG - restoration of degraded ecosystems and threatened species	80.0	80.0
AHTEG - targets/baselines/indicators	80.0	0
AHTEG - non-timber forest resources	80.0	80.0
AHTEG - forest fires	80.0	80.0
Social, economic and legal affairs		
Open-ended expert workshop on capacity-building on access and benefit-sharing	450.0	0
Group of legal and technical experts on liability and redress	80.0	0
Workshop on incentive measures	190.0	0
Incentive measures inter-agency coordination committee	20.0	20.0
Implementation and outreach		
Clearing-house mechanism regional workshops (4)	240.0	80.0
Global Initiative on Education and Public Awareness		
- Global communication, education and awareness network	62.5	25.0
- Exchange of knowledge and expertise	100.0	100.0
- Capacity-building for communication, education and awareness	375.0	375.0

DESCRIPTIONS	2003 <i>(US\$ thousands)</i>	2004 <i>(US\$ thousands)</i>
Biosafety		
Open-ended Ad Hoc Working Group on Liability and Redress	450.0	0
Regional meetings for the Biosafety Protocol	80.0	80.0
Biosafety technical expert meetings (4)	160.0	160.0
Regional workshops for the Biosafety Clearing-House	160.0	160.0
B Staff		
Agricultural Biodiversity Programme Officer (FAO)	141.5	146.5
Senior Programme Officer (Netherlands)	156.2	163.1
C Travel		
Travel of the President of the Conference of the Parties	10.0	10.0
Travel of SBSTTA Chair	10.0	10.0
D Consultants/ sub-contracts		
Biosafety Clearing-House	20.0	20.0
Protected areas	15.0	15.0
Mountains	15.0	15.0
Technology transfer	15.0	15.0
Ecosystem recovery /approach	15.0	15.0
Composite report on status and trends regarding traditional knowledge	150.0	0
E Miscellaneous		
Strengthening incentive measures (CDs; flyers; translations etc.)	10.0	10.0
Sub-total (I)	3,705.2	2,094.6
II Programme support costs (13%)	481.7	272.3
TOTAL (I + II)	4,186.8	2,366.9

Table 4 Special Voluntary Trust Fund (BZ) for facilitating participation of Parties in the Convention process for the biennium 2003-2004

		2003	2004
		<i>(US\$ thousands)</i>	<i>(US\$ thousands)</i>
I	Meetings		
	Seventh meeting of the Conference of the Parties	0.0	650.0
	Regional meetings for the Conference of the Parties	0.0	300.0
	Subsidiary Body on Scientific, Technical and Technological Advice	540.0	540.0
	Ad Hoc Inter-Sessional Meeting on the Multi-Year Programme of Work of the Conference of the Parties up to 2010	163.0	0.0
	First meeting of the Conference of the Parties serving as the meeting of the Parties to the Biosafety Protocol	540.0	0.0
	Regional meetings for the Biosafety Protocol	300.0	300.0
	Ad Hoc Working Group on Access and Benefit-Sharing	163.0	0.0
	Ad Hoc Working Group on Article 8(j)	0.0	163.0
	Open-ended expert workshop on capacity-building for access and benefit-sharing	540.0	0.0
	Ad Hoc Working Group on Liability and Redress	540.0	0.0
	Second meeting of the Conference of the Parties serving as the Meeting of the Parties to the Biosafety Protocol		163.0
	Sub-total (I)	2,786.0	2,116.0
II	Programme support costs (13%)	362.2	275.1
TOTAL (I + II)		3,148.2	2,391.1

C. FRAMEWORK CONVENTION ON CLIMATE CHANGE

Decision of the seventh session of the Conference of the Parties (FCCC/CP/2001/13/Add.4)**Decision 38/CP.7****Programme budget for the biennium 2002-2003**

The Conference of the Parties,

Recalling paragraph 4 of the financial procedures for the Conference of the Parties to the United Nations Framework Convention on Climate Change,⁶

Having considered the proposed budget for the biennium 2002-2003 submitted by the Executive Secretary,⁷

1. *Approves* the programme budget for the biennium 2002-2003, amounting to US\$ 32,837,100 for the purposes specified in table 1 below;
2. *Notes with appreciation* the annual contribution of the host Government of DM 1.5 million, which offsets planned expenditures;
3. *Approves* a drawing of US\$ 5 million from the unspent balances or contributions (carry-over) from previous financial periods to cover part of the 2002-2003 budget;
4. *Adopts* the indicative scale of contributions for 2002 and 2003 contained in the annex to this decision;
5. *Approves* the staffing table for the programme budget, as contained in table 2 below;
6. *Approves* a contingency budget for conference servicing, amounting to US\$ 5,661,800, to be added to the programme budget for the coming biennium in the event that the General Assembly of the United Nations decides not to provide resources for these activities in the United Nations regular budget for the biennium 2002-2003 (see tables 3 and 4 below);
7. *Invites* the United Nations General Assembly to decide at its fifty-sixth session on the issue of meeting the conference-servicing expenses of the Convention from its regular budget;
8. *Requests* the Executive Secretary to report to the Subsidiary Body for Implementation on the implementation of paragraph 6 above, as necessary;
9. *Authorizes* the Executive Secretary to make transfers between each of the main appropriation lines set out in table 1 below, up to an aggregate limit of 15 per cent of the total estimated expenditure for those appropriation lines, provided that a further limitation of up to minus 25 per cent of each such appropriation line shall apply;
10. *Decides* to maintain the level of the working capital reserve at 8.3 per cent of the estimated expenditure;
11. *Invites* all Parties to the Convention to note that contributions to the core budget are due on 1 January of each year in accordance with paragraph 8(b) of the financial procedures, and to pay promptly and in full, for each of the years 2002 and 2003, the contributions required to finance expenditures approved under paragraph 1 above, as offset by the contributions noted in paragraph 2 and a drawing approved in

⁶ Decision 15/CP.1, annex I (FCCC/CP/1995/7/Add.1).

⁷ FCCC/SBI/2001/17.

paragraph 3 above, and any contributions required to finance the expenditures arising from the decisions referred to in paragraph 6 above;

12. *Takes note* of the funding estimates for the Trust Fund for Participation in the UNFCCC Process specified by the Executive Secretary (US\$ 3,356,200 for the biennium 2002-2003), and invites Parties to make contributions to this fund (see table 5 below);

13. *Invites Parties* to make contributions to the Trust Fund for Supplementary Activities under the United Nations Framework Convention on Climate Change in the order of US\$ 7.3 million for the biennium 2002-2003;

14. *Invites Parties* to make contributions in the order of US\$ 6.8 million to support activities relating to the “prompt start” of the clean development mechanism (CDM) for the biennium 2002-2003;

15. *Requests* the Executive Secretary to report to the Conference of the Parties at its eighth session on income and budget performance and to propose any adjustments that might be needed in the Convention budget for the biennium 2002-2003.

*8th plenary meeting
9 November 2001*

Table 1. Programme budget for the biennium 2002-2003^a
(thousands of United States dollars)

	2002	2003	Biennium total
Expenditures			
I. Executive Direction			
Executive Direction and Management	1 665.8	1 683.1	3 349.0
Intergovernmental and Conference Affairs ^b	693.5	693.5	1 386.9
II. Technical Programmes			
Methods, Inventories and Science	2 746.9	2 964.9	5 711.8
Sustainable Development	1 205.4	1 259.3	2 464.7
Cooperative Mechanisms	858.2	1 067.4	1 925.6
Implementation	2 521.3	2 564.7	5 086.0
III. Support Services			
Conference Affairs Services	1 066.4	1 105.2	2 171.6
Information Services	1 744.2	1 954.6	3 698.8
Administrative Services and support costs	1 541.6	1 488.4	3 030.0
Subtotal (I+II+III) programme activities	14 043.3	14 781.1	28 824.4
IV. Programme support charge (overhead) ^c	1 825.6	1 921.6	3 747.2
V. Working capital reserve ^d	196.3	69.2	265.5
TOTAL BUDGET (lines I+II+III+IV+V)	16 065.2	16 771.9	32 837.1
Income			
Contribution from the host Government ^e	657.9	657.9	1 315.8
Unspent balances or contributions from previous financial periods (carry-over)	2 000.0	3 000.0	5 000.0
Indicative contributions	13 407.3	13 114.0	26 521.3
TOTAL INCOME	16 065.2	16 771.9	32 837.1

^a Incorporating the CDM "prompt start" contingency.

^b This programme was entitled S/COP in the previous presentation.

^c Standard 13 per cent applied by the United Nations for administrative support.

^d In accordance with the financial procedures (decision 15/CP.1, annex I, para. 14). This will bring the working capital reserve to US\$ 1,330,400 in 2002 and US\$ 1,372,200 in 2003.

^e Equivalent to DM 1.5 million, based on the prevailing United Nations rate of exchange in June 2001 (US\$ 1= DM 2.28)

Table 2. Programme budget staffing table 2002-2003

	2002	2003
A. Professional category and above		
Executive Secretary (ASG)	1	1
D-2	3	4
D-1	6	6
P-5	8	8
P-4	17	18
P-3	25	25
P-2	9	9
Subtotal (A)	69	71
B. General Service category	38.5	39.5
TOTAL (A+B)	107.5	110.5

Table 3. Resource requirements for the conference services contingency
(thousands of United States dollars)

Item of expenditure	2002	2003	Biennium total
A. Servicing of meetings ^a	987.1	1 015.1	2 002.2
B. Documentation ^b	1 326.8	1 340.1	2 666.9
Subtotal	2 313.9	2 355.2	4 669.1
C. Overhead charge ^c	300.8	306.2	607
D. Contingencies ^d	78.4	79.8	158.2
E. Working capital reserve ^e	223.5	4	227.5
TOTAL	2 916.6	2 745.2	5 661.8

^a Includes interpretation and conference assistance.

^b Includes revision, translation, typing, reproduction and distribution of pre-, in- and post-session documentation (regular and temporary staff, travel, and contractual services).

^c Standard 13 per cent applied by the United Nations for administrative support.

^d Including exchange rate fluctuations, calculated at 3 per cent.

^e In accordance with paragraph 14 of the financial procedures. The 2002 amount has been calculated as 8.3 per cent of the subtotal and the overhead charge; the 2003 amount has been calculated as the amount required to bring the carried-over 2002 reserve to 8.3 per cent of the subtotal and overhead charge for 2003.

Table 4. Staffing requirements for the conference services contingency

		2002	2003
A.	Professional category and above		
	P-4	1	1
	Total Professional category and above	1	1
B.	Total General Service category	5	5
TOTAL (A+B)		6	6

**Table 5. Trust Fund for Participation in the UNFCCC Process:
Estimated resource requirements
(thousands of United States dollars)**

Item of expenditure		2002	2003	Biennium total
A.	Support for eligible Parties to participate in one two-week session of the subsidiary bodies	630.0	630.0	1 260.0
B.	Support for eligible Parties to participate in one two-week session of the Conference of the Parties and its subsidiary bodies ^a	855.0	855.0	1 710.0
Subtotal		1 485.0	1 485.0	2 970.0
Overhead charge ^b		193.1	193.1	386.2
TOTAL		1 678.1	1 678.1	3 356.2

^a Includes funding for a second delegate from least developed countries and small island developing States, in accordance with the practice followed at all meetings of the Conference of the Parties to date.

^b Standard 13 per cent applied by the United Nations for administrative support.

D. UNITED NATIONS CONVENTION TO COMBAT DESERTIFICATION IN THOSE COUNTRIES
EXPERIENCING SERIOUS DROUGHT AND/OR DESERTIFICATION,
PARTICULARLY IN AFRICA

Decision of the fifth session of the Conference of the Parties (ICCD/COP(5)/2001/11/Add.1)

Decision 4/COP.5

Programme and budget for the biennium 2002-2003

The Conference of the Parties,

Recalling paragraphs 3, 9 and 10 of the financial rules of the Conference of the Parties,¹

Having considered the proposed programme and budget for the biennium 2002-2003 submitted by the Executive Secretary,² the report on the Supplementary Fund and the Special Fund,³ the report on the performance of the Convention's trust funds in the biennium 2000-2001,⁴ the report on the performance of the trust fund for supplementary activities in the biennium 2000-2001,⁵ the report on the need for, modalities for, costs involved in and feasibility of the regional coordination units,⁶ and the report on the status of contributions to the Convention's trust funds in the biennium 2000-2001,⁷

Noting with appreciation the annual contribution of the host Government of € 511,291.88, equivalent to DM 1 million, which offsets contributions from other Parties to the Convention,

A. The core budget

1. *Approves* the core budget for the biennium 2002-2003, amounting to US\$ 15,325,200, for the purposes specified in table 1 below;
2. *Adopts* the indicative scale of contributions for the years 2001, 2002 and 2003 as contained in the annex to this decision, based on the scale of assessment adopted by the General Assembly of the United Nations;⁸
3. *Reaffirms* the financial rules of the Conference of the Parties, its subsidiary bodies and the Convention secretariat (decision 2/COP.1), in particular paragraph 12 (a), which states that contributions made each year by Parties are on the basis of an indicative scale adopted by consensus by the Conference of the Parties, and paragraph 16, regarding the treatment of new Party contributions to the Convention;

¹ Decision 2/COP.1.
² ICCD/COP(5)/2 and Add.1.
³ ICCD/COP(5)/2/Add.2.
⁴ ICCD/COP(5)/2/Add.3.
⁵ ICCD/COP(5)/2/Add.4.
⁶ ICCD/COP(5)/2/Add.5.
⁷ ICCD/COP(5)/2/Add.6.
⁸ A/RES/55/5B.

4. *Decides* that the required contributions based on the indicative scale of assessment should accompany any new budget proposal;
5. *Approves* a staffing level of forty-three (43) for the secretariat and fourteen (14) for the Global Mechanism for 2002-2003, from the core budget, as stated in table 2 below;
6. *Approves* a contingency budget for conference services, amounting to US\$ 5,583,000, to be added to the programme budget for the biennium 2002-2003 in the event that the General Assembly of the United Nations decides not to provide resources for these activities in the United Nations regular budget for that biennium as contained in table 3 below;
7. *Requests* the General Assembly of the United Nations to include, in the calendar of conferences and meetings for the biennium 2002-2003, the sessions of the Conference of the Parties and its subsidiary bodies envisaged for that biennium;
8. *Notes* the estimated additional cost of US\$ 919,000 which will be incurred in the event that the sixth session of the Conference of the Parties is held in Bonn, and *decides* that, to the extent that offsetting voluntary contributions for this purpose do not reach this amount, the balance will be included in the contingency budget for conference servicing as set out in table 3 below;
9. *Confirms* its authorization to the Executive Secretary to make transfers between each of the main appropriation lines 1 to 5 set out in table 1 below, up to an aggregate limit of 15 per cent of the total estimated expenditure for those appropriation lines, provided that a further limitation of up to minus 25 per cent of each such appropriation line shall apply;
10. *Decides* to maintain the level of the working capital reserve at 8.3 per cent of the estimated expenditure, including overhead charges, of the core budget;
11. *Requests* the Executive Secretary to continue negotiations with the Secretary-General of the United Nations on the issue of an allotment of overheads for the financing of additional posts or activities in the administrative area of the secretariat, and to report thereon to the Conference of the Parties at its sixth session;
12. *Invites* all Parties to the Convention to note that contributions to the core budget are expected on or before 1 January of each year in accordance with paragraph 14 of the financial rules of the Convention, and to pay promptly and in full, for each of the years 2002 and 2003, the contributions required to finance the expenditures approved under paragraph 1 above, as offset by the estimated contribution noted under the third paragraph of the preamble to this decision, and the contributions which may result from the decision referred to in paragraph 6 above;
13. *Calls upon* Parties that have not yet done so to pay as soon as possible and in full the contributions required for the core budget of the Convention for 2001;
14. *Requests* the Executive Secretary to report to the Conference of the Parties at its sixth session on the financial performance of the Convention's funds, and to submit a programme and budget for the biennium 2004-2005 for consideration by the Parties;
15. *Also requests* the Executive Secretary, in the proposed programme and budget for the biennium 2004-2005 and the performance reports for 2002-2003, to include detailed tables and narrative of

the implemented as well as the proposed expenditures, and resource requirements for each subsidiary body under the budget line for substantive support to the Conference of the Parties and its subsidiary bodies specified according to the actual Fund utilized, and to present a draft indicative scale of assessment;

16. *Invites* Parties to submit, by 31 July 2002, proposals and suggestions to assist the secretariat in preparing financial reporting and budget proposals for consideration by the Conference of the Parties at its sixth session;

B. The Supplementary Fund and the Special Fund

17. *Reiterates* its appreciation to the Government of Germany for its generous contribution of □ 511,291.88, equivalent to DM 1 million, to the secretariat for Convention events organized by the secretariat;

18. *Takes note* of the funding estimates for the Supplementary Fund specified by the Executive Secretary in document ICCD/COP(5)/2/Add.2 (US\$ 12,643,500 for the biennium 2002-2003 as specified in table 5 below) and invites Parties, as well as Governments of States not Parties, intergovernmental organizations, and non-governmental organizations, to make contributions to this Fund, established under paragraph 9 of the financial rules of the Conference of the Parties, in order to:

(a) Support the participation of representatives of non-governmental organizations from affected developing country Parties, particularly the least developed among them, in sessions of the Conference of the Parties and its subsidiary bodies, as well as their participation in UNCCD regional conferences or meetings;

(b) Facilitate assistance to developing country Parties in accordance with article 23, paragraph 2 (c), and article 26, paragraph 7, of the Convention, as well as the relevant articles of the regional implementation annexes;

(c) Advance other appropriate purposes consistent with the objectives of the Convention;

19. *Further takes note* of the funding estimates for the Special Fund specified by the Executive Secretary in that same document (US\$ 1,243,000) and for participation in the CRIC (US\$ 1,209,100) for the biennium 2002-2003 as specified in table 6 below, and invites Parties, as well as Governments of States not Parties, intergovernmental organizations, and non-governmental organizations, to make contributions to this Fund, established under paragraph 10 of the financial rules of the Conference of the Parties, in order to support the participation of developing country Parties and in particular least developed country Parties affected by desertification and/or drought, particularly those in Africa, in the sessions of the Conference of the Parties and its subsidiary bodies;

20. *Requests* the Executive Secretary to report to the Conference of the Parties at its sixth session on the status of the trust funds established under the financial rules of the Conference of the Parties, and invites Parties to submit proposals and suggestions to assist the secretariat in the preparation of this report.

Table 1. Programme and budget for the biennium 2002-2003
(Thousands of US dollars)

Programmes		2002	2003	Total (2002-2003)
1.	Executive Direction and Management	760.0	790.0	1,550.0
2.	Substantive support to the Conference of the Parties and its Subsidiary Bodies	1,245.3	1,044.3	2,289.6
3.	Facilitation of Implementation and Coordination	1,728.4	1,758.1	3,486.5
4.	External Relations and Public Information	510.0	520.0	1,030.0
5.	Administration and Finance	1,193.0	1,193.0	2,386.0
6.	Global Mechanism	1,737.3	1,787.3	3,524.6
Subtotal		7,174.0	7,092.7	14,266.7
Overhead charges		932.6	922.1	1,854.7
Working capital reserves		112.8	0.0	112.8
Total		8,219.4	8,014.8	16,234.2
Less voluntary contribution from the Host Government		454.5	454.5	909.0
Net required as indicative contributions		7,764.9	7,560.3	15,325.2

Table 2. Staffing table for the biennium 2002-2003

UNCCD secretariat		
A. Professional category and above	2002	2003
ASG	1	1
D-1	2	2
P-5	9	10
P-4	9	8
P-3	5	5
P-2	4	4
Subtotal A	30	30
B. General Service category	13	13
Subtotal (A+B)	43	43
Global Mechanism		
C. Professional category and above		
D-2	1	1
D-1	1	1
P-5	4	4
P-4	1	1
P-3	2	2
P-2	0	0
Subtotal C	9	9
D. General Service category	5	5
Subtotal (C+D)	14	14
Total staffing requirements	57	57

**Table 3. Estimate for contingency for conference services
(in the event that the General Assembly decides not to
include the sessions of the Conference of the Parties
and its subsidiary bodies in its regular budget)**

(Thousands of US dollars)	
Item of expenditure	2003
United Nations meeting services	4,562.0
Overhead charges	593.1
Working capital reserve	427.9
Total	5,583.0

**Table 4. Operating costs of holding the sixth session
of the Conference of the Parties in Bonn**
(Thousands of US dollars)

Item of expenditure	2003
Incremental costs	740.0
Contingencies	74.0
Subtotal	814.0
Overhead charges	105.0
Total	919.0

Table 5. Supplementary Fund estimated resource requirement
(Thousands of US dollars)

	2002	2003	Total
Estimated resource requirement	5,456.0	5,732.8	11,189.0
Overhead charges	709.3	745.2	1,454.5
Total	6,165.5	6,478.0	12,643.5

Table 6. Special Fund estimated resource requirement
(Thousands of US dollars)

	2002	2003	Total
Estimated resource requirement	1,070.0	1,100.0	2,170.0
Overhead charges	139.1	143.0	282.1
Total	1,209.1	1,243.0	2,452.1

E. ROTTERDAM CONVENTION ON THE PRIOR INFORMED CONSENT PROCEDURE
FOR CERTAIN HAZARDOUS CHEMICALS AND PESTICIDES
IN INTERNATIONAL TRADE

Paragraphs 39 and 40 of the report of the work of the ninth session of
the Intergovernmental Negotiating Committee (UNEP/FAO/PICINC.9/21)

39. The Committee decided to:

(a) Note the 2004 budget contained in annex IV to the present report and to revisit that budget at the tenth session of the Committee;

(b) Adopt the format for the budget as given in annex V to the present report, noting that it could be modified by the Committee if necessary;

(c) Establish an open-ended budget working group early at the tenth session of the Committee;
and

(d) Request the Executive Director of UNEP to consider using a portion of the 13 per cent administrative fee to provide additional support to the secretariat for administrative and financial matters.

40. The Committee requested the secretariat to provide narrative text in future budgets indicating the reasons for any significant increases or decreases.

Annex IVBudget for 2004 as noted by the Committee

Ensure effective functioning of the INC/COP		
	<i>INC11/COPI</i>	
	Conference Services	375,000
	Participants' travel	175,000
	Sub-total	550,000
	<i>ICRC5 in Geneva</i>	
	Conference Services	85,000
	Participants' travel	75,000
	Sub-total	160,000
Facilitation of implementation and ratification		
	Workshops	475,000
	Printed material	43,000
	Web site	10,000
	Sub-total	528,000
Office automation and databases		
	Software/hardware	40,000
	Consultants/sub-contracts	0
	Sub-total	40,000
Core secretariat costs		
	Project personnel	1,276,885
	Consultants	45,000
	Administrative support	408,392
	Official travel	100,000
	Equipment and premises	5,000
	Miscellaneous	15,000
	Sub-total	1,850,277
	Total	3,128,277
	Administrative overheads (13%)	406,676
	TOTAL	3,534,953

Annex VBudget format adopted by the Committee

		Proposed budget for approval by the Committee
Ensure effective functioning of the INC/COP		
	<i>One meeting of INC/COP</i>	
	Conference Services	
	Participants' travel	
	Sub-total	
	<i>One meeting of ICRC/CRC</i>	
	Conference Services	
	Participants' travel	
	Sub-total	
Facilitation of implementation and ratification		
	Workshops	
	Printed material	
	Web site	
	Sub-total	
Office automation and databases		
	Software/hardware	
	Consultants/sub-contracts	
	Sub-total	
Core secretariat costs		
	Project personnel	
	Consultants	
	Administrative support	
	Official travel	
	Equipment and premises	
	Miscellaneous	
	Sub-total	
Total		
Administrative overheads (13%)		
TOTAL		

F. VIENNA CONVENTION FOR THE PROTECTION OF THE OZONE LAYER AND THE MONTREAL
PROTOCOL ON SUBSTANCES THAT DEplete THE OZONE LAYER

I. Decision of the fifth meeting of the Conference of the Parties
of the Vienna Convention (UNEP/OzL.Conv.6/7)

Decision VI/3. Financial matters: Financial reports and budgets

1. To welcome the continuing excellent management by the Secretariat of the finances of the Vienna Convention Trust Fund and the very good quality documentation furnished to the meeting;
2. To take note with appreciation of the financial statements of the Trust Fund for the biennium 2000-2001 and the report on the actual expenditures for 2001 as compared to the approvals for that year, as contained in document UNEP/OzL.Conv.6/4;
3. To approve the budget for the Trust Fund in the amount of \$449,690 for 2003, \$559,689 for 2004, \$1,233,169 for 2005 and take note of the proposed budget of \$556,299 for 2006, as set out in Annex I of the report of the 6th Conference of the Parties;
4. To firstly draw down an amount of \$100,000 in years 2004, 2005 and 2006 from the Fund balance for the purpose of reducing that balance (including the annually accruing interest income);
5. To secondly draw down further from the unspent balance from year 2001, an amount of \$79,100 in 2003 and \$76,886 in 2005;
6. To ensure, as a consequence of the draw-downs referred to in paragraphs 4 and 5 above, that the contributions to be paid by the Parties amount to \$295,590 for 2003, \$459,689 for 2004, \$1,056,283 for 2005 and \$456,299 for 2006 as set out in Annex I of the report of the 6th Conference of the Parties. The contributions of the individual Parties shall be as listed in Annex II to the present report;
7. To urge all Parties to pay their outstanding contributions as well as their future contributions promptly and in full;
8. To amend paragraph 4 of the terms of reference for the administration of the Trust Fund for the Vienna Convention for the Protection of the Ozone Layer by substituting 25 per cent by 22 per cent in accordance with the United Nations General Assembly resolution through its decision A/RES/55/5 B-F of 23 December 2000;
9. To request the Executive Director to extend the Vienna Convention Trust Fund until 31 December 2010.

Annex ITRUST FUND FOR THE VIENNA CONVENTION FOR THE PROTECTION OF THE OZONE LAYER:
APPROVED 2002, REVISED 2003 AND PROPOSED 2004, 2005 AND 2006 BUDGETS

		w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)	w/m	2005 (US\$)	w/m	2006 (US\$)
10	PROJECT PERSONNEL COMPONENT										
1100	<i>Project personnel</i>										
1101	Executive Secretary (D-2) (shared with the Montreal Protocol, MP)	6	76,936	6	78,860	6	105,000	6	105,000	6	105,000
1104	Scientific Affairs Officer (P-5) (shared with MP)	6	74,673	6	76,540	6	82,500	6	82,500	6	82,500
1105	Administrative Officer (P-4) (paid by UNEP)		0		0		0		0		0
1107	Programme Officer (Communication and Information) (P3)	0	0	6	60,000	12	112,000	12	112,000	12	112,000
1108	Programme Officer (Monitoring and Compliance) - P3 to be paid from MP	0	0		0		0		0		0
1199	Sub-total		151,609		215,400		299,500		299,500		299,500
1300	<i>Administrative Support</i>										
1301	Administrative Assistant (G-7) (Shared with MP)	6	9,981	6	10,230	6	10,500	6	10,500	6	11,000
1303	Programme Assistant (G-6)		17,861		18,307		18,300		18,300		18,300
1304	Information Assistant (G-6) (shared with MP)	6	8,930	6	9,154	6	9,500	6	10,000	6	10,500
1305	Programme Assistant (G-6) (Shared with MP)	6	8,930	6	9,154	6	9,500	6	10,000	6	10,500
1310	Bilingual Senior Secretary (G-6)	0	0	6	10,000	12	20,000	12	20,000	12	20,000
1322	Preparatory and Parties meeting (shared with MP every 3 years, it applies to 2002 and 2005)		215,378		0		0		210,000		0
1324	Meetings of the Bureau		21,538		0		0		20,000		0
1326	Promotion activities for the protection of the Ozone Layer		7,997		10,058		10,000		10,000		10,000

	w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)	w/m	2005 (US\$)	w/m	2006 (US\$)
1327 Meeting of the Ozone Research Managers		26,922		0		0		28,000		0
1399 Sub-total		317,537		66,903		77,800		336,800		80,300
<i>1600 Travel on Official Business</i>										
1601 Staff travel on official business		43,076		16,153		15,000		30,000		15,000
1699 Sub-total		43,076		16,153		15,000		30,000		15,000
1999 COMPONENT TOTAL		512,222		298,456		392,300		666,300		394,800
30 MEETING/PARTICIPATION COMPONENT										
<i>3300 Participation Costs of Developing Countries</i>										
3302 Preparatory and Parties meetings		193,840		0		0		125,000		0
3304 Bureau meetings		19,384		0		0		20,000		0
3307 Meeting of Ozone Research Managers		193,840		0		0		175,000		0
3399 Sub-total		407,064		0		0		320,000		0
3999 COMPONENT TOTAL		407,064		0		0		320,000		0
40 EQUIPMENT AND PREMISES COMPONENT										
<i>4100 Expendable Equipment (items under \$1,500)</i>										
4101 Miscellaneous expendables (shared with MP)		8,500		9,000		9,000		9,000		9,000
4199 Sub-total		8,500		9,000		9,000		9,000		9,000
<i>4200 Non-Expendable Equipment</i>										
4201 Personal computers and accessories		6,000		7,000		9,000		0		7,000

	w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)	w/m	2005 (US\$)	w/m	2006 (US\$)
4202	Portable computers	4,500		5,000		0		0		5,000
4203	Other office machines (server, fax, scanner, etc.)	8,000		8,500		7,000		0		8,500
4204	Photocopiers	0		0		10,000		0		0
4299	Sub-total	18,500		20,500		26,000		0		20,500
4300	<i>Premises</i>									
	Rental of office premises (shared with MP)	13,500		14,000		14,000		14,000		14,000
4301	Sub-total	13,500		14,000		14,000		14,000		14,000
4399										
4999	COMPONENT TOTAL	40,500		43,500		49,000		23,000		43,500
50	MISCELLANEOUS COMPONENT									
5100	<i>Operation and Maintenance of Equipment</i>									
5101	Maintenance of equipment and others (shared with MP)	7,000		7,000		7,000		7,000		7,000
5199	Sub-total	7,000		7,000		7,000		7,000		7,000
5200	<i>Reporting Costs</i>									
5201	Reporting	7,500		8,000		5,000		7,500		5,000
5202	Reporting (Ozone Research Managers meeting report)	5,253		0		0		7,500		0
5299	Sub-total	12,753		8,000		5,000		15,000		5,000
5300	<i>Sundry</i>									
	Communications	23,000		24,000		25,000		25,000		25,000
5301										

	w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)	w/m	2005 (US\$)	w/m	2006 (US\$)
Freight charges (documents)		20,000		12,000		12,000		20,000		12,000
5302 Others		5,000		5,000		5,000		5,000		5,000
5304										
5399 Sub-total		48,000		41,000		42,000		50,000		42,000
5400 <i>Hospitality</i>										
5401 Hospitality		10,506		0		0		10,000		0
5499 Sub-total		10,506		0		0		10,000		0
5999 COMPONENT TOTAL		78,259		56,000		54,000		82,000		54,000
99 TOTAL DIRECT PROJECT COST		1,038,045		397,956		495,300		1,091,300		492,300
Programme support costs (13%)		134,946		51,734		64,389		141,869		63,999
<i>Contingency</i>		<i>35,000</i>		<i>0</i>		<i>0</i>		<i>0</i>		<i>0</i>
GRAND TOTAL (inclusive of programme support costs)		1,207,991		449,690		559,689		1,233,169		556,299
<i>A. Draw down from Trust Fund balance*</i>		<i>75,000</i>		<i>75,000</i>		<i>100,000</i>		<i>100,000</i>		<i>100,000</i>
<i>B. Contribution from Secretariat's 2001 unspent balance**</i>		<i>0</i>		<i>79,100</i>		<i>0</i>		<i>76,886</i>		<i>0</i>
<i>Sub-total contributions</i>		<i>75,000</i>		<i>154,100</i>		<i>100,000</i>		<i>176,886</i>		<i>100,000</i>
Contribution to be paid by the Parties		1,132,991		295,590		459,689		1,056,283		456,299

Note:

* The draw down of \$75,000 in 2003 from the Trust Fund's unspent balance and the 2003 contribution of \$295,590 by the Parties was based on Decision V/4, paragraph 5 of the Fifth Meeting of the Conference of the Parties to the Vienna Convention. A further draw down of \$100,000 over 2004, 2005 and 2006 will be made from the Trust Fund balance to reduce the contributions of the Parties by the same amount for those years.

** As a result of unexpected savings in 2001, the Secretariat proposes an additional draw down of \$155,986 over 2 years as follows: \$79,100 for 2003 and \$76,886 for 2005.

EXPLANATORY NOTES FOR THE REVISED 2003, AND PROPOSED 2004, 2005 AND 2006
BUDGETS FOR THE TRUST FUND FOR THE VIENNA CONVENTION

<u>Budget line</u>	<u>Comment</u>
1100 and 1300	The Parties have decided that, in future, proposals for the establishment and classification of all posts must be presented to them for consideration and approval before they are presented for processing by the United Nations system. The Parties approve the number and type of posts, and make financial provisions for them when they make budget decisions.
1101, 1104 1107 and 1108	Standard Professional salary costs applicable to the Nairobi duty station have been used for 2003 and 2004 budget proposals. Unspent commitments normally revert to the Trust Fund.
1105	The post of the Administrative Officer continues to be paid from the 13 per cent programme support costs based on actual expenditures.
1107 and 1108	Two posts are being presented for approval by the Parties: one Programme Officer (Communication and Information - 1107) to be funded from the Vienna Convention Trust Fund, who will be responsible for handling communication and information services, and manage the retrieval, collection, and delivery of information. Another Officer (Monitoring and Compliance - 1108) is to be funded from the Montreal Protocol Trust Fund, to assist in the monitoring and follow-up of issues relating to compliance with the implementation of the Montreal Protocol. Budget provision for 6 months only in 2003 has been proposed, as the post (1107) for funding under the Trust Fund for the Vienna Convention will have to be classified and established before recruitment can commence.
1301and 1303 to 1305	Standard General Service salary costs applicable to the Nairobi duty station for 2003 have been used for 2004, 2005 and 2006 budget provisions.
1310	The establishment of a bilingual senior secretarial post at the G-6 level to be funded from the Vienna Convention Trust Fund is presented for approval by the Parties. Budget provision for 6 months only in 2003 has been proposed, as the post will have to be classified and established before recruitment can commence. It is envisaged that the bilingual general support staff member will increase the secretariat's capacity to deliver work promptly and efficiently in two languages without having to send the correspondence for translation each time.
1322, 1324, 1326 and 1327	Necessary funds may be transferred from the conference servicing budget lines (1322-1327) should such services be required to be rendered either by individual consultancies or corporate contracts. The total cost of organizing the meeting should not, however, exceed the amounts agreed in the budget.

Budget lineComment

The conference servicing costs have been based on the following assumptions:

1322: The meeting of the Conference of the Parties and its preparatory meeting for 2005 will be held in Nairobi using six languages. When meetings are not held in Nairobi, the incremental cost will be paid by the host Government.

1324: One bureau meeting is scheduled for 2005.

1326: At least one informal consultation meeting per year is envisaged for 2004, 2005 and 2006 on the promotion of the ratification of the Vienna Convention, assumed to take place in Nairobi.

1327: One meeting of the Ozone Research Managers will be held in Geneva in 2005.

1600 The travel budget for 2005 has been increased from the 2003 and 2004 levels to cover the cost of organizing the meeting of the Ozone Research Managers in Geneva and the seventh meeting of the Conference of the Parties to the Vienna Convention.

3302 The participation of representatives from article 5 Parties in the various Convention meetings is assumed at \$5,000 per participation taking into account not more than one person's travel costs per country, using the most appropriate and advantageous economy-class fare and United Nations per diem allowances.

Participation costs for around 25 article 5 representatives has been allocated for seventh Conference of the Parties, in 2005.

3304 The participation costs are based on one bureau meeting in 2005 for four participants from developing countries or countries with economies in transition at each meeting.

3307 One Ozone Research Managers meeting will be held in 2005, in Geneva. Funding is reserved for 35 experts from developing countries.

4200 The secretariat is maintaining its electronic data processing systems in order to make the documentation of the Protocol and the Convention available electronically to the Parties. This requires procurement of necessary peripherals and software licenses and updating of the existing computer equipment. A minimum provision has been made to enable the secretariat to replace some equipment each year.

5100 - 5400 Provisions under these budget lines have been based on the expected level of disbursements based on expenditures over the last 3 years.

II. Decision of the fourteenth meeting of the Meeting of the Parties of the Montreal Protocol (UNEP/OzL.Pro.14/9)

Decision XIV/41. Financial matters: Financial reports and budgets

1. To welcome the continuing excellent management by the Secretariat of the finances of the Montreal Protocol Trust Fund and the very good quality documentation on it furnished to the meeting;
2. To take note with appreciation of the financial statements of the Trust Fund for the biennium 2000-2001 and the report on the actual expenditures for 2001 as compared to the approvals for that year, as contained in document UNEP/OzL.Pro.14/4;
3. To approve the budget for the Trust Fund in the amount of \$3,855,220 for 2003 and take note of the proposed budget of \$3,921,664 for 2004, as set out in Annex III of the report of the fourteenth Meeting of the Parties;
4. To firstly draw down an amount of \$675,000 in years 2003 and 2004 from the Fund balance for the purpose of reducing that balance in accordance with Decision XI/21, paragraphs 5 and 6;
5. To secondly draw down further from the unspent balance from year 2000, an amount of \$250,869 in 2003;
6. To thirdly draw down further from the unspent balance from year 2001, an amount of \$400,000 in 2003; \$686,000 in 2004 and \$100,869 in year 2005;
7. To fourthly draw down further from the annually accruing interest income, an amount of \$250,000 in 2003 and another \$250,000 in 2004;
8. To ensure, as a consequence of the draw-downs referred to in paragraphs 4 and 5 above, that the contributions to be paid by the Parties amount to \$2,279,351 for 2003 and \$2,310,664 for 2004, as set out in Annex III of the report of the Fourteenth Meeting of the Parties. The contributions of the individual Parties shall be as listed in Annex IV;
9. To urge all Parties to pay their outstanding contributions, as well as their future contributions promptly and in full;
10. To encourage non-Article 5 Parties to continue offering assistance to their members in the three assessment panels and their subsidiary bodies for their continued participation in the assessment activities under the Protocol;
11. To note the provision of assistance for the participation of Article 5 experts in the assessment panels and the subsidiary bodies;
12. To amend paragraph 4 of the terms of reference for the administration of the Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer by substituting 25 per cent by 22 per cent in accordance with the United Nations General Assembly resolution through its decision A/RES/55/5 B-F of 23 December 2000;
13. To request the Executive Director to extend the Montreal Protocol Trust Fund until 31 December 2010; and
14. To invite the Parties to provide comments to the document UNEP/OzL.Pro/14/INF.3 and ask the Secretariat to keep the information current.

Annex III

TRUST FUND FOR THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEplete THE OZONE LAYER

APPROVED 2002 AND PROPOSED 2003 AND 2004 BUDGETS

		w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)
10	PROJECT PERSONNEL COMPONENT						
1100	<i>Project personnel</i>						
1101	Executive Secretary (D-2) (shared with the Vienna Convention, VC)	6	104,726	6	105,000	6	105,000
1102	Deputy Executive Secretary (D-1)	12	150,000	12	150,000	12	150,000
1103	Senior Legal Officer (P-5)	12	120,000	12	120,000	12	120,000
1104	Senior Scientific Affairs Officer (P-5) (shared with VC)	6	91,000	6	82,500	6	82,500
1105	Administrative Officer (P-4) (paid by UNEP)		0		0		0
1106	Programme Officer (Database Management) P3	12	100,000	12	103,000	12	112,000
1107	Programme Officer (Communication & Information) P3 (to be paid from VC)		0	6	0	12	0
1108	Programme Officer (Monitoring and Compliance) - P3		0	6	60,000	12	112,000
1199	<i>Sub-total</i>		565,726		620,500		681,500
1200	<i>Consultants</i>						
1201	Assistance in data-reporting, analysis and promotion of the implementation of the Protocol		135,000		50,000		50,000
1299	<i>Sub-total</i>		135,000		50,000		50,000

		w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)
1300	<i>Administrative Support</i>						
1301	Administrative Assistant (G-7) (shared with VC)	6	11,279	6	10,500	6	10,500
1302	Personal Assistant (G-6)	12	18,996	12	20,000	12	20,500
1303	Programme Assistant (G-6) (paid by VC)		0		0		0
1304	Information Assistant (G-6) (shared with VC)	6	10,092	6	10,500	6	11,000
1305	Programme Assistant (G-6) (shared with VC)	6	10,092	6	10,500	6	11,000
1306	Documents Clerk (G-4)	12	9,490	12	10,000	12	10,500
1307	Data Assistant (G-6)	12	20,171	12	20,200	12	20,500
1308	Programme Assistant - Fund (G-6) (paid by UNEP)		0		0		0
1309	Logistics Assistant (G-3) (paid by UNEP)		0		0		0
1310	Bilingual Senior Secretary (G-6) (to be paid from VC)		0		0		0
1320	Temporary Assistance		10,172		15,000		15,000
1321	Open-ended Working Group Meetings		390,000		350,000		350,000
1322	Preparatory and Parties Meetings (shared with VC every three years, it applies to 2002 & 2005)		320,000		430,000		430,000
1323	Assessment Panel Meetings		76,887		75,000		75,000
1324	Bureau Meetings		30,000		20,000		20,000
1325	Implementation Committee Meetings		30,000		40,000		40,000
1326	MP informal consultation meetings to promote ratification and compliance		10,000		12,000		12,000
1399	<i>Sub-total</i>		947,179		1,023,700		1,026,000

		w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)
1600	<i>Travel on Official Business</i>						
	1601 Staff travel on official business		130,000		150,000		150,000
	1602 Travel on official business (Conference Services staff and UN Information Officer)		15,000		15,000		15,000
1699	<i>Sub-total</i>		145,000		165,000		165,000
1999	COMPONENT TOTAL		1,792,905		1,859,200		1,922,500
30	MEETING/PARTICIPATION COMPONENT						
3300	<i>Support for Participation</i>						
	3301 Assessment Panel Meetings		450,000		400,000		400,000
	3302 Preparatory and Parties Meetings		350,000		350,000		350,000
	3303 Open-ended Working Group Meetings		300,000		300,000		300,000
	3304 Bureau Meetings		35,000		40,000		40,000
	3305 Implementation Committee Meetings		75,000		115,000		115,000
	3306 Consultations in an informal meeting		100,000		50,000		50,000
3399	<i>Sub-total</i>		1,310,000		1,255,000		1,255,000
3999	COMPONENT TOTAL		1,310,000		1,255,000		1,255,000
40	EQUIPMENT AND PREMISES COMPONENT						
4100	<i>Expendable Equipment (items under \$1,500)</i>						

UNEP/POPS/INC.7/INF/2

		w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)
4101	Miscellaneous expendables (shared with VC)		23,890		17,000		17,000
4199	<i>Sub-total</i>		23,890		17,000		17,000
4200	<i>Non-Expendable Equipment</i>						
4201	Personal computers and accessories		5,000		10,000		5,000
4202	Portable computers		5,000		4,500		0
4203	Other office machines (server, fax, scanner, etc.)		5,000		5,000		5,000
4204	Photocopiers		0		0		10,000
4299	<i>Sub-total</i>		15,000		19,500		20,000
4300	<i>Premises</i>						
4301	Rental of office premises (shared with VC)		25,000		26,000		26,000
4399	<i>Sub-total</i>		25,000		26,000		26,000
4999	COMPONENT TOTAL		63,890		62,500		63,000
50	MISCELLANEOUS COMPONENT						
5100	<i>Operation and Maintenance of Equipment</i>						
5101	Maintenance of equipment and others (shared with VC)		14,200		14,500		14,500
5199	<i>Sub-total</i>		14,200		14,500		14,500
5200	<i>Reporting Costs</i>						
5201	Reporting		64,600		54,000		54,000

		w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)
5202	Reporting (Assessment Panels)		66,000		15,000		10,000
5203	Reporting (Protocol Awareness)		10,000		10,000		10,000
5299	<i>Sub-total</i>		<i>140,600</i>		<i>79,000</i>		<i>74,000</i>
5300	<i>Sundry</i>						
5301	Communications		40,000		45,000		45,000
5302	Freight charges (documents)		70,000		60,000		60,000
5303	Training		12,500		12,500		12,500
5304	Others (International Ozone Day)		5,000		12,000		12,000
5399	<i>Sub-total</i>		<i>127,500</i>		<i>129,500</i>		<i>129,500</i>
5400	<i>Hospitality</i>						
5401	Hospitality		9,000		12,000		12,000
5499	<i>Sub-total</i>		<i>9000.00</i>		<i>12,000</i>		<i>12,000</i>
5999	COMPONENT TOTAL		291,300		235,000		230,000
99	TOTAL DIRECT PROJECT COST		3,458,095		3,411,700		3,470,500
	<i>Programme support costs (13%)</i>		<i>449,551</i>		<i>443,520</i>		<i>451,164</i>
	GRAND TOTAL (inclusive of programme support costs)		3,907,646		3,855,220		3,921,664
	A. Draw down from Montreal Protocol Trust Fund balance*		675,000		675,000		675,000

	w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)
B. Draw down resulting from Secretariat's 2000 unspent balance* *		740,000		250,869		0
C. Additional draw down resulting from 2001 unspent balance***		0		400,000		686,000
D. Draw down from interest income ****		0		250,000		250,000
Sub-total contributions		1,415,000		1,575,869		1,611,000
Contribution from the Parties		2,492,646		2,279,351		2,310,664

* The draw down of \$675,000 per year for 2003 and 2004 from the Trust Fund's unspent balance was based on Decision XI/21, paragraphs 5 and 6 of the 11th Meeting of the Parties to the Montreal Protocol.

** To cover the additional requirements arising from decisions of the Meetings of the Parties, i.e. study on illegal trade - Dec.XII/10, as well as work related to the 2002 assessment reports being prepared by TEAP, SAP and EEAP, the Secretariat proposed at the 13th MOP a draw down resulting from savings in 2000.

*** As a result of unexpected savings in 2001, the Secretariat proposes an additional draw down of \$1,186,868 as follows: \$400,000 for 2003, \$686,000 for 2004 and \$100,868 for 2005. The 2005 budget proposal will be presented at the 15th Meeting of the Parties.

**** To further reduce the contribution of the Parties for 2003 and 2004, a draw down of \$250,000 will be made from the interest income annually accruing to the Fund, and continuing thereafter until further review

EXPLANATORY NOTES FOR THE PROPOSED 2003 AND 2004 BUDGETS FOR THE
TRUST FUND FOR THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEplete
THE OZONE LAYER

<u>Budget line</u>	<u>Comment</u>
1101-1108	The Parties have decided that, in future, proposals for the establishment and classification of all posts must be presented to them for consideration and approval before they are presented for processing by the United Nations system. The Parties approve the number and type of posts, and make financial provisions for them when they make budget decisions.
1101-1104, 1106 and 1108	Standard professional salary costs applicable to the Nairobi duty station for 2003 have been used for 2003 and 2004 budget proposals. Unspent commitments normally revert to the Trust Fund.
1105	The post of the Administrative Officer continues to be paid from the 13 per cent programme support costs based on actual expenditures.
1107 and 1108	<p>At the second Meeting of the Parties, in 1990, the ozone secretariat's present staff –Executive Secretary, Deputy Executive Secretary, Senior Scientific Affairs Officer, Senior Legal Officer and Administrative Officer – were approved. The number of Parties to the Vienna Convention and the Montreal Protocol at that time (mid-1990) was 66 and 59 respectively, and the number of controlled substances listed in annex A was eight. In 1996, a sixth post, Programme Officer (Data Management), was approved in response to the urgent requirement to compile and analyse data on ozone-depleting substances (ODS) and to coordinate the computer systems of the secretariat. To date, there are 185 and 184 Parties to the Vienna Convention and Montreal Protocol respectively, and the number of controlled substances has increased to 96, yet the number of staff has remained the same.</p> <p>The rise in the number of Parties and the adoption of four Amendments to the Montreal Protocol has resulted in an equivalent increase in the workload. The worldwide interest in the Montreal Protocol has grown steadily, and Governments, research scholars, industries, trade organizations, and non-governmental organizations continuously seek information from the secretariat. Moreover, the introduction of Internet and e-mail communications has increased the workload of the secretariat exponentially.</p> <p>In addition, there has been a need for increased monitoring of compliance issues under the Montreal Protocol, especially after developing countries began implementation of compliance measures to phase out ODS; increased interaction with Governments through the Implementation Committee on compliance issues; monitoring of illegal trade in ODS; monitoring implementation of licensing systems by Parties; and increased interaction with the Executive Committee of the Multilateral Fund, as well as with the implementing agencies of the Fund and ozone officers in developing countries and countries with economies in transition on compliance issues.</p>

<u>Budget line</u>	<u>Comment</u>
	<p>To respond effectively and efficiently to the requirements of the Parties and other stakeholders, the secretariat has reviewed its staffing levels and requires the strengthening of its capacity to deliver the work by increasing its human resources. Two posts are being presented for approval by the Parties: one Programme Officer (Communication and Information) to be funded from the Vienna Convention Trust Fund, who will be responsible for handling communication and information services, and another Officer (Monitoring and Compliance) to be funded from the Montreal Protocol Trust Fund, who will assist in the monitoring and follow-up of issues relating to compliance with the implementation of the Montreal Protocol.</p> <p>Budget provision for 6 months only to cover the second half of 2003 has been proposed, as the post (1108) to be funded under the Trust Fund for the Montreal Protocol will need to be established and classified before recruitment can commence.</p>
1201	<p>Assistance in data reporting and analysis, as well as in the development of a fully interlinked, digital system at the secretariat will be required. Funds under this line can be transferred to line 1100 to create short-term Professional posts if necessary.</p>
1301 to 1307	<p>Standard General Service salary costs applicable to the Nairobi duty station for 2003 have been used for 2003 and 2004 budget proposals.</p>
1308-1309	<p>The posts of Programme Assistant (Fund) and Logistics Assistant continue to be paid from the 13 per cent programme support costs based on actual expenditures.</p>
1310	<p>The establishment of a bilingual senior secretarial post at the G-6 level to be funded from the Vienna Convention Trust Fund is presented for approval by the Parties. It is envisaged that the bilingual general support staff will increase the secretariat's capacity to deliver work promptly and efficiently in two languages without having to send the correspondence for translation every time.</p> <p>Budget provision for 6 months only in 2003 has been proposed as the post will have to be established and classified before recruitment can commence.</p>
1320	<p>The secretariat continues to convert archives into electronic files for ease of retrieval and for posting on the web site. To assist the secretariat in this, as well as in other work related to servicing the requirements of 183 Parties, particularly in the area of document preparation and organization of participants' travel, the secretariat requires funding allocation for temporary support staff.</p>
1321-1326	<p>Necessary funds may be transferred from the conference servicing budget lines (1321-1326) should such services be required to be rendered either by individual consultancies or corporate contracts. The total cost of organizing the meetings should not, however, exceed the amounts agreed in this budget.</p> <p>The current conference servicing costs have been based on the following</p>

Budget lineComment

assumptions:

- (a) 1321: One meeting of the Open-ended Working Group to be held each year during 2003 and 2004, in Nairobi, using six languages;
- (b) 1322: The Meeting of the Parties and its preparatory meeting will be held in Nairobi in both years, in six languages. When meetings are not held in Nairobi, the incremental cost will be borne by the host Government;
- (c) 1323: The budget allocation in 2003 and 2004 for the Technology and Economic Assessment Panel, the Scientific Assessment Panel and the Environmental Effects Assessment Panel will cover the costs of their annual meetings, as well as communication and other sundry costs related to the work of panel members from developing countries and countries with economies in transition;
- (d) 1324: Two bureau meetings are scheduled for each of the years 2003 and 2004, in two languages;
- (e) 1325: At least two Implementation Committee meetings are scheduled for each of the years 2003 and 2004 with interpretation as required. From 2003, an intersessional meeting of the Implementation Committee will be held prior to the Meeting of the Parties;
- (f) 1326: At least one informal consultation meeting per year is envisaged for 2003 and 2004 on the promotion of the ratification of and compliance with the Montreal Protocol and its Amendments. It is expected to take place in Nairobi.

1601 Staff travel is undertaken in the context of the activities of the secretariat. Some missions will be undertaken in 2003 and 2004 to promote compliance and the ratification of the Montreal Protocol Amendments.

3300 Participation of developing countries:
The participation of representatives from article 5 Parties in the various Protocol meetings is assumed at \$5,000 per participation taking into account not more than one person's travel costs per country, using the most appropriate and advantageous economy-class fare and United Nations per diem allowances.

3301 Travel of around 80 article 5 members in the Assessment Panel meetings (Scientific Assessment Panel, Environmental Effects Assessment Panel and Technology and Economic Assessment Panel and its Technical Options Committees) has been allocated for 2003 and 2004 respectively.

3302 and 3303 Participation costs for some 70 representatives attending the meeting of the Parties and 60 attending the Open-ended Working Group Meeting for 2003 and 2004.

3304 Participation costs are based on two bureau meetings a year for four

<u>Budget line</u>	<u>Comment</u>
	participants from developing countries or countries with economies in transition at each meeting.
3305	The participation costs for the two Implementation Committee meetings a year are based on eight members from developing countries and countries with economies in transition at each meeting and two country representatives invited by the Implementation Committee at each meeting. Provision has also been made for the travel of the Implementation Committee President or Vice-President from an article 5 country to attend three Executive Committee meetings a year.
3306	Funds have been allocated to finance the participation of 10 participants from developing countries and countries with economies in transition as part of informal consultations on non-compliance with the Montreal Protocol, assumed to be held in Nairobi.
4101	The cost of miscellaneous expendables has been reduced in 2003 from \$25,084 as proposed at the thirteenth Meeting of the Parties to \$17,000 based on actual expenditures during 2000 and 2001. Stringent monitoring and careful use of resources account for the reduction in expenditure during 2000 and 2001.
4200	The secretariat is maintaining its electronic data processing systems in order to make the documentation of the Protocol and the Convention available electronically to the Parties. This requires procurement of necessary peripherals and software licenses and updating of the existing computer equipment. A minimum provision has been made to enable the secretariat to replace some equipment each year.
4300	The actual expenditure for 2001 has been used as the basis for the 2003 and 2004 provision in this line.
5202	The year 2002 is assessment year and provision for printing of at least 9 reports has been made in 2002. The next assessment will be in 2006. The printing costs for 2003 and 2004 therefore have been reduced from the \$66,000 in 2002 to \$15,000 and \$10,000 in 2003 and 2004 respectively.
5301	Careful monitoring of telecommunications resources and the continuous resort to the use of electronic mail instead of facsimile communications enable the secretariat to maintain a relatively low budget provision in this line.
5303	The training line is being maintained at the same level. The staff continues to avail of the training and development programme.
5304	The ozone secretariat will provide a subsidy to three countries per year during 2003 and 2004 to assist in the preparations for the celebration of the International Day for the Preservation of the Ozone Layer.
