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Item 13 (b) of the provisional agenda

**ADMINISTRATIVE AND FINANCIAL MATTERS**

**Income and budget performance in the biennium 2000-2001:  
interim report as at 30 June 2000**

**Arrangements for administrative support to the Convention**

**Note by the Executive Secretary**

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## **I. INTRODUCTION**

### **A. Mandate**

1. Rule 10 (e) of the draft rules of procedure being applied (FCCC/CP/1996/2) stipulates that the provisional agenda for each ordinary session of the Conference of the Parties (COP) shall include, as appropriate, the proposed budget as well as all questions pertaining to the accounts and financial arrangements.
2. By its decision 20/CP.5, the COP approved the budget for the biennium 2000-2001 and requested the Executive Secretary to report to it at its sixth session on income and budget performance, and propose any adjustments that might be needed in the Convention's budget for the biennium 2000-2001 (FCCC/CP/1999/6/Add.1).
3. It is the practice of the Subsidiary Body for Implementation (SBI) to prepare action for the Conference of the Parties on these matters.

### **B. Scope of the note**

4. This document responds to the requests noted above, as follows:
  - (a) Section II contains information on financial performance during the first six months of the biennium 2000-2001 (as of 30 June 2000) for all four of the trust funds administered by the secretariat, namely the Trust Fund for the Core Budget of UNFCCC, the Trust Fund for Participation in the UNFCCC Process, the Trust Fund for Supplementary Activities and the Trust Fund for the Special Annual Contribution from the Government of Germany (Bonn Fund);
  - (b) Section III provides information on personnel matters, including some statistics on approved posts and filled posts, as well as on the hiring of consultants;
  - (c) A brief update on the progress made regarding the administrative arrangements of the Convention is provided in section IV.
5. This document should be read in conjunction with other documents relating to administrative and financial matters prepared by the secretariat for this session, namely:
  - (a) Audited financial statements for the biennium 1998-1999, including the report of the United Nations Board of Auditors (FCCC/SBI/2000/9);
  - (b) Status of contributions as at 31 August 2000 (FCCC/SBI/2000/INF.12).

### **C. Possible action by the SBI**

6. The SBI may wish to take note of the information presented and decide on appropriate actions it may deem necessary to be included in an omnibus decision on administrative and financial matters to be adopted by COP 6.

## II. INCOME AND EXPENDITURE REPORT FOR THE FIRST HALF OF THE BIENNIUM 2000-2001

### A. Trust Fund for the Core Budget of UNFCCC

#### 1. Budget

7. The Conference of the Parties at its fifth session approved a total budget of \$13,196,400 for 2000, as shown in table 1 below (decision 20/CP.5).<sup>1</sup>

**Table 1. Summary of approved budget in 2000**  
(United States dollars)\*

<b>Approved budget</b>	
Direct expenditures	11 577 700
Overhead charge paid to United Nations	1 505 100
Increase in working capital reserve	113 600
<b>Total approved budget</b>	<b>13 196 400</b>

\* Rounded off to the nearest hundred.

8. In addition to the budget shown in table 1, the COP approved additional expenditures of \$1,000,000 to cover activities leading to COP 6, and an additional contribution to the International Panel on Climate Change (IPCC) of \$150,000 (or 169,500 including administrative costs) to be drawn from the carry-overs. This would bring the total approved expenditures in 2000 to \$14,366,000 (decision 20/CP.5, paragraphs 6, 14 and 15, FCCC/CP/1999/6/Add.1)

#### 2. Income

9. The approved budget and the additional expenditures are expected to be funded from three sources as shown below:

**Table 2. Expected income in 2000**  
(United States dollars)

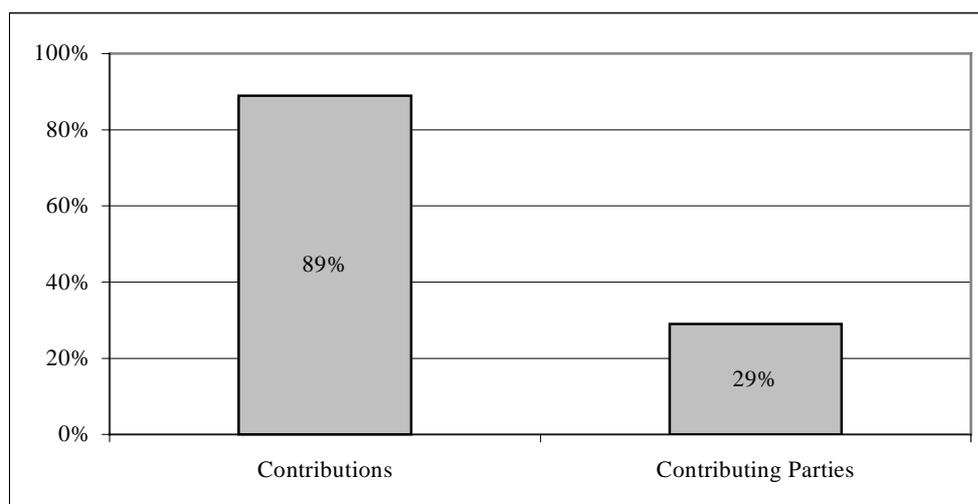
Contribution from the host Government**	810 800
Unspent balance of contributions from previous financial periods (carry-over)	2 368 000
Indicative contributions from all Parties	11 187 200
<b>Total expected income</b>	<b>14 366 000</b>

\*\* US\$ 810,800 was calculated at the rate of US\$ 1 = DM 1.85002, prevailing at the time of the budget preparation.

<sup>1</sup> FCCC/CP/1999/6/Add.1.

10. Of the \$11,187,200 indicative contributions to the core budget for the year 2000, \$9,919,487 (89 per cent) had been received as at 30 June 2000. This constitutes a considerable improvement over previous years' experience. The number of Parties that have paid their 2000 contributions stands at 57, or 29 per cent of the Parties to the Convention. All of the 10 top contributors had paid their 2000 contribution by 30 June 2000, while those of eight out of the top 20 are still outstanding.<sup>2</sup> An update on the status of contributions as at 31 August 2000 can be found in document FCCC/SBI/2000/INF.12.

**Chart 1. Percentage of contributions received and contributors to the core budget as at 30 June 2000**

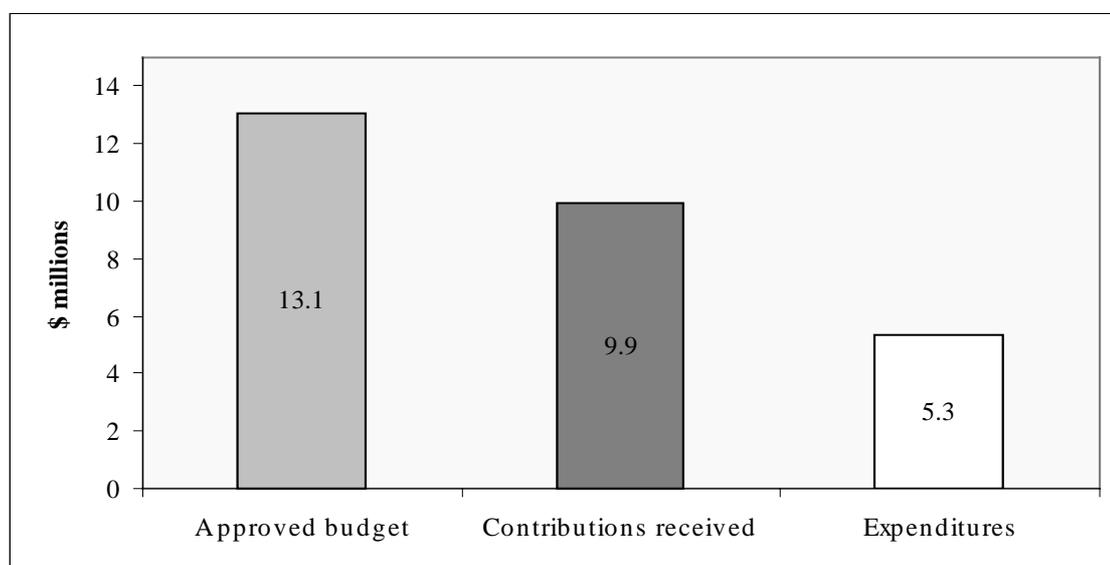


### 3. Expenditures

11. Expenditures as at 30 June 2000 amounted to \$5,328,205, which represents 41 per cent of the approved budget or 54 per cent of the contributions received (\$9,919,487). Chart 2 shows a comparison between the approved budget, the paid contributions and the actual expenditures. Tables 3 (a) and (b) and their corresponding charts show expenditures by programme and by object of expenditure respectively.

<sup>2</sup> Contributions by the top 10 contributors make up 79 per cent of the total indicative contributions. The percentage increases to 91 if the top 20 contributors are considered.

**Chart 2. Expenditures as at 30 June 2000, in comparison to approved budget and paid contributions (millions of United States dollars)**

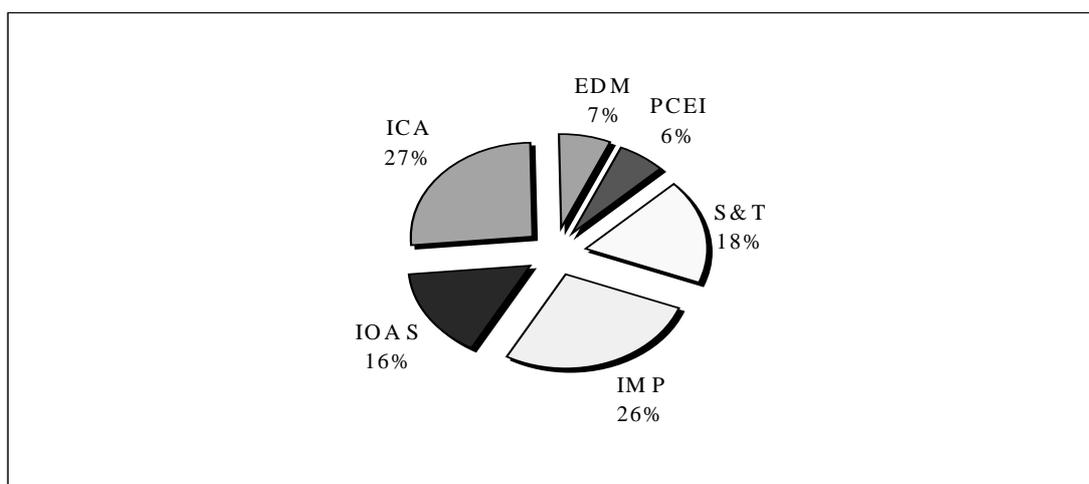


(a) Expenditures by programme

12. As can be noted from table 3 (a), expenditures have been within original appropriations for all programmes. Some programmes have spent less than their budgeted resource levels, owing largely to the fact that a number of posts were vacant (see section III, table 7 of this report).

**Table 3 (a). Expenditures by programme, as at 30 June 2000**  
(United States dollars)

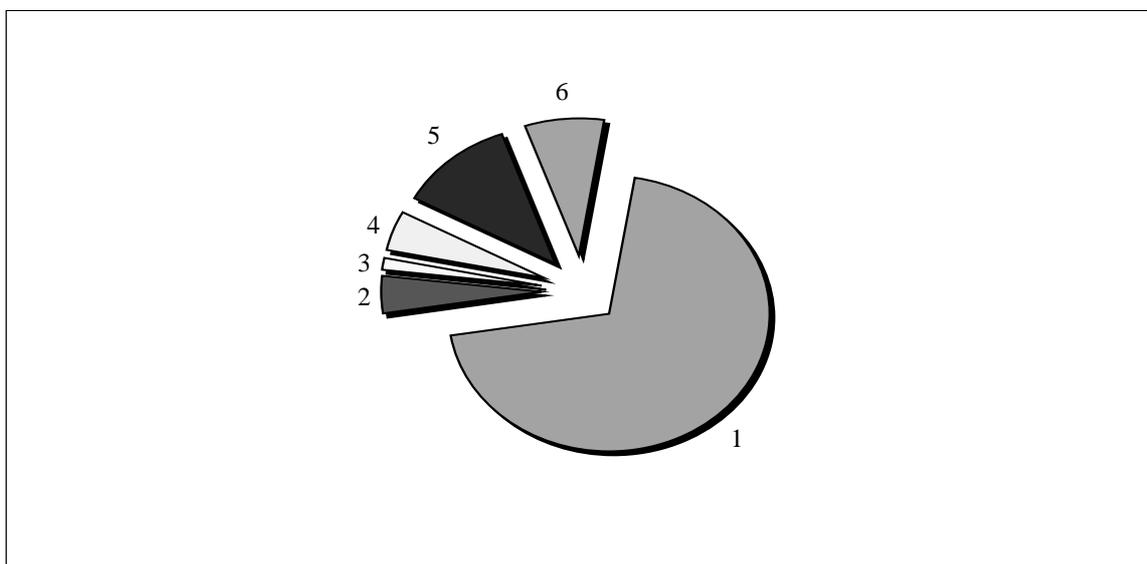
Programme	2000 approved budget	Estimated expenditures	Percentage of budget
Executive Direction and Management (EDM)	749 530	328 912	44
Planning, Coordination and Emerging Issues (PCEI)	1 232 590	305 055	25
Science and Technology (S&T)	2 170 580	831 147	38
Implementation (IMP)	3,125,910	1 243 765	40
Information, Outreach and Administrative Services (IOAS)	1 546 500	753 176	49
Intergovernmental and Conference Affairs (ICA)	2 752 600	1 252 471	46
<b>Total direct expenditures</b>	<b>11 577 710</b>	<b>4 715 226</b>	<b>41</b>
Programme support costs	1,505,102	612 979	
<b>Total expenditures</b>	<b>13 082 812</b>	<b>5 328 205</b>	<b>41</b>

**Chart 3. Expenditures by programme, as at 30 June 2000**(b) Expenditures by object of expenditure

13. Table 3 (b) below indicates expenditures by object of expenditure, grouped into six items. Staff costs include salaries of staff members appointed on approved posts, salaries of short term staff, temporary assistance and overtime. Other external expertise, both from individuals and institutions, is included under consultants. Travel is divided into two parts, namely travel of experts to workshops and informal consultations and travel of staff on official missions. General operating expenses include payments to suppliers of various goods and services, while "grants and contributions" constitute payments to United Nations organizations and governmental institutions that provide logistic and administrative services to the secretariat at the headquarters in Bonn and during workshops at various locations outside Germany, as well as the annual contribution to the IPCC. All expenditures are well below the approved budget and within the ideal maximum expenditure of 50 per cent, except for general operating expenses, which include purchase of information technology equipment incurred almost for the entire budgeted amount during the first six months of the year.

**Table 3 (b). Expenditures by object of expenditure, as at 30 June 2000**  
(United States dollars)

Object of expenditure	Budgeted amount	Estimated expenditures	Percentage
Staff costs	8 083 850	3 278 413	41
Consultants	731 000	212 040	29
Travel of experts to workshops and informal consultations	155 000	65 103	42
Travel of staff	705 260	219 306	31
General operating expenses	1 027 600	562 746	55
Grants and contributions	875 000	377 618	43
<b>Total direct expenditures</b>	<b>11 577 710</b>	<b>4 715 226</b>	<b>41</b>
Programme support costs	1 505 102	612 979	
<b>Total expenditures</b>	<b>13 082 812</b>	<b>5 328 205</b>	<b>41</b>

**Chart 4. Expenditures by object of expenditure, as at 30 June 2000**

<b>1</b>	Staff costs	70%
<b>2</b>	Consultants	4%
<b>3</b>	Travel of experts	1%
<b>4</b>	Travel of staff	5%
<b>5</b>	General operating expenses	12%
<b>6</b>	Grants and contributions	8%

14. Activities and events funded from the \$1 million additional budget for activities leading up to COP 6 are organized as “projects”. Project proposals were submitted by programme coordinators, and were screened by the project funding group which was established by the Executive Secretary and is chaired by the Deputy Executive Secretary (FCCC/SBI/1999/3, para. 19). Table 3 (c) shows the list of projects and events covered from the \$1,000,000 fund.

**Table 3 (c). Expenditure report on the \$1,000,000 additional budget approved for activities leading to COP 6, as at 30 June 2000**  
(United States dollars)

<b>Programme</b>	<b>Approved budget</b>	<b>Expenditures</b>	<b>Percentage of budget</b>
<b>Informal consultations on mechanisms (Kuala Lumpur, 20-23 March):</b> Fifteen participants from developing countries and countries with economies in transition (EIT) were provided with financial assistance for travel and daily subsistence allowance (DSA). Project partly funded from the supplementary budget (see table 5 (b)).	<b>83 500</b>	<b>68 795</b>	<b>82</b>
<b>Workshop (Bonn, 14-15 March) and informal consultations (Bonn, 5-10 June) on developing national systems, adjustments and guidelines under Articles 5, 7 and 8 of the Kyoto Protocol:</b> under this project, over 30 participants from developing and EIT countries were funded to participate.	<b>130 000</b>	<b>123 669</b>	<b>95</b>
<b>Workshop on a compliance system (Bonn, 1-3 March):</b> under this project, 19 participants from developing and EIT countries were provided funds for travel and DSA.	<b>78 238</b>	<b>70 200</b>	<b>90</b>
<b>Workshop on implementing Articles 4.8 and 4.9 (Bonn, 9-15 March):</b> under this project, 35 participants from developing and EIT countries were provided with funds for travel and DSA.	<b>143 000</b>	<b>128 700</b>	<b>90</b>
<b>Information support for preparatory process for COP 6:</b> establishment of additional computer support services, provision of information technology equipment and support to workshops, assistance in document management and archiving.	<b>199 500</b>	<b>166 693</b>	<b>84</b>
<b>Implementation of decisions 10/CP.5 and 11/CP.5 on capacity-building:</b> coordination of the secretariat's activities on capacity-building through the activities of the capacity-building team leader. Project partly funded from the supplementary budget (see table 5 (b)).	<b>87 718</b>	<b>67 617</b>	<b>77</b>
<b>Intensifying the process leading to COP 6:</b> logistic arrangements for the preparatory process leading up to COP 6, including planning and servicing several workshops.	<b>163 000</b>	<b>73 913</b>	<b>45</b>
<b>Total direct expenditures</b>	<b>884 956</b>	<b>700 343</b>	<b>79</b>
<b>Programme support costs</b>	<b>115 044</b>	<b>91 045</b>	
<b>Total expenditures</b>	<b>1 000 000</b>	<b>791 388</b>	<b>79</b>

#### **4. Programme delivery**

15. This section provides brief highlights on the main outputs achieved by each programme during the reporting period.

(a) Executive Direction and Management programme

16. The outputs of the Executive Direction and Management programme (EDM) have been consistent with those described in the programme budget of the Convention for the biennium 2000-2001 (see FCCC/CP/1999/INF.1). The Executive Secretary has provided ongoing management and coordination of the activities of the secretariat, as well as advice to the Convention bodies and their officers. In his external relations, he has continued to promote coordination with partner organizations, in addition to representing the UNFCCC secretariat in outreach activities.

17. The Executive Secretary has increased delegation to coordinators and is promoting improved accountability at the programme level. Reviews of the management process and of the distribution of administrative responsibilities were initiated. Organizational development activities included a management retreat and support for the functioning of an internal advisory group (organizational change team). The procedure for the use of supplementary funds continued to be developed, under the responsibility of the Deputy Executive Secretary through the project funding group. With the support of the Information Services subprogramme, EDM launched a database system to record, track and follow up correspondence.

(b) Planning, Coordination and Emerging Issues programme

18. Since its establishment at the start of the biennium 2000-2001, this programme has supported the work of the twelfth sessions of the subsidiary bodies as well as the overall work leading to COP 6. Its outputs have been consistent with those described in the programme budget of the Convention.

19. The programme has supported the design and development of the mechanisms envisaged in Articles 6, 12 and 17, in particular through assisting in the preparation of draft principles, modalities, rules and guidelines, as appropriate, for each mechanism. Support has also been provided to informal consultations and workshops on this issue and through organizing a forum on the mechanisms, which was held in conjunction with the sessions. In addition, the programme has supported the implementation of activities implemented jointly (AIJ) under the pilot phase through facilitating the exchange of information on projects and the maintenance of the AIJ database, as well as through continuing work on the revision of the uniform reporting format. The programme has also participated in technical workshops and meetings in relation to both the mechanisms and AIJ.

20. The programme has also supported the work to ensure coherence in the development of cross-cutting issues and in relation to decision 8/CP.4 (FCCC/CP/1998/16/Add.1). A process for addressing these issues has been initiated and a first set of specific issues has been identified.

(c) Science and Technology programme

21. The programme supported the work of the twelfth session of the Subsidiary Body for Scientific and Technological Advice (SBSTA). During the reporting period, the programme concentrated on the development of guidelines for national systems, adjustments, reporting of

supplementary information and the review process, in accordance with Articles 5, 7 and 8 of the Kyoto Protocol, and on the consultative process on technology transfer.

22. The programme facilitated the work on the activities mentioned above through the preparation of reports, studies and draft guidelines and the organization of a workshop on national systems and methodological issues related to adjustments and Articles 7 and 8 of the Kyoto Protocol (Bonn, 14-15 March) and the organization of two regional workshops (Cebu, Philippines, 17-19 January 2000 and San Salvador, El Salvador, 29-31 March 2000) and one informal meeting (Bonn, 7-8 June) on technology transfer. At its twelfth session, the SBSTA agreed on guidelines on national systems under Article 5.1 of the Kyoto Protocol. In addition, the programme revised the procedures for nominating experts to the roster of experts and posting information on the nominees on the UNFCCC web site.

(d) Implementation programme

23. The programme supported the work of the twelfth session of the SBI, and concentrated on preparations for the technical review of the Annex I Party greenhouse gas (GHG) inventories including the development - with the support of the Information Services subprogramme - of a new database on GHG emissions.

24. The programme further supported intensified consultations on a compliance system, and on initial actions arising from the adverse effects of climate change, and the impact of the implementation of response measures (Article 4.8 and .9 of the Convention and Articles 2.3 and 3.14 of the Kyoto Protocol) by organizing three workshops. In addition, the programme facilitated the work related to "best practices" in policies and measures, including the organization of a workshop. It supported the establishment and the work of the Consultative Group of Experts on National Communications from Parties Not Included in Annex I to the Convention (CGE), and organized its first regional workshop for Latin America and Caribbean.

25. The programme participated in the secretariat's assessment of the capacity-building needs of non-Annex I countries and countries with economies in transition.

(e) Information, Outreach and Administrative Services programme

26. The programme was renamed Information, Outreach and Administrative Services (IOAS) from the former Information and Outreach Programme (IOP) as the programme took over the Financial and Administrative Management activities. The IOAS programme therefore consists of four sub-programmes: Management and Coordination, Information Services, Outreach, and Financial Management and Administration.

27. The Management and Coordination subprogramme ensured the restructuring of the newly created IOAS, and developed a strategy to provide decentralized administrative services to the secretariat.

28. The programme continued to work with observer organizations to the Convention, and arranged for the organization of special events and exhibits during the twelfth sessions of the subsidiary bodies. It maintained contact with intergovernmental organizations and other conventions to enhance their involvement in the UNFCCC process. As a result of

decisions 10/CP.5 and 11/CP.5, the Outreach subprogramme led the work of the secretariat on capacity-building.

29. In 2000, the Information Services (IS) were reorganized around three key activities (information technology, knowledge management, and communications). This streamlined operations and focused existing resources on priority projects. Among them are upgrading and standardization of information technology, development of a common database infrastructure, and enhancement of the secretariat web site and information products. In addition, the availability of new resources has permitted the secretariat to develop French language information products, in particular the preparation of a French language gateway for the web site. In June 2000, IS serviced the twelfth sessions of the subsidiary bodies.

30. The Financial Management and Administration subprogramme provided the secretariat with general administrative services, management of financial resources, personnel services and liaison activities with the United Nations and the host Government on administrative matters. The work of this subprogramme is entirely funded by the 13 per cent of programme support costs charged on expenditures.

(f) Intergovernmental and Conference Affairs programme

31. The programme was renamed Intergovernmental and Conference Affairs (ICA) from the former Conference Affairs and Resource Management (CARM). The ICA programme consists of three subprogrammes: Management and Coordination, Intergovernmental and Legal Affairs, and Conference Affairs. The services provided by this programme include those relating to organizing sessions of the Convention bodies, external relations, management of participation in the sessions, processing and editing of documents and legal services to the Convention.

32. During the reporting period, the programme organized and serviced the twelfth sessions of the subsidiary bodies and the preceding week of informal meetings, including workshops, involving almost 2,000 participants. Services included liaison with delegations, provision of conference services, processing and editing of documents and managing the accreditation and participants funding processes. It organized and supported two Bureau meetings and two high-level consultations by the President to advance preparations for COP 6. It also serviced 10 workshops and consultations in the reporting period. ICA is making arrangements for and coordinating internal planning to facilitate integrated inputs of all programmes to other meetings in 2000, which include the thirteenth sessions of the subsidiary bodies hosted by the Government of France in Lyon, the sixth session of the Conference of the Parties, one high-level consultation and additional Bureau meetings. In this context, the host country agreement with the Government of the Netherlands concerning COP 6 was completed.

**B. Trust Fund for Participation in the UNFCCC Process**

33. Table 4 provides detailed information on income and expenditures under the Trust Fund for Participation in the UNFCCC Process.

34. As at 30 June 2000, contributions received for this year amounted to \$1,164,428, while the expenditures totalled \$376,229. At least one delegate from each eligible Party was offered financial support to attend the twelfth sessions of the subsidiary bodies in June. Subject to the

availability of funds, a second participant will be financed from each of the least developed countries and small island developing States to attend the thirteenth sessions of the subsidiary bodies and COP 6, with estimated expenditures of up to \$1,300,000. It is also hoped that it will be possible to finance a second delegate from other non-Annex I Parties for participation in COP 6. As shown in table 4, approximately \$450,000 in additional contributions is still required to meet the estimated costs in 2000.

35. Pending a decision at COP 6 on how to respond to late contributions, the secretariat will continue applying its current policy in providing financial support to eligible Parties. To this end, those Parties which are not least developed countries or small island developing States and which would normally be eligible for financial support to participate in the meetings of the Conference of the Parties and its subsidiary bodies, but which have not yet paid their contributions for 1996 through 1998, will not be considered for funding from the Trust Fund for Participation to participate in the thirteenth sessions of the subsidiary bodies. Similarly, those which have not paid their 1999 contribution will not be provided with financial assistance for the sixth session of the COP.

**Table 4. Status of the Trust Fund for Participation in the UNFCCC Process  
as at 30 June 2000**  
(United States dollars)

<b>Income</b>	
Carry-forward 1998-1999	477 481
Contributions received in 2000	1 115 146
Interest and miscellaneous income	23 119
<i>Working capital reserve</i> (10 per cent of 1999 expenditure)	(169 920)
<b>Total income (as of 30 June 2000)</b>	<b>1 445 826</b>
<b>Expenditures as at 30 June</b>	
Travel of 92 participants to SB 12 (12-16 June 2000)	376 229
<b>Requirements until 31 December 2000</b>	
Travel of participants to SB 13 (11-15 September 2000)	500 000
Travel of participants to COP 6 (13-24 November 2000)	800 000
<b>Expected direct expenditures in 2000</b>	<b>1676 229</b>
Programme support costs	217 910
<b>Total expenditures</b>	<b>1 894 139</b>
<b>Balance/deficit</b>	<b>(448 313)</b>

### **C. Trust Fund for Supplementary Activities**

36. Table 5 (a) provides information on income and estimated expenditures under the Trust Fund for Supplementary Activities. The substantial carry-over balance is the result of four factors: a) an unspent balance of funds originally committed for projects in 1999; (b) earmarked contributions received in 1999 for activities that incurred expenditures in 2000; (c) funds that have been received, but are awaiting instructions from the contributor to identify the activity for which they should be used and (d) a working capital reserve of 15 per cent.

37. The secretariat continues to undertake additional fund-raising activities for supplementary activities, especially for workshops and events based on approved projects. Receipts for this trust fund by 30 June 2000 amounted to \$2,631,808. Total costs of approved projects for 2000 amount to \$2,244,108.

38. Discussions are under way to determine the use of the uncommitted balance of \$2,451,396. For example, the United States will soon advise the secretariat on the activities that should be given priority using contributions paid in 2000. Meanwhile the secretariat is awaiting confirmation from Japan on the use of its contribution of \$450,000 to the Supplementary Fund. Finalization by the United Nations Institute for Training and Research and the United Nations Fund for International Partnerships of a project document on capacity-building assessment is awaited before committing Canada's contribution of \$103,306 which has been earmarked for this purpose.

**Table 5 (a). Status of the Trust Fund for Supplementary Activities as at 30 June 2000**  
(United States dollars)

INCOME	
Carry-forward 1998-1999	2 245 666
Contributions received in 2000	2 631 808
Interest and miscellaneous income	8 003
<i>Working capital reserve (15 per cent of 1999 expenditure)</i>	(189 973)
<b>Total income (as of 30 June 2000)</b>	<b>4 695 504</b>
<b>Approved projects</b>	<b>1 985 936</b>
Programme support costs	258 172
<b>Total commitments</b>	<b>2 244 108</b>
<b>Balance</b>	<b>2 451 396</b>

39. Table 5 (b) provides a list of the projects and events funded from the Trust Fund for Supplementary Activities in the year 2000. All the projects were screened by the project funding group referred to in paragraph 14 of this document. Most of the projects are related to those activities leading to COP 6 as decided by the COP at its fifth session (decision 20/CP.5).

**Table 5 (b). Projects and events funded from the Trust Fund for  
Supplementary Activities in the year 2000**  
(United States dollars)

<u>Project</u>	<u>2000 commitments</u>
<b>Improving management of supplementary funds:</b> the objective of this project is to provide the Executive Secretary with professional support in fund management and external relations. A P-2 programme support officer was funded under this project from January to March 2000. The project has been completed.	17 500
<b>Activities of the non-Annex I subprogramme:</b> one secretarial post is funded under this project to ensure the efficient and effective execution and operation of the non-Annex I subprogramme so as to address the needs of the non-Annex I Parties in a timely manner. This project started in 1998.	38 404
<b>Assistance to the consultative process related to transfer of technology:</b> In 2000 two regional workshops (Cebu, Philippines 17-19 January and San Salvador, El Salvador, 29-31 March) and one informal meeting (Bonn, 7-8 June) were financed under this project. Over 50 participants from developing countries were provided with funds to attend these events.	204 209
<b>Secretariat support to Parties for the design, development and operation of the mechanisms referred to in Articles 6, 12 and 17 of the Kyoto Protocol:</b> technical preparation of intergovernmental meetings and informal consultations among representatives of Parties. A workshop was organized in Kuala Lumpur, 20-23 March. Other workshops are scheduled for the rest of the year. Project partly funded from the core budget (table 3 (d)).	279 400
<b>Maintenance and development of information capacity in the Climate Change Secretariat:</b> under this project two posts are established to manage activities related to media relations, taking over from the United Nations Information Centre and the United Nations Environmental Programme Information Unit for Conventions which are no longer able to provide the same level of support as in the past.	173 900
<b>Initial implementation and strengthening of the Outreach subprogramme:</b> the project provides funds for a P-2 NGO liaison officer to undertake a number of liaison, planning and coordination tasks related to participation of non-governmental organizations in the in the UNFCCC process.	77 800
<b>Knowledge networking: building an integrated database for information exchange:</b> under this project the secretariat has integrated resources across programmes to improve the contacts and registration databases, implement the roster of experts over the web, develop the prototype for the GHG inventory software and revise the web-accessible survey of non-Annex I Party national communications.	265 487
<b>Funding for informal high-level consultations by the President of COP 5 to advance preparations of COP 6:</b> funds have been provided for travel and DSA of participants from eligible Parties, Bureau members, and a limited number of secretariat staff, as well as hospitality and meeting services required, for three consultations - New York, April 2000, Warsaw, June 2000 and the Netherlands, October 2000.	384 000

**Table 5 (b) (continued)**

<b><u>Project</u></b>	<b><u>2000 commitments</u></b>
<b>Consultative Group of Experts (CGE):</b> the aim of this project is to facilitate the organization of three regional workshops, in Africa, Asia and the Pacific and Latin America and the Caribbean. So far, 19 participants have been provided with funds to attend the first regional workshop in Mexico City (May 2000).	225 804
<b>Support for the organization of the SBSTA workshop on land-use, land-use change and forestry (LULUCF) in Poznan, Poland, 10-15 July 2000:</b> funds were provided for the participation of 33 representatives of non-Annex I Parties and of four experts, as well as for the coverage of the meeting by the Earth Negotiations Bulletin.	150 543
<b>Informal consultations related to development of a compliance system under the Kyoto Protocol:</b> 12 participants from developing countries were provided with funds to attend this event in Iceland during the month of July 2000.	61 947
<b>Implementation of decisions 10/CP.5 and 11/CP.5 on capacity-building:</b> coordination of the secretariat's activities on capacity-building through the activities of the capacity building team. Project partly funded from the core budget (table 3(d)).	106 942
<b>Total direct costs</b>	<b>1 985 936</b>
Programme support costs	258 172
<b>Grand total</b>	<b>2 244 108</b>

**D. Trust Fund for the Special Annual Contribution from the Government of Germany (Bonn Fund)**

40. Table 6 provides detailed information on income and expenditures under the Bonn Fund as of 30 June 2000. As part of its offer to host the secretariat in Bonn, the Government of Germany pledged a special annual contribution of DM 3.5 million to the UNFCCC to cover expenditures based on the bilateral arrangements between the Government of Germany and the Convention secretariat.

41. The substantial carry-over balance includes (a) the unspent balance of funds from prior years refundable to the host Government; (b) a working capital reserve of 15 per cent.

42. In the first half of 2000, almost the entire first instalment (DM 1,750,000) of the annual contribution paid by the host Government was used to cover mainly the cost of facilities and staff for servicing the twelfth sessions of the subsidiary bodies in Bonn (12-16 June).

**Table 6. Status of the Bonn Fund as at 30 June 2000**  
(United States dollars)

Item	Amount
<b>Income</b>	
Carry-over from 1998-1999	638 590
Contributions*	826 189
Interest and miscellaneous income	1 681
Refundable to host Government	(338 590)
<i>Working capital reserve**</i>	(300 000)
<b>Total income</b>	<b>827 870</b>
<b>Expenditures</b>	
<b>I. Conference support</b>	
Conference facilities for SB 12	544 705
Staff	161 199
<b>Subtotal I: Conference support</b>	<b>705 904</b>
<b>II. Information support</b>	
Staff	39 948
Publications and library material	9 000
<b>Subtotal II: Information support</b>	<b>48 948</b>
<b>Total (I and II)</b>	<b>754 852</b>
Programme support costs	98 131
<b>Total expenditures</b>	<b>852 983</b>
<b>Balance***</b>	<b>(25 113)</b>

\* Equivalent to DM 1 750 000.

\*\* The working capital reserve (15 per cent of the annual contribution of DM 3.5 million) is set at US\$ 300,000 as an average figure taking into consideration exchange rate fluctuations.

\*\*\* The over-expenditures have been temporarily covered from the working capital reserve.

### III. PERSONNEL

#### A. Staff

43. This section contains reports on developments in classifying, advertising and filling the approved posts under all sources of funding. The COP at its fifth session approved the establishment of 13 professional and 7 general service posts, bringing the total number of approved posts to 54 P and 29 GS in 2000. A comparison of the number of approved posts with the number filled by 30 June is given in table 7 below.

44. "Filled" posts in the table refer to posts occupied by staff who have been awarded a fixed-term contract of one year or more, and are appointed against established posts after going through the complete recruitment process including review by the UNFCCC Appointment and

Promotion Board. In addition to these, 15 professionals and 31 persons in the general service category have been hired under temporary assistance contracts as at 30 June, bringing the total number of staff in the secretariat to 124.

45. In view of the organizational changes that were introduced into the UNFCCC secretariat effective 1 January 2000, including the establishment of the PCEI programme headed by a D-2 coordinator and the creation of new posts in other programmes, it was necessary to conduct an exercise to classify all newly established posts and to revise a number of existing posts. The classification exercise began in the first half of 2000 and concentrated on the preparation of post descriptions for 55 posts newly established and the revision of existing posts that were affected by the introduction of the new organizational structure.

46. Of the 55 newly established posts, job descriptions for 47 posts were prepared and sent to the Office of Human Resources Management at United Nations Headquarters. The remaining 8 posts are in the process of being finalized for classification. A total of 33 existing posts affected by the organizational change have been revised.

47. Some of the funds available for currently vacant posts are being used to finance the hiring of consultants or staff under "general temporary assistance".

**Table 7. Comparison of established posts and occupied posts by source of funding as at 30 June 2000**

Level	Core		Supplementary		Bonn Fund		Overhead		Total	
	Approv.	Filled	Approv.	Filled	Approv.	Filled	Approv.	Filled	Approv.	Filled
ASG	1	1							1	1
D-2	3	3							3	3
D-1	4	3							4	3
P-5	10	7					1	1	11	8
P-4	11	7	1	0			2	2	14	9
P-3	17	12	1	0	2	1			20	13
P-2	8	7	2	2	2	0	1	0	13	9
Subtotal	54	40	4	2	4	1	4	3	66	46
GS	29	24	1	1	5	3	23	4	58	32
<b>TOTAL</b>	<b>83</b>	<b>64</b>	<b>5</b>	<b>3</b>	<b>9</b>	<b>4</b>	<b>27</b>	<b>7</b>	<b>124</b>	<b>78</b>

48. Information on the geographical distribution of the appointed staff at the professional level and above is provided in table 8 (a) and (b). While priority is given to professional competence and experience, every attempt is made to ensure geographical diversity of staff in the professional category and above.

49. The gender representation among professional staff is relatively well balanced, except in the D-1 grade: of 46 staff, 25 are men and 21 are women. Among general service staff, the representation of female staff is prevalent: 28 out of 32 GS staff are women. Table 8 (c) provides the detail of gender distribution by grade.

**Table 8 (a). Geographical distribution of appointed staff members at the professional level and above, as at 30 June 2000**

Grade	Africa	Asia and the Pacific	Latin America and the Caribbean	Eastern Europe	Western Europe and others	Total
ASG					1	1
D-2	1				2	3
D-1		1		1	1	3
P-5	2	1	1	1	3	8
P-4	2		2	1	3	8
P-3	2	3	1		8	14
P-2		2	2		5	9
<b>Total</b>	<b>7</b>	<b>7</b>	<b>6</b>	<b>3</b>	<b>23</b>	<b>46</b>
<b>Percentage of total</b>	<b>15</b>	<b>15</b>	<b>13</b>	<b>7</b>	<b>50</b>	<b>100</b>

**Table 8 (b). Geographical distribution of appointed staff members at the professional level and above, as at 30 June 2000: Annex I and non-Annex I Parties distribution**

Grade	Annex I	Non-Annex I
ASG		1
D-2	2	1
D-1	2	1
P-5	4	4
P-4	4	4
P-3	8	6
P-2	5	4
<b>Total</b>	<b>25</b>	<b>21</b>
<b>Percentage of total</b>	<b>54</b>	<b>46</b>

**Table 8 (c). Gender distribution by grade of appointed staff members at the professional level and above, as at 30 June 2000**

Grade	Male	Female
ASG	1	
D-2	2	1
D-1	3	
P-5	4	4
P-4	4	4
P-3	8	6
P-2	3	6
<b>Total</b>	<b>25</b>	<b>21</b>
<b>Percentage of total</b>	<b>54</b>	<b>46</b>

### **B. Consultants and individual contractors**

50. Between 1 January 2000 and 30 June 2000, 27 individual consultants (and 10 contractors) were hired, and provided a combined total of 76 months of work. One half of this total represented assistance in editing, conference management, information technology and administration, partly supplementing staff resources and partly filling gaps left by vacancies. The nature of these tasks and, in some cases, the linguistic requirements, direct the search for such services to the region in which the secretariat is located, thus skewing the geographical distribution of consultants towards those resident in Annex I Parties. The other half of the work months represented the provision of other types of expertise not available within the secretariat. While such expertise is more easily found in Annex I Parties, an effort is being made to diversify sources so as to increase the input of experts from developing countries. An additional, and sometimes alternative, source of expertise is the roster of experts (see FCCC/SBSTA/1999/9).

51. Table 9 provides information on how such services were distributed among the various programmes.

**Table 9. Consultants and individual contractors, by programme**  
**1 January 2000 – 30 June 2000**  
*(United States dollars)*

<b>Programme</b>	<b>Person-months</b>	<b>Cost</b>
Executive Direction and Management	-	-
Planning, Coordination and Emerging Issues	-	-
Science and Technology	19	92 140
Implementation	5	20 800
Information, Outreach and Administrative Services	44.5	163 541
Intergovernmental and Conference Affairs	7.5	34 700
<b>Total</b>	<b>76</b>	<b>311 181</b>

### **IV. ADMINISTRATIVE ARRANGEMENTS**

52. The progress made in implementing the transfer of the administrative responsibilities from the United Nations Office at Geneva (UNOG) to UNFCCC Bonn was reported to the SBI at its tenth and eleventh sessions (FCCC/SBI/1999/3, paras. 46-50 and FCCC/SBI/1999/10, paras. 42-44).

53. The secretariat has made further efforts to strengthen its independent administrative capacities through the transfer of more responsibility from UNOG and the recruitment of additional support staff. Negotiations with UNOG continue and plans are being made to assume full responsibility for secretariat administrative services within the biennium.

54. Negotiations continue also with United Nations Headquarters on the receipt, management and allotment of overhead funds, which provide the financial resources for all secretariat

administrative support services. Significant progress has recently been made in this regard and the required funding for 2000 has been secured. By the end of this year, the administrative staff resources of UNFCCC should reach the desired level.

55. During late 1999 and early 2000, the secretariat made major advances in implementation of the Integrated Management Information System (IMIS). In December 1999, administrative staff completed training in the use of the personnel module of IMIS. Actual use of the system began in January 2000, following the successful installation and testing of the communication link with UNOG, the provider of IMIS. Experience to date has been mostly positive and the implementation has allowed the secretariat to assume most of the responsibility for its personnel recruitment and personnel administrative tasks. It is expected that the balance of personnel responsibilities will be transferred to UNFCCC in the latter part of 2000.

56. Throughout the second half of 1999 and early in 2000, the secretariat conducted in-depth negotiations with UNOG to begin use of the financial, procurement and travel modules of IMIS beginning in April 2000. Shortly before the beginning of the planned training and implementation period, negotiations ended with the announcement by the United Nations Secretariat that they were unable to provide the necessary support to UNFCCC to complete the exercise. Following the planned recruitment of a senior finance officer, and after further consideration in the coming months, the secretariat will decide whether these modules of IMIS will be added at a later date. This decision will be influenced by the ability or not, of the United Nations Secretariat to provide training and implementation support if UNFCCC decides to proceed in this direction.

57. Additional staff resources and system support are still needed in the procurement and travel areas of administrative support services; progress in these areas and those outlined above will be reported on by the Executive Secretary at the next session of the SBI.

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