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SEVENTH MEETING OF THE PARTIES TO THE  
MONTREAL PROTOCOL ON SUBSTANCES THAT  
DEplete THE OZONE LAYER  
Vienna, 5-7 December 1995  
Item 6 of the provisional agenda\*

FINANCIAL REPORT FOR 1994 AND THE REVISED 1995 AND 1996 BUDGETS AND  
THE PROPOSED 1997 BUDGET FOR THE MONTREAL PROTOCOL TRUST FUND

Financial report on the Trust Funds for the Vienna Convention for the Protection  
of the Ozone Layer and the Montreal Protocol on Substances that Deplete  
the Ozone Layer for biennium 1994-1995 and expenditures for 1994  
as compared to the approved budget

Report of the Secretariat

1. The financial reports of the Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer and of the Vienna Convention for the Protection of the Ozone Layer for 1994 are communicated herewith.
2. In paragraph 4 of decision V/21 of the Fifth Meeting of the Parties to the Protocol, on budgets and financial matters, the Secretariat is urged to furnish the Parties with the actual expenditures of the previous year in the same format as that of the approved budget so that the Parties will have a good understanding of the Secretariat's budgetary requirements.
3. The activities of the Secretariat are financed by the Trust Fund for the Montreal Protocol, the Trust Fund for the Vienna Convention and counterpart contributions from specific Governments. The enclosed report represents the actual expenditures of the Ozone Secretariat reflected against budgets approved by the Meeting of the Parties to the Montreal Protocol and by the Conference of the Parties to the Vienna Convention. A breakdown of expenditures by sources of funding is provided (annex I).
4. The total cost of the Convention and the Protocol to the Parties in 1994 was \$3,377,707.\*\* When adjustments from previous years (savings of \$333,037) are taken into account, the total is reduced to \$3,044,670. These adjustments were caused by under- or over-liquidations of obligations originally raised in previous years. They are reflected in the 1994 accounts as the invoices came in and payments or re-obligations made only during 1994. There has been an over-charge of \$232,756 in the conference-servicing budget lines in the 1994 account (annex II). This has been adjusted in the 1995 accounts.

\* UNEP/OzL.Pro.7/1.

\*\* In the present report, all references to dollars (\$) are to United States dollars.

TRUST FUND FOR THE VIENNA CONVENTION FOR THE  
PROTECTION OF THE OZONE LAYER

I  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE FIRST YEAR OF THE BIENNIUM 1994 - 1995  
ENDED 31 DECEMBER 1994

		US DOLLARS
	<b>INCOME</b>	
	Pledged Contributions	297,246
	Interest	37,430
	Gain on exchange	362
	<b>TOTAL INCOME</b>	<b>335,038</b>
	<b>EXPENDITURE</b>	
	Staff and other personnel costs	160,483
	Travel	(1,178)
	Meetings and conferences	(36,437)
	Rentals	(27)
	Operating expenses	3,669
	Acquisitions	6,239
	Sundry	19,924
	Programme support costs	19,847
	<b>TOTAL EXPENDITURE</b>	<b>172,520</b>
	<b>EXCESS OF INCOME OVER EXPENDITURE</b>	<b>162,518</b>

II  
STATEMENT OF ASSETS AND LIABILITIES  
AS AT 31 DECEMBER 1994

	<b>ASSETS</b>	
	Cash at banks	1,070,099
	Pledged contributions unpaid	1,936,780
	Accrued interest	10,701
	Accounts receivable	59,254
	<b>TOTAL ASSETS</b>	<b>3,076,834</b>
	<b>LIABILITIES</b>	
	Accounts payable	65,015
	Unliquidated obligations	103,782
	Deferred contributions	1,752,228
	Due to Fund of UNEP	141,767
	<b>TOTAL LIABILITIES</b>	<b>2,062,792</b>
	<b>FUND BALANCE</b>	
	Balance available as at 01 January 1994	850,110
	Add: Excess of income over expenditure	162,518
	Adjustment to prior years' accounts	1,414
	<b>BALANCE AVAILABLE AT 31 DECEMBER 1994</b>	<b>1,014,042</b>
	<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>3,076,834</b>

*N. Gopalratnam*  
N. GOPALRATNAM

Chief

FINANCE AND BUDGET SECTION

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

L  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE FIRST YEAR OF THE BIENNIUM 1994 - 1995  
ENDED 31 DECEMBER 1994

	US DOLLARS
<b>INCOME</b>	
Pledged Contributions	3,048,735
Interest	101,079
<b>TOTAL INCOME</b>	<b>3,149,814</b>
<b>EXPENDITURE</b>	
Staff and other personnel costs	1,036,821
Consultants	66,355
Travel	114,880
Contractual Services	345,000
Meetings and conferences	770,251
Operating expenses	18,522
Acquisitions	15,121
Reporting costs	22,326
Sundry	113,841
Hospitality	296
Loss on exchange	4
Programme support costs	325,444
<b>TOTAL EXPENDITURE</b>	<b>2,828,861</b>
<b>EXCESS OF INCOME OVER EXPENDITURE</b>	<b>320,953</b>

II  
STATEMENT OF ASSETS AND LIABILITIES  
AS AT 31 DECEMBER 1994

<b>ASSETS</b>	
Cash at banks	3,322,906
Pledged contributions unpaid	8,602,684
Accrued interest	34,410
Accounts receivable	40,274
<b>TOTAL ASSETS</b>	<b>12,000,274</b>
<b>LIABILITIES</b>	
Accounts payable	517,001
Unliquidated obligations	820,693
Deferred contributions	6,517,259
Due to Fund of UNEP	563,675
<b>TOTAL LIABILITIES</b>	<b>8,418,628</b>
<b>FUND BALANCE</b>	
Balance available as at 01 January 1994	3,260,693
Add: Excess of income over expenditure	320,953
<b>BALANCE AVAILABLE AT 31 DECEMBER 1994</b>	<b>3,581,646</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>12,000,274</b>

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FINANCE AND BUDGET SECTION

Annex J

COST OF THE OZONE SECRETARIAT IN 1994 BY SOURCE OF funding

	Approved amount		Actual expenditures	Source of funding		
	(UNEPOzL.Pro.6/7) (UNEPOzL.Conv.3/6)	(\$)		(\$)	Montreal Protocol Trust Fund	Vienna Convention Trust Fund
<b>10 PROJECT PERSONNEL COMPONENT</b>						
1100 Project personnel						
1101 Secretary (Coordinator)(D-1)	115,000		118,966	59,483		59,483
1102 Deputy Secretary (Lawyer)(P-5)	98,000		8,072	8,072		0
1103 Programme Officer(Lawyer) (P-3)	79,000		74,022	74,022		0
1104 Programme Officer(Scientist) (P-4)	82,000		131,551	66,759		64,792
1105 Administrative/Programme Management Officer (P-2)	68,000		11,701	5,850		5,851
1199 Subtotal	442,000		344,312	214,186		130,126
1200 Consultants						
1201 Assistance in data-reporting, analysis and promotion of the Protocol a/	225,000		411,355	411,355		0
1299 Subtotal	225,000		411,355	411,355		0

	Approved amount		Source of funding		
	(UNEP/OzL.Pro.6/7) (UNEP/OzL.Conv.3/6)	Actual expenditures	Montreal Protocol Trust Fund	Vienna Convention Trust Fund	
	(\$)	(\$)	(\$)	(\$)	(\$)
<b>1300 Administrative support costs</b>					
<b>Support staff costs (Title and grade)</b>					
1301 Administrative Assistant (G-4) Shared with VC	16,000	6,413	3,206		3,207
1302 Senior Secretary (G-4)	14,000	9,340	9,340		0
1303 Senior Secretary (G-4) Vienna Convention	14,000	5,158	0		5,158
1304 Secretary (shared with VC) (G-4)	14,000	7,836	3,918		3,918
1305 Secretary (shared with VC) (G-4)	14,000	7,982	3,991		3,991
1306 Document Clerk (G-3)	6,500	4,132	4,132		0
1320 Temporary Assistance	5,000	7,008	7,008		0
Subtotal support staff costs	83,500	47,869	31,595		16,274
<b>Conference-servicing costs</b>					
1321 Open-ended Working Group meetings	370,000	403,321	403,321		0
1322 Preparatory and Parties Meetings	393,000	378,714	378,714		0
1323 Meetings of the Assessment Panels	30,000	30,411	30,411		0
1324 Meetings of the Bureau	37,000	0	0		0
1325 Meetings of the Committees	25,000	6,451	6,451		0
1326 Informal Consultation Meetings	10,000	3,186	3,186		0
Subtotal conference-servicing costs	865,000	822,084	822,084		0
1399 Subtotal	948,500	869,953	853,679		16,274

	<u>Approved amount</u>		<u>Source of funding</u>		
	(UNEPOzL.Pro.6/7) (UNEPOzL.Conv.3/6)	Actual expenditures	Montreal Protocol Trust Fund	Vienna Convention Trust Fund	
	(\$)	(\$)	(\$)	(\$)	(\$)
1600 Travel on official business					
1601 Secretariat staff	110,000	107,235	104,217	3,017	
1602 UNEP Conference-servicing staff	20,000	17,191	17,191	0	
1699 Subtotal	130,000	124,426	121,409	3,017	
1999 Component total	1,745,500	1,750,046	1,600,628	149,417	
<b>30 TRAINING/PARTICIPATION COMPONENT</b>					
3300 Participation costs of developing countries					
3301 Assessment Panel meetings b/	300,000	338,072	338,072	0	
3302 Preparatory and Parties Meetings b/	240,000	285,428	285,428	0	
3303 Open-ended Working Group meetings	180,000	259,962	259,962	0	
3304 Bureau meetings	24,000	32,328	32,328	0	
3305 Committee meetings	48,000	37,084	37,084	0	
3399 Subtotal	792,000	952,874	952,874	0	
3999 Component total	792,000	952,872	952,874	0	
<b>40 EQUIPMENT AND PREMISES COMPONENT</b>					
4100 Expendable equipment (items under \$1,500)					
4101 Miscellaneous expendables	23,000	23,167	19,497	3,669	
4199 Subtotal	23,000	23,167	19,497	3,669	

	Approved amount		Actual expenditures	Source of funding	
	(UNEP/OzL.Pro.6/7) (UNEP/OzL.Conv.3/6)	(\\$)		Montreal Protocol Trust Fund	Vienna Convention Trust Fund
4200 Non-expendable equipment					
4201 Personal computers and accessories (shared with VC)	6,000		7,772	6,310	1,462
4202 Portable computers (shared with VC)	8,500		3,000	3,000	0
4203 E-mail/bulletin board and others (shared with VC)	14,500		12,687	5,811	6,876
4204 Photocopier	0		0	0	0
4299 Subtotal	29,000		23,459	15,121	8,338
4300 Rental of office premises					
4301 Rental of office premises c/ (shared with VC)	17,000		0	0	0
4399 Subtotal	17,000		0	0	0
4999 Component total	69,000		46,626	34,618	12,007
<b>50 MISCELLANEOUS COMPONENT</b>					
5100 Operation and maintenance of equipment d/					
5101 Maintenance of equipment (shared with VC)	12,000		0	0	0
5199 Subtotal	12,000		0	0	0

	Approved amount		Actual expenditures	Source of funding	
	(UNEPOzL.Pro.6/7) (UNEPOzL.Conv.3/6)	(\$)		Montreal Protocol Trust Fund	Vienna Convention Trust Fund
5200 Reporting costs e/					
5201 Reporting (general)	45,000		25,789	8,335	17,454
5202 Reporting (Assessment Panel reports)	71,000		22,326	22,326	0
5203 Reporting (promotional material)	0		0	0	0
5299 Subtotal	116,000		48,115	30,661	17,454
5300 Sundry					
5301 Communications	46,000		45,436	42,147	3,289
5302 Freight charges (documents shipment)	40,000		109,746	87,649	22,097
5303 Others	8,000		10,000	0	10,000
5399 Subtotal	94,000		165,182	129,796	35,386
5400 Hospitality f/					
5401 Hospitality	17,500		26,279	11,195	14,788
5499 Subtotal	17,500		26,279	11,491	14,788



**Annex II**

**DETAILS OF OVERCHARGES IN CONFERENCE-SERVICING COSTS IN 1994**

	A Amount originally charged at \$136.67 per page	B Cost of paper	C Total charged (A + B)	D Adjustment*	E Recalculated charge at \$90 per page	F Difference reimbursed C+D-E
Montreal Protocol						
MP/2105-89-03-1321	276,959	114,536	391,495	(33,301)	172,447	185,747
MP/2105-89-03-1323	149,132		149,132	(15,899)	86,223	47,010
<b>Total</b>	<b>426,090</b>	<b>114,536</b>	<b>540,626</b>	<b>(49,200)</b>	<b>258,670</b>	<b>232,756</b>

\* Reversal of costs charged to the Montreal Protocol instead of the Multilateral Fund.

		<u>Approved amount</u>		<u>Source of funding</u>		
		(UNEP/OzL.Pro.6/7) (UNEP/OzL.Conv.3/6)	Actual expenditures	Montreal Protocol Trust Fund	Vienna Convention Trust Fund	
		(\$)	(\$)	(\$)	(\$)	(\$)
5999	Component total	239,500	239,576	171,948		67,628
<b>99</b>	<b>GRAND TOTAL</b>	<b>2,846,000</b>	<b>2,989,121</b>	<b>2,760,068</b>		<b>229,053</b>
	Contingency	100,000	0	0		0
	Programme support costs (13%)	369,980	388,586	325,444		19,847
	<b>OVERALL GRAND TOTAL</b>	<b>3,315,980</b>	<b>3,377,707</b>	<b>3,085,512</b>		<b>248,900</b>

Explanations for significant deviation from the approved budget:

- g/ In the budget line 1201, the cost of preparation of the study on the Review of the Financial Mechanism, \$450,000, was expected to be divided between the years 1994 and 1995. However, in accordance with United Nations practice, the entire payment due to was obligated in 1994 itself though the payments are spread over in 1994 and in 1995 in installments.
- h/ Participation of more countries than budgeted was covered under budget lines 3301 and 3302 in anticipation of a credit of \$41,000 given by the Finnish Trust Fund for year 1995 to cover the 1994 expenditures. The savings in other heads of account were also utilized to cover some applications received, in excess of budgeted number, for financial assistance.
- c/ The savings in budget line 4300 (rental of office premises) are caused by the delay in charging the rent.
- d/ The negative costs of operation and maintenance of equipment (budget line 5100) is a correction of wrong posting in previous years.
- e/ The savings recorded in budget line 5200 (Reporting costs) are due to a delay in charging the printing cost (\$114,536) which has been charged in 1995 for this line.
- f/ The actual cost of hospitality (budget line 5400) was absorbed in the conference-servicing costs. The cost \$11,195, appearing the budget line 5401 is a re-obligation from the Bangkok meeting, likely to be cancelled at a later stage this year. The costs appearing in the budget are from the Bangkok meeting. The actual charges for 1994 meetings held in Nairobi are \$13,449.