

COP13 MOP36
BANGKOK
28 OCT-1 NOV
2024

Budget and Financial Reports for the Vienna Convention & the Montreal Protocol Trust Funds

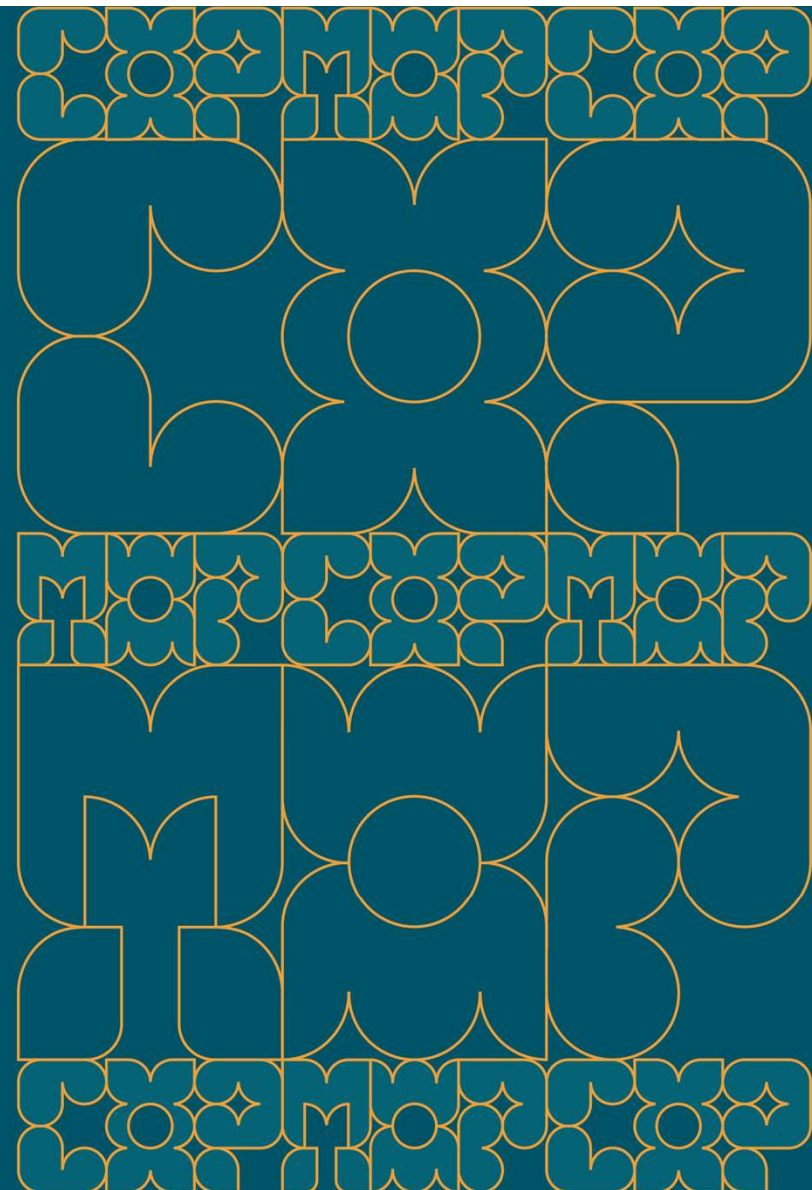
28 Oct – 1 Nov 2024



ozone
secretariat



Vienna Convention
MONTREAL PROTOCOL



Agenda

01 ▶

Highlights of the financial reports for 2023
UNEP/OzL.Conv.13/5 – UNEP/OzL.Pro.36/5

02 ▶

Highlights of the indicative financial report as at 30 Sep 2024
UNEP/OzL.Conv.13/INF/2 – UNEP/OzL.Pro.36/INF/2

03 ▶

Vienna Convention - Proposed budgets & funding options for the triennium 2025 - 2027
UNEP/OzL.Conv.13/4

04 ▶

Montreal Protocol - Proposed budgets for 2025 and 2026 & funding options for 2025
UNEP/OzL.Pro.36/4

05 ▶

Fact Sheets for 2025
UNEP/OzL.Conv.13/INF/1 – UNEP/OzL.Pro.36/INF/1

06 ▶

Draft financial decisions
UNEP/OzL.Conv.13/3 – UNEP/OzL.Pro.36/3



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Vienna Convention
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Financial Report 2023

Vienna Convention (VC) budget consumption– 86%

Cost Category	Approved budget	Expenditures
Staff costs	671,400	607,339
Meeting Costs	10,000	6,228
Travel of A5 parties	-	-
Staff Travel - official	30,000	32,628
Operating Costs	87,000	38,689
Sub-total Direct costs	798,400	684,884
Programme Support Costs (13%)	103,792	89,035
Grand Total	902,192	773,919

- ❖ Some admin staff costs transferred to PSC
- ❖ Operating costs:
 - No ad hoc translation or meeting documentation; and
 - Limited need for supplies / equipment/communication/freight



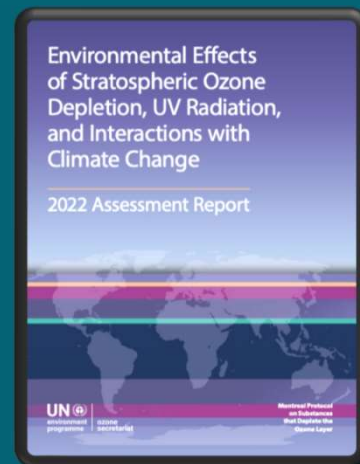
Financial Report 2023.....contd.

Montreal Protocol (MP) budget consumption – 88%

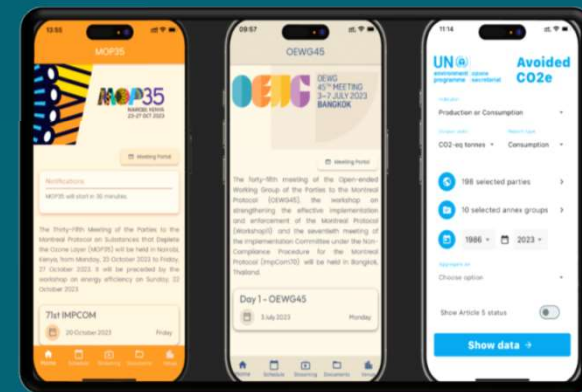
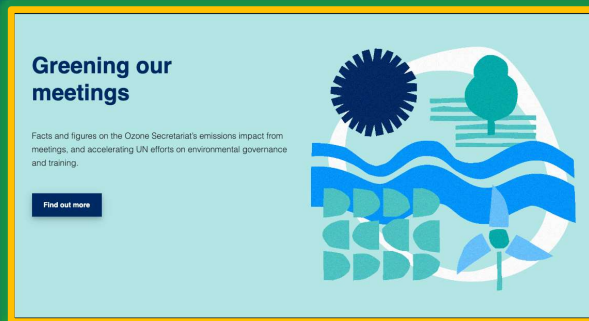
Cost Category	Approved budget	Expenditures
Staff costs	1,725,000	1,391,108
Consultants	85,000	70,782
Meeting costs	1,623,000	1,598,479
Travel of A5 parties and Assmt. Panel experts	1,195,000	1,155,584
Staff Travel - official	210,000	164,158
Operating costs	177,000	143,653
Public awareness & communication	55,500	35,521
Sub-total Direct costs	5,070,500	4,559,285
Programme support costs (13%)	659,165	592,707
Total: core budget	5,729,665	5,151,992
Additional activities from cash bal.	359,500	236,880
Programme Support Costs (13%)	46,735	30,794
Total: Additional activities from cash bal.	406,235	267,674
Grand Total	6,135,900	5,419,666

- ❖ Some admin staff costs transferred to PSC & P5/Legal vacant for 8 months
- ❖ Consultancies - closure of prior year commitments
- ❖ Staff travel - MOP35 in NBO
- ❖ Operating costs
- ❖ Digital tools – closure of prior year commitments
- ❖ Workshops – some costs absorbed by bigger meetings; documents done in-house
- ❖ COP28 Pavilion – contributions from partners





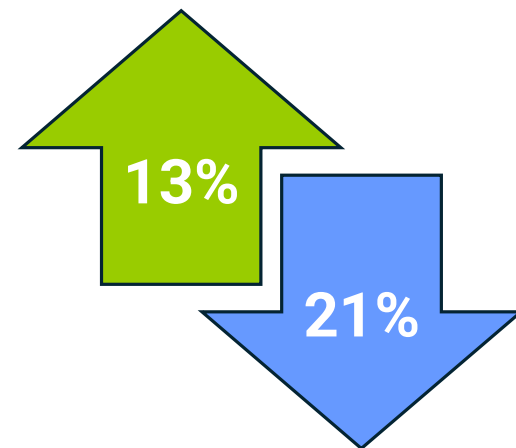
Comms. & Digital Assets - 2023



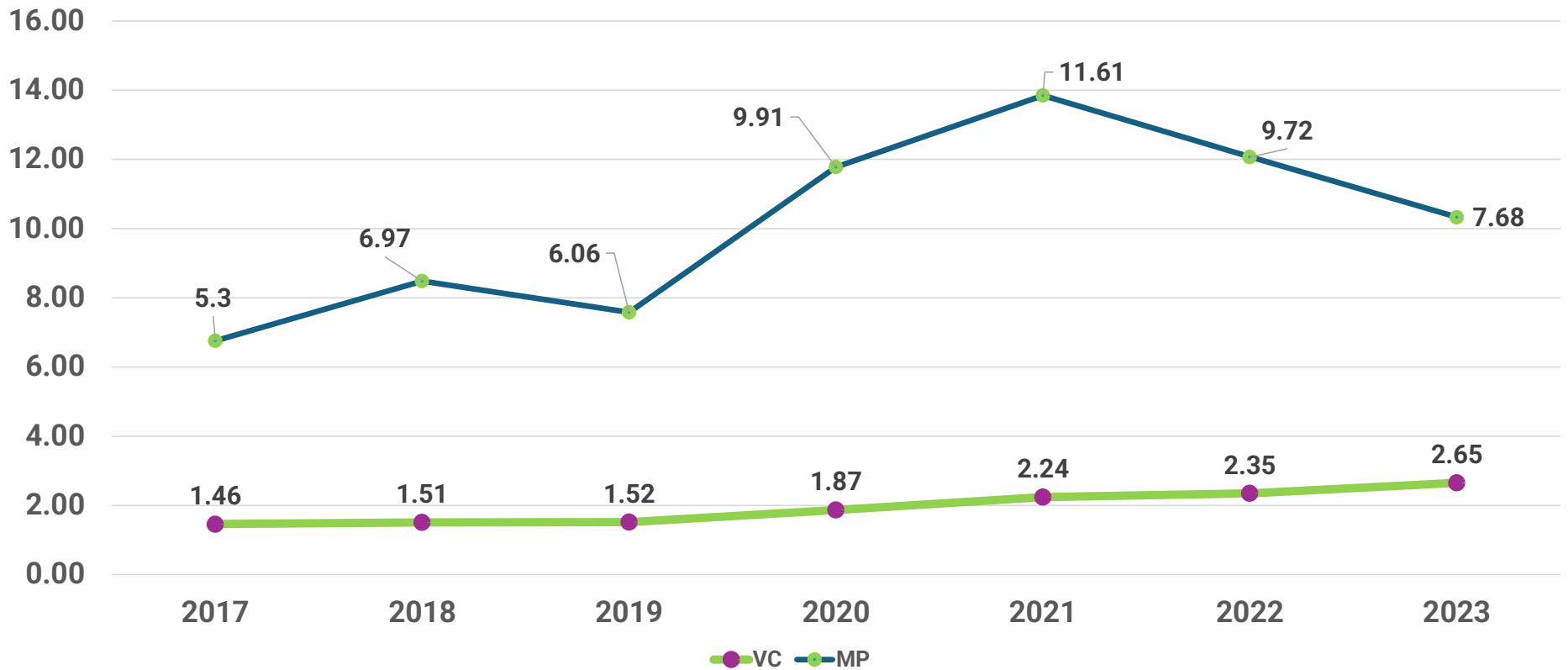
Contributions & Cash Balance - 2023

Latest on contributions: <https://ozone.unep.org/fund-contributions> (since 11 April'23)

Description	VC	MP
Opening cash bal. 1 Jan 2023	2,351,341	9,717,762
Unpaid contributions 1 Jan 2023	396,515	947,658
Approved contributions for 2023	781,175	3,170,390
Contributions received in 2023	1,014,949	3,197,799
Prior years	253,278	137,456
Current year	726,974	2,573,028
Future year	34,697	487,315
Unpaid contributions 31 Dec 2023	192,176	958,160
Closing cash bal. 31 Dec 2023	2,653,599	7,680,661



Cash Balance Trends



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Indicative financial report – 30 September 2024

VC budget consumption – 78%

Cost Category	Approved budget	Expenditures
Staff costs	684,788	533,865
Meeting Costs	317,000	257,296
Travel of A5 parties	180,000	148,692
Staff travel - official	30,000	22,289
Operating Costs	95,500	56,049
Sub-total Direct costs	1,307,288	1,018,191
Programme Support Costs (13%)	169,947	132,365
Grand total	1,477,235	1,150,556

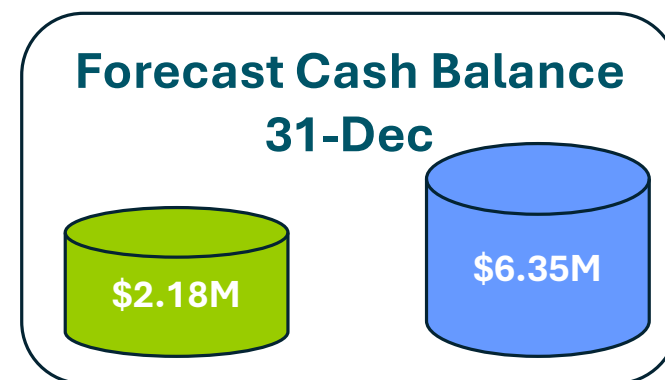
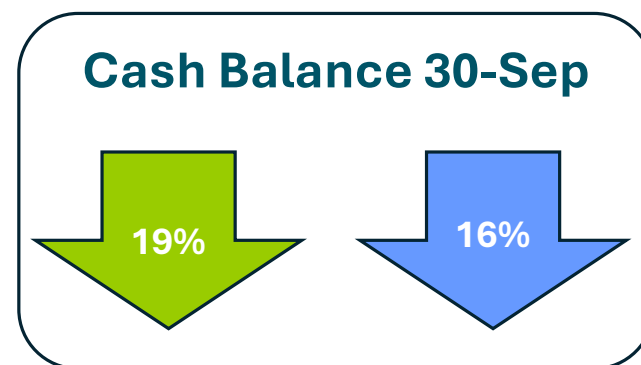
MP budget consumption – 70%

Cost Category	Approved budget	Expenditures
Staff costs	1,759,500	1,168,067
Consultants	85,000	75,921
Meeting costs	1,691,000	1,554,462
Travel of A5 parties and Assmt. Panel experts	1,195,000	686,826
Staff Travel - official	210,000	157,787
Operating costs	176,000	126,070
Public awareness & communication	63,000	37,165
Sub-total Direct costs	5,179,500	3,806,298
Programme support costs (13%)	673,335	494,819
Total: core budget	5,852,835	4,301,117
Additional activities from cash bal.	435,000	106,296
Programme Support Costs (13%)	56,550	13,819
Total: Additional activities from cash bal.	491,550	120,115
Grand Total	6,344,385	4,421,232



Contributions & Cash Balance - 30 September 2024

Description	VC	MP
Opening cash bal. 1 Jan 2024	2,653,599	7,680,661
Unpaid contributions 1 Jan 2024	192,176	958,160
Approved contributions for 2024	781,175	3,743,099
Contributions received to date in 2024	509,643	2,486,836
Prior year	39,002	100,278
Current year	460,304	2,386,344
Future year	10,337	214
Unpaid contributions 30 Sep 2024	447,570	1,727,322
Cash bal. 30 Sep 2024	2,154,668	6,442,476



VC Proposed Budgets: 2025 - 2027

1 Two scenarios for each year of the triennium

Year	Zero Nominal Growth (ZNG)	Recommended	Difference
2025	902,192	913,040	1.2%
2026	902,192	928,860	3.0%
2027	1,477,235	1,506,290	2.0%

Suggestion

Rename a few budget lines/categories?
e.g 'Other' operating costs;
Sundry to Miscellaneous

2 Proposed reduction of budget allocation for 'Sundry' items – 43%

3 Change proposed to budget line category – Move 'Promotional activities' from Meetings Costs category to Operating Costs category

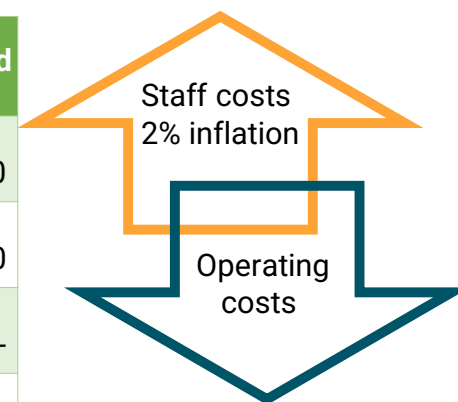


VC Proposed Budgets: 2025 - 2026

Cost Category	Approved 2023	ZNG 2025	Recommended 2025	ZNG 2026	Recommended 2026
Staff costs	671,400	698,000	698,000	712,000	712,000
Meetings Costs	10,000	10,000	10,000	10,000	10,000
Travel of A5 parties and experts	-	-	-	-	-
Staff Travel - official	30,000	30,000	30,000	25,000	30,000
Operating costs	87,000	60,400	70,000	51,400	70,000
Sub-total Direct costs	798,400	798,400	808,000	798,400	822,000
Programme Support Costs (13%)	103,792	103,792	105,040	103,792	106,860
Grand total	902,192	902,192[#]	913,040[^]	902,192[#]	928,860[*]

Equals 2023 app. budget ^ 1.2% more than ZNG

* 3% more than ZNG



Delivering with ZNG?

- Operating costs
- Staff travel

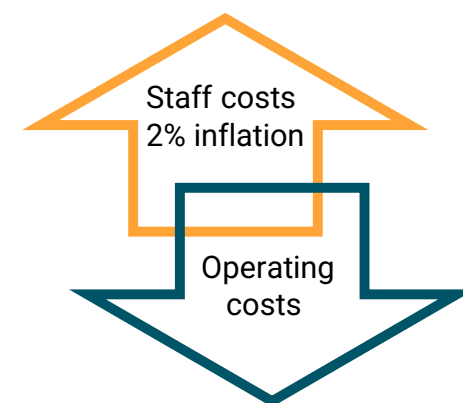


VC Proposed Budgets: 2027

Cost Category	Approved 2024	ZNG	Recommended
Staff costs	684,788	726,000	726,000
Meeting Costs	317,000	317,000	317,000
Travel of A5 parties and experts	180,000	180,000	180,000
Staff Travel - official	30,000	25,000	30,000
Operating costs	95,500	59,288	80,000
Sub-total Direct costs	1,307,288	1,307,288	1,333,000
Programme Support Costs (13%)	169,947	169,947	173,290
Grand total	1,477,235	1,477,235[#]	1,506,290[*]

Equals 2024 app. budget

* 2% more than ZNG



Delivering with ZNG?

- Operating costs
- Staff travel



VC Funding Options

Same level as current triennium

Option 1

2025	\$782,000
2026	\$782,000
2027	\$782,000

Equals Recommended budget for the year

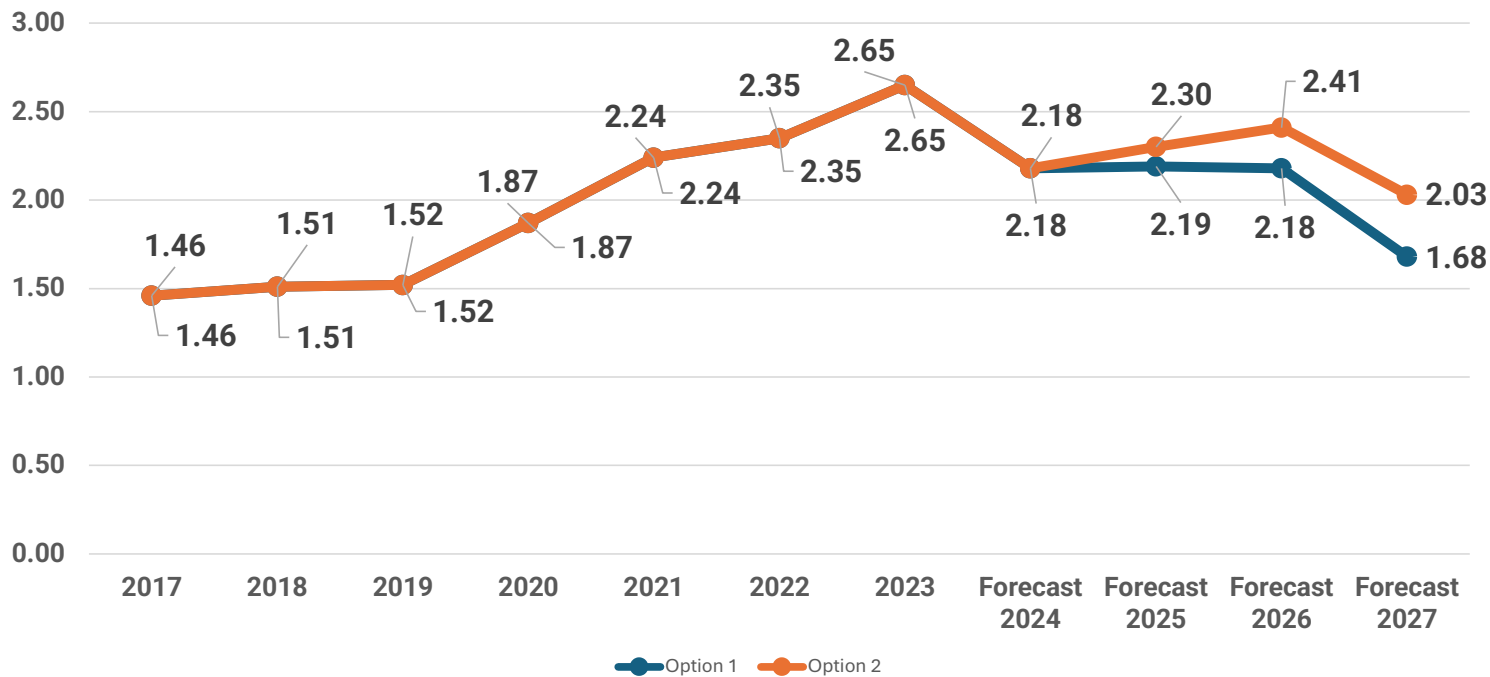
Option 2

2025	\$913,040
2026	\$928,860
2027	\$1,506,290



Cash Balance Forecasts & Trends

Recommended scenario



Assumptions

2024
Receipts @100%
Expenses @ 85%

2025
Receipts:
Option 1- @100%
Option 2- \$900,000/yr

Expenses @ 85%



MP Proposed Budgets: 2025 & 2026

Two scenarios

- **Zero Nominal Growth (ZNG)** equals the approved budget for 2024
- **Recommended** more than the ZNG by 6.5% for 2025 & 10.7% for 2026

Activities funded from cash balance

- Same in both scenarios
- Lower than 2024 due to reduced cash bal.

Change proposed to budget line category

- Move 'Digital presence' related budget lines from Public awareness to Operating costs

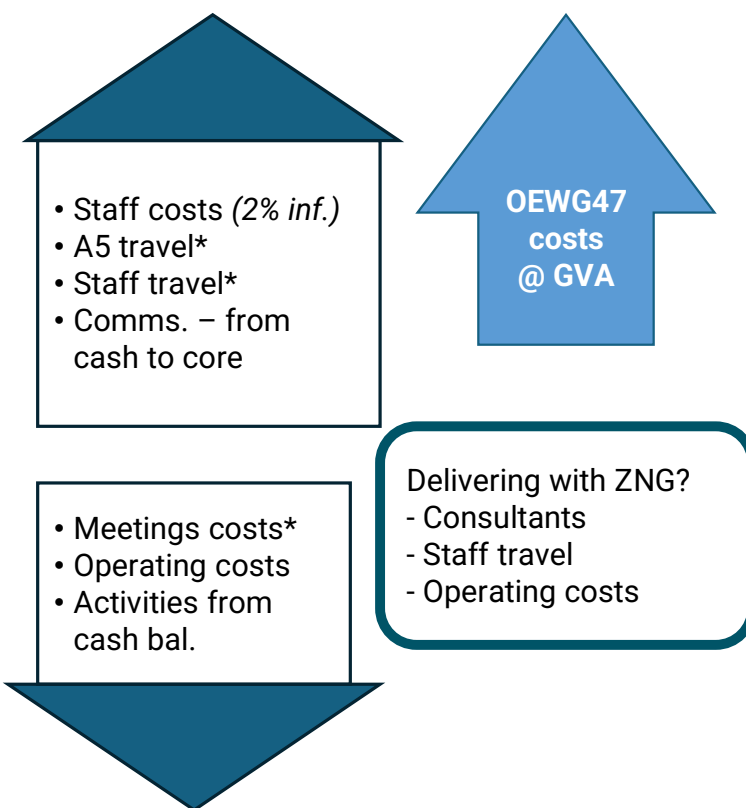
Suggestion

Renaming a few budget lines
e.g 'Other' operating costs;
Sundry to Miscellaneous



MP Proposed Budgets: 2025

Cost Category	Approved 2024	ZNG	Recommended
Staff costs	1,759,500	1,795,000	1,795,000
Consultants	85,000	30,000	85,000
Meeting costs	1,691,000	1,660,000	1,660,000
Travel of A5 parties and Assmt. Panel experts	1,195,000	1,510,000	1,510,000
Staff travel - official	210,000	72,000	220,000
Operating costs	176,000	80,000	165,000
Public awareness & communication	63,000	32,500	82,500
Total direct costs	5,179,500	5,179,500	5,517,500
Programme Support Costs (13%)	673,335	673,335	717,275
Total - core budget	5,852,835	5,852,835	6,234,775
Activities from cash bal.	435,000	130,000	130,000
Programme Support Costs (13%)	56,550	16,900	16,900
Total - Activities from cash bal.	491,550	146,900	146,900
Grand total	6,344,385	5,999,735	6,381,675



MP Funding Options: 2025

Option 1

20% from cash bal.
ZNG: \$1,170,567
Rec.: \$1,246,955

80% from Parties
ZNG: \$4,682,268
Rec: \$4,987,820

Option 2

10% from cash bal.
ZNG: \$585,284
Rec.: \$623,478

90% from Parties
ZNG: \$5,267,551
Rec: \$5,611,297

Option 3

Equal to the budget
i.e 0% from cash bal.

100% from Parties
ZNG: \$5,852,835
Rec: \$6,234,775

Option 4

Equal to 2024 level
i.e. from cash bal.
ZNG: \$2,109,736
Rec: \$2,491,676

From parties
ZNG = Rec
\$3,743,099



MP Funding Options: 2025contd.

**2 approaches
to forecast
year-end cash
bal.**

Approach 1:

**per the decision text i.e using
cash bal. as on 1 Jan 2024 for
financing 2025**

Approach 2:

**the usual practice i.e using
cash bal. as on 1 Jan 2025 for
financing 2025**



Cash Balance Forecasts

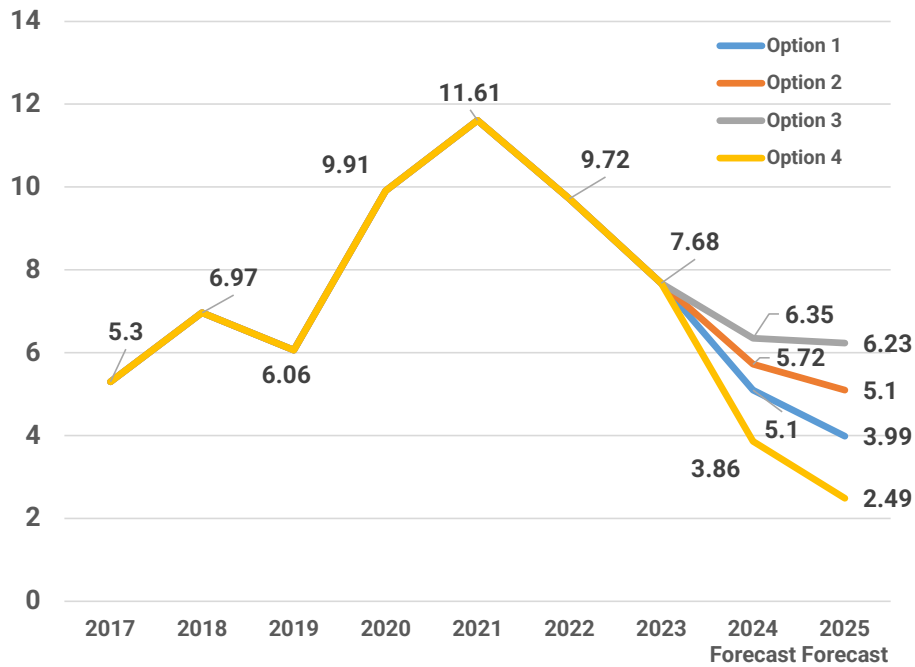
Year / Options	Approach 1		Approach 2	
2024	ZNG	Recommended		
Option 1	5,177,685	5,101,297	6,348,252	
Option 2	5,762,968	5,724,774		
Option 3	6,348,252	6,348,252		
Option 4	4,238,516	3,856,576		
2025				
	ZNG	Recommended	ZNG	Recommended
Option 1	4,123,711	3,986,213	5,294,278	5,233,168
Option 2	5,177,221	5,108,472	5,762,505	5,731,950
Option 3	6,230,732	6,230,732	6,230,732	6,230,732
Option 4	3,181,827	2,494,335	5,291,563	4,986,011

Assumptions	
2024	Receipts @100% Expenses @ 80%
2025	Receipts: Options 1, 2 & 3 – @80% Option 4 - @100% Expenses @ 80%

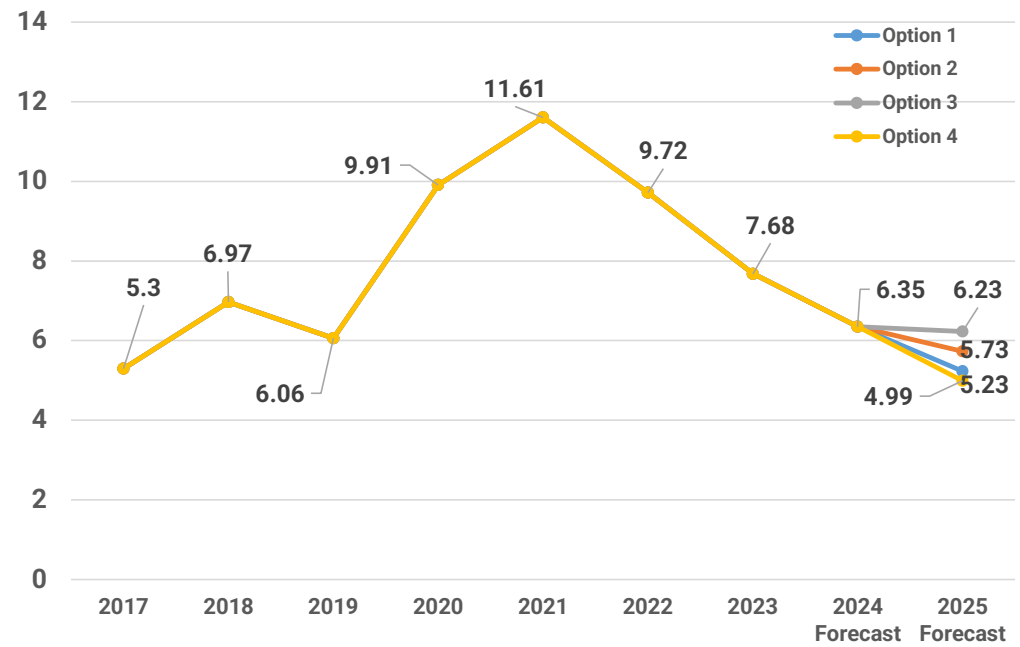


Cash Balance Trends

Approach 1



Approach 2



2025 Activity Fact Sheets

Activity No.	MP Recommended	MP ZNG	VC Recommended	VC ZNG	Estimated earmarked contributions
Area of Work 1: Conferences and Meetings	2,780,000	2,745,000	0	0	40,000
Area of Work 2: Policy implementation	Staff time & travel only				
Area of Work 3: Support to the work of the Assessment Panels	440,000	435,000	Staff time & travel only	Staff time & travel only	439,266
Area of Work 4: Data Reporting, Monitoring and Compliance	Staff time & travel only				
Area of Work 5: Knowledge and Information Management and Outreach	237,500	162,500	22,500	20,500	0
Area of Work 6: Overall Management	395,000	172,000	87,500	79,900	0
Staff Costs	1,795,000	1,795,000	698,000	698,000	0
Total direct costs	5,647,500	5,309,500	808,000	798,400	479,266
Program support costs	734,175	690,235	105,040	103,792	51,740
Grand Total	6,381,675	5,999,735	913,040	902,192	531,006



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MP Proposed Budgets & Funding: 2026

Cost Category	ZNG	Recommended
Staff costs	1,830,000	1,830,000
Consultants	-	85,000
Meeting costs	1,839,500	1,840,000
Travel of A5 parties and Assessment Panel experts	1,510,000	1,510,000
Staff Travel - official	-	220,000
Operating costs	-	165,000
Public awareness & communication	-	82,500
Sub-total Direct Costs	5,179,500	5,732,500
Programme Support Costs (13%)	673,335	745,225
Total - core budget	5,852,835	6,477,725
Additional activities from cash bal.	130,000	130,000
Programme Support Costs (13%)	16,900	16,900
Total - Additional activities from cash bal.	146,900	146,900
Grand total	5,999,735	6,624,625



Review and Finalize - Financial Decisions

Draft decision XIII / [AA]

Financial reports and budgets for the Vienna Convention for the Protection of the Ozone Layer

Draft decision XXXVI / [AA]

Financial reports and budgets for the Montreal Protocol on Substances that Deplete the Ozone Layer



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Thank You



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