
**Montreal Protocol
on Substances that
Deplete the Ozone Layer**

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**Thirty-Fourth Meeting of the Parties to
the Montreal Protocol on Substances
that Deplete the Ozone Layer**

Montreal, Canada, 31 October–4 November 2022

Item 3 (a) of the provisional agenda for the preparatory
segment*

**Administrative matters: budget of the Trust Fund
for the Montreal Protocol and financial reports****Trust funds for the Vienna Convention for the Protection of the
Ozone Layer and for the Montreal Protocol on Substances that
Deplete the Ozone Layer****Updated indicative financial report for the fiscal year 2022 as at
30 September 2022****Note by the Secretariat****I. Introduction**

1. The present note provides an update, as at 30 September 2022, of the indicative financial report submitted to the Open-ended Working Group of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer at its forty-fourth meeting¹ (UNEP/OzL.Pro.WG.1/44/INF/1) pursuant to paragraph 13 of decision XX/20 of the Twentieth Meeting of the Parties to the Montreal Protocol.

2. In 2019, the Secretariat initiated the practice of submitting an indicative financial report reflecting the status of the trust funds for the Vienna Convention for the Protection of the Ozone Layer and the Montreal Protocol as at the end of the month at least one month before the start of the annual Meeting of the Parties to the Montreal Protocol.

3. The updated indicative financial report is being presented to the Thirty-Fourth Meeting of the Parties to the Montreal Protocol for their consideration. The proposed budgets for 2023 and 2024 of the trust fund for the Montreal Protocol (UNEP/OzL.Pro.34/4) were made available for review and comment via the meeting portal on 29 July 2022 and in the online forum on 27 September 2022. The present update on the status of the trust funds as at 30 September 2022 includes the latest data available for the fiscal year 2022. The Secretariat is of the view that the present update will contribute to an informed budget discussion and decision-making process.

* UNEP/OzL.Pro.34/1.

¹ The forty-fourth meeting of Open-ended Working Group and its associated meetings, along with the Fifth Extraordinary Meeting of the Parties to the Montreal Protocol, were held from 9 to 16 July 2022, in person, in Bangkok.

4. Section II of the present note describes the status of contributions and other income; section III sets out an update on the reserves, fund balance and interest; section IV presents the status of the cash balance; and section V provides details on expenditures and commitments against the approved budgets for the fiscal year 2022.

5. In both the text and tables of the note, all references to dollars (\$) are to United States dollars unless otherwise stated.

II. Status of contributions and other income

A. Trust funds

6. Section A of annex I to the present note shows the status of contributions to the Trust Fund for the Vienna Convention as at 30 September 2022. The contributions outstanding on that date amounted to \$848,397, of which \$461,729 was for prior years. The total expected contributions for 2022 amounted to \$781,175. Since the beginning of the year, \$457,736 was received from parties, of which \$95,588 was for prior years.

7. Section B of annex I to the note shows the status of contributions to the Trust Fund for the Montreal Protocol as at 30 September 2022. The contributions outstanding on that date amounted to \$2,134,768, of which \$884,437 was for prior years. The total expected contributions for 2022 amounted to \$2,597,681. During the first three quarters of 2022, \$1,605,434 was received from parties, of which \$401,441 was for prior years.

8. In paragraph 8 of decision XXXIII/14 of the Thirty-Third Meeting of the Parties to the Montreal Protocol, the parties requested the Executive Secretary to enter into discussions with parties with contributions outstanding for two or more years. Similarly, in paragraph 6 of decision XII/4 of the Conference of the Parties to the Vienna Convention at its twelfth meeting (part II), the parties requested the Executive Secretary and invited the President of the Bureau of the Conference of the Parties to enter into discussions with any party whose contributions had been outstanding for two or more years with a view to finding a way forward. Accordingly, the Secretariat contacted the parties with outstanding contributions. The Executive Secretary informed the President of the Bureau of the Conference of the Parties of her intention to send letters to the parties concerned to follow up on their outstanding contributions.

9. The Secretariat wishes to acknowledge with appreciation the efforts made by parties to pay their contributions to both trust funds. Some parties have paid their contributions in full.

B. Earmarked contributions

10. The table below indicates earmarked contributions received as at 30 September 2022.

Table 1

Earmarked contributions received as at 30 September 2022

<i>Country</i>	<i>Currency</i>	<i>Amount</i>	<i>Purpose</i>
Finland	Euro	10 000	To support the participation of party representatives from developing countries in the Thirty-Fourth Meeting of the Parties to the Montreal Protocol.
Sweden	Swedish krona	300 000	To support the participation of delegates from Article 5 parties, particularly from least developed countries, in the forty-fourth meeting of the Open-ended Working Group and the Thirty-Fourth Meeting of the Parties to the Montreal Protocol.

C. Programme support resources

11. In paragraph 8 of decision XII/4 of the Conference of the Parties to the Vienna Convention at its twelfth meeting (part II) and paragraph 11 of decision XXXIII/14 of the Thirty-Third Meeting of the Parties to the Montreal Protocol, the parties requested the Secretariat to fully utilize the programme support resources available to it and, where possible, to offset costs against the administrative components of the approved budgets.

12. The United Nations Environment Programme has allocated a programme support budget of \$296,007 to the Ozone Secretariat for the fiscal year 2022. As at 30 September 2022, \$241,646 had been spent or committed, leaving a balance of \$54,361. The balance will be fully utilized by the end of the year to cover administrative costs, including staffing costs.

III. Reserves, fund balance and interest

13. The following table shows the reserves and fund balances of the trust funds for the Vienna Convention and the Montreal Protocol as at 30 September 2022.

Table 2
Reserves and fund balances as at 30 September 2022

<i>Reserves and fund balance</i>	<i>Trust fund for the Vienna Convention</i>	<i>Trust fund for the Montreal Protocol</i>
Reserves ^a	133 227	841 229
Fund balance	2 849 918	10 533 372
Total^b (reserves and fund balance)	2 983 145	11 374 601

^a Reserves for each trust fund equal 15 per cent of the respective approved budgets for 2022.

^b Cash balance and outstanding contributions, which form part of the total reserves and fund balance, are as follows:

Cash balance	2 097 232	9 326 909
Outstanding contributions ^c	868 878	2 194 732

^c Calculated on a cash basis. The amounts differ from those reflected in paragraphs 6 and 7 owing to the time between receipt of the contribution and its application to the receivable.

14. The fund balance is equal to total assets minus total liabilities. Assets include but are not limited to cash held, receivables from donors (outstanding contributions), unaccounted travel advances, and advance payments to implementing partners. Liabilities include but are not limited to payables to vendors, implementing partners and staff, and advance receipts from donors.

15. The fund balance of \$2,849,918 for the Vienna Convention trust fund includes outstanding contributions of \$868,878. The fund balance of \$10,533,372 for the Montreal Protocol trust fund includes outstanding contributions of \$2,194,732.

16. The total of reserves and fund balance as at 30 September 2022 for the Vienna Convention trust fund was \$2,983,145; for the Montreal Protocol trust fund it was \$11,374,601.

17. Interest earned as at 30 June 2022, included in the cash balance noted in the table, amounted to \$8,050 for the Vienna Convention trust fund and \$41,406 for the Montreal Protocol trust fund.

IV. Status of the cash balance

18. The cash balance, shown in footnote b of the table above, consists of cash and cash equivalents, investments, and interest income.

19. The cash balance has decreased for both the trust funds since 30 April 2022, by 6 per cent for the Vienna Convention trust fund and by 21 per cent for the Montreal Protocol trust fund.

20. The Secretariat forecasts year-end cash balance of \$2,263,108 for the Vienna Convention trust fund and \$9,232,039 for the Montreal Protocol trust fund. Compared to the year-end cash balance for 2021, this represents an increase of 1 per cent and a decrease of 21 per cent, respectively.

V. Interim budget performance report

21. Annex II to the present note lists the actual expenditures and commitments of the trust funds as at 30 September 2022 against the approved budgets for the fiscal year 2022. On 30 September 2022, the budget utilization rate stood at 66 per cent for the Vienna Convention trust fund and 58 per cent for the Montreal Protocol trust fund. The Secretariat expects the budget utilization rate to increase to the rate reached prior to the coronavirus disease (COVID-19) pandemic (i.e., 90 per cent) by the end of 2022 for both trust funds.

22. Total expenditure for each cost category is expected to be maintained within the approved budget or within the allowable threshold of 10 per cent, with any excess covered by savings in other cost categories.

Annex I***Status of contributions as at 30 September 2022****A. Trust fund for the Vienna Convention for the Protection of the Ozone Layer**

(in United States dollars)

<i>Country</i>	<i>Unpaid contributions for prior years as at 31 Dec 2021</i>	<i>Collections in 2022 for prior years</i>	<i>Unpaid contributions for prior years</i>	<i>Expected contributions for 2022</i>	<i>Advance payments received in 2021</i>	<i>Collections in 2022 for 2022</i>	<i>Unpaid contributions for 2022</i>	<i>Total unpaid contributions</i>	<i>Advance payments received in 2022</i>
Algeria	1 356	–	1 356	1 078	–	–	1 078	2 434	–
Argentina	17 750	8 757	8 993	7 124	–	–	7 124	16 117	–
Australia	–	–	–	17 209	–	17 209	–	–	–
Austria	–	–	–	5 273	–	5 273	–	–	–
Azerbaijan	1 429	–	1 429	–	–	–	–	1 429	–
Belgium	–	–	–	6 390	–	6 390	–	–	–
Brazil	75 535	46 560	28 975	22 959	–	–	22 959	51 934	–
Canada	–	–	–	21 287	–	21 287	–	–	–
Chile	992	992	–	3 172	–	2 286	886	886	–
China	–	–	–	93 483	–	93 483	–	–	–
Colombia	457	457	–	2 242	–	2 242	–	–	–
Czechia	–	–	–	2 422	2 422	–	–	–	–
Denmark	–	–	–	4 312	–	4 312	–	–	–
Egypt	–	–	–	1 445	–	1 445	–	–	–
European Union	–	–	–	19 467	–	19 467	–	–	–
Finland	–	–	–	3 281	–	3 281	–	–	–
France	–	–	–	34 473	–	34 473	–	–	–
Germany	–	–	–	47 425	–	–	47 425	47 425	–
Greece	–	–	–	2 851	–	–	2 851	2 851	–
Hungary	–	–	–	1 602	–	–	1 602	1 602	–
India	24 931	24 931	–	6 492	–	50	6 442	6 442	–

* The present annex has not been formally edited.

<i>Country</i>	<i>Unpaid contributions for prior years as at 31 Dec 2021</i>	<i>Collections in 2022 for prior years</i>	<i>Unpaid contributions for prior years</i>	<i>Expected contributions for 2022</i>	<i>Advance payments received in 2021</i>	<i>Collections in 2022 for 2022</i>	<i>Unpaid contributions for 2022</i>	<i>Total unpaid contributions</i>	<i>Advance payments received in 2022</i>
Indonesia	–	–	–	4 226	–	4 226	–	–	–
Iran (Islamic Republic of)	15 543	–	15 543	3 101	–	–	3 101	18 644	–
Iraq	4 585	–	4 585	1 008	–	–	1 008	5 593	–
Ireland	–	–	–	2 891	–	2 891	–	–	–
Israel	9 038	4 816	4 222	3 812	–	–	3 812	8 034	–
Italy	–	–	–	25 748	–	25 748	–	–	–
Japan	–	–	–	66 689	–	–	66 689	66 689	–
Kazakhstan	–	–	–	1 383	–	–	1 383	1 383	–
Kuwait	–	–	–	1 961	–	1 961	–	–	–
Libya	8 103	–	8 103	–	–	–	–	8 103	–
Malaysia	–	–	–	2 656	–	2 656	–	–	–
Mexico	–	–	–	10 062	–	–	10 062	10 062	–
Netherlands	–	–	–	10 562	–	10 562	–	–	–
New Zealand	–	–	–	2 266	–	2 266	–	–	–
Nigeria	7 830	–	7 830	1 945	–	–	1 945	9 775	–
Norway	–	–	–	5 875	–	5 875	–	–	–
Oman	4 035	–	4 035	899	–	–	899	4 934	–
Pakistan	1 130	–	1 130	899	–	–	899	2 029	–
Peru	–	–	–	1 188	–	1 188	–	–	9 396
Philippines	3 689	3 689	–	1 594	–	1 594	–	–	–
Poland	–	–	–	6 242	–	6 242	–	–	–
Portugal	6 289	3 440	2 849	2 726	–	–	2 726	5 575	–
Qatar	–	–	–	2 195	–	–	2 195	2 195	–
Republic of Korea	–	–	–	17 655	–	17 655	–	–	–
Romania	1 946	1 946	–	1 539	–	1 539	–	–	–
Russian Federation	–	–	–	18 725	–	18 725	–	–	–
Saudi Arabia	–	–	–	9 124	–	–	9 124	9 124	–
Serbia	13 302	–	13 302	–	–	–	–	13 302	–
Singapore	–	–	–	3 773	3 773	–	–	–	–
Slovakia	–	–	–	1 195	–	1 195	–	–	–

<i>Country</i>	<i>Unpaid contributions for prior years as at 31 Dec 2021</i>	<i>Collections in 2022 for prior years</i>	<i>Unpaid contributions for prior years</i>	<i>Expected contributions for 2022</i>	<i>Advance payments received in 2021</i>	<i>Collections in 2022 for 2022</i>	<i>Unpaid contributions for 2022</i>	<i>Total unpaid contributions</i>	<i>Advance payments received in 2022</i>
South Africa	–	–	–	2 117	–	2 117	–	–	–
Spain	–	–	–	16 709	–	16 709	–	–	–
Sweden	–	–	–	7 054	–	7 054	–	–	–
Switzerland	–	–	–	8 960	–	8 960	–	–	–
Thailand	–	–	–	2 391	–	2 391	–	–	–
Türkiye	–	–	–	10 679	–	–	10 679	10 679	–
Ukraine	1 011	–	1 011	–	–	–	–	1 011	–
United Arab Emirates	3 708	–	3 708	4 797	–	–	4 797	8 505	–
United Kingdom of Great Britain and Northern Ireland	–	–	–	35 559	35 559	–	–	–	–
United States of America	315 848	–	315 848	171 312	–	–	171 312	487 160	–
Venezuela (Bolivarian Republic of)	38 810	–	38 810	5 671	–	–	5 671	44 481	–
Total	557 317	95 588	461 729	781 175	41 754	352 752	386 669	848 397	9 396

B. Trust fund for the Montreal Protocol on Substances that Deplete the Ozone Layer

(in United States dollars)

<i>Country</i>	<i>Unpaid contributions for prior years as at 31 Dec 2021</i>	<i>Collections in 2022 for prior years</i>	<i>Unpaid contributions for prior years</i>	<i>Expected contributions for 2022</i>	<i>Advance payments received in 2021</i>	<i>Collections in 2022 for 2022</i>	<i>Unpaid contributions for 2022</i>	<i>Total unpaid contributions</i>	<i>Advance payments received in 2022</i>
Algeria	5 149	–	5 149	3 585	–	–	3 585	8 734	–
Argentina	82 686	48 545	34 141	23 691	–	–	23 691	57 832	–
Australia	–	–	–	57 227	–	57 227	–	–	–
Austria	–	–	–	17 535	–	17 535	–	–	–
Belgium	–	–	–	21 249	–	21 249	–	–	–
Brazil	109 995	109 995	–	76 346	–	–	76 346	76 346	–
Canada	–	–	–	70 787	–	70 787	–	–	–
Chile	37 706	9 605	28 100	10 547	–	–	10 547	38 647	–
China	–	–	–	310 864	–	310 864	–	–	–
Colombia	–	–	–	7 455	–	7 455	–	–	–

<i>Country</i>	<i>Unpaid contributions for prior years as at 31 Dec 2021</i>	<i>Collections in 2022 for prior years</i>	<i>Unpaid contributions for prior years</i>	<i>Expected contributions for 2022</i>	<i>Advance payments received in 2021</i>	<i>Collections in 2022 for 2022</i>	<i>Unpaid contributions for 2022</i>	<i>Total unpaid contributions</i>	<i>Advance payments received in 2022</i>
Czechia	–	–	–	8 053	8 053	–	–	–	–
Denmark	–	–	–	14 339	–	14 339	–	–	–
Egypt	–	–	–	4 806	–	4 806	–	–	–
European Union	–	–	–	64 734	–	64 734	–	–	–
Finland	–	–	–	10 910	–	10 910	–	–	–
France	–	–	–	114 636	–	114 636	–	–	–
Germany	–	–	–	157 705	–	–	157 705	157 705	–
Greece	–	–	–	9 482	–	–	9 482	9 482	–
Hungary	–	–	–	5 325	–	–	5 325	5 325	–
India	114 455	114 455	–	21 587	–	–	21 587	21 587	–
Indonesia	–	–	–	14 053	–	14 053	–	–	–
Iran (Islamic Republic of)	171 565	–	171 565	10 313	–	–	10 313	181 878	–
Iraq	32 992	–	32 992	3 351	–	–	3 351	36 343	–
Ireland	–	–	–	9 611	–	9 611	–	–	–
Israel	52 036	41 678	10 358	12 677	–	–	12 677	23 035	–
Italy	–	–	–	85 620	–	85 620	–	–	–
Japan	–	–	–	221 764	–	–	221 764	221 764	–
Kazakhstan	–	–	–	4 598	–	–	4 598	4 598	–
Kuwait	–	–	–	6 520	–	6 520	–	–	–
Libya	63 830	–	63 830	–	–	–	–	63 830	–
Malaysia	–	–	–	8 832	–	8 832	–	–	–
Mexico	–	–	–	33 458	–	33 458	–	–	–
Netherlands	–	–	–	35 121	–	35 121	–	–	–
New Zealand	–	–	–	7 533	–	7 533	–	–	–
Nigeria	57 193	–	57 193	6 468	–	–	6 468	63 661	–
Norway	–	–	–	19 535	–	19 535	–	–	2 120
Oman	22 626	–	22 626	2 987	–	–	2 987	25 613	–
Pakistan	10 392	–	10 392	2 987	–	–	2 987	13 379	–
Peru	32 681	32 681	–	3 949	–	3 949	–	–	3 174
Philippines	18 525	18 525	–	5 299	–	5 299	–	–	–

<i>Country</i>	<i>Unpaid contributions for prior years as at 31 Dec 2021</i>	<i>Collections in 2022 for prior years</i>	<i>Unpaid contributions for prior years</i>	<i>Expected contributions for 2022</i>	<i>Advance payments received in 2021</i>	<i>Collections in 2022 for 2022</i>	<i>Unpaid contributions for 2022</i>	<i>Total unpaid contributions</i>	<i>Advance payments received in 2022</i>
Poland	–	–	–	20 755	–	20 755	–	–	–
Portugal	31 628	18 569	13 059	9 066	–	–	9 066	22 125	–
Qatar	–	–	–	7 299	–	–	7 299	7 299	–
Republic of Korea	–	–	–	58 708	–	58 708	–	–	–
Romania	7 388	7 388	–	5 117	–	5 117	–	–	–
Russian Federation	–	–	–	62 266	–	62 266	–	–	–
Saudi Arabia	–	–	–	30 341	–	–	30 341	30 341	–
Serbia	43 724	–	43 724	–	–	–	–	43 724	–
Singapore	–	–	–	12 547	12 547	–	–	–	–
Slovakia	–	–	–	3 974	–	3 974	–	–	–
South Africa	–	–	–	7 040	–	7 040	–	–	–
Spain	–	–	–	55 564	–	55 564	–	–	–
Sweden	–	–	–	23 457	–	23 457	–	–	–
Switzerland	–	–	–	29 795	–	29 795	–	–	–
Thailand	–	–	–	7 949	–	7 949	–	–	–
Türkiye	123 890	–	123 890	35 510	–	–	35 510	159 400	–
United Arab Emirates	–	–	–	15 950	–	–	15 950	15 950	–
United Kingdom of Great Britain and Northern Ireland	–	–	–	118 247	118 247	–	–	–	–
United States of America	–	–	–	569 672	9 805	–	559 867	559 867	–
Venezuela (Bolivarian Republic of)	267 418	–	267 418	18 885	–	–	18 885	286 303	–
Total	1 285 879	401 441	884 437	2 597 681	148 652	1 198 698	1 250 331	2 134 768	5 294

Annex II*

Trust funds for the Vienna Convention and the Montreal Protocol: interim 2022 budget performance report as at 30 September 2022¹

(in United States dollars)

<i>Budget line</i>	<i>Cost category</i>	<i>Trust fund for the Vienna Convention</i>		<i>Trust fund for the Montreal Protocol</i>	
		<i>2022 approved budget</i>	<i>Expenditure as at 30 September 2022</i>	<i>2022 approved budget</i>	<i>Expenditure as at 30 September 2022</i>
1000	Employee salaries allowances and benefits	659 000	454 868	1 691 100	1 023 319
1200	Consultants	–	–	85 000	72 551
1300	Meeting costs				
1321	Conference services costs – Open-ended Working Group meeting	–	–	632 000	558 376
1322	Conference services costs – preparatory meetings and Meeting of the Parties	–	–	650 000	58 233
1323	Communication costs of Article 5 party assessment panel members and organization costs of panel meetings	–	–	55 000	51 416
1324	Conference services costs – Bureau meetings	–	–	25 000	–
1325	Conference services costs – meetings of the Implementation Committee	–	–	125 000	75 464
1328	Promotional activities for the protection of the ozone layer	10 000	–	–	–
5401	Hospitality	–	–	25 000	5 785
	Subtotal: meeting costs	10 000	–	1 512 000	749 274
3300	Travel of Article 5 parties and experts				
3301	Travel of Article 5 parties – assessment panel meetings	–	–	380 000	181 451
3302	Travel of Article 5 parties – preparatory meetings and meetings of the parties	–	–	400 000	125 022
3303	Travel of Article 5 parties – Open-ended Working Group meetings	–	–	365 000	422 142
3304	Travel of Article 5 parties – Bureau meetings	–	–	15 000	1 954
3305	Travel of Article 5 parties – meetings of the Implementation Committee	–	–	65 000	39 911
3307	Travel of Article 5 parties – Ozone Research Managers meeting	–	–	–	–
	Subtotal: travel of Article 5 parties and experts	–	–	1 225 000	770 480
1600	Travel on official business				

* The present annex has not been formally edited.

¹ The budget performance report has been prepared for the purpose of comparing the approved budget to the expenditures during the reporting period and is based on a modified cash basis of accounting.

<i>Budget line</i>	<i>Cost category</i>	<i>Trust fund for the Vienna Convention</i>		<i>Trust fund for the Montreal Protocol</i>	
		<i>2022 approved budget</i>	<i>Expenditure as at 30 September 2022</i>	<i>2022 approved budget</i>	<i>Expenditure as at 30 September 2022</i>
1601	Staff travel on official business	30 000	29 672	180 000	183 136
1602	Conference services staff travel on official business	–	–	15 000	13 656
	Subtotal: staff travel	30 000	29 672	195 000	196 792
4100–5300	Other operational costs: supplies and consumables				
4100	Expendable equipment	8 000	779	18 000	219
4200	Non-expendable equipment	10 000	–	25 000	4 895
4300	Rental of premises	19 000	14 232	32 000	28 824
5100	Operation and maintenance of equipment	10 000	9 644	20 000	8 756
5200	Reporting costs	5 000	–	75 000	29 986
5300	Sundry	35 000	9 811	25 000	5 885
	Subtotal: other operational costs	87 000	34 466	195 000	78 564
5401	Public awareness and communication	–	–	59 900	16 292
	Total direct costs	786 000	519 006	4 963 000	2 907 271
	Programme support costs (13 per cent)	102 180	67 471	645 190	377 945
	Total direct and programme support costs	888 180	586 477	5 608 190	3 285 217
	Additional activities to be drawn down from the existing cash balance				
	Temporary Website Officer (P3)	–	–	–	(8 195)
	Digital tools: maintenance & enhancement	–	–	37 500	–
	UNV - Science	–	–	20 000	17 109
	Communication campaign	–	–	27 100	312
	Registration & Contacts Management System	–	–	25 000	300
	Travel of Article 5 parties – ExMOP5	–	–	108 930	100 228
	Subtotal: additional activities	–	–	218 530	109 754
	Programme support costs (13%)	–	–	28 409	14 268
	Total additional activities and programme support costs	–	–	246 939	124 022
	Grand total	888 180	586 477	5 855 129	3 409 239
	Budget utilization rate		66%		58%