UNITED NATIONS

UNEP

UNEP/OzL.Pro.38/4/Add.1

Montreal Protocol on Substances that Deplete the Ozone Layer

Distr.: General
22 September 2026

Original: English

Thirty-Eighth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer
Kigali, 2–6 November 2026
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

Proposed budgets for 2027 and 2028 of the Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer

Note by the Secretariat

Addendum

I. Introduction

1. The present addendum to the note by the Secretariat on the proposed budgets for 2027 and 2028 of the Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer (UNEP/OzL.Pro.38/4) sets out a third budget scenario for 2027.

2. In the note, the Ozone Secretariat presented two budget scenarios for 2027: a zero-nominal-growth budget of $5,912,612, the same amount as the approved budget for 2026, and a recommended budget of $6,157,370. The third scenario amounts to $5,773,622, which is 2.35 per cent lower than the zero-nominal-growth budget and the approved budget for 2026, and 6.23 per cent lower than the recommended budget.

3. The third scenario is presented in part II of the present addendum. The details are set out in annex I, alongside the two scenarios presented in the note. Part III provides the corresponding cash balance analysis, and part IV presents the Secretariat's concluding observations. The proposed budgets for 2028 remain as presented in the note.

4. Throughout the present addendum, all references to dollars ($) are to United States dollars.

II. Third budget scenario for 2027

5. The third scenario amounts to $5,773,622, comprising direct costs of $5,109,400 and programme support costs of $664,222. It differs from the zero-nominal-growth budget of $5,912,612, described in paragraph 11 of the note, in the following respects:

(a) A decrease of $93,000 in the conference services costs category results from a reduction in the allocation for the 2027 meetings of the Implementation Committee from $200,000 to $107,000. The reduced amount is based on the costs of the one-day meetings of the Committee held in 2024, excluding the translation of pre-session documents and interpretation services and adjusted for inflation. Making documents available and conducting meetings in English only may affect the level

* UNEP/OzL.Pro.38/1.

of engagement of some members of the Committee and of parties that are invited to attend meetings of the Committee;

(b) A reduction of $50,000 for travel by assessment panel members and experts from parties operating under paragraph 1 of Article 5 of the Montreal Protocol (Article 5 parties) results in an amount below the level approved for 2025 ($350,000), a year without quadrennial assessments. Such a reduction may limit the participation of panel members and experts in the meetings of the panels and the meetings of the parties;

(c) An increase of $20,000 in the amount budgeted for travel by Secretariat staff, which remains $85,000 lower than the budget approved for 2026 and the amount proposed under the recommended budget. The modest increase would enable Secretariat staff to participate in more ozone-related meetings where in-person attendance is important;

(d) A corresponding decrease of $15,990 in programme support costs, resulting from the net reduction in direct costs described in subparagraphs (a)–(c) above, which will reduce the programme support resources allotted to the Secretariat in 2028, affecting its ability to absorb administrative costs.

6. The proposed amounts for the following budget lines are the same as under the zero-nominal-growth scenario:

(a) Employee salaries, allowances and benefits, at $2,085,000. In view of the staff movements, including retirements, expected during the year, no reduction is proposed in this cost category;

(b) The consultancy budget, at $75,000, which the Secretariat does not consider should be reduced further given the need for expertise to support the implementation of approved activities in the light of the retirements and staff movements described in paragraph 11 (a) (ii) of the note;

(c) The conference services costs for the forty-ninth meeting of the Open-ended Working Group ($650,000), the Thirty-Ninth Meeting of the Parties ($600,000), the meetings of the assessment panels ($55,000), the meeting of the Bureau ($25,000) and the hospitality budget ($15,000);

(d) The budgets for the participation of representatives of Article 5 parties in the forty-ninth meeting of the Open-ended Working Group ($390,000), the Thirty-Ninth Meeting of the Parties ($410,000) and the meetings of the Bureau ($15,000) and the Implementation Committee ($65,000);

(e) The operating costs and public awareness and communication costs categories remain at $147,400 and $70,000, respectively.

7. As in the other two budget scenarios, the Secretariat is not proposing any activities to be funded from the cash balance in the third scenario.

Summary

8. Table 1 presents a summary of the three budget scenarios for 2027. The detailed budget under the third scenario, compared with the zero-nominal-growth and recommended budgets, is set out in annex I to the present addendum, without formal editing.

Table 1
Summary of the 2027 budget scenarios
(United States dollars)

	Budget scenario		
	Zero nominal growth	*Recommended*	*Third scenario*
Budget, including programme support costs	5 912 612	6 157 370	5 773 622
Additional activities, including programme support costs	–	–	–
Total	**5 912 612**	**6 157 370**	**5 773 622**

III. Cash balance projections and funding for 2027

9. Table 2 presents the forecast cash balance at the end of 2027 under the third scenario, applying the same assumptions as those set out in paragraphs 21 and 23 of the note: expenditure of 85 per cent of the budget, and rates of receipt of contributions of 70, 75 and 80 per cent, which may include

payments against unpaid contributions from prior years. The opening balances equal the forecast balance at the end of 2026 as shown in table 2 of the note.

10. The mandatory 15 per cent reserve amounts to $866,043 under the third scenario. After the reserve is set aside, the forecast opening cash balance for 2027 would fund 43 to 53 per cent of the budget in the third scenario, compared with 40 to 48 per cent of the recommended budget (see paragraph 22 of the note).

11. Consistent with paragraph 23 of the note, should the parties approve a budget for 2027 based on the third scenario, the Secretariat proposes that the contributions by parties for 2027 be set at the same level as the approved budget, apportioned in accordance with the adjusted United Nations scale of assessments set out in annex III to the note. Annex II to the present addendum, which is presented without formal editing, shows contributions for all three scenarios for 2027.

Table 2
Forecast cash balance at the end of 2027: third budget scenario
(United States dollars)

Proposed contributions by parties	5 773 622	5 773 622	5 773 622
Rate of receipt of contributions	70 per cent	75 per cent	80 per cent
Cash balance on 1 January	3 360 493	3 631 124	3 901 755
Add: expected receipts[a]	4 041 535	4 330 217	4 618 898
Less: estimated expenditures	4 907 579	4 907 579	4 907 579
Forecast cash balance on 31 December	**2 494 449**	**3 053 762**	**3 613 074**

[a] Proposed contributions by parties times the assumed rate of receipt of contributions.

IV. Concluding observations

12. The third scenario provides the parties with a budget for 2027 that is below the zero-nominal-growth budget and the recommended budget and exhibits the following salient features:

(a) The reductions are concentrated on the meetings of the Implementation Committee, which are proposed to be held in English for one day only, with pre-session documents in English only, and with a reduced allocation for travel by assessment panel members and experts from Article 5 parties;

(b) The savings described in subparagraph (a) above are partly offset by the restoration of part of the budget for travel by Secretariat staff;

(c) Cost categories other than those noted above remain the same as in the zero-nominal-growth budget scenario.

13. The Secretariat's proposal that contributions by parties fully cover the budget that the parties approve and that no activities be funded from the cash balance, as set out in paragraph 27 of the note, applies equally to the third scenario.

Annex I*

Trust Fund for the Montreal Protocol: three scenarios for 2027

		2027		
Budget line	*Cost category*	*Zero nominal growth*	*Recommended*	*Third scenario*
1100	**Employee salaries, allowances and benefits**	**2 085 000**	**2 085 000**	**2 085 000**
1200	**Consultants**	**75 000**	**75 000**	**75 000**
1300	**Conference services costs**			
1305	Open-ended Working Group meetings	650 000	650 000	650 000
1310	Meetings of the Parties	600 000	600 000	600 000
1315	Communication costs of Article 5 assessment panel members and organizational costs of panel meetings	55 000	55 000	55 000
1320	Bureau meetings	25 000	25 000	25 000
1325	Implementation Committee meetings	200 000	200 000	107 000
1350	Hospitality	15 000	15 000	15 000
	Subtotal: conference services costs	**1 545 000**	**1 545 000**	**1 452 000**
3300[a]	**Travel of Article 5 parties**			
3305	Open-ended Working Group meetings	390 000	420 000	390 000
3310	Meetings of the Parties	410 000	460 000	410 000
3315	Assessment panel meetings	350 000	350 000	300 000
3320	Bureau meetings	15 000	15 000	15 000
3325	Implementation Committee meetings	65 000	65 000	65 000
	Subtotal: travel of Article 5 parties	1 230 000	1 310 000	1 180 000
1600	Travel on official business			
1601	Staff travel on official business	80 000	185 000	100 000
	Subtotal: travel on official business	**80 000**	**185 000**	**100 000**
4100–5300	**Operating costs**			
4100	Expendable equipment	5 000	5 000	5 000
4200	Non-expendable equipment	8 000	8 000	8 000
4300	Rental of premises	34 000	34 000	34 000
5100	Operation and maintenance of equipment	22 000	22 000	22 000
5200	Reporting costs[b]	33 400	65 000	33 400
5300	Miscellaneous costs[c]	10 000	10 000	10 000
5310	Registration system enhancement	–	–	–
5320	Software and website maintenance	30 000	30 000	30 000
5330	Website hosting	5 000	5 000	5 000
	Subtotal: operating costs	**147 400**	**179 000**	**147 400**
5201	**Public awareness and communication[d]**	**70 000**	**70 000**	**70 000**
	Total direct costs	**5 232 400**	**5 449 000**	**5 109 400**
	Programme support costs	680 212	708 370	664 222
	Grand total	**5 912 612**	**6 157 370**	**5 773 622**

[a] Budget line numbers and descriptions aligned with those in the “Conference services costs” category.

[b] This budget line includes: (a) coverage of the meetings; (b) editing and translation of non-meeting documents; and (c) editing and translation of assessment panel reports.

[c] This budget line includes: (a) telecommunication costs; (b) freight costs; and (c) staff training.

[d] This budget line includes the costs for: (a) awareness-raising campaigns; (b) visual materials; and (c) World Ozone Day.

* The present annex has not been formally edited.

Annex II*

Proposed contributions by parties to the Trust Fund for the Montreal Protocol

Proposed contributions for 2027: three scenarios

(United States dollars)

Party	*Adjusted United Nations scale with 22 per cent maximum assessment rate considered*[a]	*Zero-nominal-growth budget*	*Recommended budget*	*Third scenario*
Afghanistan	–	–	–	–
Albania	–	–	–	–
Algeria	–	–	–	–
Andorra	–	–	–	–
Angola	–	–	–	–
Antigua and Barbuda	–	–	–	–
Argentina	0.489	28 912	30 109	28 232
Armenia	–	–	–	–
Australia	2.036	120 380	125 363	117 550
Austria	0.625	36 953	38 483	36 084
Azerbaijan	–	–	–	–
Bahamas (The)	–	–	–	–
Bahrain	–	–	–	–
Bangladesh	–	–	–	–
Barbados	–	–	–	–
Belarus	–	–	–	–
Belgium	0.771	45 585	47 472	44 514
Belize	–	–	–	–
Benin	–	–	–	–
Bhutan	–	–	–	–
Bolivia (Plurinational State of)	–	–	–	–
Bosnia and Herzegovina	–	–	–	–
Botswana	–	–	–	–
Brazil	1.408	83 249	86 695	81 292
Brunei Darussalam	–	–	–	–
Bulgaria	–	–	–	–
Burkina Faso	–	–	–	–
Burundi	–	–	–	–
Cabo Verde	–	–	–	–
Cambodia	–	–	–	–
Cameroon	–	–	–	–
Canada	2.538	150 061	156 273	146 534
Central African Republic	–	–	–	–
Chad	–	–	–	–
Chile	0.373	22 053	22 966	21 535
China	19.964	1 180 393	1 229 256	1 152 645
Colombia	0.197	11 647	12 129	11 373
Comoros	–	–	–	–

* The present annex has not been formally edited.

Party	*Adjusted United Nations scale with 22 per cent maximum assessment rate considered*[a]	*Zero-nominal-growth budget*	*Recommended budget*	*Third scenario*
Congo	–	–	–	–
Cook Islands	–	–	–	–
Costa Rica	–	–	–	–
Côte d'Ivoire	–	–	–	–
Croatia	–	–	–	–
Cuba	0.122	7 212	7 511	7 043
Cyprus	–	–	–	–
Czechia	0.343	20 279	21 119	19 803
Democratic People's Republic of Korea	–	–	–	–
Democratic Republic of the Congo	–	–	–	–
Denmark	0.530	31 336	32 633	30 599
Djibouti	–	–	–	–
Dominica	–	–	–	–
Dominican Republic	–	–	–	–
Ecuador	–	–	–	–
Egypt	0.182	10 760	11 205	10 507
El Salvador	–	–	–	–
Equatorial Guinea	–	–	–	–
Eritrea	–	–	–	–
Estonia	–	–	–	–
Eswatini	–	–	–	–
Ethiopia	–	–	–	–
European Union	2.495	147 518	153 625	144 051
Fiji	–	–	–	–
Finland	0.385	22 763	23 705	22 227
France	3.850	227 635	237 057	222 283
Gabon	–	–	–	–
Gambia	–	–	–	–
Georgia	–	–	–	–
Germany	5.681	335 894	349 799	327 998
Ghana	–	–	–	–
Greece	0.279	16 495	17 178	16 107
Grenada	–	–	–	–
Guatemala	–	–	–	–
Guinea	–	–	–	–
Guinea-Bissau	–	–	–	–
Guyana	–	–	–	–
Haiti	–	–	–	–
Holy See	–	–	–	–
Honduras	–	–	–	–
Hungary	0.223	13 184	13 730	12 874
Iceland	–	–	–	–
India	1.104	65 274	67 976	63 740
Indonesia	0.578	34 174	35 589	33 371
Iran (Islamic Republic of)	0.385	22 763	23 705	22 227
Iraq	0.131	7 745	8 065	7 562
Ireland	0.471	27 847	29 000	27 193

Party	*Adjusted United Nations scale with 22 per cent maximum assessment rate considered*[a]	*Zero-nominal-growth budget*	*Recommended budget*	*Third scenario*
Israel	0.608	35 948	37 436	35 103
Italy	2.807	165 966	172 836	162 065
Jamaica	–	–	–	–
Japan	6.916	408 915	425 843	399 303
Jordan	–	–	–	–
Kazakhstan	0.131	7 745	8 065	7 562
Kenya	–	–	–	–
Kiribati	–	–	–	–
Kuwait	0.222	13 125	13 668	12 816
Kyrgyzstan	–	–	–	–
Lao People’s Democratic Republic	–	–	–	–
Latvia	–	–	–	–
Lebanon	–	–	–	–
Lesotho	–	–	–	–
Liberia	–	–	–	–
Libya	–	–	–	–
Liechtenstein	–	–	–	–
Lithuania	–	–	–	–
Luxembourg	–	–	–	–
Madagascar	–	–	–	–
Malawi	–	–	–	–
Malaysia	0.325	19 215	20 010	18 763
Maldives	–	–	–	–
Mali	–	–	–	–
Malta	–	–	–	–
Marshall Islands	–	–	–	–
Mauritania	–	–	–	–
Mauritius	–	–	–	–
Mexico	1.135	67 107	69 885	65 530
Micronesia (Federated States of)	–	–	–	–
Monaco	–	–	–	–
Mongolia	–	–	–	–
Montenegro	–	–	–	–
Morocco	–	–	–	–
Mozambique	–	–	–	–
Myanmar	–	–	–	–
Namibia	–	–	–	–
Naoero	–	–	–	–
Nepal	–	–	–	–
Netherlands (Kingdom of the)	1.295	76 567	79 737	74 767
New Zealand	0.301	17 796	18 533	17 378
Nicaragua	–	–	–	–
Niger	–	–	–	–
Nigeria	0.150	8 868	9 235	8 659
Niue	–	–	–	–
North Macedonia	–	–	–	–
Norway	0.652	38 549	40 145	37 643
Oman	0.115	6 799	7 080	6 639

Party	*Adjusted United Nations scale with 22 per cent maximum assessment rate considered*[a]	*Zero-nominal-growth budget*	*Recommended budget*	*Third scenario*
Pakistan	0.123	7 272	7 573	7 101
Palau	–	–	–	–
Panama	–	–	–	–
Papua New Guinea	–	–	–	–
Paraguay	–	–	–	–
Peru	0.145	8 572	8 927	8 371
Philippines	0.198	11 706	12 191	11 431
Poland	0.829	49 015	51 044	47 862
Portugal	0.327	19 333	20 134	18 879
Qatar	0.245	14 485	15 085	14 144
Republic of Korea	2.344	138 591	144 327	135 333
Republic of Moldova	–	–	–	–
Romania	0.357	21 107	21 981	20 610
Russian Federation	2.090	123 572	128 688	120 668
Rwanda	–	–	–	–
Saint Kitts and Nevis	–	–	–	–
Saint Lucia	–	–	–	–
Saint Vincent and the Grenadines	–	–	–	–
Samoa	–	–	–	–
San Marino	–	–	–	–
Sao Tome and Principe	–	–	–	–
Saudi Arabia	1.215	71 837	74 811	70 149
Senegal	–	–	–	–
Serbia	–	–	–	–
Seychelles	–	–	–	–
Sierra Leone	–	–	–	–
Singapore	0.478	28 261	29 431	27 597
Slovakia	0.149	8 809	9 173	8 602
Slovenia	–	–	–	–
Solomon Islands	–	–	–	–
Somalia	–	–	–	–
South Africa	0.251	14 840	15 454	14 490
South Sudan	–	–	–	–
Spain	1.891	111 806	116 434	109 178
Sri Lanka	–	–	–	–
State of Palestine	–	–	–	–
Sudan	–	–	–	–
Suriname	–	–	–	–
Sweden	0.820	48 482	50 489	47 343
Switzerland	1.027	60 721	63 235	59 294
Syrian Arab Republic	–	–	–	–
Tajikistan	–	–	–	–
Thailand	0.340	20 102	20 934	19 629
Timor-Leste	–	–	–	–
Togo	–	–	–	–
Tonga	–	–	–	–
Trinidad and Tobago	–	–	–	–
Tunisia	–	–	–	–

Party	*Adjusted United Nations scale with 22 per cent maximum assessment rate considered*[a]	*Zero-nominal-growth budget*	*Recommended budget*	*Third scenario*
Türkiye	0.684	40 441	42 115	39 491
Turkmenistan	–	–	–	–
Tuvalu	–	–	–	–
Uganda	–	–	–	–
Ukraine	–	–	–	–
United Arab Emirates	0.573	33 878	35 281	33 082
United Kingdom of Great Britain and Northern Ireland	3.983	235 498	245 247	229 962
United Republic of Tanzania	–	–	–	–
United States of America	21.956	1 298 172	1 351 911	1 267 655
Uruguay	–	–	–	–
Uzbekistan	–	–	–	–
Vanuatu	–	–	–	–
Venezuela (Bolivarian Republic of)	–	–	–	–
Viet Nam	0.159	9 400	9 789	9 179
Yemen	–	–	–	–
Zambia	–	–	–	–
Zimbabwe	–	–	–	–
Total	**100.000**	**5 912 612**	**6 157 370**	**5 773 622**

[a] General Assembly resolution 79/249 on the scale of assessments for the apportionment of the expenses of the United Nations stipulates a maximum assessment rate of 22 per cent for the period 2025–2027.