Draft decision XXIX/[CC]: Financial reports and budgets for the Montreal Protocol

*The Twenty-Ninth Meeting of the Parties decides:*

*Recalling* decision XXVIII/16 on financial reports and budgets for the Montreal Protocol on Substances that Deplete the Ozone Layer,

*Taking note* of the financial report on the Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer for the fiscal year 2016,[[1]](#footnote-1)

*Recognizing* that voluntary contributions once agreed are an essential complement for the effective implementation of the Montreal Protocol,

*Welcoming* the continued efficient management by the Secretariat of the finances of the Trust Fund for the Montreal Protocol,

1. To approve the revised 2017 budget in the amount of $5,145,954 and the budget of [$XX] for 2018, as set out in annex [XX] to the report of the Twenty-Ninth Meeting of the Parties to the Montreal Protocol;[[2]](#footnote-2)

2. To approve the contributions to be paid by the parties of [$XX] for 2018 and to note the contributions of [$XX] for 2019, as set out in annex [XX] to the report of the Twenty-Ninth Meeting of the Parties;

3. That the contributions of individual parties for 2018 and indicative contributions for 2019 shall be listed in annex [XX] to the report of the Twenty-Ninth Meeting of the Parties;

4. To reaffirm a working capital reserve at a level of 15 per cent of the annual budget to be used to meet the final expenditures under the Trust Fund;

5. To encourage parties, non-parties and other stakeholders to contribute financially and by other means to assist members of the three assessment panels and their subsidiary bodies with a view to ensuring their continued participation in assessment activities under the Protocol;

6. To note with concern that a number of parties have not paid their contributions for 2017 and prior years, and to urge those parties to pay both their outstanding contributions and their future contributions promptly and in full;

7. To request the Executive Secretary and to invite the President of the Meeting of the Parties to enter into discussions with any party whose contributions are outstanding for two or more years with a view to finding a way forward, and to request that the Executive Secretary report to the 30th Meeting of the Parties on the outcome of the discussions;

8. To decide to further consider how to address outstanding contributions to the trust fund at its next meeting and requests the Executive Secretary to continue to publish and regularly update information on the status of contributions to the Protocol's Trust Funds;

9. To request the Secretariat to ensure the full utilization of programme support costs available to it in 2018 and later years and where possible to offset those costs against the administrative components of the approved budget;

10. To request the Secretariat to indicate in future financial reports of the Trust Fund for the Montreal Protocol the amounts of cash on hand in the section entitled “Total reserves and fund balances” in addition to contributions that have not yet been received.

11. [Requests the Executive Secretary to prepare a results-based budget and work programmes for the years 2019 and 2020, presenting two budget scenarios, and work programmes based on the projected needs for the biennium in (1) a zero nominal growth scenario; and (2) a scenario based on further recommended adjustments to the first scenario and the added costs or savings related to them;]

Annex I

Trust fund for the Montreal Protocol on substances that deplete the Ozone Layer

Approved revised 2017, approved 2018 and proposed 2019 budgets (in United States dollars)

(United States dollars)

|  | *Cost category* | *Revised 2017* | *Proposed 2018* | *Proposed 2019* |
| --- | --- | --- | --- | --- |
| 1000 | Employee salaries, allowances and benefits | 1 483 072 | 1 512 734 | 1 542 989 |
| 1200 | Consultants | 85 000 | 85 000 | 85 000 |
| **Operating costs** | | | | |
| **1300** | **Meeting costs** |  |  |  |
| 1321 | Conference Services costs: Open-ended Working Group meetings | 676 000 | 676,000 | 676,000 |
| 1322 | Conference Services costs: preparatory meetings and meetings of the parties | 275 000 | [712,000] | 712,000 |
| 1323 | Communication costs of Article 5 assessment panel members and organizational costs of panel meetings | 70 000 | 70 000 | 70 000 |
| 1324 | Conference Services costs: Bureau meetings | 25 000 | 25 000 | 25 000 |
| 1325 | Conference Services costs: Implementation Committee meetings | 125 000 | 125 000 | 125 000 |
| 1326 | Conference Services costs: Montreal Protocol informal consultation meetings | 10 000 | 0 | 0 |
| 5401 | Hospitality | 25 000 | 25 000 | 25 000 |
| **Subtotal: Meeting costs** | | **1 206 000** | **1 670 760** | **1 699 075** |
| **3300** | **Travel of Article 5 parties and experts** | | | |
| 3301 | Travel of Article 5 parties: assessment panel meetings | 400 000 | 400 000 | 400 000 |
| 3302 | Travel of Article 5 parties: preparatory meetings and meetings of the parties | 375 000 | 375 000 | 375 000 |
| 3303 | Travel of Article 5 parties: Open-ended Working Group meetings | 325 000 | 325 000 | 325 000 |
| 3304 | Travel of Article 5 parties: Bureau meetings | 20 000 | 20 000 | 20 000 |
| 3305 | Travel of Article 5 parties: Implementation Committee meetings | 125 000 | 125 000 | 125 000 |
| 3306 | Travel of Article 5 parties: informal meeting consultations | 10 000 | 0 | 0 |
| **Subtotal: Travel of Article 5 parties and experts** | | **1 255 000** | **1 255 000** | **1 255 000** |
| **1600** | **Travel on official business** | | | |
| 1601 | Staff travel on official business | 210 000 | 210 000 | 210 000 |
| 1602 | Conference Services staff travel on official business | 15 000 | 15 000 | 15 000 |
| **Subtotal: Travel on official business** | | **225 000** | **225 000** | **225 000** |
| **4100-5300** | **Other operating costs: supplies and consumables** | | | |
| 4100 | Expendable equipment | 18 000 | 18 000 | 18 000 |
| 4200 | Non-expendable equipment | 25 000 | 25 000 | 25 000 |
| 4300 | Rental of premises | 41 870 | 41 870 | 41 870 |
| 5100 | Operational and maintenance of equipment | 20 000 | 20 000 | 20 000 |
| 5200 | Reporting costs | 75 000 | 75 000 | 75 000 |
| 5300 | Sundry | 120 000 | 40 000 | 40 000 |
| **Subtotal: Other operating costs: supplies and consumables** | | **299 870** | **219 870** | **219 870** |
| **Total direct costs** | | **4 553 942** | **4 968 364** | **5 026 934** |
|  | Programme support costs (13 per cent) | 592 012 | 645 887 | 653 501 |
| **Grand total** | | **5 145 954** | **5 614 251** | **5 680 435** |

Explanatory notes for the proposed revision to the approved budget for 2017 and the proposed budgets for 2018 and 2019 of the Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer

| *Cost category* | *Budget line* | *Comment* |
| --- | --- | --- |
| Employee salaries, allowances and benefits | 1000 | The 2018 and 2019 costs have been increased by 2 per cent to allow for inflation.  Annex II sets out the detailed staffing table of the Secretariat.  The posts of the Senior Administrative Officer (P5) and the Senior Administrative Assistant (G7) are funded by the programme support cost budget.  The post of Communications and Information Officer (P-3) is funded fully from the Trust Fund for the Vienna Convention. |
| Consultants | 1200 | Consultants are used by the Secretariat for meetings research and facilitation of the workshop on safety standards to be held on 11 July 2017. The approved amount for 2017 has been maintained for 2018 and 2019. |
| Operating expenses |  | This section includes meetings costs, travel of Article 5 participants and hospitality. |
|  | 1300  1321 | Meeting costs  Open-ended Working Group meetings  The figure for 2017 is presented as an average cost across five duty stations: Bangkok, Montreal, Nairobi, Paris and Vienna, and the costs for 2018 and 2019 costs have been increased by 2 per cent each year to allow for inflation. The costs will be adjusted based on the venue of the meetings. |
|  | 1322 | Preparatory meetings and Meetings of the Parties  In 2017, the joint eleventh Conference of the Parties/Twenty-Ninth Meeting of the Parties will be hosted by the Government of Canada in Montreal. The meeting costs will be reduced by $185,000, which represents the UNON cost estimate for interpretation services that will instead be provided by the Government of Canada.  In 2017, the meeting cost of the joint eleventh Conference of the Parties/Twenty-Ninth Meeting of the Parties is shared with the Trust Fund for the Vienna Convention, which has a budget of $252,000. In 2018 and 2019, the full meeting cost will be charged to the Trust Fund for the Montreal Protocol.  The 2017 costs are presented as an average cost across five duty stations: Bangkok, Montreal, Nairobi, Paris and Vienna. The 2018 and 2019 meeting costs have been increased by 2 per cent to allow for inflation. The costs will be adjusted based on the venue of the meetings and whether they are hosted by a party. |
|  | 1324 | One Bureau meeting is scheduled for each of the years 2017, 2018 and 2019, with provision for interpretation and document translation into appropriate languages, depending on the membership of the Bureau. The proposed costs have remained the same as for the approved figures for 2017. |
|  | 1325 | The proposed budgets for Implementation Committee meetings in 2018 and 2019 have remained the same as the approved figures for 2017. |
|  | 5401 | The hospitality costs cover receptions at the meetings of the Open-ended Working Group and the Meetings of the Parties. Necessary funds may be transferred from the conference servicing budget lines should such services be required, either through individual consultancies or corporate contracts.  The costs for 2018 and 2019 remain constant at the 2017 approved level. |
|  | 3300 | **Travel of Article 5 participants**  The participation of representatives of parties operating under paragraph 1 of Article 5 in various Montreal Protocol meetings is budgeted at $5,000 per representative per meeting using the most appropriate and advantageous economy-class fare and United Nations daily subsistence allowances.  The costs for 2018 and 2019 remain constant at the 2017 approved level. |
|  |  | The Secretariat confirms that no funds from the budget lines in this section have been used to cover the cost of travel by representatives of non-Article 5 parties. |
| Travel on official business | 1600 | Travel on official business for 2018 and 2019 is maintained at the 2017 approved level. |
| Other operating costs: supplies and consumables | 4100–5300 | The section includes expendable equipment, non-expendable equipment and rental of office premises, reporting costs and sundry.  The 2018 and 2019 proposed costs remain constant at the 2017 approved level, except for “Sundry”, which includes $10,000 for communication, $10,000 for freight, $10,000 for training and $10,000 for Ozone Day celebrations, which is increased to $90,000 in 2017 to cover an enhanced plan to mark the thirtieth anniversary of the Montreal Protocol. |

Annex II

Contributions by the parties

Trust fund for the Montreal Protocol on substances that deplete the Ozone Layer

1. UNEP/OzL.Pro.29/4/Add.1. [↑](#footnote-ref-1)
2. UNEP/OzL.Conv.11/[XX]-UNEP/OzL.Pro.29/[XX]. [↑](#footnote-ref-2)