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**United Nations
Environment
Programme**

**Open-ended Working Group of the Parties to
the Montreal Protocol on Substances that
Deplete the Ozone Layer
Forty-second meeting***
Montreal, Canada, 13–17 July 2020

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

Indicative financial report for the fiscal year 2020 as at 30 April 2020

Note by the Secretariat

I. Introduction

1. In paragraph 13 of decision XX/20 of the Twentieth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer, the parties requested the Secretariat to inform the Open-ended Working Group about all sources of income received, including the reserves, fund balance and interest, and to provide an indicative report on all expenditures against the agreed budget lines.
2. Pursuant to that decision, the Secretariat is circulating the present note as information for the Open-ended Working Group at its forty-second meeting.
3. The note provides information as at 30 April 2020 on the status of the trust funds for the Vienna Convention for the Protection of the Ozone Layer and the Montreal Protocol. Section II of the note describes the status of contributions and section III presents an update on the reserves, fund balance and interest. Section IV provides details of expenditures and commitments against the approved budgets for the fiscal year 2020.
4. In both the text and tables of the note, all references to dollars (\$) are to United States dollars unless otherwise stated.

* Some of the items on the provisional agenda for this meeting will be discussed online and others will be deferred to a later date.

II. Status of contributions and other income

A. Trust funds

5. 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 April 2020. The outstanding contributions on that date amounted to \$1,415,031, of which \$663,828 was for prior years. The total expected contributions for the year 2020 amounted to \$986,000. During the first four months of 2020, \$404,102 was received from parties, of which \$225,716 was for prior years. Advance payments of \$56,411 for the 2020 contributions received in 2019 have been applied to the 2020 expected contributions.

6. Section B of annex I to the note shows the status of contributions to the trust fund for the Montreal Protocol as at 30 April 2020. The outstanding contributions on that date amounted to \$6,512,885 of which \$2,334,737 was for prior years. The total expected contributions for the year 2020 amounted to \$5,322,308. During the first four months of 2020, \$2,228,766 was received from parties of which \$1,343,403 was for prior years. Advance payments of \$258,797 for the 2020 contributions received in 2019 have been applied to the 2020 expected contributions.

7. In paragraph 8 of decision XXXI/17 of the Thirty-First 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. Accordingly, the Secretariat will contact the parties with outstanding contributions and will report on the progress achieved in that regard to the Thirty-Second Meeting of the Parties.

B. Earmarked contributions

8. The earmarked contributions received in the first four months of the fiscal year 2020 are listed in table 1.

Table 1

Earmarked contributions received as at 30 April 2020

<i>Country</i>	<i>Currency</i>	<i>Amount</i>	<i>Purpose</i>
Sweden	Swedish krona	300 000	To support the participation of delegates from Article 5 parties in meetings of the Vienna Convention and its Montreal Protocol to be held in 2020. The support may be provided in the form of funding of travel costs or online meetings in the event the physical meetings do not take place as planned due to the coronavirus disease (COVID-19) pandemic.

C. Programme support resources

9. In paragraph 11 of decision XI/3 of the eleventh meeting of the Conference of the Parties to the Vienna Convention and paragraph 11 of decision XXXI/17 of the Thirty-First 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.

10. The United Nations Environment Programme has allocated a programme support budget of \$466,781 to the Ozone Secretariat for the fiscal year 2020. The Secretariat will fully use this amount to cover administrative costs, including the salaries of staff with administrative roles.

III. Reserves, fund balance and interest

11. Table 2 shows the reserves and fund balances of the trust funds for the Vienna Convention and the Montreal Protocol as at 30 April 2020.

Table 2
Reserves and fund balance

<i>Reserves and fund balance</i>	<i>Trust fund for the Vienna Convention</i>	<i>Trust fund for the Montreal Protocol</i>
Reserves ^a	205 502	798 346
Fund balance ^b	2 906 834	13 366 473
Total^c (reserves and fund balance)	3 112 336	14 164 819
^a Reserves for each trust fund equal 15 per cent of the respective approved budgets for 2020.		
^b Includes the cash balance and outstanding contributions as follows:		
Cash balance	1 711 934	7 550 720
Outstanding contributions ^d	1 469 807	6 890 997
^c Calculated on accrual basis.		
^d Calculated on cash basis. The amounts differ from those reflected in paragraphs 5 and 6 due to the time between the receipt of the contribution and its application to the receivable.		

12. The cash balance includes cash, cash equivalents, investments and non-current investments. The cash balance as at 30 April 2020 was derived from the balance as at 31 December 2019, plus the contributions received, less the cash disbursed during the first four months of 2020.

13. The reserves and fund balance include the cash balance and outstanding contributions. The fund balance as at 30 April 2020 was derived from the fund balance as at 31 December 2019, plus the expected contributions for 2020, less the cash disbursed during the first four months of 2020.

14. The reserves and fund balance as at 30 April 2020 of the trust fund for the Vienna Convention was \$3,112,336, which included a cash balance of \$1,711,934.

15. The reserves and fund balance as at 30 April 2020 of the trust fund for the Montreal Protocol was \$14,164,819, which included a cash balance of \$7,550,720.

16. As interest earned on the trust funds is recorded twice a year, in June and December, no report on interest as at 30 April 2020 has been provided.

IV. Interim budget performance report

17. Annex II to the present note lists the actual expenditures and commitments of the trust funds as at 30 April 2020 against the approved budgets for the fiscal year 2020. The budget utilization rate as at 30 April 2020 was 17 per cent for the trust fund for the Vienna Convention and 17 per cent for the trust fund for the Montreal Protocol.

18. The coronavirus disease (COVID-19) pandemic has affected the implementation of the activities, including meetings, approved for the year 2020 by the Thirty-First Meeting of the Parties to the Montreal Protocol and the Conference of the Parties to the Vienna Convention at its eleventh meeting. Physical meetings can only be organized after a careful assessment of the pandemic situation and taking into consideration travel restrictions, social distancing requirements and other relevant measures put in place by Governments around the world.

19. After due consideration and consultations with the presidents and the bureaux of the eleventh meeting of the Conference of the Parties and the Thirty-First Meeting of the Parties, the co-chairs of the Open-ended Working Group and the parties, it has been determined that the planned physical meetings scheduled to be held in Montreal, Canada, in July 2020, namely the sixty-fourth meeting of the Implementation Committee under the Non-Compliance Procedure of the Montreal Protocol and the forty-second meeting of the Open-ended Working Group, cannot be convened as originally planned. Accordingly, selected items on the agenda of the forty-second meeting of the Open-ended Working Group will be discussed online, while others will be deferred to a later date.

20. For the smooth running of online meetings, the Secretariat is in the process of acquiring the necessary platforms to organize:

(a) **Online meetings with interpretation** to ensure the equal participation of parties through the provision of simultaneous interpretation in the six official languages of the United Nations;

(b) **An online forum** to allow parties to review and comment on reports and meeting documents, as needed.

21. The Secretariat expects a reduction in budget utilization and cash consumption in 2020 compared to 2019. Some of the funds will, however, be utilized to make available the above-mentioned platforms.

Annex I

Status of contributions as at 30 April 2020

A. Trust fund for the Vienna Convention for the Protection of the Ozone Layer

(in United States dollars)

<i>Party</i>	<i>Unpaid contributions for prior years as at 31 December 2019</i>	<i>Advance payments received in 2019</i>	<i>Collections in 2020 for prior years</i>	<i>Unpaid contributions for prior years as at 30 April 2020</i>	<i>Expected contributions for 2020</i>	<i>Collections in 2020 for 2020</i>	<i>Unpaid 2020 contributions as at 30 April 2020</i>	<i>Total unpaid contributions as at 30 April 2020</i>
Algeria	1 403	–	–	1 403	1 581	–	1 581	2 984
Argentina	7 665	–	–	7 665	8 757	–	8 757	16 422
Australia	–	–	–	–	22 944	22 944	–	–
Austria ¹	–	–	–	–	7 070	–	7 070	7 070
Azerbaijan	2 429	–	–	2 429	–	–	–	2 429
Belgium	–	–	–	–	8 689	–	8 689	8 689
Brazil	60 754	–	–	60 754	37 533	–	37 533	98 287
Canada	–	–	–	–	28 678	28 678	–	–
Chile	3 429	–	–	3 429	3 917	–	3 917	7 346
China	–	–	–	–	77 767	–	77 767	77 767
Colombia	5 891	–	–	5 891	3 161	–	3 161	9 052
Czechia	–	3 377	–	–	3 377	–	–	–
Denmark	–	–	–	–	5 734	5 734	–	–
Egypt	2 415	–	–	2 415	1 492	–	1 492	3 907
European Union	–	–	–	–	24 544	24 544	–	–
Finland	–	–	–	–	4 477	4 477	–	–
France	–	–	–	–	47 705	–	47 705	47 705
Germany	–	–	–	–	62 726	–	62 726	62 726
Greece	–	–	–	–	4 624	–	4 624	4 624
Hungary	–	–	–	–	1 581	–	1 581	1 581

¹ Austria's expected contribution for 2020 was erroneously shown as \$7,069 in the report of the combined eleventh meeting of the Conference of the Parties to the Vienna Convention and the Twenty-Ninth Meeting of the Parties to the Montreal Protocol (UNEP/OzL.Conv.11/7–UNEP/OzL.Pro.29/8). The correct amount is \$7,070.

<i>Party</i>	<i>Unpaid contributions for prior years as at 31 December 2019</i>	<i>Advance payments received in 2019</i>	<i>Collections in 2020 for prior years</i>	<i>Unpaid contributions for prior years as at 30 April 2020</i>	<i>Expected contributions for 2020</i>	<i>Collections in 2020 for 2020</i>	<i>Unpaid 2020 contributions as at 30 April 2020</i>	<i>Total unpaid contributions as at 30 April 2020</i>
India	9 498	–	–	9 498	7 236	–	7 236	16 734
Indonesia	–	–	–	–	4 948	–	4 948	4 948
Iran (Islamic Republic of)	7 006	–	–	7 006	4 624	–	4 624	11 630
Iraq	2 051	–	–	2 051	1 266	–	1 266	3 317
Ireland	–	–	–	–	3 289	3 289	–	–
Israel	–	–	–	–	4 222	–	4 222	4 222
Italy	–	–	–	–	36 797	–	36 797	36 797
Japan	–	–	–	–	95 036	–	95 036	95 036
Kazakhstan	–	–	–	–	1 875	1 875	–	–
Kuwait	2 449	–	–	2 449	2 798	–	2 798	5 247
Libya	6 876	–	–	6 876	1 227	–	1 227	8 103
Malaysia	–	–	–	–	3 161	–	3 161	3 161
Mexico	–	1	–	–	14 089	–	14 088	14 088
Netherlands	–	–	–	–	14 550	14 550	–	–
New Zealand	–	–	–	–	2 631	–	2 631	2 631
Nigeria	3 321	–	–	3 321	2 052	–	2 052	5 373
Norway	–	–	–	–	8 335	8 335	–	–
Oman	1 796	–	–	1 796	1 109	–	1 109	2 905
Peru	–	9 216	–	–	1 335	1 234	(9 115)	(9 115)
Philippines	54	–	–	54	1 620	–	1 620	1 674
Poland	–	–	–	–	8 257	8 257	–	–
Portugal	6 217	–	3 368	2 849	3 849	–	3 849	6 698
Qatar	4 275	–	–	4 275	2 641	–	2 641	6 916
Republic of Korea	–	–	–	–	20 018	–	20 018	20 018
Romania	–	–	–	–	1 806	–	1 806	1 806
Russian Federation	–	–	–	–	30 317	30 317	–	–
Saudi Arabia	14 337	–	9 848	4 489	11 251	–	11 251	15 740
Serbia	13 302	–	–	13 302	–	–	–	13 302
Singapore	–	–	–	–	4 389	–	4 389	4 389
Slovakia	–	–	–	–	1 571	–	1 571	1 571

<i>Party</i>	<i>Unpaid contributions for prior years as at 31 December 2019</i>	<i>Advance payments received in 2019</i>	<i>Collections in 2020 for prior years</i>	<i>Unpaid contributions for prior years as at 30 April 2020</i>	<i>Expected contributions for 2020</i>	<i>Collections in 2020 for 2020</i>	<i>Unpaid 2020 contributions as at 30 April 2020</i>	<i>Total unpaid contributions as at 30 April 2020</i>
South Africa	–	–	–	–	3 574	3 574	–	–
Spain	20 992	–	–	20 992	23 985	–	23 985	44 977
Sweden	–	–	–	–	9 386	9 386	–	–
Switzerland	–	–	–	–	11 192	11 192	–	–
Thailand	–	–	–	–	2 857	–	2 857	2 857
Turkey	–	–	–	–	9 995	–	9 995	9 995
Ukraine	–	–	–	–	1 011	–	1 011	1 011
United Arab Emirates	3 708	–	–	3 708	5 930	–	5 930	9 638
United Kingdom of Great Britain and Northern Ireland	–	43 817	–	–	43 817	–	–	–
United States of America	683 627	–	212 500	471 127	215 991	–	215 991	687 118
Venezuela (Bolivarian Republic of)	26 049	–	–	26 049	5 606	–	5 606	31 655
Total	889 544	56 411	225 716	663 828	986 000	178 386	751 203	1 415 031

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

(in United States dollars)

<i>Party</i>	<i>Unpaid contributions for prior years as at 31 December 2019</i>	<i>Advance payments received in 2019</i>	<i>Collections in 2020 for prior years</i>	<i>Unpaid contributions for prior years as at 30 April 2020</i>	<i>Expected contributions for 2020</i>	<i>Collections in 2020 for 2020</i>	<i>Unpaid 2020 contributions as at 30 April 2020</i>	<i>Total unpaid contributions as at 30 April 2020</i>
Algeria	26 642	–	–	26 642	7 321	–	7 321	33 963
Argentina	47 311	–	–	47 311	48 545	–	48 545	95 856
Australia	–	–	–	–	117 249	117 249	–	–
Austria	–	–	–	–	35 917	–	35 917	35 917
Belgium	–	–	–	–	43 557	–	43 557	43 557
Brazil	413 912	–	–	413 912	156 402	–	156 402	570 314
Canada	–	–	–	–	145 048	145 048	–	–
Chile	12 547	–	–	12 547	21 593	–	21 593	34 140
China	–	–	–	–	636 911	–	636 911	636 911
Colombia	–	–	–	–	15 280	–	15 280	15 280
Czechia	–	16 500	–	–	16 500	–	–	–
Denmark	–	–	–	–	29 392	29 392	–	–
Egypt	16 457	–	–	16 457	9 868	–	9 868	26 325
European Union	–	–	–	–	132 635	132 635	–	–
Finland	–	–	–	–	22 336	22 336	–	–
France	–	–	–	–	234 868	–	234 868	234 868
Germany	–	–	–	–	323 098	–	323 098	323 098
Greece	–	–	–	–	19 417	–	19 417	19 417
Hungary	–	–	–	–	10 929	–	10 929	10 929
India	39 090	–	–	39 090	44 247	–	44 247	83 337
Indonesia	–	–	–	–	28 809	–	28 809	28 809
Iran (Islamic Republic of)	135 599	–	–	135 599	21 116	–	21 116	156 715
Iraq	21 335	–	–	21 335	6 844	–	6 844	28 179
Ireland	–	–	–	–	19 683	19 683	–	–
Israel	7 757	–	–	7 757	25 996	–	25 996	33 753
Italy	85 165	–	–	85 165	175 450	–	175 450	260 615
Japan	–	–	–	–	454 353	–	454 353	454 353

<i>Party</i>	<i>Unpaid contributions for prior years as at 31 December 2019</i>	<i>Advance payments received in 2019</i>	<i>Collections in 2020 for prior years</i>	<i>Unpaid contributions for prior years as at 30 April 2020</i>	<i>Expected contributions for 2020</i>	<i>Collections in 2020 for 2020</i>	<i>Unpaid 2020 contributions as at 30 April 2020</i>	<i>Total unpaid contributions as at 30 April 2020</i>
Kazakhstan	20 679	–	–	20 679	9 443	–	9 443	30 122
Kuwait	15 116	–	15 116	–	13 370	13 370	–	–
Libya	63 830	–	–	63 830	–	–	–	63 830
Malaysia	–	–	–	–	18 092	–	18 092	18 092
Mexico	–	–	–	–	68 546	–	68 546	68 546
Netherlands	–	–	–	–	71 941	71 941	–	–
New Zealand	–	–	–	–	15 439	–	15 439	15 439
Nigeria	34 602	–	–	34 602	13 263	–	13 263	47 865
Norway	–	–	–	–	40 003	40 003	–	–
Oman	12 234	–	–	12 234	6 101	–	6 101	18 335
Pakistan	–	–	–	–	6 101	–	6 101	6 101
Peru	23 510	–	4 563	18 947	8 063	–	8 063	27 010
Philippines	–	–	–	–	10 876	–	10 876	10 876
Poland	–	–	–	–	42 549	42 549	–	–
Portugal	42 441	–	42 441	–	18 569	–	18 569	18 569
Qatar	29 125	–	–	29 125	14 962	–	14 962	44 087
Republic of Korea	16 683	–	–	16 683	120 274	–	120 274	136 957
Romania	–	–	–	–	10 504	–	10 504	10 504
Russian Federation	–	–	–	–	127 595	127 595	–	–
Saudi Arabia	117 406	–	60 783	56 623	62 179	–	62 179	118 802
Serbia	43 724	–	–	43 724	–	–	–	43 724
Singapore	–	–	–	–	25 731	–	25 731	25 731
Slovakia	–	–	–	–	8 117	–	8 117	8 117
South Africa	–	–	–	–	14 430	14 430	–	–
Spain	–	–	–	–	113 854	–	113 854	113 854
Sweden	–	–	–	–	48 067	48 067	–	–
Switzerland	–	–	–	–	61 065	61 065	–	–
Thailand	–	–	–	–	16 287	–	16 287	16 287
Turkey	–	–	–	–	72 736	–	72 736	72 736

<i>Party</i>	<i>Unpaid contributions for prior years as at 31 December 2019</i>	<i>Advance payments received in 2019</i>	<i>Collections in 2020 for prior years</i>	<i>Unpaid contributions for prior years as at 30 April 2020</i>	<i>Expected contributions for 2020</i>	<i>Collections in 2020 for 2020</i>	<i>Unpaid 2020 contributions as at 30 April 2020</i>	<i>Total unpaid contributions as at 30 April 2020</i>
Ukraine	5 463	–	–	5 463	–	–	–	5 463
United Arab Emirates	–	–	–	–	32 682	–	32 682	32 682
United Kingdom of Great Britain and Northern Ireland	–	242 297	–	–	242 297	–	–	–
United States of America	2 245 880	–	1 220 500	1 025 380	1 167 185	–	1 167 185	2 192 565
Venezuela (Bolivarian Republic of)	201 632	–	–	201 632	38 623	–	38 623	240 255
Total	3 678 140	258 797	1 343 403	2 334 737	5 322 308	885 363	4 178 148	6 512 885

Annex II

Trust funds for the Vienna Convention and the Montreal Protocol interim 2020 budget performance report as at 30 April 2020¹

(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>2020 approved budget</i>	<i>Expenditure as at 30 April 2020</i>	<i>2020 approved budget</i>	<i>Expenditure as at 30 April 2020</i>
1000	Employee salaries allowances and benefits	589 898	133 831	1 523 780	480 290
1200	Consultants	–	–	85 000	45 125
1300	Meeting costs				
1321	Conference services costs – Open-ended Working Group meeting	–	–	690 000	–
1322	Conference services costs – preparatory meetings and Meeting of the Parties	252 000	–	505 310	–
1323	Communication costs of Article 5 party assessment panel members and organization costs of panel meetings	–	–	55 000	11 227
1324	Conference services costs – Bureau meetings	20 000	–	25 000	–
1325	Conference services costs – meetings of the Implementation Committee	–	–	125 000	–
1327	Conference services costs – meeting of the Ozone Research Managers	20 000	14 614	–	–
1328	Promotional activities for the protection of the ozone layer	10 000	10 000	–	–
5401	Hospitality	15 000	–	25 000	–
	Subtotal: meeting costs	317 000	24 614	1 425 310	11 227
3300	Travel of Article 5 parties and experts				
3301	Travel of Article 5 parties – assessment panel meetings	–	–	350 000	37 357
3302	Travel of Article 5 parties – preparatory meetings and meetings of the parties	–	–	400 000	–
3303	Travel of Article 5 parties – Open-ended Working Group meetings	–	–	365 000	–
3304	Travel of Article 5 parties – Bureau meetings	20 000	655	15 000	–
3305	Travel of Article 5 parties – meetings of the Implementation Committee	–	–	65 000	–
3307	Travel of Article 5 parties – meeting of the Ozone Research Managers	160 000	41 827	–	–
	Subtotal: travel of Article 5 parties and experts	180 000	42 482	1 195 000	37 357

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>2020 approved budget</i>	<i>Expenditure as at 30 April 2020</i>	<i>2020 approved budget</i>	<i>Expenditure as at 30 April 2020</i>
1600	Travel on official business				
1601	Staff travel on official business	30 000	3 521	195 000	22 467
1602	Conference services staff travel on official business	–	–	15 000	11 187
	Subtotal: staff travel	30 000	3 521	210 000	33 654
4100–5300	Other operational costs: supplies and consumables				
4100	Expendable equipment	8 000	1 392	18 000	129
4200	Non-expendable equipment	10 000 ²	–	25 000	1 050
4300	Rental of premises	17 500	–	27 917	–
5100	Operation and maintenance of equipment	7 500	–	20 000	–
5200	Reporting costs	12 500	–	70 000	22 430
5300	Sundry	40 000	–	30 000	3 752
	Subtotal: other operational costs	95 500	1 392	190 917	27 361
5401	Public awareness and communication			80 000	59 169
	Total direct costs	1 212 398	205 840	4 710 007	694 183
	Programme support costs (13 per cent)	157 612	26 759	612 301	90 244
	Total direct and programme support costs	1 370 010	232 599	5 322 308	784 427
	Additional activities to be drawn down from the existing cash balance				
5407	Temporary Website Officer (P3)			150 000	44 889
	Temporary P-4 cost difference (Communications Officer)			29 200	–
	Vienna Convention anniversary			50 000	50 000
	Mobile app: data centre			40 000	35 890
	Contacts management system			45 000	–
	Blends tool			10 000	19 240
	Subtotal: additional activities			324 200	150 019

² Budget lines 4203 and 4205 are merged.

<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>2020 approved budget</i>	<i>Expenditure as at 30 April 2020</i>	<i>2020 approved budget</i>	<i>Expenditure as at 30 April 2020</i>
	Programme support costs (13%)			42 146	19 502
	Total additional activities and programme support costs			366 346	169 521
	Grand total	1 370 010	232 599	5 688 654	953 948
	Budget utilization rate		17%		17%