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Item 14 of the provisional agenda*

TRENDS IN THE BUDGETS OF THE CONVENTION AND ITS PROTOCOLS

Revised note by the Executive Secretary

I. INTRODUCTION

1. In decision [14/37](#), the Conference of the Parties adopted an integrated programme of work and budget for the Convention on Biological Diversity, the Cartagena Protocol on Biosafety and the Nagoya Protocol on Access and Benefit-sharing. Complementary decisions were adopted by the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol on Biosafety at its ninth meeting (decision [CP-9/16](#)), and the Conference of the Parties serving as the meeting of the Parties to the Nagoya Protocol on Access and Benefit-sharing at its third meeting (decision [NP-3/16](#)). The Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the two Protocols approved an integrated core budget of US\$ 18,948,900 for the year 2019 and US\$ 19,895,200 for the year 2020.

2. Given the delay in holding the fifteenth meeting of the Conference of the Parties to the Convention due to the global COVID-19 pandemic, the present document is issued to provide an update on the financial and administrative matters of the Secretariat for the period from January 2019 to 31 December 2020. Section II addresses the financial and budgetary matters for the biennium 2019-2020, and section III deals with general matters. Section IV considers the consequences of the postponement ongoing pandemic.

II. STATUS OF TRUST FUNDS UNDER THE CONVENTION AND ITS PROTOCOLS

A. Core budget of the Convention and Protocols

1. Income

3. In decision [14/37](#), the Conference of the Parties approved an integrated core budget of US\$ 18,948,900 for the year 2019 and US\$ 19,895,200 for the year 2020. After the deduction of savings from prior period and the contribution of the host country, the total assessed contributions for 2019 and 2020 amounted to US\$ 32,984,700. The assessed contributions of the new Parties to the Protocols in 2019 and 2020 (17 countries ratified the Nagoya Protocol and two countries became parties to the Cartagena protocol) amount to US\$ 94,000. Thus, the total assessment of contributions is US\$ 33,078,000, comprising US\$ 16,045,000 for 2019 and US\$ 17,033,700 for 2020. For the biennium 2019-2020, the Secretariat has received, as at 31 December 2020, contributions totalling US\$ 29,015,900.

4. As at 31 December 2020, the collection rate for 2019 is 91.26 per cent and for 2020 it is 84.38 per cent, giving an overall collection rate for the biennium of 87.72 per cent to date. The payments of assessed contributions for 2020 were slower than usual, which likely has various causes related to the COVID-19 pandemic.

* CBD/SBI/3/1.

Table 1
Overall status of assessed contributions for the biennium 2019-2020
(Thousands of United States dollars)

<i>Funding source</i>	<i>Resources 2019-2020</i>
Approved budget	38 844.1
Host country	-2 652.8
Savings from prior year	-3 206.6
Additional Parties to the Convention	94
Total assessment	33 078.0
Amount received as of 31 December 2020	29,015.9
Unpaid balance	4,062.8
Collection rate	87.72%

5. Arrears of contributions for 2018 and prior years amount to US\$ 3,144,924, which represents 43.63 per cent of the total unpaid contributions as at 31 December 2020. In addition, there are Parties that have never paid their contributions: 7 Parties to the Convention, 13 Parties to the Cartagena Protocol and 28 Parties to the Nagoya Protocol.

Table 2
Assessed contributions - Status as at 31 December 2020
(United States dollars)

	Convention	Cartagena Protocol	Nagoya Protocol
Unpaid 2019-2020 contributions	2 873 517	672 658	516 670
Unpaid prior years' contributions	2 255 074	609 882	279 969
Total	5 128 590	1 282 539	796 639

6. In decision 14/37, the Conference of the Parties urged Parties that had still not paid their contributions to the core budgets for 2017 and prior years to do so without delay or conditionalities. The Executive Secretary will take follow-up action together with the United Nations Environment Programme and the President of the Conference of the Parties, in line with paragraphs 25 to 31 of the decision.

7. The tables of assessed contributions to the core budgets for the Convention and Protocols can be found on the Secretariat's website.¹

8. In addition to the assessed contributions, the Secretariat received in 2020 a generous contribution of CAD 750,000 from the Government of Canada to renovate the Secretariat's conference rooms with a view to facilitating the virtual meetings and thus reduce the environmental impact of the operations of the Secretariat. The renovation works are expected to be finalized by the end of 2021.

2. Expenditure

9. From January 2019 to December 2020, a total amount of US\$ 30.8 million was spent (see table 3). This amount does not include the costs for the fifteenth meeting of the Conference of the Parties and the third meeting of the Open-ended Working Group on the Post-2020 Global Biodiversity Framework, which are postponed to 2021. However, it comprises some of the costs for the twenty-fourth meeting of the Subsidiary Body on Scientific, Technical and Technological Advice and the third meeting of the Subsidiary

¹ <https://www.cbd.int/information/adm-fin/>

Body on Implementation, including additional costs that the Secretariat incurred for the special virtual sessions held in September and December 2020 in connection with the meetings of the two subsidiary bodies. The budgetary provision for meetings of US\$ 3,688,000, as approved by the Conference of the Parties at its fourteenth meeting, is expected to be overspent by the end of 2021 since these costs were not anticipated at the time. As a result, in decision EM-2/1, the Conference of the Parties approved an additional amount of \$271,800 to cover for the costs of special virtual sessions which would be held in 2021.² In addition, the Secretariat issued a call for funds in December 2020 with a view to collecting voluntary funds to finance the informal sessions in preparation for the meetings of the two subsidiary bodies.

10. Due to the COVID-19 pandemic and the restrictions on travel worldwide in 2020, the budget for staff travel, Bureau meetings and expert meetings were not fully utilized. Several meetings of the Bureau of the Conference of the Parties were held virtually, as were (a) the seventeenth meeting of the Compliance Committee under the Cartagena Protocol on Biosafety, (b) the fourteenth meeting of the Liaison Group on the Cartagena Protocol on Biosafety, (c) the third meeting of the Compliance Committee under the Nagoya Protocol on Access and Benefit-sharing, (d) a meeting of the Informal Advisory Committee to the Clearing-House Mechanism and (e) the eleventh meeting of the Informal Advisory Committee on the Biosafety Clearing-House.

Table 3
Projected expenditures by object of expenditure in relation to the 2019-2020 approved integrated budget
(Thousands of United States dollars)

<i>Object of expenditure</i>	<i>Total approved budget</i>	<i>Total expenditure commitments (1 January 2019-31 December 2020)</i>	<i>Variance</i>
A. Staff costs	23 080.5	19 600.0	3 480.5
B. Bureau meetings	365.0	200.0	165.0
C. Travel on official business	800.0	547	253
D. Consultants/subcontractors	100.0	100.0	-
E. Public awareness material/-communications	100.0	103.6	(3.6)
F. Temporary assistance/overtime	200.0	200.0	0.0
G. Training	10.0	5.0	5.0
H. Translation of CHM website/website projects	130.0	83.0	47.0
I. Meetings	3 688.0	1 100.0	2 588.0
J. Expert meetings	320.0	150.7	169.3
K. Extraordinary meetings on post-2020	1 310.0	1 100.0	210.0
L. Rent and associated costs	2 652.9	2 666	(13.1)
M. General operating expenses	1 453.2	1 453.2	0.0
Sub-total (I)	34 209.6	27 308.5	6 901.1
II. Programme support costs (13%)	4 447.2	3 550.1	897.1
Sub-Total (I + II)	38 656.8	30 858.6	7 798.2
III. Working capital reserve	187.3	187.3	
Grand-Total (I + II + III)	38 844.1	31 045.9	7 798.2

² See [CBD/ExCOP/2/3](#), table 2a.

B. Special Voluntary Trust Fund (BE) in Support of Approved Activities for the period 2019-2020

11. The Conference of the Parties and the Conference of the Parties serving as the meetings of the Parties to the Protocols acknowledge funding estimates of US\$ 23,291,600 for the Trust Fund for Additional Voluntary Contributions in Support of Approved Activities under the Convention and its Protocols for the period 2019-2020.

12. As at 31 December 2020, contributions amounting to US\$ 8,005,374 have been received for the BE Trust Fund. The activities with the largest voluntary contributions are listed in Table 4 below.

Table 4
Special Voluntary Trust Fund (BE) in Support of Approved Activities for the period 2019-2020
(United States dollars)

Funded activities	Amount
Regional Consultation on the Post-2020 Global Biodiversity Framework	863 000
Post-2020 global biodiversity framework related activities	1 957 000
Fifth edition of the <i>Global Biodiversity Outlook</i>	255 325
Protected areas strategy and Aichi Biodiversity Target 11	399 450
Marine and related topics	590 000
Bio-Bridge Initiative	994 670
Ecosystem restoration	776 122
Digital sequence information	570 331
Other activities	1 192 637
Total	7 598 535

C. General Trust Fund (VB) for Voluntary Contributions to Facilitate the Participation of Indigenous Peoples and Local Communities (VB) for the period 2019-2020

13. The Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Protocols acknowledge funding estimates of US\$ 565,000 for the General Trust Fund (VB) for Voluntary Contributions to Facilitate the Participation of Indigenous Peoples and Local Communities.

14. To date, the Secretariat has received contributions totalling US\$ 412,533 that facilitated the travel of 44 participants from indigenous peoples and local communities to attend the first and second meetings of the Open-ended Working Group on the Post-2020 Global Biodiversity Framework, the twenty-third meeting of the Subsidiary Body on Scientific, Technical and Technological Advice and the eleventh meeting of the Ad Hoc Open-ended Working Group on Article 8(j) and Related Provisions of the Convention on Biological Diversity.

D. Special Voluntary Trust Fund for Facilitating the Participation of Parties in the Process of the Convention (BZ) for the period 2019-2020

15. The Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Protocols acknowledge funding estimates of US\$ 3,842,000 for the Special Voluntary Trust Fund (BZ) for Facilitating the Participation of Parties in the Process of the Convention. As of August 2020, contributions totalling US\$ 2,015,353 have been received and the Secretariat was able to finance the participation of 240 delegates from developing countries to attend the first and second meeting of the Open-ended Working Group on the Post-2020 Global Biodiversity Framework, the twenty-third meeting of the Subsidiary Body on Scientific, Technical and Technological Advice and the eleventh meeting of the Ad Hoc Open-ended Working Group on Article 8(j) and Related Provisions of the Convention on Biological Diversity. Pursuant to the procedure for allocation of funding from the BZ Trust Fund adopted by the

Conference of the Parties at its ninth meeting (decision IX/34, para. 31), the funding was allocated with priority to the least developed countries and the small island developing States.

16. The contributions received in 2019-2020 were not sufficient to facilitate the participation of all eligible Parties in any of the four above-mentioned meetings. In addition, a brief analysis of the funding from the BZ Trust Fund in 2019 and 2020 shows that the least developed countries and the small island developing States are the most dependent on the funding provided by the Secretariat. Similar trend was also observed during the period from 2009 to 2016 as reported by the Executive Secretary to the Subsidiary Body at its second session (see [CBD/SBI/2/18](#)).

17. Pursuant to decision 14/37, paragraph 37, the Secretariat will review the structure and rules of the BZ Trust Fund in view of its revision and will develop a proposal for adoption by the Conference of the Parties at its fifteenth meeting.

III. OTHER ADMINISTRATIVE AND BUDGETARY MATTERS

A. Rent and associated costs

18. Further to paragraph 9 of decision 14/37, the Secretariat has renewed the grant arrangements with the Government of Canada and the Province of Quebec for the rent and associated costs of the office space in Montreal. The arrangements cover the period from 1 October 2019 to 30 September 2029. Subsequently, the Secretariat renewed its lease agreement for a period of 10 years effective 1 October 2019.

B. Financial information

19. In its decision 14/37, paragraph 21, the Conference of the Parties requested the Executive Secretary, as a means to further enhance efforts to foster transparency and accountability, to publish up-to-date information relevant to the governance of the Convention. In response to this decision, the Secretariat has developed a section on the website of the Convention dedicated to administrative and financial information.³ Such information as the status of assessed contributions and voluntary contributions, the Secretariat financial statements and audit reports are available in this section.

C. Audit of the Secretariat

20. As requested by the Conference of the Parties in its decision 14/37, paragraph 22, the United Nations Office of Internal Oversight Services (OIOS) conducted an audit of the operations of the Secretariat in June and July 2019. The audit covered the period from January 2016 to May 2019 and focused on the following four areas: (a) strategic management; (b) financial management; (c) human resources management; and (d) performance management. The final report was issued on 31 October 2019 and is available on the website of the Convention.³ As of 31 December 2020, the Secretariat has already implemented five audit recommendations which were accepted by OIOS, and seven others, two of which are addressed to the United Nations Environment Programme, are in progress and are expected to be completed in 2021.

21. Further to paragraph 22 of decision 14/37, the United Nations Board of Auditors, as part of their audit of UNEP, reviewed the operations of the Secretariat from 13 January to 5 February 2020. The scope of the audit included a review of the mandate structure and functions of the Secretariat of the Convention, such as the regulatory framework and the delegation of authority, the programme of work and programmatic areas, as well as fund management and the use of consultants and individual contractors. The findings and recommendations of the Board are contained in its financial report and audited financial statement of UNEP for the year 2019. This report is available on the CBD website.³ The implementation of the recommendations of the Board is in progress.

³ <https://www.cbd.int/information/adm-fin/>

D. Result-based budget

22. In response to decision 14/37 and to the audit recommendations, the Secretariat has set up an internal task force to develop, with the assistance of UNEP, a results-based framework for the programme of work of the Secretariat. The Secretariat will finalize the framework in 2021 and will submit a results-based workplan and budget for consideration by the Conference of the Parties at its fifteenth meeting.

E. Staffing

23. At its fourteenth meeting, in decision 14/37, paragraph 11, the Conference of the Parties approved a staffing table of 49 Professional posts and 29 General Service posts under the integrated core budget for the Convention and its Protocols. There are currently eight vacant Professional posts and two General Service posts, and recruitment is in process.

24. In addition to the posts funded under the core budgets, there are 19 posts (4 Professional and 15 General Service) in the Administration, Finance and Conference Services Division which are funded from UNEP Overhead Trust Fund, 5 posts from the Japan Biodiversity Fund (3 Professional and 2 General Service), 3 posts financed by the European Union (3 Professional), 1 liaison officer position provided by the Government of China and 2 posts funded by the Republic of Korea (1 Professional and 1 General Service) through the Bio-bridge Initiative project. Japan has also seconded one Junior Professional Officer (JPO) to assist the Secretariat in the implementation of its programme of work.

25. Also, the Secretariat has used the services of 44 individual contractors, mainly funded from voluntary contributions, as additional resources to implement the programme of work and to manage short-term staffing needs.

F. Cooperation with other United Nations entities

26. Further to the request of the Conference of the Parties in its decision 14/37, paragraph 8, and in view of streamlining its procurement process and service delivery, the Secretariat has renewed the Memorandum of Understanding that it signed in 2007 with the International Civil Aviation Organization (ICAO), the United Nations lead agency in Montreal. The revised Memorandum of Understanding, signed in March 2020, covers areas related to conference services, language services, publications and printing. The cooperation with ICAO enabled the Secretariat to secure adequate services at a cost-effective rate and in accordance with the United Nations standards.

27. The Secretariat continues to maintain joint liaison arrangements with the United Nations Convention to Combat Desertification (UNCCD) at United Nations Headquarters in New York through the financial support of 50 per cent of the cost of one P-4 and one General Service staff member as well as 30 per cent of the office expenses of the liaison office. The liaison office has continued to play an extremely valuable role in the past two years, especially with regard to follow-up on a mandate emanating from the fourteenth meeting of the Conference of the Parties by which the General Assembly was requested to convene, at its seventy-fifth session, a Summit on Biodiversity at the highest level to create support and awareness for the post-2020 global biodiversity framework. The liaison office has also been playing a crucial role in advancing the agenda of the Convention and enhancing awareness about biodiversity by tracking developments and participating in key United Nations processes, particularly in the Economic and Social Council and the High-level Political Forum. It also prepares the annual report of the Executive Secretary to the General Assembly and services the intergovernmental negotiations surrounding the annual resolution on the implementation of the Convention adopted by the Assembly.

IV. RESPONSE TO COVID-19 AND PREPARATION OF THE BUDGET FOR 2021-2022

28. In response to the COVID-19 pandemic and in accordance with the requirements imposed by the Government of Canada and the Province of Quebec, the Secretariat staff has been telecommuting since 16 March 2020. The Secretariat has since been operating under the guidance of the Crisis Management Team (CMT) of ICAO in its role as the United Nations lead agency in Montreal.

29. The situation surrounding COVID-19 has highlighted the need to upgrade and renovate the existing office space to comply with the health and social distancing requirements imposed by the local authorities. Preparatory tasks related to the clean-up of the office space and the write-off and disposal of obsolete equipment have been completed. At present, detailed architectural drawings and construction documents are under preparation. Requirements for audiovisual equipment and layout for the four conference rooms have been finalized and the overall scope of work of the rest of the renovation is almost finalized. The pandemic has also shown the need to upgrade the Secretariat's information technology infrastructure and equipment in order to allow the continued operations of the Convention. With the assistance of United Nations Headquarters, the Secretariat is assessing its existing network infrastructure and systems with a view to upgrading its digital capabilities and in order to be able to meet the increasing demand for virtual meetings. Furthermore, the Secretariat has embarked on the digitization of administrative documents to enable easy access and reduce the costs of printing and paperwork.

30. Following the postponement of the fifteenth meeting of the Conference of the Parties and the concurrent meetings of the Parties to the Protocols resulting from the restrictions on travel and on the holding of large gatherings in most parts of the world, it has become necessary to find alternative arrangements to allow the continued operations of the Convention beyond 31 December 2020. The present document should be read in conjunction with the note by the Executive Secretary on the proposed interim budget for 2021 ([CBD/ExCOP/2/2](#)).

31. The Secretariat will prepare a full budget proposal for the biennium 2021-2022 for the consideration of the Conference of the Parties at its fifteenth meeting. In view of the delay in holding the fifteenth meeting of the Conference of the Parties and the possible implications for the timing of subsequent meetings of the Conference of the Parties, the Secretariat will also prepare a proposal for the period 2021-2023.
