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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Sixty-eighth Meeting
Montreal, Canada, 3-7 December 2012

**REVISED 2012, 2013 AND 2014 AND PROPOSED 2015 BUDGETS OF THE FUND
SECRETARIAT**

1. This document contains a revision of the 2012 budget to reflect transfers between budget lines in 2012 and the carryover of unspent balances from 2011 to 2012 to cover the additional costs resulting from having the meeting in Bangkok as opposed to Montreal.
2. It introduces the operational costs of the Secretariat for the year 2013 with an additional request for funds under the travel for network meetings line.
3. The document also proposes 2015 budget to cover staff costs in 2015.

Revised 2012 budget

Cost differentials of having the meeting in Bangkok

4. At the 66th meeting the Chief Officer informed the Executive Committee that the 67th meeting of the Executive Committee could be held in Bangkok from 16 to 20 July, during the week preceding the Thirty second meeting of the Open-ended Working Group. By decision 66/56(a) the Executive committee decided to hold its 67th meeting in Bangkok from 16 to 20 July 2012. No additional funds were requested by the Secretariat to cover the cost differentials of having the meeting in Bangkok as opposed to having it in Montreal on the basis that the Secretariat would make every effort to cover additional expenses related to staff travel and conference services costs from the Secretariat unspent balances and revert to the Committee with a request to cover the overrun if needed.
5. Based on the latest invoices from UNESCAP and UNON, and actual staff travel costs to the meeting in Bangkok, the cost differential of having the meeting in Bangkok as opposed to having it in Montreal amounts to US \$179,576 as shown in Table 1.

* Re-issued for technical reasons

Pre-session documents of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol are without prejudice to any decision that the Executive Committee might take following issuance of the document.

Table 1: Breakdown of cost differentials of the 68th meeting in Bangkok

	USD
Interpreters	\$48,506
Report writers	\$14,956
Rent of premises	\$3,026
Rental of equipment	-\$13,556
Translations	0
Miscellaneous	\$6,046
Participants	-\$19,110
Staff travel	\$139,708
Total	\$179,576

(a) Unspent balance from 2011

6. The Secretariat conducted a review of its 2011 obligations that are unlikely to be claimed in the future and came up with an amount of US \$10,000 that can be utilised to cover part of the cost differentials. Also, 2011 savings of US \$45,908 from budget lines 1601 and 3302 were carried over to 2012 to cover the meeting costs in Bangkok as shown in Table 2.

Table 2: 2011 Carry over to 2012

From BL	USD	Into BL	USD
2011-MFL-1601	(28,448)	2012-MFL-1601	28,448
2011-MFL-3302	(17,460)	2012-MFL-3302	17,460
Total re-phase from 2011 to 2012	(45,908)		45,908
2011-MFL savings	(10,000)	2012-MFL	10,000
Total from 2011	(55,908)		55,908

(b) Anticipated savings in 2012

7. In addition, after reviewing the Secretariat's 2012 actual expenditures up to September 2012 and projecting expenditures through December 2012 including participation to the Meeting of the Parties in Geneva and selected network meetings, some funds have been transferred from budget lines 4100, 5100, and 5300 into the travel and meeting lines to cover part of the overruns resulting from having the meeting in Bangkok as shown in Table 3.

Table 3: 2012 Anticipated savings and transfer between lines

From BL	USD	Into BL	USD	
2012-MFL-4101	(7,000)	2012-MFL-1334	7,000	Transfer to EC67
2012-MFL-4102	(5,000)	2012-MFL-1334	5,000	Transfer to EC67
2012-MFL-5101	(4,000)	2012-MFL-1334	4,000	Transfer to EC67
2012-MFL-5102	(4,000)	2012-MFL-1334	4,000	Transfer to EC67

From BL	USD	Into BL	USD	
2012-MFL-5103	(7,500)	2012-MFL-1334	7,500	Transfer to EC67
2012-MFL-5104	(7,000)	2012-MFL-1334	7,000	Transfer to EC67
2012-MFL-5301	(7,500)	2012-MFL-1601	7,500	Transfer to Travel
2012-MFL-5302	(5,000)	2012-MFL-1601	5,000	Transfer to Travel
2012-MFL-5303	(8,000)	2012-MFL-1601	8,000	Transfer to Travel
Total	(55,000)		55,000	

8. Taking into account the unspent balance from 2011 (US \$55,908) and anticipated savings from 2012 (US \$55,000), a total of US \$110,908 can be covered from the Secretariat budget leaving an additional amount of US \$68,668 to be approved by the Executive Committee to cover the remainder of the cost differentials.

Staff costs

9. By decision 65/52(b) the Executive Committee decided to maintain the 3 per cent rate applied to the 2012, 2013 as well as 2014 budgets and to request the Secretariat to revisit the rate of 3 per cent in 2012 to further assess the most appropriate rate once all positions had been filled and occupied for at least two years.

10. Table 4 provides the estimated balances on staff costs in 2012. Since most of the vacant posts are filled in 2012, the actual expenditures through October 2012 have been used to assess the most appropriate rate of increase. Based on actual staff costs up to October 2012 and the projected costs through December 2012, the overall projected staff costs for the year 2012 show an estimated expenditure of US \$2,164,057 in the professional category and US \$717,231 in the general service category, leaving a contingency of US \$337,079 in the professional category and US \$255,742 in the general service category.

Table 4: US\$ staff allocation and savings in 2012

	Approved 2012 budget At 3% increase rate	Projected 2012 expenditures Based on approved 2012 budget at 3% increase rate	Projected 2012 balance Based on a 2012 budget calculated at 3% increase rate
Total staff allocation	3,474,109	2,881,288	592,821
Professional Staff balance/ Contingency	2,501,136	2,164,057	337,079
General Services Staff balance/Contingency	972,973	717,231	255,742

11. Based on the projected balance, it appears that, the 2012 staff cost approved at the 59th meeting at a three per cent inflation rate against 2011 staff cost levels (decision 59/52) is sufficient to cover the projected 2012 expenditures on staff cost. The Secretariat recommends therefore to maintain a three per cent increase rate in 2013, 2014 and 2015 till further notice.

12. The Secretariat budget reflects a change in title of post 1104 previously Senior Project Management Officer to Deputy Chief Officer on Financial and Economic Affairs to take into account the increased responsibilities of the post , but with no financial implications since the post was maintained at the P5 level given the present restrictions on budget increases.

Revised 2013 budget

13. The 2013 budget as contained in document UNEP/OzL.Pro/ExCom/68/50 has been revised to introduce the operational costs of the Secretariat at the same level as the level approved for 2012 with the exception of BL 1600 showing a proposed increase of US \$30,000 to enable a better representation of the Secretariat at network meetings.

14. The revised 2013 budget reflects staff costs for 2013 using the three per cent inflation rate applied in line with decision 62/67(d).

15. It contains a US \$500,000 allocation for the Treasurer fees for the Committee's consideration. The breakdown has been provided by the Treasurer in the 2010 accounts document UNEP/OzL.Pro/ExCom/65/56.

Approved 2014

16. The budget for 2014 contains staff costs only as already approved at the 65th meeting by decision 65/52(e).

Proposed 2015 budget

17. The proposed 2015 budget reflects only staff costs for 2015 to enable extension of staff contracts based on the approved 2014 staff costs and applies a three per cent inflation rate.

Action requested from the Executive Committee

18. The Executive Committee is invited:

- (a) To approve the revised 2012 budget totalling US \$6,988,442 which includes an additional amount of US \$68,668 to cover cost differentials of having the meeting in Bangkok instead of Montreal in 2012;
- (b) To approve the amount of US \$3,024,031 in the revised 2013 budget of the Fund Secretariat, as contained in Annex I to the present document, to cover the operational costs of the Secretariat and the 2013 personnel component cost resulting in a total of US \$7,067,547;
- (c) To note the amount of US \$4,164,821 for the salary component in 2014 already approved at the 65th meeting;
- (d) To approve the proposed 2015 personnel component costs of the budget totaling US \$4,287,391;
- (e) To note the Secretariat's feedback on the appropriate rate of increase for staff costs and maintain the three per cent rate applied to the 2013, 2014 as well as 2015 budgets;
- (f) To note the change in title of Post 1104 for the Senior Project Management Officer to Deputy Chief Officer on Financial and Economic Affairs.

REVISED 2012, 2013 AND PROPOSED 2015 BUDGETS OF THE FUND SECRETARIAT

		C	C	E	E	F	F
		Approved	Revised	Approved	Revised	Approved	Proposed
		2012	2012	2013	2013	2014	2015
10	PERSONNEL COMPONENT						
1100	Project Personnel (Title & Grade)						
01	Chief Officer (D2)	237,190	237,190	244,306	244,306	251,635	259,184
02	Deputy Chief Officer (D1)	234,078	234,078	241,100	241,100	248,333	255,783
03	Programme Management Officer (P3)	155,137	155,137	159,791	159,791	164,585	169,522
04	Deputy Chief Officer on Financial and Economic Affairs (P5)	211,527	211,527	217,873	217,873	224,409	231,142
05	Senior Project Management Officer (P5)	211,527	211,527	217,873	217,873	224,409	231,142
06	Senior Project Management Officer (P5)	211,527	211,527	217,873	217,873	224,409	231,142
07	Senior Project Management Officer (P5)	211,527	211,527	217,873	217,873	224,409	231,142
08	Information Management Officer (P3)	187,036	187,036	192,647	192,647	198,426	204,379
09	Senior Admin & Fund Management Officer (P5)*	189,785	189,785	195,478	195,478	201,342	207,383
10	Senior Monitoring and Evaluation Officer (P5)	211,527	211,527	217,873	217,873	224,409	231,142
11	Programme Management Officer (P3)	155,137	155,137	159,791	159,791	164,585	169,522
12	Associate IT Officer (Upgraded to P3)	130,000	130,000	133,900	133,900	137,917	142,055
13	Associate HR Officer (P2)	0	0	0	0	-	0
14	Programme Management Officer (P3)	155,137	155,137	159,791	159,791	164,585	169,522
1199	Sub-Total	2,501,136	2,501,136	2,576,170	2,576,170	2,653,455	2,733,059
1200	Consultants						
01	Projects and technical reviews etc	100,000	100,000	0	100,000	0	0
02	MC2 consultants			0		-	0
03	MYA Table access and development			0			0
04	Prior Year's Adjustments			0		-	0
1299	Sub-Total	100,000	100,000	-	100,000	-	-
1300	Administrative Support Personnel						
01	Admin Assistant (G7)	89,161	89,161	91,836	91,836	94,591	97,429
02	Meeting Services Assistant (G6)	84,366	84,366	86,897	86,897	89,504	92,189
03	Programme Assistant (G7)	89,161	89,161	91,836	91,836	94,591	97,429
04	Senior Secretary (G5)	66,045	66,045	68,027	68,027	70,067	72,169
05	Senior Secretary (G5)	66,045	66,045	68,027	68,027	70,067	72,169
06	Computer Operations Assistant (G7)	89,161	89,161	91,836	91,836	94,591	97,429
07	Programme Assistant (G5)	69,803	69,803	71,897	71,897	74,054	76,276
08	Secretary/Clerk, Administration (G6)	74,881	74,881	77,128	77,128	79,441	81,825
09	Registry Clerk (G4)	57,052	57,052	58,764	58,764	60,527	62,343
10	Database Assistant (G7)	89,161	89,161	91,836	91,836	94,591	97,429
11	Secretary, Monitoring & Evaluation (G5)	66,045	66,045	68,027	68,027	70,067	72,169
12	IMIS Assistant (G6)	0	0	0	0	-	0
13	Secretary (G5)	66,045	66,045	68,027	68,027	70,067	72,169
14	Programme Assistant (G5)	66,045	66,045	68,027	68,027	70,067	70,067
	Sub-Total	972,973	972,973	1,002,162	1,002,162	1,032,227	1,061,092
1330	Conference Servicing Cost						
1333	Meeting Services: ExCom Montreal	260,000	260,000	-	260,000	-	-
1334	Meeting Services: ExCom Montreal	260,000	328,668	-	260,000	-	-
1336	Meeting Services: ExCom Montreal	260,000	260,000	-	260,000	-	-
1335	Temporary assistance	43,782	43,782	-	43,782	-	-
	Sub-Total	823,782	892,450	-	823,782	-	-
1399	TOTAL ADMINISTRATIVE SUPPORT	1,796,755	1,865,423	1,002,162	1,825,944	1,032,227	1,061,092

* Difference in cost between P4 and P5 is to be charged to BL 2101

Note: Personnel costs under 1100 and 1300 will be offset by US \$599,514 based on 2011 actual cost differentials between staff cost in Montreal and staff cost in Nairobi.

		C	C	E	E	F	F
		Approved	Revised	Approved	Revised	Approved	Proposed
		2012	2012	2013	2013	2014	2015
50	MISCELLANEOUS COMPONENT						
5100	Operation and Maintenance of Equipment						
	01 Computers and printers, etc.(toners, colour printer)	8,100	8,100	-	8,100	-	-
	02 Maintenance of office premises	8,000	8,000	-	8,000	-	-
	03 Rental of photocopiers (office)	15,000	15,000	-	15,000	-	-
	04 Telecommunication equipment rental	8,000	8,000	-	8,000	-	-
	05 Network maintenance	10,000	10,000	-	10,000	-	-
5199	Sub-Total	49,100	49,100	-	49,100	-	-
5200	Reproduction Costs						
	01 Executive Committee meetings and reports to MOP	15,300	15,300	-	15,300	-	-
5299	Sub-Total	15,300	15,300	-	15,300	-	-
5300	Sundries						
	01 Communications	58,500	58,500	-	58,500	-	-
	02 Freight Charges	13,500	13,500	-	13,500	-	-
	03 Bank Charges	4,500	4,500	-	4,500	-	-
	05 Staff Training	20,137	20,137	-	20,137	-	-
5399	Sub-Total	96,637	96,637	-	96,637	-	-
5400	Hospitality & Entertainment						
	01 Hospitality costs	24,000	24,000	-	24,000	-	-
5499	Sub-Total	24,000	24,000	-	24,000	-	-
5999	COMPONENT TOTAL	185,037	185,037	-	185,037	-	-
GRAND TOTAL		6,468,140	6,536,808	3,578,332	6,602,363	3,685,682	3,794,151
	Programme Support Costs (13%)	451,634	451,634	465,183	465,183	479,139	493,240
COST TO MULTILATERAL FUND		6,919,774	6,988,442	4,043,516	7,067,547	4,164,821	4,287,391
	Previous budget schedule	6,919,774	6,919,774	4,043,516	4,043,516	4,164,821	-
	Increase/decrease	-	68,668	-	3,024,031	-	4,287,391

		C	C	E	E	F	F
		Approved	Revised	Approved	Revised	Approved	Proposed
		2012	2012	2013	2013	2014	2015
1600	Travel on official business						
	01 Mission Costs	208,000	208,000	-	208,000	-	-
	02 Network Meetings (4)	20,000	20,000	-	50,000	-	-
1699	Sub-Total	228,000	228,000	-	258,000	-	-
1999	COMPONENT TOTAL	4,625,891	4,694,559	3,578,332	4,760,114	3,685,682	3,794,151
20	CONTRACTUAL COMPONENT						
2100	Sub-contracts						
	01 Treasury services (Decision 59/51 (b))	500,000	500,000	-	500,000	-	-
2200	Subcontracts						
	01 Various Studies						
	02 Corporate contracts	-	-	-	-	-	-
2999	COMPONENT TOTAL	500,000	500,000	-	500,000	-	-
30	MEETING PARTICIPATION COMPONENT						
3300	Travel & DSA for Art 5 delegates to ExCom Meetings						
	01 Travel of Chairperson and Vice-Chairperson	15,000	15,000	-	15,000	-	-
	02 Executive Committee (3)	225,000	225,000	-	225,000	-	-
3999	COMPONENT TOTAL	240,000	240,000	-	240,000	-	-
40	EQUIPMENT COMPONENT						
4100	Expendables						
	01 Office Stationery	17,550	17,550	-	17,550	-	-
	02 Computer expendable (Software, accessories, hubs, switches, memory)	10,530	10,530	-	10,530	-	-
4199	Sub-Total	28,080	28,080	-	28,080	-	-
4200	Non-Expendable Equipment						
	01 Computers, printers	13,000	13,000	-	13,000	-	-
	02 Other expendable equipment (Shelves, Furnitures)	5,850	5,850	-	5,850	-	-
4299	Sub-Total	18,850	18,850	-	18,850	-	-
4300	Premises						
	01 Rental of office premises**	870,282	870,282	-	870,282	-	-
	Sub-Total	870,282	870,282	-	870,282	-	-
4999	COMPONENT TOTAL	917,212	917,212	-	917,212	-	-

**Based on 2011 cost differentials, the rental costs will be offset by US \$758,144 leaving an amount of US \$46,248 to be charged to the Fund