



UNITED
NATIONS



**Convention to Combat
Desertification**

Distr.
GENERAL

ICCD/COP(8)/2/Add.4
31 July 2007

ENGLISH ONLY

CONFERENCE OF THE PARTIES

Eighth session

Madrid, 3–14 September 2007

Item 6 of the provisional agenda

Programme and budget

Programme and budget

Note by the secretariat

Addendum

**Report on the performance of the Convention's trust funds
in the biennium 2006–2007**

Summary

1. This document reports on the performance of all the funds of the Convention for the biennium 2006–2007 as at 30 April 2007. For the General Fund for the core budget, projections for the remaining eight months of the biennium are provided, as well as an estimated total utilization for the entire biennium. The present document should be read in conjunction with the documents concerning the activities of the secretariat (ICCD/CRIC(6)/2), the proposed programme and budget for the biennium 2006–2007 (ICCD/COP(8)/2/Add.1 and Add.2), and the performance report of the Supplementary Fund (ICCD/COP(8)/2/Add.3).
2. The present document reports on the resources utilized, the activities carried out and the results achieved by each programme during the biennium. Parties may note that the nominal budget increases of 5 per cent for the 2004–2005 budget and 5 per cent for the 2006–2007 budget translated into significant decreases in the amount of available resources during each of these bienniums, mainly due to the impact of the depreciation of the United States dollar against the euro. This resulted in severe financial limitations that have affected the work of the secretariat.

3. The current expenditure projections through the end of the biennium indicate that the approved budget amounts will not be exceeded; however, a further sudden deterioration in the value of the United States dollar against the euro may cause the approved budget amounts to be exceeded.

4. As at 31 December 2006, the secretariat had a cumulative surplus from savings from operations of previous periods and interest income to the amount of USD 2,680,215. This includes contributions receivable in the amount of USD 2,234,464. The unaudited financial statements for the Convention's trust funds for the biennium 2006–2007 as at 31 December 2006 (ICCD/COP(8)/2/Add.5) provide more details on the accounts of the secretariat. The Conference of the Parties may therefore wish to grant approval to the Executive Secretary to utilize the anticipated savings mentioned above to offset any additional expenditures arising as a result of a further sudden decline of the value of the United States dollar versus the euro during the current biennium.

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I. Background information

A. Mandate

1. Rule 10 (d) of the rules of procedure of the Conference of the Parties (COP) (decision 1/COP.1) provides that the provisional agenda of each ordinary session of the COP shall include, as appropriate, the proposed budget as well as all questions pertaining to the accounts and financial arrangements. By its decision 23/COP.7, the COP requested the Executive Secretary to report to the COP at its eighth session on the status of the funds established under its financial rules.

B. Scope of the note

2. The present document reports on actual income and expenditures of all Convention funds for the biennium 2006–2007 as at 30 April 2007. For the General Fund for the core budget, the expenditures estimated to occur by 31 December 2007 are also presented. In addition to the performance level, the present document gives information on programme implementation and the results achieved.

3. The note is organized as follows:

(a) Chapter II contains information on budget performance for the period 2006–2007 for the four funds administered by the secretariat: the General Fund for the core budget (General Fund), the Supplementary Fund, the Special Fund for participation in the sessions of the COP and its subsidiary bodies (Special Fund); and the trust fund for the supplementary contribution to Convention activities by the host Government (Bonn Fund);

(b) Chapter III provides information on management of human resources;

(c) Chapter IV presents the status of the working capital reserve;

(d) Chapter V concludes this performance report and gives recommendations.

4. The present document should be read in conjunction with the documents concerning the activities of the secretariat (ICCD/CRIC(6)/2), the proposed programme and budget for the biennium 2007–2008 (ICCD/COP(8)/2/Add.1 and Add.2), and the 2006–2007 performance report for the Supplementary Fund (ICCD/COP(8)/2/Add.3).

II. Budget performance report

A. General Fund and Supplementary Fund activities

5. The approved budget for the biennium 2006–2007 represented a nominal increase of 5 per cent over the budget for the biennium 2004–2005. It was not adjusted to reflect the impacts of currency rate fluctuation, inflation or changes in the United Nations standard salary scales that had occurred since the previous budget biennium. The nominal increase translated into a significant decline of actual resources available, primarily due to the impact of the depreciation of the United States dollar against the secretariat's functional currency, the euro. The resulting

financial limitations were particularly severe in the light of the workload for the biennium: many decisions taken by COP at its seventh session set tasks that added to both the substantive and quantitative scope of the activities of the secretariat.

6. Out of the total approved budget for the secretariat for the biennium 2006–2007, 63.9 per cent is allocated for staff-related costs, compared to 85.6 per cent in the previous biennium. The unfavourable currency exchange fluctuations of the euro and the United States dollar since 2003 increased the relative share of staff costs that are mainly effected in euros, resulting in the need to freeze some key staff posts and limit the use of budgetary resources for travel and consultancies. Consequently, the secretariat has not been able to operate at its full capacity in the period 2006–2007. The estimated expenses required to maintain the current structure of the secretariat should approximate the approved budget for the biennium. However, a further, sudden deterioration of the United States dollar against the euro may cause the approved budget to be exceeded. Parties may therefore wish to authorize the Executive Secretary to utilize savings from previous bienniums to fund any such deficit.

1. Report on income

7. The status of contributions to the General Fund for the core budget and the Supplementary Fund is summarized in table 1.

Table 1. Summary of income in the biennium 2006–2007 as at 30 April 2007
(United States dollars)

Source	Approved budget and unpaid balance from prior years	Core budget received contributions as at 30 April 2007	%	Supplementary Fund contributions as at 30 April 2007
Balance of the General Fund brought forward ^a	1 807 265	1 586 867	87.80	
Assessed contributions from Parties	16 705 000	9 173 201	54.91	
Special contribution from Germany	1 196 000 ^{b/}	966 781	80.83	
Balance of Supplementary Fund brought forward				1 338 639
Voluntary contributions to the Supplementary Fund				5 417 003
Subtotal	19 708 265	11 726 850	59.50	6 755 642
Prior year savings on obligations and interest income ^b		231 492		606 237
Total	19 708 265	11 958 342		7 361 879

^a This balance includes the working capital reserve brought forward from 2004–2005.

^b EUR 1,022,584.

**Table 2. Analysis of contributions received to the General Fund
for the biennium 2006–2007 as at 30 April 2007**
(United States dollars)

	From prior years	2006	2007	Total
Approved core budget	-	8 290 000	8 415 000	16 705 000
Contributions receivable as at 31 December 2005	1 807 265	-	-	1 807 265
Subtotal	1 807 265	8 290 000	8 415 000	18 512 265
Contributions received as at 30 April 2007	1 586 867	6 435 779	2 737 422	10 760 069
Percentage	88	78	33	58
Outstanding contributions as at 30 April 2007	220 398	1 854 221	5 677 578	7 752 196
Percentage	12	22	67	42

8. As at 30 April 2007, 113 Parties had fully paid their 2006 contributions and 45 Parties had fully paid their 2007 contributions. Received contributions represent 58 per cent of the approved budget and outstanding contributions from prior periods. Assessed contributions amounting to USD 7,752,196 and representing 42 per cent of the total contributions receivable in the biennium were outstanding. The Executive Secretary has continued to send out reminder letters inviting all Parties which have not yet paid their contributions in full to do so without further delay. In addition the secretariat posts reports on the outstanding contributions in its website, which is updated on a monthly basis.

9. Parties may note that USD 1,000,131, representing 14 per cent of the total outstanding contributions as at 30 April 2007, are from the prior bienniums. Although the Executive Secretary has made every effort to collect these outstanding contributions, there are indications that some of these amounts may remain unpaid. Consequently, the Executive Secretary invites Parties to review and advise on possible action(s) to be taken.

10. An updated status of contributions to the Convention's trust funds as at 31 July 2007 is reported in document ICCD/COP(8)/2/Add.10.

11. In addition to the approved assessed contributions from Parties, a special contribution of USD 1,196,000 has been received from the host country, Germany, to the General Fund for the core budget of the Convention. This contribution is shown in table 1.

2. Report on expenditures

12. Tables 3 and 4 summarize actual expenditures under the General and Supplementary Funds as at 30 April 2007 and total estimated expenditures for the year 2007, by programme and by object of expenditure. Total estimated expenditure for the biennium is presented for the General Fund.

Table 3. Summary of expenditures in the biennium 2006–2007 by programme
(United States dollars)

Programme	Approved 2006-2007 budget	Actual expenditures as at 30 Apr. 2007	% of the approved budget	Estimated expenditures to 31 Dec. 2007	Total estimated expenditures as at 31 Dec. 2007	%	Supplementary Fund as at 30 Apr. 2007
Executive Management and Policy	1 788 000	1 224 284	68.5	514 563	1 738 847	97.3	143 597
COPSUBLA	1 150 800	769 591	66.9	360 394	1 129 984	98.2	846 589
Science and Technology	759 000	453 761	59.8	219 220	672 981	88.7	64 716
Facilitation of Implementation	4 439 500	2 869 242	64.6	1 392 077	4 261 319	96	2 304 807
External Relations and Public Information	1 274 000	762 011	59.8	373 584	1 135 595	89.1	1 579 988
Administrative Services	2 533 700	1 369 102	54.0	521 853	1 890 955	74.6	-
Global Mechanism	3 886 000	2 430 583	62.5	1 455 417	3 886 000	100.0	-
Subtotal	15 831 000	9 878 572	62.4	4 837 108	14 715 681	93.0	4 939 697
Programme support costs ^a	2 058 000	1 284 214	62.4	628 786	1 913 000	93.0	639 397
Total	17 889 000	11 162 787	62.4	5 465 894	16 628 681	93.0	5 579 094
Capital reserve	12 000	46 000	383.3		46 000		426 700
Less: contribution from the host Government	1 196 000	966 781	80.8		966 781		-
Grand total	16 705 000	10 242 006	61.3	5 465 894	15 707 900	94.0	6 005 795

^a In accordance with United Nations guidelines ST/SGB/188, paragraph 47, a 13 per cent programme support factor has been applied to expenditures on all the funds except where exemptions have been authorized by the United Nations Controller.

Table 4. Summary of expenditures in the biennium 2006–2007 by object of expenditure
(United States dollars)

Object of expenditure	Approved 2006-2007 budget	Actual	% of approved budget	Estimated	Total	%	Supplementary Fund as at 30 Apr. 2007
		expenditures as at 30 Apr. 2007		expenditures to 31 Dec. 2007	estimated expenditures as at 31 Dec. 2007		
Staff costs	7 986 500	5 104 568	63.9	2 512 796	7 617 363	95.4	682 691
General temporary assistance	448 100	310 579	69.3	124 707	435 285	97.1	722 473
Temporary assistance – meetings	92 800	54 064	58.3	27 032	81 096	87.4	70 840
Consultants and experts	364 200	250 366	68.7	113 328	363 694	99.9	942 583
Other personnel-related costs	95 300	68 941	72.3	22 313	91 254	95.8	-
Compensation entitlements: non United Nations	-	-	0.0	-	-	0.0	22 370
Travel of participants and representatives	-	-	0.0	-	-	0.0	316 215
Staff travel	979 900	680 841	69.5	212 794	893 635	91.2	507 228
External printing	-	-	0.0	-	-	0.0	49 229
Training	200 000	14 223	7.1	7 111	21 334	10.7	110
Contractual services	84 200	31 111	36.9	15 556	46 667	55.4	295 420
Hospitality	-	-	0.0	-	-	0.0	12 344
Premises: rental and maintenance	224 000	112 553	50.2	56 277	168 830	75.4	38 389
Data processing and office automation	40 000	-	0.0	-	-	0.0	-
General operating expenses	180 000	69 624	38.7	34 812	104 436	58.0	35 284
Communications	330 000	149 998	45.5	74 999	224 996	68.2	25 158
Supplies, materials and equipment	220 000	54 060	24.6	27 030	81 090	36.9	5 855
Grants and contributions	-	-	0.0	-	-	0.0	1 213 508
Other expenditures	700 000	547 063	78.2	152 937	700 000	100.0	-
Contribution to the Global Mechanism	3 886 000	2 430 583	62.5	1 455 417	3 886 000	100.0	-
Subtotal	15 831 000	9 878 572	62.4	4 837 108	14 715 681	93.0	4 939 697
Programme support costs	2 058 000	1 284 214	62.4	628 786	1 913 000	93.0	639 397
Total	17 889 000	11 162 787	62.4	5 465 894	16 628 681	93.0	5 579 094
Capital reserve ^a	12 000	46 000	383.3		46 000	383.3	426 700
Less: Contribution from the host Government	1 196 000	966 781	80.8		966 781	80.8	
Grand total	16 705 000	10 242 006	61.3	5 465 894	15 707 900	94.0	6 005 795

^a At its sixth session, the COP reaffirmed that the working capital reserve maintained within the General Fund shall be set at a level of 8.3 per cent of core budget expenditures, including overhead charges. It is anticipated that at the end of the year 2007 the working capital reserve will be USD 747,000 including the balance brought forward from 2006. For the Supplementary Fund, the operating reserve balance brought forward from 2006 was USD 410,164.

3. Performance by programme

13. While considering the performance of each programme, the Parties may note that most functions of the secretariat involve staff and resources from more than one programme. In the following sections, the secretariat's functions are presented under those programmes that have the principal responsibility in carrying out the activities in question.

Executive Management and Policy

Table 5. Expenditures in the biennium 2006–2007 for Executive Management and Policy
(United States dollars)

Object of expenditure	Actual		% of approved budget	Estimated expenditures to 31 Dec. 2007	Total estimated expenditures as at 31 Dec. 2007		Supplementary Fund as at 30 Apr. 2007
	Approved 2006-2007 budget	expenditures as at 30 Apr. 2007			%		
Staff costs (1 ASG, 1 D-1, 1 P-4, 3 GS)	1 490 000	967 745	64.9	483 873	1 451 618	97.4	-
Consultants and experts	18 500	17 994	97.3		17 994	97.3	24 827
Travel of participants and representatives	-	-	0.0	-	-	0.0	1 339
Staff travel	264 500	235 388	89.0	29 112	264 500	100.0	117 431
General operating expenses	15 000	3 157	21.0	1 578	4 735	31.6	-
Total	1 788 000	1 224 284	68.5	514 563	1 738 847	97.3	143 597

14. The Executive Management and Policy (EDM) programme bears the organizational responsibility for the management of the secretariat and its responsiveness to the tasks assigned by the Convention and the COP.

15. During the biennium 2006–2007, EDM has provided advice to the bodies of the Convention on the basis of the Convention's provisions and the decisions of the COP. It has serviced the Intergovernmental Intersessional Working Group to develop the ten-year strategy for the UNCCD, and disseminated periodic information on the work of the group to Parties and other relevant stakeholders.

16. EDM has directed the policy orientation of the secretariat with the aim of ensuring that the activities carried out serve the Parties in an optimal manner and respond to the requests of the COP. In the light of the budgetary limitations, EDM has introduced management tools and cost-saving measures for the effective functioning of the secretariat, and intensified its efforts to mobilize supplementary funding.

17. With regard to policy advocacy and awareness-raising, EDM has represented the Convention at the highest level in various intergovernmental and regional conferences and meetings, as well as in bilateral contacts with affected country Parties and donor partners. It has coordinated the representation of the secretariat in other forums and meetings.

18. EDM has also analysed and prepared responses to emerging policy issues relevant to the Convention.

19. The outcome of the work of EDM in the biennium 2006–2007 can be summarized as follows:

(a) The secretariat has fulfilled its tasks despite the budgetary limitations, although the year 2007 in particular has been highly demanding in the light of the organization of two major events, the fifth session of the Committee for the Review of the Implementation of the Convention (CRIC 5) and COP 8, in the same year;

(b) The potential of combating desertification in eradicating poverty and meeting the Millennium Development Goals (MDGs) has been noted in the declarations and decisions of various international and regional processes, and this has paved the way for strengthened support to and broader involvement in the Convention process;

(c) The secretariat has developed its knowledge of and responsiveness to various emerging policy issues.

Substantive support to the COP and its subsidiary bodies, legal advice and global issues (COPSUBLA)

Table 6. Expenditures in the biennium 2006–2007 for COPSUBLA
(United States dollars)

Object of expenditure	Actual		% of approved budget	Estimated		Supplementary Fund as at 30 Apr. 2007	
	Approved 2006-2007 budget	expenditures as at 30 Apr. 2007		expenditures to 31 Dec. 2007	Total estimated expenditures as at 31 Dec. 2007		
Staff costs (1 P-5, 1 P-3, 1 GS)	768 700	506 535	65.9	253 267	759 802	98.8	512 469
Temporary assistance-meetings	92 800	54 064	58.3	27 032	81 096	87.4	-
Consultants and experts	113 300	65 771	58.1	47 529	113 300	100.0	11 292
Other personnel-related costs	4 000	2 524	63.1	1 262	3 786	94.7	-
Staff travel	172 000	140 697	81.8	31 303	172 000	100.0	72 926
Grants and contributions	-	-	0.0	-	-	0.0	249 902
Total	1 150 800	769 591	66.9	360 394	1 129 984	98.2	846 589

20. The COPSUBLA programme primarily provides substantive support and legal advice to the COP, its subsidiary bodies and policymaking organs.

21. Activities relating to global issues, namely promoting the implementation of synergies between the Rio conventions, focusing on policy advocacy, information exchange and institutional liaison and coordination, as well as networking among institutions and developing new tools for implementation, were mainly funded through voluntary contributions and are reported in various documents before COP 8.

22. During the biennium 2006–2007, the main activities undertaken by the COPSUBLA programme under the core budget were the preparation for, and service of, CRIC 5 and COP 8. Additionally, substantive support was provided to the work and the meetings of the Ad Hoc Working Group on improving the procedure of communication of information (AHWG). Information on the latter is provided in document ICCD/CRIC(6)/6 and Add.1.

23. CRIC 5 took place from 12 to 21 March 2007 in Buenos Aires, Argentina. It considered reports on implementation of the Convention submitted by affected country Parties from regions other than Africa, as well as reports by developed country Parties, information provided by relevant organs, funds and programmes of the United Nations system, and other intergovernmental organizations (IGOs) and non-governmental organizations (NGOs), on their activities in support of the preparation and implementation of national action programmes (NAPs). Information on support provided to the fifth session of the CRIC and its deliberations is contained in document ICCD/CRIC(6)/2.

24. At the time of the preparation of this document, preparations for COP 8 were under way. The eighth session of the Committee on Science and Technology (CST) and the sixth session of the CRIC are scheduled during the first week of COP 8, and a two-day special segment with high-level participation is scheduled during the second week. Information relating to the documentation process, consultations with the Government of Spain, and the services and facilities planned for COP 8 is provided in document ICCD/CRIC(6)/2.

25. The holding of two major official sessions of Convention bodies (CRIC 5 and COP 8) in the same year and with only a short period of time between the two sessions has overstretched the limited capacity of the programme. In this respect, additional expertise and external assistance were required to comply with the obligation for reporting and ensuring the standard quality required for official meetings of the United Nations, including through making use of available extrabudgetary funding.

26. The COPSUBLA programme has prepared for, and monitored, the follow-up to decisions adopted at COP 7 and provided advice on issues relating to the obligations of Parties and observers and the work of the secretariat, as they relate to the decision taken by the COP. It has prepared legal analyses and reports on various matters, including arbitration and conciliation procedures, and provided advice on the interpretation and application of the Convention and the rules of procedure of the COP.

27. Within its scope and its mandate, the COPSUBLA programme has also facilitated the process of acquiring, compiling and analysing views from Parties and stakeholders on the review

of the terms of reference, operations and schedule of meetings of the CRIC in accordance with decisions 1/COP.5 and 7/COP.7, and prepared the required documentation for the COP.

28. In collaboration with the Science and Technology programme and the other relevant programmes of the secretariat, the COPSUBLA programme has supported activities for the synergistic implementation of the Convention, including those carried out in the framework of the Joint Liaison Group (JLG) of the secretariats of the three Rio conventions. The two programmes have also worked on the Joint Work Programme (JWP) between the Convention on Biological Diversity (CBD) and UNCCD. Relevant information on these issues is provided in documents ICCD/COP(8)/4 and ICCD/COP(8)/MISC.1.

29. In the period under review, the COBSUBLA programme has also cooperated with the External Relations and Public Information (ERPI) programme and various partners in the preparation for and organization of a number of initiatives in celebration of the International Year of Desert and Desertification (IYDD), including international conferences, workshops and other awareness-raising events which took place during 2006. Information relating to these matters is contained in document ICCD/COP(8)/11.

30. The outcomes of the work of the COPSUBLA programme in the biennium 2006–2007 can be summarized as follows:

(a) The decisions made by the COP were implemented in a timely manner and advice and analysis on relevant issues were provided as and when requested;

(b) The documentation process, conference facilities and other services for the sessions of the COP and its subsidiary bodies were effectively planned and provided in a timely manner;

(c) CRIC 5 was efficiently organized and enabled an intergovernmental exchange on substantive and policy aspects under the Convention;

(d) Links between the implementation of the UNCCD and the work carried out under other relevant conventions, institutions and processes were strengthened.

Science and technology

Table 7. Expenditures in the biennium 2006–2007 for Science and Technology
(United States dollars)

Object of expenditure	Actual		% of approved budget	Estimated expenditures to 31 Dec. 2007	Total estimated expenditures		Supplementary Fund as at 30 Apr. 2007
	Approved expenditures 2006-2007 budget	as at 30 Apr. 2007			as at 31 Dec. 2007	%	
Staff costs (1 P-5, 1 P-4, 1 P-2)	633 000	371 997	58.8	185 999	557 996	88.2	-
Consultants and experts	44 400	34 707	78.2	9 693	44 400	100.0	2 525
Staff travel	81 600	47 056	57.7	23 528	70 585	86.5	226
External printing	-	-	0.0	-	-	0.0	9 444
Grants and contributions	-	-	0.0	-	-	0.0	52 520
Total	759 000	453 761	59.8	219 220	672 981	88.7	64 716

31. The Science and Technology programme provides substantive support to the CST and its Group of Experts (GoE). It also manages scientific and technical communication and networking. It supports the development of approaches and methodologies for synergistic implementation, and liaises with the international scientific community.

32. During the biennium 2006–2007, the CST continued to perform its duties as provided in decision 15/COP.1, consistently with the provisions of the Convention, particularly its articles 16, 17, 18 and 24 and with the aim of securing follow-up to decision taken by the COP. The activities for the substantive support to the CST and the GoE focused mainly on the following:

- (a) Provision of services and timely advice to the CST and its Bureau as well as the GoE;
- (b) Preparation of quality documentation for the CST, including for the maintenance and updating of the roster of independent experts;
- (c) Facilitation of collection and dissemination of information on the priority themes of the CST;
- (d) Cooperation with the secretariats of other conventions, particularly in the context of the JLG and the CBD–UNCCD Joint Work Programme on the biodiversity of dry and sub-humid lands;
- (e) Active liaison with the scientific community through e-mail exchanges, participation in different meetings and involvement in programmes such as the Land Degradation Assessment in Drylands (LADA) and preparation of the Fourth Global Environmental Outlook (GEO-4).

33. Continuous support was provided to the activities of the GoE, including the facilitation of communication among the GoE and CST Bureau members, and editing of a publication on opportunities for synergy. The fifth meeting of the GoE was organized in April 2007 in Bonn, Germany, together with an intersessional meeting of the Bureau of the CST.
34. In order to support the activities of the Bureau of the CST the programme also facilitated communication and information sharing with the different bodies and working groups of the Convention, supported liaison with other international organizations and provided, as requested, background information for the preparation of reports of the Bureau of the CST.
35. The programme has cooperated with the COPSUBLA programme in activities relating to strengthening cooperation among the three Rio Conventions and other relevant organizations, as mentioned above.
36. With regard to the priority theme of the CST, the secretariat has collected and summarized reports on the effects of climatic variation and human activities on land degradation. As requested by the COP, it also assisted the World Meteorological Organization (WMO) in bringing together experts to a workshop on climate and land degradation, in Arusha, United Republic of Tanzania, in December 2006.
37. The programme established a database and a new web page for the science and technology correspondents nominated by the country Parties.
38. The website and the roster of independent experts were continuously maintained with regular updates in order to serve the Parties and facilitate the work of the CST and its GoE. An interactive intranet was developed in order to facilitate communication between the members of the GoE and with the CST Bureau. As requested by the COP, an e-mail network was established for distributing among the roster of experts information on CST and GoE activities, the IYDD and progress made in the implementation of the Convention.
39. For the eighth session of the CST, the programme prepared, on time, 23 documents totalling 468 pages for the consideration of the Committee meeting in Madrid.

Facilitation of implementation

Table 8. Expenditures in the biennium 2006–2007 for Facilitation of Implementation
(United States dollars)

Object of expenditure	Approved 2006-2007 budget	Actual	% of approved budget	Estimated	Total	%	Supplementary Fund as at 30 Apr. 2007
		expenditures as at 30 Apr. 2007		expenditures to 31 Dec. 2007	estimated expenditures as at 31 Dec. 2007		
Staff costs (4 P-5, 5 P-4, 3 P-3, 4 GS)	3 840 300	2 453 069	63.9	1 226 535	3 679 604	95.8	170 223
General temporary assistance	69 300	66 588	96.1	2 712	69 300	100.0	687 596
Temporary assistance-meetings	-	-	0.0	-	-	0.0	66 624
Consultants and experts	121 400	81 261	66.9	40 139	121 400	100.0	179 927
Other personnel-related costs	30 800	28 180	91.5	2 620	30 800	100.0	-
Travel of participants and representatives	-	-	0.0	-	-	0.0	272 725
Staff travel	377 700	240 143	63.6	120 072	360 215	95.4	102 772
Training	-	-	0.0	-	-	0.0	110
Contractual services	-	-	0.0	-	-	0.0	-
Premises: rental and maintenance	-	-	0.0	-	-	0.0	-
General operating expenses	-	-	0.0	-	-	0.0	3 750
Communications	-	-	0.0	-	-	0.0	24
Grants and contributions	-	-	0.0	-	-	0.0	821 057
Total	4 439 500	2 869 242	64.6	1 392 077	4 261 319	96.0	2 304 807

40. The Facilitation of Implementation programme consists of four subprogrammes, namely those for Africa, Asia, Latin America and the Caribbean (LAC), and Europe (Northern Mediterranean and Central and Eastern European countries). The programme assists country Parties in meeting their obligations under the Convention in accordance with the provisions of the regional implementation annexes and COP decisions. Its activities are often undertaken in coordination and cooperation with other actors.

41. During the biennium 2006–2007, the programme had an important role in the preparations for CRIC 5 through facilitating the preparation of national reports on the implementation of the Convention in regions other than Africa. It compiled, synthesized and analysed 39 reports submitted by Asian countries, 31 by LAC countries and 28 by European and other affected countries; as well as 15 reports submitted by developed country Parties. It further organized regional peer review meetings and compiled regional inputs for the CRIC, and made arrangements for presentations and panels on various agenda items during the CRIC session.

42. The Facilitation of Implementation programme assisted affected country Parties, at their request, in preparing and reviewing their NAPs. As an outcome of this work, the NAPs of 20 countries were either completed or are advancing well. Several countries that have already completed their NAPs were supported by the programme in prioritizing and advancing activities to implement the NAP. Assistance was provided for setting up partnerships, involving relevant national level stakeholders and partners in the NAP process, and developing and promoting projects that have a strong potential to contribute to combating desertification.

43. At the subregional level, the programme facilitated the development of subregional action programmes (SRAPs). In Africa, the preparation of the fifth African SRAP for Central Africa proceeded. In Asia, the Southeast Asian SRAP was validated and the development of joint activities is well under way; Central Asian countries started the implementation of their SRAP; and the Northeast Asian SRAP was initiated by countries of the subregion. In LAC, the development of activities under the Gran Chaco, Gulf of Fonseca, Hispaniola, Puna Americana, Caribbean and Mesoamerican SRAPs was facilitated, as well as the development of the Caribbean Youth and Environment Project. In Europe, the programme supported the launching of a subregional drought management centre in Southeast Europe. The establishment of a similar centre is being considered for Transcaucasian countries.

44. At the regional level in Africa, Asia and LAC, the programme facilitated activities under the respective regional action programmes (RAPs). These RAPs are implemented through regional thematic programme networks (TPNs), each of which focuses on a specific priority area, with a view to promoting and upscaling best practices. To date, all six TPNs in Africa, all six in Asia, and five TPNs in LAC have been launched. The programme also contributed to several region-wide processes, initiatives and projects that are linked with combating desertification. As part of the Facilitation of Implementation programme, the regional coordination units were instrumental in supporting cooperation, exchanging relevant information, and strengthening the delivery of a consolidated information mechanism in each region and interregionally (Africa–Asia and Africa–LAC).

45. With regard to Asia, a project entitled, “Land degradation rehabilitation and drought effect mitigation in the Pacific island countries” was launched in April 2007. This two-year

project, supported by the Government of the Bolivarian Republic of Venezuela, is implemented in 14 Pacific island countries and Timor-Leste, and is aimed at supporting grassroots activities such as controlling deforestation, re-vegetating deforested lands and preventing soil from erosion as well as water harvesting.

46. With regard to Europe, a regional training centre on afforestation and a regional reference centre in the area of soil conservation were established. The setting up of a regional network on afforestation is close to completion, and another training centre focusing on erosion, risk assessment and soil monitoring, among other issues, is planned for implementation. The Facilitation of Implementation programme has supported the above-mentioned regional activities.

47. Prior to COP 8, the programme will organize consultations among the countries of each region in order to prepare for the session.

48. The outcomes of the work of the Facilitation of Implementation programme in the period 2006–2007 can be summarized as follows:

(a) The reports submitted by country Parties and the synthesis and analysis documents that were prepared by the programme facilitated the review carried out at CRIC 5, thus completing the third reporting cycle of the UNCCD. Presentations and panel discussions organized during CRIC 5 provided further information to the participants;

(b) Through the assistance provided by the programme, several countries were able to bring forward the formulation of their NAPs, as well as the development of projects in this context;

(c) Support to cooperation at the subregional and regional levels resulted in the launching and further development of SRAPs and TPNs, strengthened involvement of many key partners, and an enhanced institutional frameworks for bringing forward the joint development of scientific and thematic aspects, thus contributing to the implementation of the Convention at all levels;

(d) Development of the project Caribbean Youth and Environment Project;

(e) Advising parties on all issues relating to the UNCCD and elevated to the COP and CRIC levels.

External Relations and Public Information

49. The External Relations and Public Information (ERPI) programme facilitates inter-agency coordination, supports the involvement of NGOs in the Convention process and provides public information on the UNCCD.

50. During the biennium 2006–2007, the ERPI programme focused on the celebrations of the IYDD, took the appropriate measures for the follow-up of the recommendations and decisions taken during major events organized during the IYDD and used the momentum generated by the

IYDD to further fine tune its public information strategy with the aim of raising awareness on the Convention. The ERPI programme also concentrated on preparations for the secretariat's participation in several United Nations meetings and other relevant events in the field of sustainable development, including the United Nations General Assembly and the Commission on Sustainable Development (CSD), and ensured the proper channelling and analysis of the multilevel input gathered on those occasions.

Table 9. Expenditures in the biennium 2006–2007 for External Relations and Public Information
(United States dollars)

Object of expenditure	Approved 2006-2007 budget	Actual expenditures as at 30 Apr. 2007	% of approved budget	Estimated expenditures to 31 Dec. 2007	Total estimated expenditures		Supplementary Fund as at 30 Apr. 2007
					as at 31 Dec. 2007	%	
Staff costs (1 P-5, 2 P-2, 2 GS)	1 169 000	726 245	62.1	363 122	1 089 367	93.2	0
General Temporary Assistance	-	-	0.0	-	-	0.0	34 877
Temporary assistance-meetings	-	-	0.0	-	-	0.0	4 216
Consultants and experts	16 700	15 623	93.5	1 078	16 700	100.0	724 011
Other personnel- related costs	10 000	7 125	71.2	2 875	10 000	100.0	0
Compensation entitlements: non United Nations	-	-	0.0	-	-	0.0	22 370
Travel of participants and representatives	-	-	0.0	-	-	0.0	42 151
Staff travel	64 100	13 019	20.3	6 509	19 528	30.5	213 873
External printing	-	-	0.0	-	-	0.0	39 784
Contractual services	14 200	-	0.0	-	-	0.0	295 420
Hospitality	-	-	-	-	-	-	12 344
Premises: rental and maintenance	-	-	0.0	-	-	0.0	38 389
General operating expenses	-	-	0.0	-	-	0.0	31 534
Communications	-	-	0.0	-	-	0.0	25 134
Supplies, materials and equipment	-	-	0.0	-	-	0.0	5 855
Grants and contributions	-	-	0.0	-	-	0.0	90 029
Total	1 274 000	762 011	59.8	373 584	1 135 595	89.1	1 579 988

51. During 2006 the ERPI programme strongly focused on the organization and coordination with bilateral institutional partners of an extensive range of activities for the celebration of IYDD. Particular emphasis was given to the active involvement of key stakeholders in the UNCCD process, such as women, young people and farmers, and the development of networks

aimed at information sharing and facilitating consultation among them. Detailed information on the activities undertaken during IYDD can be found in document ICCD/COP(8)/11.

52. The ERPI programme has assisted the COP in effectively channelling the accreditation inflow from the non-governmental community. To date, more than 800 NGOs have been granted observer status to the COP. The ERPI programme facilitated the participation of 20 NGO representatives to CRIC 5 and coordinated the involvement of more than 100 NGO participants during the event. In general, the participation in the event gave NGOs the opportunity to share experiences with other NGOs, to establish contacts and possible partnership with donor countries and implementing agencies and to assist in further strengthen the relationship and networking among members of civil society. During the biennium 2006–2007, the ERPI programme has also focused on settling the basis for the improvement of the organization of civil society, targeting particularly key actors such as young people, women and farmers, so as to give them more visibility in the Convention implementation process.

53. Backing the targeted awareness-raising initiatives launched in the framework of IYDD, the ERPI programme continued to ensure the development of its public information activities by providing core material for awareness-raising and educational purposes. The following public information activities were carried out:

- (a) Publication of the biennial newsletter *Down to Earth*;
- (b) Updating and printing of the UNCCD information kit in English, German and Russian;
- (c) Preparation of the “Environmental Education Kit on Desertification” in collaboration with the United Nations Educational, Scientific and Cultural Organization (UNESCO) and translation into German;
- (d) Launching of the awareness-raising campaign “This land is your land” targeting decision makers, legislators, media and NGOs;
- (e) Publication of several booklets of success stories from local communities, including the latest publication “*Women pastoralists: Preserving traditional knowledge, Facing modern challenges*”;
- (f) Strengthening of media relations including the provisions for the organization of training for environmental journalists in the framework of the UNCCD;
- (g) Development of the electronic journalist database and production of regular media briefs;
- (h) Re-design and regular update of the UNCCD website and development of the IYDD website;
- (i) Strengthening of the library services and of relationships with relevant institutions such as German universities and other United Nations organizations’ libraries in Bonn.

54. The outcomes of the ERPI programme in the biennium 2006–2007 can be summarized as follows:

(a) Matters relating to the UNCCD process were brought up and received increased attention in relevant intergovernmental processes;

(b) The IYDD was celebrated successfully with important repercussions in terms of awareness-raising and crucial momentum for the implementation of the UNCCD;

(c) The involvement of NGOs and other relevant stakeholders (including young people, women, farmers and pastoralists) in the UNCCD process was strengthened;

(d) Information on the Convention was produced and effectively disseminated to Parties, observers, the media and the general public.

Administrative Services

Table 10. Expenditures in the biennium 2006–2007 for Administrative Services
(United States dollars)

Object of expenditure	Approved 2006-2007 budget	Actual expenditures as at 30 Apr. 2007	% of approved budget	Estimated expenditures to 31 Dec. 2007	Total estimated expenditures		Supplementary Fund as at 30 Apr. 2007
					as at 31 Dec. 2007	%	
Staff costs (1 P-5, 1 P-4, 3 GS)	85 500	78 976	92.4	-	78 976	92.4	-
General temporary assistance	378 800	243 990	64.4	121 995	365 985	96.6	-
Consultants and experts	49 900	35 011	70.2	14 889	49 900	100.0	-
Other personnel-related costs	50 500	31 112	61.6	15 556	46 668	92.4	-
Staff travel	20 000	4 539	22.7	2 269	6 808	34.0	-
Training	200 000	14 223	7.1	7 111	21 334	10.7	-
Contractual services	70 000	31 111	44.4	15 556	46 667	66.7	-
Premises: rental and maintenance	224 000	112 553	50.2	56 277	168 830	75.4	-
Data processing and office automation	40 000	-	0.0	-	-	0.0	-
General operating expenses	165 000	66 467	40.3	33 234	99 701	60.4	-
Communications	330 000	149 998	45.5	74 999	224 996	68.2	-
Supplies and materials, and furniture and equipment	220 000	54 060	24.6	27 030	81 090	36.9	-
Other expenditures	700 000	547 063	78.2	152 937	700 000	100.0	-
Total	2 533 700	1 369 102	54.0	521 853	1 890 955	74.6	

55. The Administrative Services programme assists the Executive Secretary in the planning, development, coordination, control and management of the secretariat's resources.

56. During the biennium 2006–2007, the Administrative Services programme has administered the secretariat's resources. It has developed internal financial and other controls to improve the recording and control of the use of resources, and administered human resources, including the formulation of overall human resources policies for the secretariat. It has facilitated the auditing process and managed the reporting on voluntary contributions.

57. The Administrative Services programme has prepared the documentation concerning the programme and budget of the Convention for the consideration of the COP and its Bureau.

58. The programme has provided travel and logistic arrangements for the UNCCD-sponsored meetings, conferences and workshops as well as for staff travel. It is also responsible for taking action in the operational framework of the secretariat, including communications (telephone, fax, postage, pouch), maintenance of office premises, supplies and materials, and replacement of office equipment.

59. The secretariat has continued to collaborate with the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) on administrative matters relating to internal audit, including the resident internal auditor who commenced work in Bonn on 16 July 2007,¹ operation of the Integrated Management Information System (IMIS) and procurement of goods and services. The secretariat has continued to explore the possibilities of collaborating with other United Nations organizations in Bonn with the aim of providing better services at reduced costs to the organizations involved. The secretariat continues to seek more ways of collaborating with all the other United Nations organizations in Bonn on matters relating to the United Nations campus in Bonn with a view to minimizing administrative related expenditures.

60. The outcome of the work of Administrative Services programme in the biennium 2006–2007 can be summarized as follows:

(a) Enhanced management accountability, including control and safeguard of the secretariat's assets, has been achieved;

(b) Budget documents and management reports are accurately prepared and distributed in a timely manner;

(c) Financial information is provided in a timely manner and logistical support to the operations is delivered efficiently;

(d) Adherence to applicable United Nations rules and regulations is assured;

¹ The resident internal auditor is under the supervision of the Office of Internal Oversight Services (OIOS), which was responsible for his recruitment. Delays in the recruitment occurred during a review of OIOS activities at United Nations Headquarters.

(e) Recruited staff are of high quality, considering gender balance and geographical distribution;

(f) Financial data are correctly stated in (IMIS) and financial statements of the secretariat;

(g) Skills of staff are constantly reviewed and realigned to their work requirements through training;

(h) The working environment, in terms of both tools and space, is conducive for production of high quality work.

B. Supplementary contribution to the Convention activities by the host Government (Bonn Fund) in the biennium 2006–2007

61. A supplementary contribution of EUR 1,022,584 (USD 1,303,278) was received from the host Government for Convention-related activities and events. This contribution was used or is expected to be used for the activities listed in table 11. For 2007, expenditures from the Bonn Fund were made for the organization of CRIC 5 and preparation for COP 8.

Table 11. Expenditures in 2006 from the Bonn Fund
(United States dollars)

Activity	Actual expenditure
Temporary assistance for the organization of UNCCD events held in Bonn: Provision of internal capacity to facilitate planning and coordinating conferences services	287 253
Other convention-related activities:	
Workshop on drought preparedness in southern Europe (Sofia, Bulgaria, 26–28 April 2006)	24 604
Stakeholders' meetings designed to support the preparation of national reports and participation to CRIC 5	126 139
IYDD international conference on youth and the environment: lessons learned and prospects	131 223
Subtotal	569 219
Programme support costs (13%)	73 998
Total	643 217

C. Special Fund for participation

Table 12. Status of Special Fund for participation as at 30 April 2007
(United States dollars)

Income	
Interest on savings and prior years adjustments	-
Contributions received in 2006–2007	1 421 872
Interest earned in 2006–2007	732
Total income 2007	1 422 604
Estimated expenditures	
Staff costs	17 613
Staff travel	1 215 693
Operating expenses	101 983
Acquisitions	3 337
Prior period adjustments	727
Total estimated expenditures	1 337 899
Net excess of income over expenditures	84 705

III. Human resources

A. General Fund

62. By its decision 23/COP.7, the COP approved 43 posts (30 Professional and 13 General Service) under the General Fund for the biennium 2006–2007. In addition, programme and support posts were funded in that biennium from other sources of funding, which included some Professional posts being funded under programme support, and from voluntary contributions. Four additional staff persons are or were funded through the associate expert programme of the United Nations.

63. Salaries and related benefits are paid at United Nations worldwide standards and all such payments are made through the United Nations Office at Geneva (UNOG). Exchange rates (and the related post allowances) and mandated benefit increases are outside the control of UNCCD.

64. The budget approved for the biennium 2006–2007 was not sufficient to maintain the staff levels that existed in the autumn of 2005, and the Executive Secretary authorized the freezing of some posts during the biennium for varying lengths of time. At present 12 core budget posts are unfilled, including three senior posts which have been frozen for the full biennium as one of the measures taken to maintain operations at the level of the approved budget. The staffing status of the secretariat, the funding source, and the geographic and gender distribution of the staff as at 30 April 2007 are presented in table 13.

65. UNCCD has a successful internship programme that has allowed several individuals to undertake internships at UNCCD during this biennium.

66. Nevertheless, the secretariat needs to play a larger role in supporting staff development activities in the future. One important step was the establishment of a special leave policy for

staff development, which enables staff to undertake further studies and gain more experience in their field of work. However, further staff development is dependent upon inclusion in the core budget of adequate funds for such purposes, or funding of additional staff development through supplementary funding.

67. As at 30 April 2007, 31 posts out of 43 (21 Professional staff and 10 General Service staff) under the approved General Fund were filled. Recruitment is under way to fill three vacant General Fund posts (one P-5 Africa Unit Coordinator, one P-4 Environmental Affairs Officer in CST, and one P-4 Deputy Chief of Administration Services).

68. Information on the geographical distribution of staff members occupying General Fund and programme support posts is provided in table 13 below. While the paramount consideration in the appointment of UNCCD staff is the need to secure the highest standards of efficiency, competence and integrity, efforts are made to ensure that staff are recruited on as wide a geographical basis as possible.

69. Table 13 also contains information on the gender distribution of staff members holding contracts of more than six months under all the funds. The secretariat is continuing to do its best to attract qualified women to join the secretariat with a view to attaining the United Nations goal of 50/50 gender distribution.

70. For various reasons, including uncertainty of funding, lack of sufficient training and lack of long-term career opportunities, the secretariat has had difficulties in recruiting staff during the current biennium.

B. Programme support costs

71. In the biennium 2006–2007 allotment advices have been and will be issued to cover the costs associated with two P-5, one P-2 and eight General Service posts, as well as communication costs, UNOG support costs and costs relating to IMIS technical support. The allotment for these costs was requested in accordance with decision 23/COP.7. The posts financed under programme support are those dealing with administrative and related tasks, including those of the liaison offices at United Nations headquarters. Negotiations are under way with UNOG to allocate a larger share of the programme support income earned from the UNCCD funds to the secretariat. This will enable the secretariat to increase capacity within the administration and finance unit. Table 13 provides the details of the posts established and funded under the programme support funds. Presently, three posts under the Administrative Services programme are covered by funds from programme support.

IV. Working capital reserve

72. Paragraph 8 of the UNCCD financial rules (decision 2/COP.1) states: “Within the General Fund there shall be maintained a working capital reserve at a level to be determined from time to time by the Conference of the Parties by consensus. The purpose of the working capital reserve shall be to ensure continuity of operations in the event of a temporary shortfall of cash. Drawdowns from the working capital reserve shall be restored from contributions as soon as possible.” In the biennium 2006–2007 the secretariat did not draw from the reserves in any of the

established funds. It is anticipated that at the end of 2007 the working capital reserve will be approximately EUR 553,000 (USD 747,000).

V. Conclusions and recommendations

73. The COP at its seventh session requested the Executive Secretary to report at the eighth session on the financial performance of the Convention budget. In this document detailed information on the utilization of funds under the General Fund is provided. Parties may wish to review the documents and advise the Executive Secretary of action to be taken.

74. The Executive Secretary has continued to send out reminders to all those Parties with outstanding contributions. In addition, the secretariat established a web page so that Parties are able to determine the status of outstanding contributions for all Parties. The report is updated on a monthly basis. As at 30 April 2007, however, an amount of USD 1,961,335.35 (from the period 1999–2006) is still outstanding. The COP may wish to advise the secretariat on action to be taken regarding these long outstanding contributions.

75. While current expenditure projections indicate that the approved budget amount will not be exceeded, a further sudden decline in the value of the United States dollar against the euro may cause the approved budget amount to be exceeded, with little or no opportunity for corrective action by the secretariat. Given the rather severe deterioration in the value of the United States dollar, particularly during the second and third quarters of 2007, and the efforts already taken by the secretariat to maintain expenditures within the budget amounts, the COP may wish to authorize the secretariat to make use of any available savings brought forward from previous periods to absorb any future exchange rate fluctuations during the current biennium.

**Table 13. Comparison of the approved and filled posts, gender distribution, geographic distribution and location as at 30 April 2007
(General Fund, Supplementary Fund, associate experts and programme support)**

Category	Approved	Filled	Gender		Region				
			F	M	Africa	Asia	LAC	WEOG	CEE
<u>General Fund</u>									
ASG	1	1	-	1	1	-	-	-	-
D-1	2	1	-	1	-	-	-	1	-
P-5	10	7	1	6	2	1	1	3	-
P-4	8	7	2	5	4	-	1	1	1
P-3	5	4	3	1	1	-	1	2	-
P-2	4	1	-	1	-	-	-	1	-
<i>Subtotal</i>	30	21	5	15	7	1	3	8	1
GS	13	10	8	2	3	1	1	4	1
Total general fund	43	31	13	17	10	2	4	12	2
<u>Supplementary Fund</u>									
P-5	1	1	-	1	1	-	-	-	-
P-4	-	-	-	-	-	-	-	-	-
P-3	4	3	1	2	-	1	-	2	-
P-2/L-2	3	3	2	1	-	1	-	1	1
<i>Subtotal</i>	8	7	3	4	1	2	-	3	1
GS	3	3	2	1	-	-	-	3	-
Total Supplementary Fund	11	10	5	5	1	2	-	6	1
<u>Associate experts</u>									
L-2	2	2	1	1	-	-	1	1	-
Total associate experts	2	2	1	1	-	-	1	1	-
<u>Programme support</u>									
P-5	2	2	-	2	2	-	-	-	-
P-4	-	-	-	-	-	-	-	-	-
P-3	-	-	-	-	-	-	-	-	-
P-2	2	1	-	1	-	1	-	-	-
<i>Subtotal</i>	4	3	-	3	2	1	-	-	-
GS	10	5	4	1	3	-	1	1	-
Total programme support	14	8	4	4	5	1	1	1	-
<u>Grand total</u>									
ASG	1	1	-	1	1	-	-	-	-
D-1	2	1	-	1	-	-	-	1	-
P-5	13	10	1	9	5	1	1	3	-
P-4	8	6	2	5	4	-	1	1	1
P-3	9	7	4	3	1	1	1	4	-
P-2/L-2	11	7	3	4	-	2	1	3	1
<i>Subtotal</i>	44	33	10	23	11	4	4	12	2
GS	26	18	14	4	6	1	2	8	1
GRAND TOTAL	70	51	24	27	17	5	6	20	3
