

**Responses by the Secretariat concerning the development of UN Environment Programme's
Programme of Work and Budget for the period 2020-2021**

The Secretariat is pleased to present a note on questions raised by member States at the Subcommittee meeting of 24 April 2018, concerning the development of the Programme of Work and Budget for the period 2020-2021 of the UN Environment Programme.

1. Impact of the UN Secretariat reform on UN Environment Programme's preparation of its Programme of Work and Budget 2020-2021

No formal detailed instructions have been received from New York so far on the development of the plan outline. The office of Programme Planning, Budget and Administration in New York has informally indicated to UN Environment Programme and other UN Secretariat entities that for the time being, all agencies should proceed with the development of their own Programmes of Work, as usual.

The UN Environment Programme is expected to be required to prepare the following documents:

Medium Term Strategy – the current 2018-2021 strategy will form the basis for the next set of biennial documents

Program of Work and Budget 2020-2021

Annual Budget (UN Secretariat Reform) 2020 and, subsequently, 2021

The UN Environment Programme is currently planning to consult the Committee of Permanent Representatives on a draft Program of Work and Budget 2020-2021 in June/July. This document will be used as a basis for the development of the Annual Budget 2020. The Committee of Permanent Representatives will review and approve the Annual Budget in October-November 2018, prior to review by ACABQ and the 5th committee, most likely in May 2019. The Committee will also review revised versions of the Programme of Work and Budget in October – November 2018 (as time and scheduling permits), prior to submission to the UN Environment Assembly for approval. The Programme of Work will be developed with a two-year budget envelope, which will be separated into two annual portions. Initially, only the 2020 part will be submitted to New York for approval. Should any revisions to the 2021 Regular Budget be required, the Committee will be consulted. As the Regular Budget is predicted to remain stable, no major differences are expected to emerge.

2. Roadmap for the development of UN Environment Programmes' Programme of Work and Budget 2020-2021

Potential impact of the new Programme of Work and Budget 2020-2021 on the current Medium Term Strategy.

The Secretariat proposes that the planning of the Programme of Work and Budget 2020-2021 is aligned with the approved 2018-2021 Medium Term Strategy. Should the Committee request major changes, this may require the revision of the existing Medium Term Strategy. This decision will be at the discretion of member States. In such eventuality, a suitable process would have to be put in place to develop a new Medium Term Strategy, taking into account the very short time frame available before the next Assembly.

Consultation with the Committee in the preparation of the new Programme of Work.

The Secretariat intends to start consulting with the Committee on the draft Programme of Work and Budget in June/July 2018, prior to the development of the Annual Budget 2020.

Potential impact of UN Environment Programme's submission of its annual budget and performance document to the UN Secretariat in February 2019, and further consultations with the Committee before the next Assembly.

The Secretariat plans to submit the Annual Budget after it receives approval by the Committee. At the same time, the Committee will also review the Programme of Work and Budget and the two documents will be aligned. Should any changes be required after submission to New York,

the Secretariat will inform the Committee as soon as possible. Due to the current timing (submission of Annual Budget in February 2019, Fourth Session of the UN Environment Assembly scheduled in March 2019), if any changes are necessary after receiving feedback from New York on the annual budget, these will most likely not be available before the Fourth Session of the UN Environment Assembly. In this case, the Secretariat will inform the Committee immediately and propose a course of action.

3. The budget formulation and allocation process

The basis or criteria for allocating staff to divisions or regional offices and its relation to the subprogrammes

UN Environment Programme has always allocated and mapped staff positions to Division, Regional Offices as well as the Programme of Work Subprogramme. This year allocation was based on the “refined matrix system” approved by the Executive Director on 03 November 2017 whereby each Divisions became accountable for a determined Subprogramme(s). Consequently, all Division and Regional Offices Directors were requested to submit their core staffing tables funded from the Environment Fund, Regular Budget, and Programme Support budgets along with the sub-programme to which each position mostly contributes. The matrix of staff positions against the Division and Regional Office as well as the subprogrammes was reviewed by the Budget Steering Committee to ensure compliance with the approved Programme of Work.

Status of the position of subprogramme coordinators

The subprogramme coordinators positions remain funded by the Regular Budget and their role and Terms of Reference remain unchanged - to coordinate the work of the subprogramme.

The budget for the Executive Office

The approved Programme of Work provides US \$271 million of Environment Fund resources. The share of the subprogrammes is 85% and the remaining components, including the executive direction and management, programme reserve, and programme management, share the remaining 15%. The Executive Director has the delegation to deviate from this proportion by a 10% variance.

Ensuring fair distribution of allocations of the Environment Fund, taking into account the need to fund for example stakeholder involvement.

The actual contributions of the Environmental Fund have been gradually declining over the past 5 years. UN Environment Programme must prioritize the available resources to primarily cover recurrent costs including staff positions as well as fixed operational costs. The remaining resources have been fairly and evenly distributed to the divisions and regional offices according to a pre-defined methodology. Exceptional cases have been given priority if additional funds become available.