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**United Nations
Environment
Programme**

**Conference of the Parties to the
Minamata Convention on Mercury
Third meeting**
Geneva, 25–29 November 2019
Item 7 of the provisional agenda*
Programme of work and budget

Information on financial matters

Note by the secretariat

1. In accordance with the financial rules for the Conference of the Parties to the Minamata Convention on Mercury and any of its subsidiary bodies, as well as financial provisions governing the functioning of the secretariat (decision MC-1/10, rule 3, para. 1), the head of the secretariat is to prepare budget estimates for the following biennium in United States dollars showing projected income and expenditures for each year and dispatch those estimates, as well as the actual income and expenditure for each year of the previous biennium and estimates of the actual expenditure in the current biennium, to all parties to the Convention at least 90 days before the opening of the meeting of the Conference of the Parties at which the budget is to be adopted.
2. Accordingly, the secretariat has prepared the present note, which provides the required information on financial matters as described in the following sections and set out in annexes I–VI to the present note.
3. All amounts are shown in United States dollars, unless otherwise stated. The annexes to the present note have not been formally edited.

I. Certified interim accounts for 2018

4. The certified interim accounts for 2018 for the general trust fund and the special trust fund are set out in annex I to the present note and comprise an integral part of the certified interim accounts of the United Nations Environment Programme (UNEP) for 2018. It is expected that the final certified accounts of UNEP for 2018 will be issued in the coming weeks.

II. General trust fund

5. Annex II to the present note sets out the status of contributions to the general trust fund of the Convention as at 30 June 2019. For 2018, assessed contributions amount to \$3,469,138. As at 30 June 2019, the sum of \$3,121,370, comprising 89.75 per cent of the total, had been received. For 2019, assessed contributions amount to \$3,288,621 and, as at 30 June 2019, the sum of \$2,442,771, or 74.28 per cent of the total, had been received.
6. Annex V to the present note provides an overview of the projected budget performance for general trust fund for the biennium 2018–2019. Out of a total budget of \$6,866,900 for the biennium

* UNEP/MC/COP.2/1.

2018–2019, not including programme support costs, estimated total expenditure is \$5,461,022, leaving a balance of around 20 per cent of the total. The most significant savings in the biennium are projected to be under overall management, mainly due to various staff positions remaining vacant, especially in 2018. The only estimated overexpenditure under conferences and meetings is for the Bureau of the Conference of the Parties since there will have been two face-to-face meetings in 2019 instead of the one meeting that was budgeted. The additional amount is covered by the estimated savings under conferences and meetings. Some of the savings made in other areas are a reflection of the staff shortage that has been experienced in the secretariat, mainly in 2018.

7. To cover a surge in capacity requirements for the second meeting of the Conference of the Parties to the Minamata Convention, a number of services were provided by the secretariat of the Basel, Rotterdam and Stockholm Conventions at an estimated cost of \$15,000. For the third meeting of the Conference of the Parties, the services shared by the secretariat of the Basel, Rotterdam and Stockholm Conventions are more exhaustive and include a range of work related to conference management, including registration and travel arrangements, logistics, information and technology services and in-session documents control, at an estimated cost of \$260,000.

III. Special trust fund

8. Annex III to the present note provides an overview of the status of contributions to the special trust fund for the biennium 2018–2019, showing the various donors that have contributed during the biennium. As at 30 June 2019, a total of \$1,863,519 had been received and an additional estimated \$1,229,651 had been pledged.

9. Annex VI to the present note provides an overview of the projected budget performance, not including programme support costs, for the special trust fund for the biennium 2018–2019, with an approved budget of \$5,980,000, a realized budget (funds raised) of \$2,828,634 and projected expenditure of \$2,162,415. The balance includes donor funding earmarked for activities beyond the biennium 2018–2019.

IV. Specific trust fund for the Specific International Programme


10. Annex IV sets out information on the various donors and their contributions to the specific trust fund for the Specific International Programme to Support Capacity-Building and Technical Assistance for the biennium 2018–2019. As at 30 June 2019, a total of \$3,523,820 had been received for the first (2018) and second (2019) rounds of applications, with an additional \$174,860 pledged for the second round.

11. Estimated expenditure for the four meetings of the Governing Board in the biennium 2018–2019 amounts to \$94,418. The estimated expenditure for the projects selected during the first round of applications to the Specific International Programme is \$1,087,000 over the duration of the projects. Funds received for the second round will be allocated during the upcoming fourth meeting of the Governing Board, to take place in Washington, D.C., in September 2019.

Annex I


Interim audited accounts for 2018 of the general trust fund and the special trust fund of the Minamata Convention prepared in accordance with the International Public Sector Accounting Standards (IPSAS)



Trust Fund for Core Activities Minamata Convention (Fund code : MCC)	
I. Interim Statement of Financial Performance for the year ended 31 December 2018 (United States Dollars)	
	Total 2018
Revenue	
Assessed Contributions	3,469,138
Voluntary Contributions	606,061
Investment Revenue	20,327
Total Revenue	4,095,526
Expenses	
Employee salaries allowances and benefits	1,187,960
Non-employee compensation and allowances	53,598
Supplies and consumables	4,247
Travel	363,829
Other operating expenses	884,076
Total expenses	2,493,710
Surplus/(deficit) for the period	1,601,816
II. Interim Statement of Financial Position as at 31 December 2018 (United States Dollars)	
	Total 2018
Current Assets	
Cash and Cash equivalents	223,457
Investments	1,916,213
Assessed contributions receivable	487,844
Advance Transfers	31,098
Other assets	11,955
Total Current Assets	2,670,567
Non-Current Assets	
Investments	148,421
Total Non-Current Assets	148,421
Total Assets	2,818,988
Current Liabilities	
Accounts payable and accrued liabilities	54,971
Advance receipts	1,136,258
Employee benefits liabilities	25,943
Total Current Liabilities	1,217,172
Total Liabilities	1,217,172
Net of Total Assets and Total Liabilities	1,601,816
Net Assets:	
Accumulated surpluses/ (deficits) - unrestricted	1,601,816
Total Net Assets	1,601,816
III. Interim Statement of Changes in Net Assets for the year ended 31 December 2018 (United States Dollars)	
	Total 2018
Net Assets at the Beginning of the Period	-
Surplus/(deficit) for the period	1,601,816
Total Net Assets at the End of the Period	1,601,816
 Annette Mawere United Nations Office at Nairobi ACCOUNTS SECTION ACCOUNTS SECTION BUDGET AND FINANCIAL MANAGEMENT SERVICE, UNON Management Service	
	27/06/2019

Note: The total net assets include the working capital reserve of USD 587,479 (15%). The surplus of the period is understated by approximately USD 300,000. Following a thorough review, necessary adjustments have been undertaken in 2019 to reflect correct expenditures.



Trust Fund for Voluntary Activities Minamata Convention (Fund code : MCV)	
I. Interim Statement of Financial Performance for the year ended 31 December 2018 (United States Dollars)	
Total 2018	
Revenue	
Voluntary Contributions	1,308,595
Other Revenue	1,344
Investment Revenue	1,845
Total Revenue	1,311,784
Expenses	
Grants and other transfers	156,389
Travel	106,297
Other operating expenses	63,690
Total expenses	326,376
Surplus/(deficit) for the period	985,408
II. Interim Statement of Financial Position as at 31 December 2018 (United States Dollars)	
Total 2018	
Current Assets	
Cash and Cash equivalents	92,899
Investments	796,641
Voluntary contributions receivable	1,542
Advance Transfers	33,105
Total Current Assets	924,187
Non-Current Assets	
Investments	61,704
Total Non-Current Assets	61,704
Total Assets	985,891
Current Liabilities	
Accounts payable and accrued liabilities	483
Total Current Liabilities	483
Total Liabilities	483
Net of Total Assets and Total Liabilities	985,408
Net Assets:	
Accumulated surpluses/ (deficits) - unrestricted	985,408
Total Net Assets	985,408
III. Interim Statement of Changes in Net Assets for the year ended 31 December 2018 (United States Dollars)	
Total 2018	
Net Assets at the Beginning of the Period	-
Surplus/(deficit) for the period	985,408
Total Net Assets at the End of the Period	985,408
 Arnette Waweru Chief, ACCOUNTS SECTION BUDGET AND FINANCIAL MANAGEMENT SERVICE, UNON	
27/06/2019	

Note: The surplus is overstated by around USD 570,000. Following a thorough review, necessary adjustments have been undertaken in 2019 to reflect correct expenditures.

Annex II

**Status of contributions to the general trust fund of the Minamata
Convention for the biennium 2018-2019 as at 30 June 2019**

PARTY	2018			2019		
	Contribution (in USD)	Received (in USD)	Balance (in USD)	Contribution (in USD)	Received (in USD)	Balance (in USD)
AFRICA						
Benin	333		333	329		329
Botswana	722		722	619		619
Burkina Faso	333		333	329		329
Chad	333		333	329		329
Djibouti	333		333	329		329
Eswatini	333		333	329		329
Gabon	876		876	752		752
Gambia	333	333	0	329		329
Ghana	825		825	707		707
Guinea	333		333	329		329
Lesotho	333	333	0	329		329
Madagascar	333	333	0	329		329
Mali	333		333	329		329
Mauritania	333		333	329		329
Mauritius	618	618	0	530	530	0
Namibia	515	515	0	442		442
Niger	333		333	329		329
Nigeria	6,404		6,404	9,239		9,239
Rwanda	333		333	329		329
Sao Tome and Principe			0	329		329
Senegal	333		333	329		329
Seychelles	333	333	0	329		329
Sierra Leone	333	333	0	329		329
Togo	333		333	329		329
Zambia	333		333	329		329
Total Africa	15,954	2,798	13,156	18,540	530	18,010
ASIA AND THE PACIFIC						
Afghanistan	333	333	0	329		329
China	408,252	408,252	0	350,159	350,159	0
India			0	32,580		32,580
Indonesia	25,976		25,976	22,280		22,280
Iran (Islamic Republic Of)	24,276		24,276	20,821		20,821
Japan	498,911	498,911	0	427,918	142,639	285,279
Jordan	1,031		1,031	884		884
Kiribati	333	333	0	329	329	0
Kuwait	14,689	14,689	0	12,599		12,599
Lao People's Democratic Republic	333		333	329		329

PARTY	2018			2019		
	Contribution (in USD)	Received (in USD)	Balance (in USD)	Contribution (in USD)	Received (in USD)	Balance (in USD)
Lebanon	2,026		2,026	2,033		2,033
Mongolia	333		333	329		329
Palau	333		333	329		329
Samoa	333	333	0	329	329	0
Singapore	23,039	23,039	0	19,760	19,760	0
Sri Lanka	1,598	1,598	0	1,370	1,370	0
Syrian Arab Republic	1,237		1,237	1,061		1,061
Thailand	14,998	14,998	0	12,864	12,864	0
United Arab Emirates	31,130		31,130	26,701		26,701
Viet Nam	2,989		2,989	2,564		2,564
Total Asia and the Pacific	1,052,150	962,486	89,664	935,568	527,450	408,118
CENTRAL AND EASTERN EUROPE						
Armenia	263	263	0	329		329
Bulgaria	2,319	2,319	0	1,989	1,989	0
Croatia	5,103	5,103	0	4,376	4,376	0
Czechia	17,730	17,730	0	15,207	15,207	0
Estonia	1,949	1,949	0	1,680	1,680	0
Hungary	8,298	8,298	0	7,117	2,520	4,597
Latvia	2,577	2,577	0	2,210	2,210	0
Lithuania	2,344	2,344	0	3,183	3,183	0
Moldova (Republic Of)	333	333	0	329		329
Romania	9,483	9,483	0	8,134	8,134	0
Slovakia	8,246	8,246	0	7,073	7,073	0
Slovenia	4,329	4,329	0	3,713	3,713	0
Total Central and Eastern Europe	62,974	62,974	0	55,340	50,085	5,255
LATIN AMERICA AND THE CARIBBEAN						
Antigua and Barbuda	333		333	329		329
Argentina	45,974	22,987	22,987	39,432		39,432
Bolivia (Plurinational State Of)	618		618	530		530
Brazil	197,039		197,039	169,001		169,001
Chile			0	17,638		17,638
Costa Rica	2,422		2,422	2,078		2,078
Cuba	1,992		1,992	2,873		2,873
Dominican Republic	1,057		1,057	2,033		2,033
Ecuador	3,453		3,453	2,962		2,962
El Salvador	722		722	619		619
Guyana	333	333	0	329	329	0
Honduras	333		333	329		329
Jamaica	333	333	0	329	329	0
Mexico	73,960	73,960	0	63,436	63,436	0
Nicaragua	333	333	0	329	329	0
Panama	1,753		1,753	1,503		1,503

PARTY	2018			2019		
	Contribution (in USD)	Received (in USD)	Balance (in USD)	Contribution (in USD)	Received (in USD)	Balance (in USD)
Paraguay			0	619		619
Peru	7,009		7,009	6,012		6,012
Saint Kitts And Nevis	333		333	329		329
Suriname			0	329		329
Uruguay	4,072		4,072	3,492		3,492
Total Latin America and the Caribbean	342,069	97,946	244,123	314,531	64,423	250,108
WESTERN EUROPE AND OTHER STATES						
Austria	37,109	37,109	0	31,829	31,829	0
Belgium	23,726	23,726	0	39,123	39,123	0
Canada	150,550	150,550	0	129,127	129,127	0
Denmark	30,100	30,100	0	25,817	25,817	0
European Union	83,219	83,219	0	82,215	82,215	0
Finland	23,502	23,502	0	20,158	20,158	0
France	250,435	250,435	0	214,799	214,799	0
Germany	329,292	329,292	0	282,435	282,435	0
Iceland			0	1,017		1,017
Liechtenstein	361	361	0	329	329	0
Luxembourg	3,299	3,299	0	2,829	2,829	0
Malta	825		825	707		707
Monaco	515	515	0	442	442	0
Netherlands	76,383	76,383	0	65,514		65,514
Norway	43,758	43,758	0	37,531		37,531
Portugal			0	17,329		17,329
Sweden	49,273	49,273	0	42,261		42,261
Switzerland*	58,756	58,756	0	50,395	50,395	0
United Kingdom	102,558	102,558	0	197,293	197,293	0
United States of America	732,330	732,330	0	723,492	723,492	0
Total Western European and other States	1,995,991	1,995,166	825	1,964,642	1,800,283	164,359
TOTAL	3,469,138	3,121,370	347,768	3,288,621	2,442,771	845,850

* Switzerland, as host country, additionally paid to the general trust fund: USD 536,604 in 2018 and USD 526,607 in 2019

Annex III**Status of contributions to the special trust fund of the Minamata Convention for the biennium 2018-2019 as at 30 June 2019**

Year	Donor	Currency	Amount	Amount received in USD	Date Received
2018	Austria	EUR	15,000	17,123.29	15.10.2018
2018	Finland	EUR	10,000	11,363.64	12.11.2018
2018	France	EUR	20,000	22,857.14	15.08.2018
2018	Japan	USD	500,000	500,000.00	10.09.2018
2018	Norway	NOK	300,000	35,655.71	01.11.2018
2018	Philippines	USD	5,000	5,000	28.12.2017
2018	Sweden	SEK	1,500,000	166,797.01	17.09.2018
2018	Switzerland*	CHF	400,000	404,040.40	7.05.2018
2018	Switzerland	CHF	150,000	149,880.10	30.10.2018
2019	Austria	EUR	10,000		Pledged
2019	EU	EUR	500,000		Pledged
2019	Finland	EUR	10,000		Pledged
2019	Japan	USD	150,000	150,000.00	19.03.2019
2019	Japan	USD	420,000		Pledged
2019	Switzerland*	CHF	400,000	400,801.60	06.05.2019
2019	Norway	NOK	300,000		Pledged
TOTAL (in USD)				1,863,518.89	

* Switzerland, as host country, pays CHF 400K to the special trust fund and CHF 600K to the general trust fund on an annual basis

Annex IV

Status of contributions to the specific trust fund of the Minamata Convention for the biennium 2018–2019 as at 30 June 2019

Year	Donor	Currency	Amount	Amount received in USD	Date Received
2018	Austria	EUR	20,000	23,696.68	15.10.2018
2018	Austria	EUR	20,000	22,831.05	15.10.2018
2018	Denmark	DKK	200,000	31,765.19	27.12.2017
2018	Germany	EUR	87,000	99,710.70	18.10.2018
2018	Netherlands	EUR	25,000	27,870.68	30.08.2018
2018	Norway	USD	200,000	200,000.00	21.11.2017
2018	Norway	USD	300,000	300,000.00	01.12.2017
2018	Sweden	SEK	3,000,000	333,624.00	17.09.2018
2018	UK	GBP	108,000	144,039.60	28.12.2017
2018	USA	USD	100,000	100,000.00	20.10.2017
2019	Austria	EUR	30,000		Pledged
2019	Denmark	DKK	200,000	30,448.82	08.02.2018
2019	Germany	EUR	100,000		Pledged
2019	Netherlands	EUR	25,000		Pledged
2019	Norway	NOK	9,000,000	1,034,792.01	28.12.2018
2019	Switzerland	CHF	1,000,000	1,009,081.74	1.11.2018
2019	UK	GBP	50,000	65,960.00	29.03.2019
2019	USA	USD	100,000	100,000.00	16.10.2018
TOTAL (in USD)				3,523,820.47	

Annex V

**Projected budget performance for the general trust fund of the
Minamata Convention for the biennium 2018–2019**

No.	Activity	Approved Budget (2018-2019) (A)	Expenditures (2018-2019) (B)*	Performance Variance ((A) - (B))	Performance Variance (in %)
	A. Conferences and meetings	2,000,000	1,927,850	72,150	3.61%
1	Second meeting of the Conference of the Parties	1,050,000	1,004,533	45,467	4.33%
2	Third meeting of the Conference of the Parties	840,000	802,266	37,734	4.49%
3	Bureau of the Conference of the Parties	50,000	67,594	(17,594)	-35.19%
4	Implementation and compliance committee	60,000	53,458	6,542	10.90%
	B. Capacity-building and technical assistance	-	-	-	-
5	Capacity-building and technical assistance programme of the Minamata Convention			-	
	C. Scientific and technical activities	60,000	30,000	30,000	50.00%
6	Scientific support to the States parties to the Minamata Convention			-	
7	Effectiveness evaluation and global monitoring plan			-	
8	National reporting under the Minamata Convention	60,000	30,000	30,000	50.00%
	D. Knowledge and information management, and outreach	210,000	138,497	71,503	34.05%
9	Publications	60,000	33,700	26,300	43.83%
10	Communication, outreach and public awareness	150,000	104,797	45,203	30.14%
	E. Overall management	4,161,900	3,105,655	1,056,245	25.38%
11	Executive direction and management	4,161,900	3,105,655	1,056,245	25.38%
12	International cooperation and coordination			-	
13	Financial resources and mechanism			-	
	F. Legal and policy activities	-	-	-	-
14	Legal and policy activities			-	
	G. Office maintenance and services	435,000	259,020	175,981	40.46%
15	Office maintenance and services	320,000	227,073	92,927	29.04%
16	Information technology services	115,000	31,947	83,053	72.22%
	Total direct costs (excluding Programme Support Costs)	6,866,900	5,461,022	1,405,878	20.47%
	Programme Support Costs (13%)	892,697	709,933	182,764	20.47%
	Grand total	7,759,597	6,170,955	1,588,642	20.47%

* Based on actual expenditures up to 30 June 2019 and estimated expenditures between 01 July 2019 and 31 December 2019

Annex VI

Projected budget performance for the special trust fund of the Minamata Convention for the biennium 2018–2019

No.	Activity	Approved Budget (2018-2019)	Realised Budget as of 15.07.2019 * (2018-2019) (A)	Expenditures (2018-2019) (B)**	Performance Variance (A-B)	Performance Variance (in %)
	A. Conferences and meetings	2,350,000	1,392,845	1,423,383	(30,538)	-2.19%
1	Second meeting of the Conference of the Parties*****	1,175,000	690,779	673,383	17,396	2.52%
2	Third meeting of the Conference of the Parties*****	1,175,000	702,066	750,000	(47,934)	-6.83%
3	Bureau of the Conference of the Parties					
4	Implementation and compliance committee					
	B. Capacity-building and technical assistance	3,630,000	710,125	199,511	510,614	71.90%
5	Capacity-building and technical assistance programme of the Minamata Convention***	3,630,000	710,125	199,511	510,614	71.90%
	C. Scientific and technical activities		725,664	539,521	186,143	25.65%
6	Scientific support to the States parties to the Minamata Convention***		725,664	539,521	186,143	25.65%
7	Effectiveness evaluation and global monitoring plan					
8	National reporting under the Minamata Convention					
	D. Knowledge and information management, and outreach					
9	Publications					
10	Communication, outreach and public awareness					
	E. Overall management					
11	Executive direction and management					
12	International cooperation and coordination					
13	Financial resources and mechanism					
	F. Legal and policy activities					
14	Legal and policy activities					
	G. Office maintenance and services					
15	Office maintenance and services					
16	Information technology services					
	Total direct costs (excluding Programme Support Costs)	5,980,000	2,828,634	2,162,415	666,219	23.55%
	Programme Support Costs ****	777,400	264,537	211,964		
	Grand total	6,757,400	3,093,170	2,374,379		

* Pledge amounts will be adjusted with the exchange rate on the day of receipt

** Based on actual expenditures up to 30 June 2019 and estimated expenditures between 01 July 2019 and 31 December 2019

*** The contributions of the European Union and Japan will also cover activities beyond the 2018-2019 biennium

**** Programme Support Costs are usually 13%, except for EU funding at 7% and 0% for travel of sponsored delegates to COP3, as exceptionally approved by the Executive Director of UNEP

***** Fundraising continues further to the calls for funding from the President of the COP and the Executive Secretary

***** The assumption is that donors for COP2-related costs, which include Regional Meetings, will agree to use the balance for COP3, which includes Regional Meetings. Relevant requests are being sent to the respective donors