

Comments on behalf of the European Union and its Member States (EU/MS)

On the development of UNEP Programme of work and budget 2020-21

General remarks:

- The EU/MS thank UNEP for the updated presentation of the roadmap for the preparation of its POWB 2020-2021, which is a good basis for discussion. We underline the importance to ensure a transparent and inclusive process to ensure ownership of the POWB.
- We would like to thank UNEP for the responses provided to the questions highlighted by MS at the last subcommittee meeting. We would welcome more specifically that there is a continuous reference to alignment with agreed planning and strategy documents.
- The EU/MS reiterate their concern that the contributions to the Environment Fund not only are not covering the amount adopted by UNEA but are actually decreasing and mainly can cover fixed costs. This is also highlighted in the Programme Performance Report. This situation should be taken into account in the preparation of the upcoming POWB 2020-2021.

1. Impact of the UN Secretariat reform on UNEP's preparation of its POWB 2020-21

- The EU/MS thank UNEP for the clarification on how UNEP intends to adapt the preparation of its POWB 2020-2021, following the UN Secretariat reform. We support the preparation of a two-year budget envelope which looks like a pragmatic and useful solution.
- We would like to underline that the CPR will “endorse” the annual budget 2020 and not “adopt” as only UNEA (Environment Fund) and the General Assembly (Regular budget) have the authority to adopt the budget.

2. Roadmap for the development of UNEP's Programme of work and budget 2020-2021

- UNEP mentions in the document that the new POWB 2020-2021 might have an impact on the current MTS: if there was major changes, then the current MTS 2018-2021 might need to be revised. Should this be the case, sufficient time and thoughtful analysis would be needed to evaluate if such a revision would be appropriate, this would need to be included in the roadmap. The MTS is carefully balanced and formulates the joint vision and strategic objectives by all MS. Priorities that are identified in there still stand. In that context, the EU/MS are not clear on the position of UNEP as the roadmap indicates that the MTS might need to be changed to integrate the new “Strategic focus areas” defined by UNEP but at the same time, recommend in the “responses” that the MTS is not modified. For the EU/MS, the priority is that the MTS and POWB reflect the priorities identified by UNEA for UNEP and that UNEP activities are in line with this POWB.

- Regarding the preparation, the EU/MS again wish to highlight major issues identified by evaluation synthesis which underlines that stronger management attention is needed towards:
 - Improving project preparedness and readiness (no significant improvement in ratings since 2010)
 - Financial planning and management of projects (needs to be more results based, evaluation finds that there is no significant improvement in ratings since 2010)
 - Monitoring and reporting
 - Plans to implement the recommendations of the evaluation (at project level)

- The EU/MS underline the importance to have consultation with the CPR in the preparation of the PoW. The document “responses” indicates that a draft POWB will be presented to the CPR in June/July 2018, we welcome this. However, this is not reflected in the roadmap. The EU/MS recommend that the first draft of the POWB is sent for comment by the end of June 2018 at the latest¹.

- Regarding the budget preparation, the EU/MS stress the need to prepare a realistic budget, based on the use of historical data. We recall however our support for the Environment Fund and the need to ensure that there is a balance between core and earmarked funding as a way to effectively deliver on the objectives set collectively by UNEP’s membership.

- In order to better evaluate the budget and in the context of its preparation, it would be useful to have a better understanding on how, in the previous and current biennium, UNEP has allocated funds when it didn’t received the funds projected (or more than expected in the context of the earmarked contributions). UNEP only gives a very general answer, and indicate that it has a “pre-defined methodology” to prioritize funding. The EU/MS underline the importance for UNEP to prioritize core funding for activities related to the core-mandate of UNEP as defined in the original UNGA resolution and at Rio+20 (science-policy interface, stakeholder engagement, etc.).

3. Adjustments of the 2021 budget:

- In December 2020, the annual budget for 2021 should be reviewed and approved by the General Assembly. At UNEA-4 the budget is approved for 2020 and 2021. However, if changes are needed during 2020 to align the 2021 budget better with what has been achieved during the first part of the biennium, how would the CPR and wider membership be involved in shaping the decisions on these adjustments?

¹ The preparation of the previous MTS and POWB which required several revision of the document took six month – the first draft was presented in August 2015 and was finalized in March 2016.