

B. Financial performance in the biennium 1996-1997

74. The SBI took note of the contributions received for the 1996-1997 biennium under the various sources of funding, and requested the Executive Secretary to report to COP 4, through the SBI at its ninth session, on the actual expenditures for 1996-1997, including audited financial statements and the reports from the internal and external auditors.

C. Financial procedures

75. Following the General Assembly resolution to revise the United Nations scale of assessment (resolution 52/215 of 22 December 1997), the SBI revisited the modality to be used in determining the indicative scale of contributions to the core budget of the Convention, on the basis of the alternatives suggested by the Executive Secretary. The SBI decided to recommend to COP 4 that the scale of contributions should be based on the new United Nations scale of assessment and should follow the principle that all Parties should contribute to the Convention budget. To this end, the SBI also decided to recommend to COP 4 that it should adjust the financial procedures (as contained in decision 15/CP.1, annex I, paragraph 7 (a) of document FCCC/CP/1995/7/Add.1) to read as follows: "Contributions made each year by Parties on the basis of the indicative scale adopted by consensus by the Conference of the Parties, and based on such a scale of assessments of the United Nations as may be adopted from time to time by the General Assembly, adjusted so as to ensure that no Party contributes less than 0.001 per cent of the total; that no one contribution exceeds 25 per cent of the total; and that no contribution from a least developed country Party exceeds 0.01 per cent."

76. The SBI authorized the Executive Secretary to use this new indicative scale of contributions as a basis for the notification to Parties of their 1999 contributions. This notification should also reflect any credits or debits arising from the application of the new scale to contributions for 1998.

D. Administrative arrangements

77. After taking note of the Executive Secretary's oral report on this sub-item, the SBI requested the Executive Secretary to continue discussions with the United Nations regarding administrative arrangements for the Convention, with a view to bringing them to a successful conclusion, and to inform the Conference of the Parties through the SBI, as appropriate, of any significant developments.