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| WEATHER CLIMATE WATER | **World Meteorological Organization**  **EXECUTIVE COUNCIL**  **Seventy-Sixth Session** 27 February to 3 March 2023, Geneva | **EC-76/Doc. 5** |
| Submitted by: Chair of the Budget Committee  2.III.2023  **DRAFT 2** |

**AGENDA ITEM 5: BUDGET**

# MAXIMUM EXPENDITURES FOR THE NINETEENTH FINANCIAL PERIOD

# (2024–2027)

[All changes in this draft are proposed by the Budget Committee]

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| **Summary** |
| **Document presented by:** Secretary-General  **Strategic objective 2020–2023:** All  **Financial and administrative implications:** Represents the proposal for the Maximum Expenditures 2024–2027 in alignment with the Strategic and Operational Plan 2024–2027.  **Key implementers:** Secretariat  **Time frame:** 2024–2027  **Action expected:** Review the proposed draft recommendation |

# DRAFT RECOMMENDATION

## Draft Recommendation 5/1 (EC-76)

### Maximum expenditure for the nineteenth financial period (2024–2027)

THE EXECUTIVE COUNCIL,

**Recalling:**

1. [Article 23](https://library.wmo.int/doc_num.php?explnum_id=11187#page=23) of the Convention of the World Meteorological Organization, (*Basic Documents, No. 1* (WMO-No. 15)),
2. [Articles 3 and 4](https://library.wmo.int/doc_num.php?explnum_id=11187#page=125) of the Financial Regulations of the Organization, (*Basic Documents, No. 1* (WMO-No. 15)),
3. [Decision 10 (EC-75)](https://library.wmo.int/doc_num.php?explnum_id=11331#page=83) – Approach to the Strategic Plan 2024–2027,
4. [Decision 11 (EC-75)](https://library.wmo.int/doc_num.php?explnum_id=11331#page=111) – Process of preparation and elements of Maximum Expenditure for the nineteenth Financial Period (2024–2027),

**Having considered** the Secretary-General’s proposal for the maximum expenditures for the nineteenth financial period (2024–2027) (see [Cg-19/INF. 3(2)](https://meetings.wmo.int/Cg-19/_layouts/15/WopiFrame.aspx?sourcedoc=/Cg-19/InformationDocuments/Cg-19-INF03(2)-MAXIMUM-EXPENDITURES-2024-2027_en.docx&action=default)), including a Secretary-General’s proposal and a zero nominal growth scenario, based on the draft Strategic Plan 2024–2027 ([EC-76/Doc. 4(1)](https://meetings.wmo.int/EC-76/English/Forms/AllItems.aspx?RootFolder=%2FEC%2D76%2FEnglish%2F1%2E%20DRAFTS%20FOR%20DISCUSSION&FolderCTID=0x0120002E248E5BDF8F774FB72A5FDD5565F016&View=%7BBF176166%2DEC65%2D44AF%2DAED2%2D269501CD0FA0%7D)) and the draft Operating Plan for 2024–2027 ([Cg-19/INF. 3(3)](https://meetings.wmo.int/Cg-19/InformationDocuments/Forms/AllItems.aspx)),

**Having further considered** the relevant recommendations of the forty-second meeting of the Financial Advisory Committee (see [EC-76/INF. 2.5(3)](https://meetings.wmo.int/EC-76/InformationDocuments/Forms/AllItems.aspx)),

**Noting** that the FINAC report stated that the FINAC had discussed the feasibility of the Secretary-General’s Proposal, and in light of Members financial pressures, expressed the view that the Secretary-General’s Proposal is not affordable,

**Noting** further the erosion of the regular budget due to inflation over the years under ZNG and the impact of the trend of increasing prices such as those of energy on the overall availability of resources for use in important activities such as capacity development in support of Members and the new priorities of the Organization (Teshome),

**Noting** further that financial requirements in the nineteenth financial period shall be funded from both assessed contributions and voluntary contributions,

**Recommends**:

1. The WMO Operating Plan 2024-2027 presented in [EC-76/INF. 4(1)](https://meetings.wmo.int/EC-76/InformationDocuments/Forms/AllItems.aspx) is adjusted to present the milestones that could be delivered under a Zero Nominal Growth (ZNG) scenario and to present what additionally could be delivered under other scenarios presented in the proposed maximum expenditure for the nineteenth financial period and to present the adjusted Operating Plan to Cg-19 as an Information Document;
2. The maximum expenditure for the nineteenth financial period ([Cg-19/INF. 3(2)](https://meetings.wmo.int/Cg-19/_layouts/15/WopiFrame.aspx?sourcedoc=/Cg-19/InformationDocuments/Cg-19-INF03(2)-MAXIMUM-EXPENDITURES-2024-2027_en.docx&action=default)):
   1. Incorporates an additional maximum expenditure scenario based on Zero Real Growth (ZRG), estimated to be CHF 278,071,400;
   2. Reflects, in all scenarios presented, the UN Early Warnings for All initiative as an overarching priority for WMO;
   3. Recognizes the importance of the replacement of the Enterprise Resource Planning (ERP) system and the implementation of the Information Technology (IT) Strategy in supporting the deployment of the WMO programme and for improving IT security and continues to limit the financial impact of these elements on the maximum expenditure for the nineteenth financial period through additional funding sources such as underspend from the eighteenth financial period and the Programme Support Cost Special Account;
   4. Provides additional detail with respect to the financial implications of programmatic prioritizations made in moving from the ZNG scenario to the ZRG scenario and to any other scenario presented by the Secretary-General and information on what might be discontinued;
   5. Provides additional detail and support with respect to the object of expenditure, with particular emphasis on the evolution of planned WMO Secretariat travel and consultant costs under the scenarios presented; and
   6. Provides further information and efforts to mobilize resources with respect to voluntary and in-kind contributions, as well as other potential sources of funding, that could be utilized to close the gap between what is determined to be feasible and affordable by Members to be funded from assessed contributions and the additional priorities and demands being placed on WMO.

**Recommends** to Congress the adoption of draft Resolution ##/1 (Cg-19) provided in the [annex](#Annex_to_draft_Recommendation) to the present Recommendation, after deliberation during the nineteenth session of Congress.

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## Annex to draft Recommendation 5/1 (EC-76)

## Draft Resolution ##/1 (Cg-19)

### Maximum expenditure for the nineteenth financial period (2024–2027)

THE WORLD METEOROLOGICAL CONGRESS,

**Noting:**

1. [Article 23](https://library.wmo.int/doc_num.php?explnum_id=11187#page=23) of the Convention of the World Meteorological Organization, (*Basic Documents, No. 1* (WMO-No. 15)),
2. [Article 4](https://library.wmo.int/doc_num.php?explnum_id=11187#page=126) of the Financial Regulations of the Organization, (*Basic Documents, No. 1* (WMO-No. 15)),

(3) Draft Recommendation 5/1 (EC-76) – Maximum expenditure for the nineteenth financial period (2024–2027),

(4) [Draft Resolution ##/1 (Cg-19)](https://meetings.wmo.int/Cg-19/English/Forms/AllItems.aspx?RootFolder=%2FCg%2D19%2FEnglish%2F1%2E%20DRAFTS%20FOR%20DISCUSSION&FolderCTID=0x012000B201DF88DD6A2A41AD96184E1530A358&View=%7BA5F5A1D9%2DCDFC%2D4E69%2DB3FB%2D35146C93ECAB%7D) – WMO Strategic Plan,

(5) WMO Operating Plan 2024–2027 ([Cg-19/INF. 3(2)](https://meetings.wmo.int/Cg-19/_layouts/15/WopiFrame.aspx?sourcedoc=/Cg-19/InformationDocuments/Cg-19-INF03(2)-MAXIMUM-EXPENDITURES-2024-2027_en.docx&action=default)),

(6) Report of the Financial Advisory Committee (FINAC) ([Cg-19/INF. ##](https://meetings.wmo.int/Cg-19/InformationDocuments/Forms/AllItems.aspx)),

**Considering** the long-term goals and strategic objectives set in the WMO Strategic Plan ([Draft Resolution ##/1 (Cg-19)](https://meetings.wmo.int/Cg-19/English/Forms/AllItems.aspx?RootFolder=%2FCg%2D19%2FEnglish%2F1%2E%20DRAFTS%20FOR%20DISCUSSION&FolderCTID=0x012000B201DF88DD6A2A41AD96184E1530A358&View=%7BA5F5A1D9%2DCDFC%2D4E69%2DB3FB%2D35146C93ECAB%7D)),

**Authorizes** the Executive Council during the nineteenth financial period from 1 January 2024 to 31 December 2027:

(1) To incur maximum expenditures of XXX XXX XXX Swiss francs [*to be decided by Congress*] to be funded through assessed contributions;

(2) To distribute the regular budget resources by appropriation part as provided in the [annex](#Annex_to_Resolution) to this resolution;

(3) To approve the biennial appropriations for 2024–2025 and for 2026–2027 within these limits;

**Further authorizes** the Executive Council to incur other expenditure from voluntary resources contributing to enhanced implementation of programme activities in line with the Strategic Plan, including co-sponsored programmes and initiatives;

**Requests** the Secretary-General to monitor the implementation of the Operating Plan at both the outcome and output levels, in accordance with the WMO monitoring and evaluation system, in particular in relation to the use of budgetary resources;

**Invites** Members to consider contributing voluntary resources to accelerate, expand and/or scale up the implementation of the Long-term Goals and Strategic Objectives of the Strategic Plan for 2024–2027.

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[Annex: 1](#_Annex_to_draft_3)

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Note: This resolution replaces [Resolution 2 (Cg-18)](https://library.wmo.int/doc_num.php?explnum_id=9827#page=33) - Maximum expenditure for the eighteenth financial period (2020–2023), which will no longer be in force from 1 January 2024.

## Annex to draft Resolution ##/1 (Cg-19)

### MAXIMUM EXPENDITURE FOR 2024–2027 BY APPROPRIATION PART

**(in Swiss francs)**

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| **Appropriation Parts** | **Maximum Expenditures**  **2024–2027** |
| 1. Part I. Long-Term Goal 1 |  |
| 2. Part II. Long-Term Goal 2 |  |
| 3. Part III. Long-Term Goal 3 |  |
| 4. Part IV. Long-Term Goal 4 |  |
| 5. Part V. Long-Term Goal 5 |  |
| 6. Part VI. Policy-Making Organs, Executive Management and Oversight |  |
| 7. Part VII. Language Services |  |
| Total maximum expenditure:  (*to be decided by Congress*) | XXX XXX XXX |

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