

**NOTE BY THE DIRECTOR-GENERAL****TRANSFERS OF FUNDS DURING 2018**

1. Financial Regulation 4.5 states that the Director-General shall notify the Executive Council (hereinafter “the Council”) of any transfers of appropriated funds between programmes within a budget chapter. In pursuance of this Financial Regulation, the Director-General in this Note informs the Council that, during the period from 1 January to 31 December 2018, none of the transfers made between programmes exceeded 10% of the original appropriation for the programme to which the transfers were made. A summary of such transfers is presented in Annex 1 to this Note.
2. Furthermore, Financial Regulation 4.6 states that the Director-General shall notify the Council of any transfers of appropriated funds between subprogrammes within a budget programme. None of the transfers made between subprogrammes exceeded 15% of the original appropriation for the subprogramme to which the transfers were made. A summary of such transfers is presented in Annex 2 to this Note.
3. Recalling that the Programme and Budget for 2018 (C-22/DEC.5, dated 30 November 2017) was approved at the subprogramme level, the transfers listed in both annexes to this Note were processed to cover budget shortfalls and to fund new programme activities. All transfers that occurred throughout 2018 are without detriment to the approved activities of the respective programmes. The Technical Secretariat (hereinafter “the Secretariat”) will review the utilisation of resources as part of the 2018 programme performance review, and any lessons learned will be considered when formulating the 2020 Programme and Budget. The 2018 programme performance report will be submitted to the Council at its Ninety-First Session.

## Annexes:

Annex 1: Transfers of Appropriated Funds between Programmes, 1 January to 31 December 2018

Annex 2: Transfers of Appropriated Funds between Subprogrammes within a Budget Programme, 1 January to 31 December 2018



**Annex 1**

**TRANSFERS OF APPROPRIATED FUNDS BETWEEN PROGRAMMES  
1 JANUARY TO 31 DECEMBER 2018**

<b>Transferred From</b>	<b>Transferred To</b>	<b>Amount (In Euros)</b>	<b>Note</b>
International Cooperation and Assistance Programme	Programme for the Support to the Policy-Making Organs	360,000	1
Administration Programme	Executive Management Programme	443,000	2

**Explanation of notes:**

Note 1

The transfer of funds from the International Cooperation and Assistance Programme to the Programme for the Support to the Policy-Making Organs (EUR 360,000) was to cover staff costs (EUR 80,000) and costs relating to the Fourth Special Session of the Conference of the States Parties (hereinafter “the Conference”) (EUR 280,000).<sup>1</sup>

Note 2

The transfer of funds from the Administration Programme to the Executive Management Programme (EUR 443,000) was to cover mainly staff turnover costs, including aspects of both onboarding and/or offboarding of staff for the Office of the Director-General (EUR 175,000), the Office of the Deputy Director-General (EUR 55,000), the Office of Internal Oversight (EUR 65,000), and the Office of Confidentiality and Security (EUR 148,000). These costs included the transition from the Organisation of the outgoing Director-General, Deputy Director-General, and Director of the Office of Internal Oversight, and the onboarding into the Organisation of the new Director-General.

<sup>1</sup>

A total of EUR 226,381 of the EUR 280,000 transfer is related to expenditure for the World Forum for the Fourth Special Session of the Conference. This amount was received by the Secretariat from the Host Country and was recognised as miscellaneous income in the Secretariat’s financial records for 2018. Most expenditure related to the Fourth Special Session of the Conference, including the aforementioned World Forum costs, was charged to the Secretariat for the Policy-Making Organs. The charging of expenditure incurred in this situation was facilitated through budget transfers from the International Cooperation and Assistance Programme to the Programme for the Support to the Policy-Making Organs, all within Chapter 2. All budget transfers within 2018 were without detriment to the approved activities of the respective programme(s).

**Annex 2**

**TRANSFERS OF APPROPRIATED FUNDS BETWEEN SUBPROGRAMMES  
WITHIN A BUDGET PROGRAMME  
1 JANUARY TO 31 DECEMBER 2018**

<b>Transferred From</b>	<b>Transferred To</b>	<b>Amount (In Euros)</b>	<b>Note</b>
<b><i>Verification Programme</i></b>			
Declarations Branch	Office of the Director, Verification Division	30,000	1
<b><i>Inspections Programme</i></b>			
Demilitarisation Inspections Cell	Industry Inspections Cell	226,000	2
Operations and Administration Branch	Industry Inspections Cell	189,000	3
Inspection Capacity-Building and Contingency-Planning Cell	Industry Inspections Cell	45,000	4
Safety and Analytical Chemistry Cell	Industry Inspections Cell	360,000	5
Inspection Capacity-Building and Contingency-Planning Cell	Office of the Director, Inspectorate	55,000	6
<b><i>International Cooperation and Assistance Programme</i></b>			
Implementation Support Branch	Assistance and Protection Branch	275,000	7
<b><i>Programme for the Support to the Policy-Making Organs</i></b>			
Office of the Director, Secretariat for the Policy- Making Organs	Language Services Branch	60,000	8
<b><i>External Relations Programme</i></b>			
Public Affairs Branch	Office of the Director, External Relations Division	20,000	9
Public Affairs Branch	Political Affairs and Protocol Branch	17,416	10
<b><i>Executive Management Programme</i></b>			
Office of the Legal Adviser	Health and Safety Branch	40,000	11
Office of Strategy and Policy	Office of Confidentiality and Security	123,000	12

**Explanation of notes:**

Note 1

The transfer of funds within the Verification Programme from the Declarations Branch to the Office of the Director of the Verification Division (EUR 30,000) was to cover staff turnover costs.

Note 2

The transfer of funds within the Inspections Programme from the Demilitarisation Inspections Cell to the Industry Inspections Cell (EUR 226,000) was to cover inspection travel costs (EUR 166,000) and interpretation and translation costs (EUR 60,000).

Note 3

The transfer of funds within the Inspections Programme from the Operations and Administration Branch to the Industry Inspections Cell (EUR 189,000) was to cover staff costs.<sup>2</sup>

Note 4

The transfer of funds within the Inspections Programme from the Inspection Capacity-Building and Contingency-Planning Cell to the Industry Inspections Cell (EUR 45,000) was to cover cargo-related expenditures.

Note 5

The transfer of funds within the Inspections Programme from the Safety and Analytical Chemistry Cell to the Industry Inspections Cell (EUR 360,000) was to cover staff costs which increased because of operational needs.<sup>2</sup> The increase was offset by a decrease in other cells of the Inspectorate.

Note 6

The transfer of funds within the Inspections Programme from the Inspection Capacity-Building and Contingency-Planning Cell to the Office of the Director of the Inspectorate (EUR 55,000) was to cover staff costs.

Note 7

The transfer of funds within the International Cooperation and Assistance Programme from the Implementation Support Branch to the Assistance and Protection Branch (EUR 275,000) was to cover travel costs (EUR 120,000), staff costs (EUR 120,000), and contractual services (EUR 35,000).

Note 8

The transfer of funds within the Programme for the Support to the Policy-Making Organs from the Office of the Director to the Language Services Branch (EUR 60,000) was to cover staff costs.

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<sup>2</sup>

The transfer amounts are in part explained by the fact that Inspectors across the inspection cells (Industry Inspections Cell, Demilitarisation Inspections Cell, and Safety and Chemistry Cell) share complementary skill sets which are deployed across all programme objectives: routine missions (Articles IV, V, and VI) and non-routine missions. Operational requirements in year (e.g. promotion of Inspectors to Inspection Team Leaders) necessitate a regularisation and rebalancing of the inspection cells. As a result, the composition of the inspection cells is dynamic and transfers of funds between them to balance staff costs is required.

Note 9

The transfer of funds within the External Relations Programme from the Public Affairs Branch to the Office of the Director of the External Relations Division (EUR 20,000) was to cover staff costs.

Note 10

The transfer of funds within the External Relations Programme from the Public Affairs Branch to the Political Affairs and Protocol Branch (EUR 17,416) was to cover consultancy costs.

Note 11

The transfer of funds within the Executive Management Programme from the Office of the Legal Adviser to the Health and Safety Branch (EUR 40,000) was to cover staff costs.

Note 12

The transfer of funds within the Executive Management Programme from the Office of Strategy and Policy to the Office of Confidentiality and Security (EUR 123,000) was to cover staff costs.