

2020 GGGI Operational Budget

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2020 GGGI Operational Budget

2019/20 Work Program and Budget (WPB) approved by the GGGI Council on 31 October 2018 set out two budget scenarios

- **‘Base Case Scenario’** projected expenditures of **USD 112.9** million for the biennial period 2019/20. This comprised of USD 52.4 million of core funded and US\$ 60.5 million of earmarked funded expenditures
- **‘Plus Case Scenario’** targeted a budget of **USD 137.64** million. This comprised of core resources of USD 59.4 million and earmarked resources to USD 78.24 million.

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Starting point - the 'Base Case' scenario approved by Council for the biennial 2019/20 in October 2018

- ✓ Base Case Scenario' projected expenditures of **USD 112.9** million
- ✓ The current projection for **2019** is total expenditures of **USD 48** million.
- ✓ an amount of up to **USD 64.9** million remains available for **2020**.

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Primary drivers

- **Balanced budget** - the MPSC at their April meeting recommended management to prepare a balanced budget for 2020.
 - Expenditures = Income
- **Estimation of 2020 funding** - management's best estimate of the likely funding levels, including both core and earmarked, for 2020

2020 Core Funding compared to Projected 2019



		2020	2019
	Note	US\$'000	
Korea	1	10,000	10,000
Australia	2	-	8,000
United Kingdom	3	5,800	5,800
Denmark	4	3,000	3,000
Norway	4	1,900	1,900
Total		20,700	28,700

Total 2020 Revenue by category compared to projected 2019

	2020			2019		
	Core	Earmarked	Total	Core	Earmarked	Total
	USD'000			USD'000		
Core contribution	20,700	31,271	51,971	28,700	14,500	43,200
O/H recovery	2,000		2,000	1,000		1,000
Investment Income	300		300	300		300
Total income	23,000	31,271	54,271	30,000	14,500	44,500

2020 GGGI Operational Budget Summary compared to Projected 2019



	2020			2019		
	Core	Earmarked	Total	Core	Earmarked	Total
	USD'000			USD'000		
Total income	23,000	31,271	54,271	30,000	14,500	44,500
Expenditures	23,000	31,271	54,271	33,500	14,500	48,000
Total surplus/(deficit)	-	-	-	(3,500)	-	(3,500)

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Timeline

- **July/August** – engagement with country offices/operating units
- **September** – draft budgets aggregated
 - Requests for core > estimated core income
- **October/November** – management working with country teams/units to reduce their requests for core funding
 - Presenting some challenges
 - May require some re-organization
- **December** – finalize the 2020 budget

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	2020			2019		
	Core	Earmarked	Total	Core	Earmarked	Total
	USD'000			USD'000		
Total income	23,000	31,271	54,271	30,000	14,500	44,500
Expenditures	23,000	31,271	54,271	33,500	14,500	48,000
Total surplus/(deficit)	-	-	-	(3,500)	-	(3,500)

Thank You
