



Convention on the Conservation of Migratory Species of Wild Animals

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UNEP/CMS/Conf. 7.13.1
Addendum
4 September 2002

SEVENTH MEETING OF THE
CONFERENCE OF THE PARTIES
Bonn, 18-24 September 2002

FINANCIAL AND ADMINISTRATIVE ARRANGEMENTS (Prepared by the Secretariat)

I. ADMINISTRATION OF THE TRUST FUND BEYOND 31 DECEMBER 2002

1. In accordance with the decision of the sixth meeting of the Conference of the Parties (Cape Town, November 1999), the UNEP Governing Council noted and approved, at its 22st session (Nairobi, 1-5 February 2002), the recommendation of the Executive Director to extend the Trust Fund for the Convention on the Conservation of Migratory Species of Wild Animals through 31 December 2002.

2. According to the terms of reference for the administration of the Trust Fund, in the event that the Parties wish the Trust Fund to be extended beyond 31 December 2002, the Executive Director of UNEP shall be so advised in writing immediately after the seventh meeting of the Conference of the Parties. It is understood that such extension of the Trust Fund shall be decided at the discretion of the Secretary-General of the United Nations.

Action requested:

In order to provide for continued financial support for the Convention, the Conference of the Parties is invited to request the extension of the Trust Fund administered by UNEP through 31 December 2005.

II. CONTRIBUTIONS AND EXPENDITURES

A. Contributions

3. Article VII, paragraph 4, of the Convention requires each Party to contribute to the budget for the financial period adopted by the Conference of the Parties according to the agreed United Nations scale of assessments. The table at Annex 1 summarizes the status of contributions to the Trust Fund for 2002 as at 31 August 2002. Of the 80 Parties listed in the table, 35 had paid in full their contributions for 2002 and previous years. They are: Australia, Benin, Chile, Croatia, Czech Republic, Denmark, Egypt, European Community, Finland, France, Germany, Ghana, Guinea, Hungary, Ireland, Israel, Latvia, Liechtenstein, Lithuania, Luxembourg, Monaco, Netherlands, New Zealand, Norway, Panama, Philippines, Poland, Slovakia, Slovenia, South Africa, Spain, Switzerland, Tunisia and the United Kingdom.

2. The following 24 Parties had made payments at some time to the Trust Fund, but payments

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for certain years (indicated in brackets) were still outstanding as at 31 August 2002:

Argentina(2000-2002), Belgium (part of 2000,2001,2002), Bulgaria (2001-2002), Burkina Faso (1997-2002), Chad (part of 1997,1998-2000, part of 2001 and part of 2002), Congo (2000-2001), Cyprus (2002), Greece (2001-2002), India (part of 2000, 2001 and part of 2002), Italy (2001-2002), Mali (1997-2002), Mauritania (1998-2000, part of 2001 and part of 2002), Mongolia (2002), Morocco (2002), Nigeria (1999-2002), Pakistan (part of 2000,2001-2002), Paraguay (1999-2002), Peru (2001-2002), Portugal (part of 2002), Romania (2002), Saudi Arabia (2002), Sweden (part of 2000, 2002), United Republic of Tanzania (part of 2002),Uruguay (1999-2001 and part of 2002).

4. The following 21 Parties have never paid their contributions to the Trust Fund:

Albania, Cameroon, Chad, Democratic Republic of Congo, Gambia, Georgia, Guinea-Bissau, Jordan, FYR Macedonia, Malta, Niger, Republic of Moldova, Sao Tome and Principe, Senegal, Somalia, Tajikistan, Sri Lanka, Togo, Uganda, Ukraine, and Uzbekistan.

5. Through Resolution 6.8, the Conference of the Parties approved the writing off of unpaid pledges of four years and older using 1999 as a bench mark, in line with the United Nations Systems of Accounting standards related to the writing-off of pledges. A total of USD 10,518 were written off in December 2000 as unpaid pledges in respect of the following countries: Burkina Faso, Cameroon, Democratic Republic of Congo, Egypt, Guinea, Mali, Niger, Senegal, and Somalia.

6. The Secretariat wishes to draw attention to the fact that while deciding to write off certain outstanding pledges and allowing non-paying Parties to exercise their voting rights at COP6, the Conference of the Parties at the same time served notice to Parties with contributions in arrears that the rule 14 (2) of the Rules of Procedure on withholding of voting rights would be strictly adhered to at the Seventh Meeting of the Conference of the Parties.

7. To summarize, as of 31 August 2002, 35 Parties had paid their 2002 contributions in full, representing approximately 74 percent of the total funds pledged for that year. The total of pledges outstanding for 2002 and previous years amounts to USD 607,640. As shown in the table in Annex 1, of the total amount outstanding, 92 percent can be attributed to eight Parties: Italy (41.8%), Argentina (15.3%), Belgium (14.6%), Sweden (7.1%), Greece (4.2%), Saudi Arabia (3.7%), Ukraine (3.4%), India (1.8%). Based on past experience, several of these contributions are collectable with a high degree of reliability; this being the case, it is expected that the Trust Fund will be augmented further in the last months of 2002 by at least some of these contributions.

8. The tendency of the majority of Parties to pay their contributions late in the year or in the year following that in which they are due gives rise to some concern, since this could have the effect of creating cash flow problems. Both UNEP and CMS Secretariat have endeavoured to advise Parties well in advance of their financial commitments, in addition to the standard practice of publishing the contribution levels in the proceedings of the COP. UNEP headquarters sends Parties invoices before the end of the year prior to that in which they are due. For its part, the CMS Secretariat also sent reminders in June 2002 to those Parties which had contributions outstanding at that time. (UNEP headquarters has already sent to all Parties invoices for their 2002 contributions, indicating at the same time outstanding contributions due for prior years.)

9. The status of the CMS Trust Fund as at 31 August 2002 is given in Annex 2. At that time, there was a balance of USD 3,447,731 taking into account commitments already programmed through to the end of the year. Some of these commitments (e.g. certain salary and meeting expenditures) may not be realised in 2002. As indicated in para. 7, above, the Trust Fund balance could be expected to increase by a further amount with payment in late 2002 of a number of outstanding contributions. This overall healthy balance should be seen in the context of the required maintenance of an operational Trust Fund reserve amounting to six months' expenditure on the 2002 approved budget for CMS (USD 900,000), AEWA (USD 350,000), ASCOBANS (USD 80,000) and EUROBATS (USD 90,000). This is meant to cover possible shortfalls and to meet the final

expenditures under the Trust Fund, including any liquidating liabilities. In addition, the surplus is reduced further in view of the fact that, as proposed in document UNEP/CMS/Conf.7.13.1, USD 840,000 is being proposed as withdrawal from Trust Fund reserve to reduce contributions.

B. Expenditures

10. Annex 3 contains the official statement of income and expenditure for 2001 provided by the Financial Resources Management Service (UNON).

11. Annex 4 shows an *unofficial* statement of expenditures versus approved budget for 2001 and 2002 prepared by the UNEP/CMS Secretariat. The figures for 2002 reflect actual expenditures until 31 July and estimates for the remainder of the year. The explanatory notes below the table clarify any divergence between the approved budget and actual expenditures. At present, it is estimated that expenditures for the biennium will be about USD 435,000 under budget (ie about 15% of the approved budget), mainly on account of expenditures that were not incurred on certain posts while vacancies were being filled, as well as savings on contingencies related to professional posts, which were not realised.

12. Annex 5 shows a statement of pledges vs income received from earmarked voluntary contributions for 2001-2002, all of which are acknowledged with appreciation.

**TRUST FUND FOR THE CONVENTION ON THE CONSERVATION OF MIGRATORY SPECIES OF
WILD ANIMALS (CMS) as at 31 August 2002**

COUNTRIES	Unpaid Pledges as at 31.12.2001	Pledges for 2002	Collections in 2002 for prior years	Collections in 2002 for 2002 & future yrs	Unpaid pledges for 2002 and prior years
Argentina	48.989	44.124			93.113
Australia	(59.326)	59.326			0
Belgium	44.274	44.164			88.438
Benin	(1789)	80			(98)
Bulgaria	362	440			802
Burkina Faso	1.072	80			1.152
Cameroon	1.795	520			2.315
Chad*	976	40			1.016
Chile	4.470	5.441	4.470	5.441	0
Croatia	1.181	1.191	1.181	1.191	0
Czech Republic	0	4.280		4.280	0
Democratic Republic of Congo	1.598	280			1.878
Denmark	0	27.683		27.683	0
E.C.C	0	44.261		44.261	0
Egypt	(1.992)	2.600		608	0
FYR of Macedonia	454	160			614
Finland	0	21.722		21.722	0
France	0	261.826		261.826	0
Gambia	13	39			52
Germany	0	394.319		394.319	0
Georgia	382	276			658
Ghana	15	280	15	529	(249)
Greece	11.536	14.041			25.577
Guinea	1.467	120	1.467	120	0
Guinea Bissau	1.401	40			1.441
Hungary	0	4.800		4.800	0
India	10.796	11.961	10.796	1.115	10.846
Ireland	(8.961)	8.961			0
Israel	0	14.001		14.001	0
Italy	36.420	217.501			253.921
Kenya	0	280		137	143
Latvia	559	680	559	680	0
Liechtenstein	0	240		240	0
Lithuania		533		533	0
Luxembourg	0	2.720		2.720	0
Mali	1.434	80			1.514
Malta	261	542			803
Mauritania	778	40			818

* Although Party reported contributions were paid, these have not yet been reflected in UNON account.

COUNTRIES	Unpaid Pledges as at 31.12.2001	Pledges for 2002	Collections in 2002 for prior years	Collections in 2002 for 2002 & future yrs	Unpaid pledges for 2002 and prior years
Monaco	0	160		160	0
Mongolia	0	80			80
Morocco	1.348	1.640	1.348		1.640
Netherlands	0	65.286			65.286
New Zealand	(8.706)	8.706			0
Niger	1.434	80			1.514
Nigeria	7.783	1.280			9.063
Norway	0	24.402		24.402	0
Pakistan	5.611	2.360	3.184		4.787
Panama	(1.794)	520		350	(1.624)
Paraguay	1.072	560			1.632
Peru	5.699	3.960	3.234		6.425
Philippines	(1.103)	3.240		6.459	(4.322)
Poland	0	7.841		7.841	0
Portugal	0	17.242		17.042	200
Republic of Congo	362	118		118	362
Republic of Moldova	239	387			626
Romania	0	2.240			2.240
Saudi Arabia	0	22.482			22.482
Sao Tome and Principe	3	39			42
Senegal	1.565	240			1.805
Slovak	0	1.400		1.400	0
Slovenia	(2.420)	2.440		20	0
Somalia	1.401	40			1.441
South Africa	12.029	14.641	12.029	14.641	0
Spain	85.160	103.650		188.810	0
Sri Lanka	265	480	265	215	265
Sweden	15	43.164			43.179
Switzerland	0	48.405		48.405	0
Togo	1.310	40			1.350
Tunisia	(658)	1.120		2.460	(1.998)
Uganda	240	158			398
Ukraine	12.997	7.601			20.598
United Kingdom	0	203.700		203.700	0
United Republic of Tanzania	538	120	538	80	40
Uruguay	4.026	1.920	1.387		4.559
Uzbekistan	2.801	1.000			3.801
Total	230.993	1.782.414	40.473	1.302.309	670.625

SHADING: Indicates Parties which are three or more years (ie. 2000, 2001, 2002) behind in paying their subscriptions as at 31 August 2002.

TRUST FUND FOR THE CONVENTION ON THE CONSERVATION OF MIGRATORY SPECIES OF WILD ANIMALS (CMS)		
Status as at 31.08.02		
COMMITTABLE RESOURCES:		
	Balance Available as at 01 January 2002	2.695.453
	Contributions Received in 2002	1.342.782
	Interest Accrued in 2002	69.962
	Programmable Income based on pledges	0
A.	Committable Resources	4.108.197
ALLOCATION:		
	2002-03 Allocation Issued by the Executive Director	2.695.453
APPROVED COMMITMENTS:		1.342.645
	Approved Commitments for 2002-04	69.962
	Approved Provisions for Programme Support Costs (PSC) for 2002-04	0
B.	Total Approved 2002-04 Commitments & PSC Provisions	69.962
C.	Balance Available after Commitments (A - B)	4.038.235
PROPOSED COMMITMENTS:		
	Proposed Commitments for 2002-04	495.900
	Proposed Provisions for Programme Support Costs (PSC) for 2002-04	64.467
D.	Total Proposed Commitments & PSC Provisions	560.367
E.	Total Approved & Proposed Commitments & PSC Provisions (B + D)	630.329
F.	Balance Available after Commitments and Proposals (A - E)	3.477.868

TRUST FUND FOR THE CONVENTION ON CONSERVATION OF MIGRATORY SPECIES OF WILD ANIMALS		
I. PROVISIONAL STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN RESERVE AND FUND BALANCE FOR THE BIENNIUM 2000-2001 (ENDED 31 DECEMBER 2001)		
	INCOME	USD
	Voluntary contributions	2.605.143
	Interest income	204.760
	Miscellaneous income	1.234
	TOTAL INCOME	2.811.137
	EXPENDITURE	
	Staff and other personnel costs	1.185.136
	Contractual services	362.159
	Travel	161.394
	Operating expenses	291.914
	Acquisitions	34.427
	Other expenditures	33.239
	Programme support costs	272.449
	TOTAL EXPENDITURE	2.340.718
	Excess of income over expenditure	470.419
	Prior period adjustment	(3.931)
	NET EXCESS OF INCOME OVER EXPENDITURE	466.488
	RESERVE AND FUND BALANCE, BEGINNING OF PERIOD	2.459.943
	RESERVE AND FUND BALANCE, END OF PERIOD	2.926.431
II. STATEMENT OF ASSETS, LIABILITIES, RESERVE AND FUND BALANCE AS AT 31 DECEMBER 2001		
	ASSETS	
	Cash and term deposits	2.830.907
	Interfund receivable	108.233
	Voluntary pledges receivable	316.116
	Other accounts receivable	239.807
	TOTAL ASSETS	3.495.063
	LIABILITIES	
	Other accounts payable	221.748
	Other liabilities	(78.708)
	Reserve for obligation	340.454
	Deferred credits	85.138
	TOTAL LIABILITIES	568.632
	RESERVE AND FUND BALANCE	
	Cumulative surplus	2.926.431
	TOTAL RESERVE AND FUND BALANCE	2.926.431
	TOTAL LIABILITIES, RESERVE AND FUND BALANCE	3.495.063
	David Hastie Chief ACCOUNTS SECTION	
MS	BUDGET AND FINANCIAL MANAGEMENT SERVICE	04.09.02

Comparison of 2001-2002 Approved Budget vs. Actual Expenditures

	Description	2001 Expenditures	2002 Estimates	Biennium 2001-2002 Total	Budget approved by COP6	Budget vs. Expenditures	
1199	Professional Staff Salaries	308,538	489,124	797,662	1,141,000	343,338	1*
1399	Support Staff Salaries & Conference Assist.	188,639	215,664	404,303	695,000	290,697	2*
1299	Consultants & Translators	48,446	310,000	358,446	200,000	(158,446)	3*
1699	Travel	93,225	75,000	168,225	150,000	(18,225)	4*
2999	Contractual Services	0	0	0	5,000	5,000	5*
3999	Meetings & Conferences	178,073	387,427	565,500	546,000	(19,500)	6*
4999	Equipment	15,500	43,178	58,678	58,000	(678)	7*
5199	Maintenance	4,626	5,000	9,626	18,000	8,374	8*
5299	Reporting Costs	26,282	47,762	74,044	60,000	(14,044)	9*
5399	Sundry	27,949	32,742	60,691	65,000	4,309	10*
5499	Hospitality	211	10,000	10,211	4,000	(6,211)	11*
	Subtotal:	891,489	1,615,897	2,620,466	2,942,000	434,614	
	13% overhead	115,984	210,067	340,336	382,460		
	Total:	1,007,383	1,825,964	2,833,346	3,324,460		

Explanatory Notes

- 1* Expenditures on core salaries are lower than budget by approximately 30% on account of the delayed entry on duty of the CMS Agreements Officer and a vacancy in one professional post since February 2002; also, some contingent expenditures that were factored into other professional posts were not actually incurred.
- 2* Vacancies during the recruitment procedures for the posts of Finance Assistant, Secretary to the Agreements and Technical Officer, and Information Clerk account for part of the lower than anticipated expenditure.
- 3* The over-expenditure vs. budget for servicing COP7 arises from the following factors:
 (1) The cost of all conference services provided by UNON Conference Services (including preparatory work and security, the costs of which were much lower or non-existent for COP6) are now charged on a full recovery basis; (2) More staff (interpreters, report writers, editors etc.) have been engaged to service COP7 as compared to COP6, in order to provide the best possible results. (3) Additionally, part of the savings incurred on staff salaries (see note 1-2 above) was used to engage consultants to organize various COP7 press and side events. (4) The estimate for 2002 also includes some unforeseen factors such as overtime and local transport of conference staff based in Nairobi.
- 4* Modest over-expenditure, on account of a general increase in the cost of travel during the biennium. It should be noted that CMS staff do not avail themselves of UN entitlements on most travel undertaken, thus bring considerable savings to this budget line.
- 5* No expenditure is reported on this budget line. The amount was re-phased to consultancy line and a part-time student was hired as a web site assistant.
- 6* The overall cost of is expected to be lower than reflected above because of last minute cancellations of sponsored delegates.
- 7* Expenditure within budget with marginal increase that can be attributed to exchange rate fluctuations.
- 8* A saving is foreseen on this budget line due to phasing out of obsolete equipment and purchase of new equipment in 2002.
- 9* Reporting costs are expected to be higher than planned due to the volume of documentation that is required for COP7 and its associated meetings.
- 10* Some savings realised because of a reduction of communication costs.
- 11* Reflects additional costs to cover hospitality associated with COP7 side-events.

**EARMARKED COUNTERPART CONTRIBUTION
2000-2002**

DONOR	DATE	PLEGGED		USD EQUIVALENT	CONTRIBUTIONS RECEIVED			PURPOSE
		CURRENCY	AMOUNT		DATE	CURRENCY	USD EQUIVALENT	
UK (Scottish Nat'l Heritage)	2001	USD	15.716	15.716	23.03.01	USD	15.716	10th ScC meeting, Edinburgh
Germany	2001	DM	100.000	45.873	16.11.01	DM	45.873	Conservation activities
UK	2001	GBP	10.000	13.700	23.06.05	GBP	13.700	Marine Turtle meeting, Manila
UK	2001	GBP	5.000	6.988	27.07.01	GBP	6.988	Wild Camels, Mongolia
France	2001	FF	500.000	68.983	21.09.01	FF	68.983	Sahelo Saharan Antelopes: Tunisia, Mali and Niger
Germany	2002	Euro	120.000	117.763	16.08.02	Euro	116.376	COP-7 delegate funding
Germany	2002	USD	196.504	196.504	16.07.02	USD	196.504	COP-7 meeting costs
Germany	2002	Euro	51.100	50.295				Conservation activities
UK	2002	USD	22.500	22.500				COP-7 delegate funding
Denmark	2002	DKK	100.000	13.210				COP-7 delegate funding
Norway	2002	NOK	50.000	6.386	21.06.02	NOK	6.386	COP-7 delegate funding
WWF	2002	Euro	2.500	2.339	21.06.02	Euro	2.339	Camel brochure
UK	2002	USD	20.000	20.000	19.04.02	USD	20.000	IOSEA Marine Turtle Secretariat
USA	2002	USD	89.800	89.800	12.07.02	USD	60.000	IOSEA Marine Turtle Secretariat
Australia	2002	AUD	90.000	49.724	17.05.02	USD	32.394	IOSEA Marine Turtle Secretariat
France	2002	Euro	40.000	39.409				Marine Turtle conservation activities
France	2002	Euro	35.000	34.483				IOSEA Marine Turtle Secretariat
TOTAL				793.672			585.259	