

INFORMATION NOTE OF 1st MEETING OF THE CMS FINANCE AND BUDGET SUB-COMMITTEE

In accordance with the provisions of Annex IV of CMS Resolution 9.14, the sub-committee met twice on 2 December 2009, in Bonn (between 08.00-10.00 and again between 18.30-19.30) immediately before and after the plenary sessions of the CMS Standing Committee. In addition to providing a oral report of their meeting the sub-committee agreed to circulate this written note as a more formal record.

Attendees:	Sub-committee	Trevor Salmon (UK, chair) Nancy Cespedes (Chile) Sadegh Sadeghi Zadegan (Iran) Khaled Zahzah (Tunisia)
	Observer	Edward Ragusch (Germany, Depositary)
	Secretariat	Elizabeth Mrema Bert Lenten Sergey Kurdjukov Tuya Sereenen

Summary: The sub-committee reviewed and supported the Secretariat's reporting and use of the budget, seeking and gaining clarification of a number of questions. The sub-committee confirmed that the Convention remained solvent. The sub-committee welcomed the Secretariat's offer to present it with quarterly outturn reports to anticipate any areas that would benefit from greater clarity, and the development of a reporting format to monitor spend against Resolutions and Decisions. Work would continue to develop this ahead of Standing Committee 37. Additional clarity over the scope of the Abu Dhabi office would be provided to the sub-committee

1. The sub-Committee began its work by formally electing Trevor Salmon (UK) as its chair.
2. In reviewing its terms of reference as set out in section 4 of Annex IV to Resolution 9.14, the sub-committee assessed that its work should focus on i. reviewing income and expenditure to focus attention on keeping the Convention solvent as stated at mandate 4.a; ii. reviewing the allocation of the budget to activities to ensure their consistency with Resolutions and Decisions (mandate 4.b); and finally, iii. working with the Secretariat to assist it to improve its procedures and reporting (mandates 4.c and d). The sub-committee noted that no projected expenditure had appeared likely to differ by more than 20% from levels approved by CoP9 (mandate 4.e).
3. In its morning session the sub-committee focussed its attention on document CMS/StC36/13.
 - 3.1. Income (annex I) – whilst it was noted that the unpaid pledges for 2009 was indicated there as €413K at 30 September, since then several large payments had been received (notably from Italy and Hungary). As a consequence as at 2 December the amount due stood at a little under €199K. Nevertheless, several normally reliable Parties had yet to pay their subscriptions and these were expected by the end of 2009. As a consequence the unpaid dues were expected to reduce further to approx €50K. This compared favourably with previous years (€112K in 2008) and was more than offset by advance payments of approx

€175K. As a consequence the sub-committee was satisfied that the Convention was solvent and was at no risk of becoming insolvent. Nevertheless, the sub-committee recommended that the Secretariat reminds those countries with unpaid dues of their obligations, and that regional sub-committee members and Standing Committee members should assist the Secretariat where necessary in encouraging their payment.

3.2. Expenditure (annex II) – To assist it in assessing whether expenditure levels were on track to achieve expected outturns, the sub-committee focussed only on those budget lines which showed out-turns which differed significantly from profile (75% of budget as at 30 September) and sought clarification from the Secretariat where this appeared to be the case. The sub-committee was satisfied in all instances that the variances were justified, transparent and manageable. The lines queried are detailed in the following table.

Table 1

Budget line	Description	Variance	Justification
Executive Office			
1101	Executive Secretary	>75%	Spend over profile due to termination package for previous ES and assignment of new ES. One-off payments with no repeats likely.
1104	Partnership and Fundraising Officer	Update requested	As budgeted the position will be filled in 2010
1204	Officer in Washington	>75%	A consultant* had been employed on a trial basis between Jan-Aug 2009 to evaluate the use of the office. That arrangement had not proved fruitful and had been terminated. The Deputy Executive Secretary would be undertaking further assessments of the utility of the office
SDMU			
1106	Head of Unit	<75%	Officer has been recruited and will start in January 2010
1108	Associate Marine Mammals Officer	<75%	Expenditure incurred during year would be internally transferred between CMS and ASCOBANs at end year on target
2230	Conservation Grants and Projects	<75%	As a result of staff vacancies throughout 2009 no projects had been initiated. Staff were being recruited in 2010 and it was hoped that some of the unspent monies from 2009 would be allocated to projects in 2010 and 2011.
PAU			
1308	Secretary	>75%	Overtime payments to assist understaffed SDMU team.
2260	Agreements, MoUs and Partnerships	<75%	Anticipated requests and obligations cancelled and/or funded by range states or other institutions
AFSU			
1611	Travel: Staff on mission	>75%	High level of travel during 1 st 6 months of year during ES uncertainties.
5102	IT Services	>75%	As required by CoP9 the Secretariat had

			sought tenders for alternative provision of IT services. However, no satisfactory tenders were received and the Secretariat is instead focussing on improving the cost efficiency of existing arrangements.**
Regional Office			
1111	IOSEA***	<75%	As 1108 the expenditure would transfer at end of 2009.

*A few ad-hoc consultant payments, mostly to cover vacancies, had been allocated to budget lines 1103 and 1106 as a one off arrangement in 2009. This would not occur in future, primarily because posts were now being recruited and filled.

**This was reported to Standing Committee 36 orally by the sub-committee chair and it agreed that no further effort should be made to seek additional tenders for the IT services during this triennium.

***As a result of some confusion over the split of work and costs associated with the Abu Dhabi office and the work on turtles, the sub-committee and the Standing Committee requested further clarifications from the Secretariat.

3.3. The sub-committee welcomed the openness and clarity of the explanations and responses provided by the Secretariat, and their offer to provide quarterly updates of annual expenditures to it. In so doing it was recognised that the sub-committee could greatly assist the Secretariat by identifying possible areas of where clarity could be improved.

4. In its evening session the sub-committee agreed how it would undertake its responsibilities laid out in paragraph 4 of Annex IV to Resolution 9.14, and focussed on how it would deliver responsibilities 4 b, c and d, to assess how work was being delivered in line with Resolutions and Decisions and how to assist the Secretariat in improving, where necessary, clarity in its reporting.

4.1. The sub-committee focussed its attention on document CMS/StC36/Inf.2, which the Secretariat had presented as suggested means of demonstrating how the budget was delivering agreed work programme activities. The sub-committee welcomed the document and found this helpful. However, as they had only recently seen the document it was agreed that the sub-committee would feed back comments and any suggested improvements to the Secretariat. Any changes to the reporting format would be assessed through quarterly electronic reviews on the part of the sub-committee.

5. Subsequent to its meeting Ms Theresa Mundita S. Lim (Philippines) agreed to participate in the group to represent the Oceania region.

Trevor Salmon
Chair of CMS Finance and Budget sub-committee