



Convention on the Conservation of Migratory Species of Wild Animals (CMS)

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STATUS OF CONTRIBUTIONS TO THE TRUST FUND, CMS BUDGET AND RESOURCES

Prepared by the Secretariat

1. INTRODUCTION

A. Mandate

1. The Conference of the Parties at its Sixth Meeting (Cape Town, November 1999) approved the terms of reference for the administration of the Trust Fund as set out in Annex 4 to Resolution 6.8, and requested the Executive Director of UNEP to submit to the Parties and to the Standing Committee, through the Secretariat, the audited accounts for the financial period. These shall include full details of actual expenditure compared to the original provisions for each budget line.

2. Annex 4 to Resolution 6.8 also authorized the Executive Director of UNEP, upon the request of the Secretariat of the Convention, to the extent consistent with the Financial Regulations and Rules of the United Nations, to make transfers from one budget line to another and to transfer any uncommitted balance of appropriations to the second calendar year, provided that the total budget approved by the Parties shall not be exceeded.

B. Scope

3. This document provides information on current status of the CMS Trust Fund (Annex 1), paid and unpaid contribution pledges (Annex 2), actual income and expenditure for the year 2000 (Annex 3), and the estimated income and expenditure to 31 December 2001 (Annex 3b), as well as a list of Parties eligible for CMS support in relation to travel to CMS-related meetings (Annex 4).

II. STATUS OF THE TRUST FUND

4. The status of the CMS Trust Fund is summarized in Annex 1. This report is prepared and issued by UNON monthly and takes into account the available resources in the Trust Fund and records commitments as requested by the Secretariat in accordance with the relevant approvals of the Conference of the Parties.

5. As at 30 September 2001, the Convention had a healthy, uncommitted balance of USD 1,365,602, part of which is necessary to be kept in reserve. This balance takes into account the total contributions received in 2000-2001 (USD 4,729,200) and the total approved project commitment for 2000-2002 of USD 3,363,599. Based on current projections and providing for a reasonable level of reserve, it is estimated that by the time of COP7 an amount in the order of USD 600,000 will be available for withdrawal and allocation to activities in support of the Convention's implementation. This figure is subject to change, depending on levels of expenditure and actual receipt of contributions in 2002.

III. PAID AND UNPAID PLEDGES

6. The status of contributions to the Convention's Trust Fund is reported in Annex 2. As at 30 September 2001, 41 Parties had not paid their contributions for the year 2001 and only 29 Parties had fully paid their contributions for 2001 and all previous years. Received and unpaid contributions represent 70 percent (USD 1,025,300) and 30 percent (USD 437,911), respectively, of the approved budget. Of the total amount outstanding for 2001, 89.75 percent can be attributed to five Parties: Argentina, Australia, Belgium, Italy and Spain.

7. UNON continues to send out reminders requesting all Parties which have not yet paid their contributions in full to do so without further delay. The Secretariat sends out similar reminders and takes every opportunity in its correspondence and other communications to remind Parties of their obligations.

8. Of the 70 parties listed in the table, the following 29 Parties had paid in full their contributions for 2001 and previous years: Benin, Czech Republic, Denmark, Egypt, Finland, France, Germany, Ghana, Hungary, Israel, Kenya, Luxembourg, Monaco, Mongolia, Netherlands, New Zealand, Norway, Panama, Philippines, Poland, Portugal, Saudi Arabia, Slovakia, Slovenia, Sweden, Switzerland, Tunisia, United Kingdom, European Community.

9. The following 41 Parties had made payments at some time to the Trust Fund, but payments for certain years (indicated in brackets) were still outstanding as at 30 September 2001:

Argentina (2000-2001), Australia (2001), Belgium (2000, 2001), Bulgaria (2001), Burkina Faso (1997-2001), Cameroon (1996-2001), Chad (1997-2001), Chile (2001), Congo (2000-2001), Croatia (2000-2001), Democratic Republic of Congo (1996-2001), Macedonia (1999-2001), Georgia (2000-2001), Greece (2001), Guinea (1996-2001), Guinea-Bissau (1996-2001), India (1999, 2001), Ireland (2001), Italy (2001), Latvia (2001), Liechtenstein (2001), Mali (1996-2001), Mauritania (1998-2001), Morocco (2001), Niger (1996-2001), Nigeria (1999-2001), Pakistan (1999-2001), Paraguay (1999-2001), Peru (1998-2001), Romania (2001), Senegal (1996-2001), Somalia (1996-2001), South Africa (2001), Spain (2001), Sri Lanka (2000-2001), Togo (1996-2001), Uganda (2000-2001), Ukraine (1999-2001), United Republic of Tanzania (1999-2001), Uruguay (1999-2001), Uzbekistan (1998-2001),

10. 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 USD10,518 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 (Annex 2a).

11. 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.

IV. INCOME AND EXPENDITURE FOR 2001

A. Income

12. The audited financial statement for the period ending 31 December 2000 is attached as Annex 3. This statement reflects income and expenditure and changes in reserve and fund balance for the first year of the 2000-2001 biennium. The total income recorded from voluntary contributions, interest income, as well as miscellaneous income, was USD 1,182,686 while expenditure for the same period stood at USD 961,590 resulting in excess of income over expenditure of USD 221,096. After prior year adjustments, the reserve and fund balance at the end of the period was USD 2,670,521.

B. Voluntary Counterpart Contributions

13. In addition to the assessed contributions, counterpart contributions of USD 241,976 have been received as matching funds to various Range State meetings and conservation actions. The contributions are documented in Annex 3a, as recommended by the Conference of the Parties at its sixth meeting.

C. Expenditure

14. Income and expenditure for the year 2001 are extrapolated from actual expenditure for 2000 and the trend for the first six months of 2001 based on a combination of official figures from UNON and unofficial figures available at CMS. Annex 3b summarizes estimated expenditure against approved budget for 2001.

15. Of the projected positive balance of USD 419,016, approximately 43.31 percent is due to under-expenditure on staff and other personnel-related costs. In particular, this reflects the fact that two established posts -- Agreement Development Officer (P4) and a Secretary (G4) -- will not be filled until the beginning of 2002, owing to a long-lasting recruitment procedure (including time for the incumbents to be released of other commitments). Furthermore, with effect from January 2001, the cost of the G6 Finance Assistant was provided from UNEP overhead charges (as proposed at the time of COP6), representing a savings to CMS of approximately USD 27,000. Finally, the amounts originally budgeted for salaries of all existing professional staff, which are necessarily based on certain "generic" assumptions, were higher than the actual expenditures in all cases.

16. The provisions for consultancies and official travel just covered the actual needs of the Secretariat and there is every expectation that budget allocations will be spent by year end. On the other hand, the equipment maintenance lines have a positive balance, an indication that the actual costs were lower than anticipated in 1999. Communication costs (ie. telephone and fax) continue to decline in Germany thanks to increased competition, and the Secretariat benefits from a favourable arrangement within the United Nations Premises in Bonn. Expenditures lower than those budgeted continue to be recorded against this line, however the addition of staff and the holding of the COP in 2002 are likely to close the gap. Similarly, the lower than expected expenditure on information materials and reporting costs is likely to be reversed in 2002 once the Secretariat's publication and information strategy is fully implemented.

D. Commitments from Trust Fund reserve

17. In accordance with the mandate accorded by Resolution 6.8, and as reported to the Scientific Council at its 10th meeting (Edinburgh, May 2001), the Secretariat has proposed the commitment of funds from the Trust Fund reserve for conservation and implementation projects, as follows:

A. Source of funds available for all project activities* (* for conservation and implementation, including Information Management Plan)	Year 2001	Year 2002	Total
Unspent funds from proposals for conservation projects in the 1998-2000 triennium that did not materialise	87,000	0	87,000
Trust Fund reserve: First tranche	200,000	200,000	400,000
Trust Fund reserve: Second tranche	150,000	150,000*	300,000
Total	437,000	350,000	787,000

B. Funds already committed or programmed for project activities	Year 2001	Year 2002	Total
Conservation activities already committed for 2001 (pre-/post-Scientific Council meeting)	148,800	178,975	327,775
Other Scientific council project ideas (programmed but not committed)	250,000	0	250,000
Information Management Plan (high priority activities to be completed by end of 2002)	0	40,000	40,000
Evaluation of Convention implementation (estimated cost)	0	35,000	35,000
Appendix I review reports (estimated cost)	0	40,000	40,000
Total committed or programmed	398,800	293,975	692,775

C. Funds available, but not yet committed or programmed, for conservation and implementation projects in 2001 and 2002 (A - B)	39,000	56,025	maximum 94,225* (* subject to Standing Committee approval of second tranche of \$150,000)
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18. In view of the soundness of the Trust Fund balance, the Standing Committee is invited to approve the commitment of the second tranche of \$150,000 as foreseen by Resolution 6.8 for conservation and implementation projects in 2002.

E. Budget line transfers

19. In accordance with the mandate accorded by Resolution 6.8, and based on expenditure projections earlier in the year, budget lines 4100 (Office supplies) and 5201 (Information materials) were increased by USD 10,000 and USD 29,500, respectively, to cover anticipated higher costs associated with the CMS information strategy. In the event, delays in the development of additional information materials have meant that it has not yet been necessary to spend these higher allocations.

V. EXTRAORDINARY EXPENDITURES ANTICIPATED IN 2002

20. The Standing Committee is requested to approve two expenditures in 2002 not provided for in the 2001-2002 budget adopted in 1999, for which funds are available from unspent budget lines, as follows:

A. Support for the establishment of a secretariat to service the *Memorandum of Understanding on the Conservation and Management of Marine Turtles and their Habitats of the Indian Ocean and South-East Asia*

21. Document CMS/StC.23/Inf. 9, Status report on the establishment of a secretariat to service the *Memorandum of Understanding on the Conservation and Management of Marine Turtles and their Habitats of the Indian Ocean and South-East Asia* (IOSEA Marine Turtle MoU), provides detailed information (summarized below) on ongoing efforts to raise the necessary voluntary contributions to enable

the setting up of the secretariat for this new CMS agreement, which was finalized in Manila in June 2001 with the adoption of a Conservation and Management Plan

22. The IOSEA Marine Turtle MoU entered into force on 1 September 2001 and has been signed by eight Range States of the region, as well as the United States. The Manila negotiation meeting proposed to establish a secretariat to co-ordinate activities under the MoU, and accepted an offer from UNEP to co-locate a small office with the UNEP Regional Office for Asia-Pacific (UNEP/ROAP) in Bangkok. Pledges of support toward the operating costs of the secretariat have been received from Australia and the United States; UNEP/Division of Environmental Conventions and UNEP/ROAP have also offered financial and in-kind support. Informal contacts with other interested parties suggest that some additional financial assistance might be forthcoming.

23. At present, however, under the “best-case scenario”, the funds that have already been pledged or which might be anticipated fall short of what is required by about USD 25,000 p.a. While it is important to establish the secretariat as soon as possible to avoid losing momentum, UNEP cannot proceed with recruitment of staff without the assurance that there will be sufficient pledges to cover the secretariat’s costs for at least two years. The present impasse will not be overcome unless there is a rapid injection of funding from another source.

24. The Strategic Plan for the Convention on Migratory Species (Working Paper UNEP/CMS/Conf. 6.12) affirms that “Secretariats for individual Agreements should be financed entirely by their Parties, except when the membership is such that financial support is essential in the early stages of development.” Bearing in mind that the Indian Ocean - Southeast Asian region comprises for the most part developing countries, a case can be made for a short-term intervention from CMS in this instance. In exchange for such support from the CMS Trust Fund, the IOSEA Marine Turtle MoU secretariat could be requested to allocate a certain percentage of its time (perhaps up to 20%) to engage in regional promotional activities for the Convention. This would satisfy a long-standing need for CMS to have a stronger presence in a region identified by the Standing Committee as a high priority for recruitment of new Parties.

25. If the Standing Committee is agreeable, it is proposed that an offer of support of USD 25,000 p.a. over three years, and subject to review thereafter, be confirmed, conditional on other donors coming forward within the next weeks to make up the shortfall in funding that still remains (about USD 25,000 p.a.).

VI. PARTIES ELIGIBLE FOR CMS SUPPORT IN RELATION TO TRAVEL

26. Through Resolution 6.6, the Conference of the Parties at its Sixth Meeting (Cape Town, 1999), requested the Secretariat to make provision for payment of travel costs for regional members from the group of eligible developing countries and countries with economies in transition to attend a maximum of one Standing Committee per calendar year.

27. The Standing Committee in its ordinary meeting in 1997 approved funding of participants to CMS-sponsored meetings under the following criteria:

- Parties whose percentage lies between 0.00 and 0.049 (except those in Europe) are automatically considered eligible for financial support to attend CMS-sponsored meetings that are relevant to them.
- Parties whose percentage lies between 0.050 and 0.100 are considered eligible for financial support to attend CMS-sponsored meetings that are relevant to them, upon request to the Secretariat.

28. This arrangement has been reviewed and reconfirmed at each subsequent meeting of the Committee. The list of Parties which would be considered eligible for financial support to attend CMS-sponsored meetings is submitted for the Committee’s review and approval (Annex 4). The Secretariat wishes to draw attention to three particular cases and seeks the Committee’s advice on the following:

- whether an exception may be made for the Philippines, currently Chair of the Standing Committee, but now falling just above the maximum on the scale, in order to facilitate its continued Standing Committee activities;
- whether two new Parties from the Mediterranean – Cyprus and Malta – should be covered by the European “exception” rule mentioned above, or whether they might receive encouragement to participate actively in the Convention from the outset, in the form of sponsorship of delegates to attend CMS meetings.