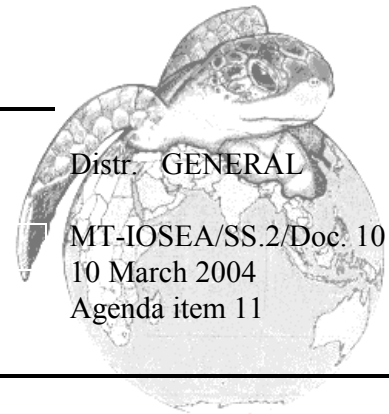

Memorandum of Understanding on the
Conservation and Management of Marine Turtles and
their Habitats of the Indian Ocean and South-East Asia



SECOND MEETING OF THE SIGNATORY STATES
Bangkok, 16-19 March 2004

FINANCIAL AND ADMINISTRATIVE MATTERS

(a) Status of voluntary contributions and expenditures

1. The table contained in Annex 1 summarizes the status of voluntary contributions that have been secured towards the first three years of operation of the IOSEA MoU Secretariat and related activities. The Secretariat gratefully acknowledges the contributions pledged and received from the following Governments and organisations:

Government of Australia: In addition to its contribution of the equivalent of USD 32,394 towards secretariat operations in Years 1 and 2, Australia has advanced a further USD 18,519 towards secretariat operations in Year 3. Australia has pledged a further AUS 6,000 (approximately USD 4,550) towards the participation of delegates to the present meeting. Negotiations regarding the provision of a volunteer staff member for a period of one year, as of mid-March 2004, will hopefully have been concluded successfully by the start of the present meeting.

Government of France: Payment of its 2002 pledge of the equivalent of USD 37,240 towards implementation of the IOSEA MoU, including secretariat operations and meeting organisation, was received in 2003.

Government of the United Kingdom: In addition to its initial contribution USD 20,000, applied against the first year of secretariat operations, the United Kingdom earmarked a further GBP 25,000 (equivalent to USD 39,850) in 2003 towards a conservation project in Kenya (GBP 10,000) and general IOSEA MoU implementation (GBP 15,000). A further contribution of GBP 20,000 (equivalent to USD 37,900) has been received in 2004 towards the IOSEA MoU Secretariat and meeting organisation in the first quarter of 2004.

Government of the United States: In addition to the United States' contribution of a total of USD 89,800 towards secretariat operations over three years (USD 20,000 per annum, plus USD 29,800 to be applied against any year), the United States Department of State contributed a further USD 25,000 in 2003 towards implementation activities. The Western Pacific Regional Fishery Management Council has pledged USD 15,000 towards the cost of organising the present meeting.

Convention on Migratory Species: CMS has contributed USD 25,000 per annum towards secretariat operations in each of the first two years, and is committed to provide the same amount in Year 3, in exchange for provision of senior advisory services. Additionally, the CMS core budget provides for a total of USD 45,000 per annum towards the organisation of meetings held within the framework of the CMS African and Indian Ocean - South-East Asian marine turtle MoUs. From this funding, USD 25,000 is available for the organisation of the Second Meeting of Signatory States.

UNEP Division of Environmental Conventions: UNEP/DEC has pledged USD 25,000 towards secretariat operations over three years, and has confirmed that the whole amount could be applied in the first two years, in case of need.

UNEP Regional Office for Asia and the Pacific: According to the terms of reference for the IOSEA MoU Secretariat, for the first three years of its operation UNEP/ROAP is committed to provide adequate office space and furnishings, to cover other premises-related costs, and to provide general administrative support. In addition, UNEP is absorbing the direct office-related expenses of the Secretariat.

2. With regard to the table in Annex 1, it is important to note the following:

- The table is not an official statement of accounts from the manager of the Trust Fund (United Nations Office at Nairobi), though it has been reviewed by the UNON Budget and Fund Management Service. The table does not reflect any income earned from interest. The latest *official* statement, for the biennium ending 31 December 2002, is attached at Annex 2.
- The figures given in square brackets [] are strictly indicative. They represent suggested future voluntary contributions from France, the United Kingdom and the United States in line with historical precedent, and may in fact be higher or lower. None of the countries concerned has been approached as yet, nor has any of the countries given a definitive indication of the amounts likely to be forthcoming.
- A small surplus exists from 2003 because the Secretariat was established only in April, and the expenditures incurred in that year related mainly to core salary and incidental installation costs, with minimal expenditure on travel or consultancies (Annexes 3 and 3a).
- Some flexibility exists in the apportionment of funding from one year to the next and in the specific use of funds provided by a given donor. For instance, a higher proportion of the US and UK contributions will be allocated to meet core operating costs in 2004, while setting aside some funds for project implementation and financing of meetings, in accordance with the donors wishes.

3. The anticipated funding is expected to be sufficient to cover the basic operating costs of the Secretariat, more or less, through the end of 2004 (and some of the pledges made already extend into 2005). Within that time frame, it is hoped that the viability and usefulness of the Memorandum of Understanding will have been demonstrated so that additional contributions can be secured from existing and new funding sources. Some of the available funding is being allocated to implementation of conservation measures in the Signatory States, but it is essential that additional funds be raised for this purpose (see below).

(b) Budget estimates for 2004-2005

4. A basic budget, with estimates of core operating costs, is given in Annex 4. Minimal amounts have been budgeted for travel, consultancies and essential operating expenses – largely as a function of the funds available. Provision has been made to engage a full-time secretary, considered indispensable to the efficiency of the office. The real (estimated) costs of organising meetings of the Signatory States and Advisory Committee -- mainly support for participation of eligible delegates and experts -- are also reflected.

5. As noted above, up to 20% of the Co-ordinator's work time is to be spent on provision of complementary advisory and promotional services to the Convention on Migratory Species. Should this involve travel, it is expected that CMS will cover the costs, which have not been factored in the MoU Secretariat's budget.

6. At the time of writing, a deficit of about USD 15,000 is projected towards the end of 2004. This may be compensated, preferably, through additional voluntary contributions or, partly, by interest income received; by reducing expenditure in any discretionary budget lines; or as a last resort, drawing on contributions already paid for future years, with the agreement of the donors.

(c) Additional sources of funding for implementation

7. Additional funds are needed to assure at least a modest level of support for activities related to implementation of the Memorandum of Understanding, including selected projects identified as priorities for implementation and small consultancies to carry out specialised tasks. While it is understood that the Secretariat will be called upon to carry out all manner of tasks to facilitate and coordinate implementation of the MoU, some tasks may need to be assigned to consultants where specialised expertise is required (for example, web site development, production of information materials etc.).

8. If funds in the core budget are insufficient for this purpose, other resources – including contributions in kind – will have to be sought. It is hoped that other Signatory States that are not yet contributing to the MoU budget will consider doing so in 2004, to ease the burden on those Governments and organisations that have already contributed generously to make the MoU operational.

Action requested / Expected outcome:

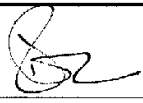
Signatory States are invited to note the report on financial and administrative matters; to seek clarification of any points requiring further explanation; and to consider further ways and means of providing financial or in-kind support for the implementation of the Memorandum of Understanding and the operation of the Secretariat, with a view to assuring continuity into a third year.

Status of contributions towards the Memorandum of Understanding on Indian Ocean - South-East Asian Marine Turtles

(as at 8 March 2004)

Contributor	Pledged contributions					
	Year 1 2003	Year 2 2004	Year 3 2005	Additional earmarked funds	Total	Remark
United States	20,000	49,800 *15,000 **12,500	20,000 +? [50,000]	** 12,500 (Y2)	129,800	*Special WPRFMC earmarked contribution to SS2 ** Implementation activities (to be applied in 2004)
United Kingdom	20,000	30,000 *** 7,900	[40,000]	* 15,940 ** 23,910	97,750	* Kenya project (Y1/2) ** Other projects (Y1/2) *** SS2
Australia	16,197	16,197	18,519	4,550	55,463	One-year placement of AusAID volunteer under negotiation
France	37,240	[25,000]	[25,000]		37,240	
UNEP/DEC	10,000	15,000			25,000	
CMS Trust Fund	25,000 *22,500	25,000 *22,500	25,000 *22,500		142,500	* CMS contribution towards annual SS meetings
UNEP/ROAP	in-kind	in-kind	in-kind		in-kind	
Total available as at March 2004	150,937	193,897	86,019	56,900	487,753	
Total expected to be made available	150,937	218,897+?	201,019+?			
Total required, excluding UNON programme support costs (PSC)	127,763 (9 months only)	190,500	195,000		513,263	
Total required, including PSC	144,372	215,265	220,350		579,987	
Current available surplus / (deficit), excluding [suggested contributions]	6,565	(21,368)	(134,331)			

NB: The suggested contributions of France, the UK and US for Years 2 and 3, shown in square brackets, are strictly indicative and have yet to be considered or confirmed. (See also the main text.)

Technical Cooperation Trust Fund on the Conservation and Management of Marine Turtles and their Habitats of the Indian Oceans and South East Asia	
I. Combined statement of income and expenditure and changes in reserves and fund balances for the first year of the biennium 2002-2003 ended 31 December 2002	
Income	USD
Voluntary contributions	142,194
Interest income	2,238
Total Income	144,432
Expenditure	
Staff and other personnel costs	3,217
Programme support costs	418
Total Expenditure	3,635
Excess/(shortfall) of income over expenditure	140,797
Net excess/(shortfall) of income over expenditure	140,797
Reserves and fund balances, end of period	140,797
II. Combined statement of assets, liabilities, reserves and fund balances as at 31 December 2002	
Assets	
Cash and term deposits	91,070
Interfund receivable	30,714
Voluntary pledges receivable	20,000
Total assets	141,784
Liabilities	
Reserve for obligation	987
Total liabilities	987
Reserves and fund balances	
Cumulative surplus	140,797
Total reserves and fund balances	140,797
Total liabilities, reserve and fund balance	141,784
 David Hastie Chief ACCOUNTS SECTION	
MRL	BUDGET AND FINANCIAL MANAGEMENT SERVICE, UNON
	27/05/2003

Status of Contributions as at 31 December 2002

(United States dollars)

Technical Cooperation Trust Fund on the Conservation and Management of Marine Turtles and their Habitats of the Indian Ocean and South East Asia

<u>Countries/Organizations</u>	<u>Collections in 2002</u>
Australia	32,394
United Kingdom	20,000
United States of America	89,800
Total	142,194

Unofficial statement of expenditure for April-Dec 2003 (in US Dollars)

Budget line	Amount
10 Personnel	
1100 Professional Staff	
1101 Co-ordinator	100,468
1220 Consultancies	0
1300 Administrative Support	
1301 Secretarial/administrative support	0
1600 Travel on official business	
1601 Secretariat staff	2,263
1999 Personnel Subtotal	102,731
40 Equipment and Premises	
4100 Expendable equipment	
4101 Miscellaneous supplies (if not from UNEP/ROAP)	244
4200 Non-expendable equipment	
4201 Office equipment (computers, peripherals)	2,207
4300 Premises	
4301 Rent, maintenance costs (covered by UNEP/ROAP)	0
4999 Equipment and Premises Subtotal	2,450
50 Miscellaneous Costs	
5100 Operation and Maintenance	
5101 Operation/maintenance computers (UNEP/ROAP)	0
5102 Operation/maintenance of copier/fax (UNEP/ROAP)	0
5200 Reporting Costs	
5201 External production of info material (if not from UNEP/ROAP)	42
5300 Sundry	
5301 Telephone and Fax (UNEP/ROAP)	0
5302 Postage and miscellaneous (UNEP/ROAP)	0
5303 Contingency	40
5999 Miscellaneous Costs Subtotal	82
SUBTOTAL	105,263
6000 UNEP programme support costs (13%)	13,684
GRAND TOTAL	118,947

* Excluding cost of First Meeting of Signatory States: ca: USD 22,500

Unofficial statement of expenditures charged in 2003-2004 against UK earmarked voluntary contribution for 2003 (GBP 25,000, equivalent to USD 39,850)

Description	Amount obligated	Expenditure to date	Anticipated future expenditure	Remark
Project: Advancing Sea Turtle Conservation in Kenya (GBP 10,000)	15,940	0	15,940	Letter of Agreement being developed by CMS-Bonn in consultation with IOSEA MoU Secretariat (revisions expected at any time from KESCOM)
IOSEA MoU (GBP 15,000) equivalent to USD 23,910 Breakdown as follows:				
Website development, Phase I: Multimedia Asia	5,229	5,229	0	
Website development, Phase II: Multimedia Asia	6,250	0	6,250	Phase II work has commenced
Misc. website graphics		224	250	
Temporary assistance (Feb-May 2004)	2,656	0	3,500	Temporary assistant engaged from February 2004 (IOSEA SS2 meeting)
Project: MoU coordination in South Asia (SACEP)	5,000		5,000	Matching funds. Project concept in advanced state of development with SACEP
Provision of tags and applicators to turtle projects in Iran	2,500	0	2,500	Purchase to be effected in March 2004
Reserve (unobligated)		0	957	
Totals		5,453	18,457	

Budget Estimates for 2004 - 2005 (in US Dollars)*

Budget line	2004	2005	Total
10 Personnel			
1100 Professional Staff			
1101 Co-ordinator	120,000	122,000	242,000
1102 Junior Professional Officer (JPO) or AusAID volunteer	0	0	0
1220 Consultancies	5,000	5,000	10,000
1300 Administrative Support			
1301 Secretarial/administrative support	12,000	13,000	25,000
1600 Travel on official business			
1601 Secretariat staff	10,000	12,000	22,000
1999 Personnel Subtotal	147,000	152,000	299,000
30 Meetings			
3301 Meeting of Signatory States (added to \$22.5K CMS allocation)	18,000	22,000	40,000
3302 Meeting of the Advisory Committee	12,000	14,000	26,000
3999 Meetings Subtotal	30,000	36,000	66,000
40 Equipment and Premises			
4100 Expendable equipment			
4101 Miscellaneous supplies (if not from UNEP/ROAP)	500	500	1,000
4200 Non-expendable equipment			
4201 Office equipment (computers, peripherals)	6,000	2,000	8,000
4300 Premises			
4301 Rent, maintenance costs (covered by UNEP/ROAP)	0	0	0
4999 Equipment and Premises Subtotal	6,500	2,500	9,000
50 Miscellaneous Costs			
5100 Operation and Maintenance			
5101 Operation/maintenance computers (UNEP/ROAP)	0	0	0
5102 Operation/maintenance of copier/fax (UNEP/ROAP)	0	0	0
5200 Reporting Costs			
5201 External production of info material (if not from UNEP/ROAP)	5,000	2,500	7,500
5300 Sundry			
5301 Telephone and Fax (UNEP/ROAP)	0	0	0
5302 Postage and miscellaneous (UNEP/ROAP)	0	0	0
5303 Contingency	2,000	2,000	4,000
5999 Miscellaneous Costs Subtotal	7,000	4,500	11,500
SUBTOTAL	190,500	195,000	385,500
6000 UNEP programme support costs (13%)	24,765	25,350	50,115
GRAND TOTAL	215,265	220,350	435,615

* Excluding funding required for implementation activities