



Convention on the Conservation of Migratory Species of Wild Animals

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FINANCIAL AND ADMINISTRATIVE MATTERS

1. The terms of reference of the Trust Fund approved by the fourth meeting of the Conference of the Parties require the Secretariat, in consultation with the Standing Committee and the Executive Director of UNEP, to prepare a medium-term plan for the period 1998-2003 incorporating the budget for the financial period 1998-2000. The Secretariat has prepared, in consultation with the administrator of the CMS Trust Fund, the draft resolution attached to this paper, which incorporates the draft budget, medium-term plan and terms of reference for the Trust Fund.

2. At its fifteenth meeting (Bonn, 23-24 January 1997), the Standing Committee reviewed and commented on a first draft of a budget proposal prepared by the Secretariat. A number of Committee members indicated that their Governments would not be in a position to accept a budgetary increase of the order of magnitude proposed by the Secretariat, notwithstanding the justifications that had been presented. The Committee advised the Secretariat either to prepare a draft budget which provided for only a modest increase, or to prepare a series of options – ranging from an increase that represented the rate of inflation to a budget similar to the one that had been tabled at the Standing Committee meeting.

3. The budget proposal at Annex 1a of the draft resolution (Option 1) is virtually the same as that considered by the Standing Committee. It is included here for reference, since it represents what the Secretariat considers to be the minimum resources required to undertake all of the activities mandated by the Conference of the Parties. The proposal maintains most of the current Secretariat staff – consolidating within the core budget staff members presently on secondment or under temporary contract. Under Option 1, the proposed increase in resources available for the activities of the Convention and its secretariat over the triennium would be US\$755,500 (an increase of 25 percent).

4. Since the Standing Committee expressed reservation about the size of the proposed increase, the Secretariat has made a number of amendments which would reduce the increase in resources by approximately US\$430,000 over the triennium. In the budget proposal at Annex 1b of the draft resolution (Option 2), the proposed increase in resources available for the activities of the Convention and its secretariat over the triennium would be \$325,000. This represents an increase of about 10 percent, which keeps pace with the rate of inflation and takes into account the devaluation of the US dollar against the German Mark – the currency in which most expenditures were incurred during the previous triennium. A detailed explanation of various budget components and individual budget lines is given in Annex 1 of this paper, together with an indication of the impact of the proposed cuts on the work programme. Annex 2 contains the proposed staffing table (under Option 2) for the triennium 1998-2000.

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5. The annual contributions of each Party have been calculated for the 1998-2000 triennium for Options 1 and 2 on the basis of the United Nations scale of assessments for the year 1997, this being the latest scale currently available to the Secretariat (Annexes 2a and 2b of the draft resolution). The table of contributions will be amended prior to the meeting of the Conference of the Parties should a revised scale become available.

6. Under Option 1, the contributions of many Parties would be significantly higher than in the 1995-1997 triennium, whereas only a modest increase in real contributions is anticipated under Option 2. Apart from an increased allocation of resources, a number of other factors contribute to the difference in contributions for a given Party from one triennium to the next, the most important being that the Conference of the Parties decided in 1994 to reduce contributions extraordinarily during the 1995-1997 triennium by withdrawing a total of US\$400,000 from the Trust Fund spread over three years (including US\$200,000 in 1997). Second, changes have occurred in the UN scale of assessment which automatically result in higher contributions for certain Parties, particularly some of the larger contributors. Annexes 2a and 2b allow one to make a *direct* comparison between the proposed contributions for 1999 and the “real” contributions for 1997 (the column shown in light gray), as well as the reduced contributions which were assessed extraordinarily in 1997 (the column shown in dark gray). (The final year of the current triennium is compared with 1999 since they are both years in which meetings of the Conference of the Parties and the Scientific Council are scheduled to take place; and the contributions for the other two years of each triennium are considerably lower). One can also note in Annexes 2a and 2b the changes in the UN scale of assessment from one triennium to the next.

7. For most Parties, the real increase in contributions in 1999 is minimal. For example, comparing the years 1999 and 1997 under Option 2, the increase for the United Kingdom would be \$13,814 (8.3 percent). However it should be noted that the United Kingdom’s higher percentage on the UN scale – an extraneous factor completely unrelated to the CMS budget – in itself increases the United Kingdom contribution by 6 percent; therefore, the *real* increase for that Party is well within the rate of inflation. Similarly, the increase for Germany – the largest contributor to CMS – would be \$11,000 (3.7 percent); the real increase is even less since Germany’s percentage on the UN scale has itself increased by 1.5 percent. In fact, the changes in the UN scale result in the 1999 contributions of many Parties being lower or only slightly higher, compared to the real contributions for 1997.

8. The budget proposed under Option 2 essentially maintains the *status quo*, and will not enable the Secretariat to undertake any new activities beyond its core responsibilities. Although the Secretariat has played an instrumental role in the elaboration of all of the Agreements concluded to date, this has only been achieved through enormous commitment of its personnel and countless hours of uncompensated overtime – which cannot be sustained over the longer term. Option 2, which provides for no increase of staff to deal with substantive matters, necessarily limits the Secretariat’s scope in this regard. The Agreements being a key instrument of the Convention, a budget which effectively provides for no growth is unlikely to provide an impetus for multilateral efforts to conserve migratory species outside of Europe. Parties, should therefore, consider whether some accommodation could be made to agree on a budget proposal that lies somewhere between Options 1 and 2.

9. The fourth meeting of the Conference of the Parties decided to make available US\$500,000 from the CMS Trust Fund in order to finance conservation-related work to be undertaken through consultancies, with a particular emphasis on migratory species in developing countries. As the resources currently available in the CMS Trust Fund would appear insufficient to make a similar withdrawal of funds (at least of the same magnitude), the Secretariat has prepared a preliminary list of projects for which voluntary contributions are sought. This list will be presented as a separate annex prior to or during the meeting of the Conference of the Parties.

Component / Budget line		Explanation of selected budget lines (refers to the draft budget proposal and proposed staffing table, attached)
1100	Professional staff	<p>General remark: It should be noted that the budget figures presented in the draft proposal reflect the <i>current</i> staffing situation, whereas actual costs could be higher in the future depending on the benefits accruing to a staff member based on marital status, number of dependents, child education grants etc. They are based on the status quo, with no provision made, for example, for removal costs or the possibility of successors recruited at higher grades.</p> <p>During the course of the triennium, it is expected that the classification of a number of professional staff posts will be reviewed in order to assure consistency within the UN system. For this reason, two levels have been indicated for some posts in order to accommodate any changes in grade after the classification exercise has been carried out. In most cases, classification changes could be expected to be cost neutral, or nearly so, until around 1999.</p> <p>The proposal provides for the creation of two new Programme Officer posts with regional responsibilities in areas in which CMS activities need to be strengthened. However, it is understood that these posts would be established only if the requisite funding is made available through formal secondment of staff members to the UNEP/CMS Secretariat.</p>
1105	Administrative Officer	<p>It is critical that an Administrative Officer be in place well before the integration of additional Agreement secretariats, and preferably even in 1997 in order to take responsibility <i>inter alia</i> for the management of numerous consultancy contracts as well as many new tasks arising from the co-location of the UNEP/CMS Secretariat with other United Nations agencies. Failure to staff this post has significantly impeded the progress of the Secretariat in other areas, due to the amount of time currently spent on administrative matters by senior professional staff.</p>
1106	<p>Programme (Special Projects) Officer (Option 1)</p> <p>Alternative proposal (in Option 2)</p>	<p>This post is presently filled on a half-time basis through a secondment which finishes at the end of 1998. It will be important to maintain this post, and to secure funding for it in the core budget, in order to enable the Secretariat to provide for the development of future Agreements, particularly in developing countries, and liaison with other biodiversity-related conventions.</p> <p>Maintain the post beyond 1998 through secondment, and remove the funding element from the core budget.</p> <p>Cost reduction: \$156,000. Impact: this alternative carries the risk of the post not being filled, which will impede the Secretariat's ability <i>inter alia</i> to promote the development of new Agreements and other activities outside of Europe and to build mutually-beneficial relations with other conventions, non-governmental organizations and potential donor agencies. Likely consequences are programmatic stagnation, slower recruitment of new Parties, and continued isolation vis-à-vis other global and regional Conventions and programmes.</p>

1220	Consultancies Alternative proposal (in Option 2)	Provides for specialized consultancies not undertaken within the framework of the umbrella projects funded from the remainder of the Trust Fund reserve. Reduce funding available for translation work during the triennium by translating documents selectively, and not into all working languages (e.g. certain Standing Committee documents, proposals for amendments to the Appendices). Cost reduction: \$20,000. Impact: a number of Parties might be inconvenienced by not having Standing Committee documents and Conference proposals available in their usual working language.
1300	Administrative support	All General Service posts are expected to be reclassified during the course of 1997, in order to bring them in line with a harmonized UN classification scheme as from 1996 - hence the dual grade indicated against each of the existing posts. The budget anticipates a modest increase in salaries across the board, as a consequence of upgrading of posts to the next higher level.
1302	Finance Assistant	Funded from UNEP programme support costs (ca. USD 126,000 over the triennium)
1305, 1306, 1321	Secretarial / clerical support (Option 1) Alternative proposal (in Option 2)	1) Conversion of a half-time clerical post (which has effectively been filled at 3/4 time, due to overtime requirements) to a full-time secretary post (1305); 2) With the agreement of the Chairman of the Standing Committee, a secretary was recruited on a short-term contract for temporary assistance - an arrangement that now needs to be formalised against a new post (1306); 3) Provision for temporary assistance (1321). The level of support proposed is needed to overcome a recurrent requirement for overtime. Two posts: full-time secretary (1305) - to formalise an existing temporary arrangement; full-time clerk (1306) - to give the Secretariat flexibility to extend the current 3/4 time arrangement, as appropriate; plus a modest provision for temporary assistance. Cost reduction: \$126,000. Effectively, this alternative provides for an increase of 1/4 of one clerical post, as compared to the current situation.
1322	Conference Servicing Costs	Refers to extraordinary costs of servicing the sixth meeting of the Conference of the Parties, assuming a hypothetical meeting date in the third trimester of 1999; costs of participation of developing country delegates now appears in a separate budget line (3404).
3301	Scientific Council Alternative proposal (in Option 2)	Assumes that the Scientific Council will require a meeting during 1998 (about one year after COP5 - cf. Resolution 4.5) as well as the meeting normally held in association with the COP (tentatively in late 1999). No meeting is scheduled for 2000: a modest allocation is made for possible expenses incurred by the Chairman for attendance at meetings. Tightening of eligibility criteria for financial support from CMS for delegates to attend meetings of the Scientific Council. Cost reduction: \$25,000. Impact: certain Parties which would otherwise attend meetings of the Scientific Council might not have the means to participate.

3302	Standing Committee	Annual meetings: cost of participation of developing country members
3303	Siberian Crane MoU Alternative proposal (in Option 2)	Provides for a meeting of Range States, organized at a modest cost, early in 1998 and some time in 2000. Seek external funding for the meetings or use monies unexpended from other budget lines. Cost reduction: \$27,500. Impact: if funding cannot be identified, there is a risk of not being able to hold these meetings, thereby jeopardizing the significant achievements already realized within the framework of this MoU.
3304	Slender-billed curlew MoU Alternative proposal (in Option 2)	Provides for a second meeting of Range States in 1999 (assuming the first meeting is held, as planned, in the second half of 1997) Seek external funding for the meeting or use monies unexpended from other budget lines. Cost reduction: \$20,000. Impact: if funding cannot be identified, there is a risk of not being able to hold this meeting – possibly leading to a loss of momentum.
3305	Developing country participants Alternative proposal (in Option 2)	Option 1: Higher amount in 1999 reflects costs associated with the holding of the COP and facilitating the participation of delegates from certain countries. Seek voluntary contributions from Parties to support participation of delegates at the COP. Cost reduction: \$80,000. Impact: increased work for the Secretariat to raise funds, and a distraction from programmatic activities; risk of insufficient funds to enable all Parties to participate in meetings; potential loss of a practical vehicle to help attract non-Parties to join CMS.
4201	Office equipment	Upgrading of obsolete computer workstations
4301	Rent and maintenance costs	Expected to be covered in full under the terms of the Headquarters Agreement (still to be concluded) with the Government of Germany. Should this not be the case, the Secretariat could be faced with significant unanticipated expenditures for various maintenance costs.

Proposed UNEP/CMS Secretariat staffing table (under Option 2) for 1998-2000

Post	Description	Source of Funding and Legislative Authority
1101	Executive Secretary* (P-5/D-1)	CMS Trust Fund; existing post approved by COP
1102	Deputy Executive Secretary* (P-4/P-5)	CMS Trust Fund; existing post approved by COP
1103	Programme (Information) Officer (P-3/P-4)	CMS Trust Fund; existing post approved by COP
1104	Programme (Technical) Officer (P-3/P-4)	CMS Trust Fund; existing post approved by COP
1105	Administrative Officer (P-3)	CMS Trust Fund; post approved by COP4 (not yet staffed)
1106	Programme (Special Projects) Officer (P-3)	<i>Post subject to COP5 approval, from external funding (from 1999 on)</i>
1107	Regional Officer - Africa (P-3)	<i>Post subject to COP5 approval, from external funding</i>
1108	Regional Officer - Asia (P-3)	<i>Post subject to COP5 approval, from external funding</i>
1301	Administrative Assistant (G-4/G5)	CMS Trust Fund; existing post approved by COP
1302	Finance Assistant (G-4/G5)	UNEP programme support costs; existing post approved by COP
1303	Database Clerk**/Secretary (G-3/G4)	CMS Trust Fund; existing post approved by COP
1304	Information Assistant**/Secretary (G-3/G-4)	CMS Trust Fund; existing post approved by COP
1305	Secretary (G-3/G-4)	<i>CMS Trust Fund; post subject to approval of COP (already staffed on a temporary basis)</i>
1306	Clerk (G-2/G-3)	CMS Trust Fund; conversion of existing half-time clerical post to full-time

* Change in functional title to reflect current usage in comparable convention secretariats

** Change in functional title to better reflect actual responsibilities