

52nd Meeting of the Standing Committee

Online, 21 – 29 September 2021

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IMPLEMENTATION OF THE CMS BUDGET

(As at 31 August 2021, prepared by the Secretariat)

Summary:

This document provides the updated status of contributions to the Trust Fund as at 31 August 2021 as well as an overview of the implementation of the CMS budget for the period January to June 2021, with projected expenditure until the end of December 2021, to assist the Standing Committee in carrying out its responsibilities pursuant to Resolution 9.15.

Rev.1 of the document includes latest developments with respect to the funding of Umoja costs.

IMPLEMENTATION OF THE CMS BUDGET

Background

1. At its thirteenth meeting (COP13, Gandhinagar, 2020), the Conference of the Parties to the Convention on the Conservation of Migratory Species of Wild Animals (CMS) adopted the budget for the triennium 2021-2023 through Resolution 13.2 *Financial and Administrative Matters*. The present report provides the Standing Committee with details of the status of contributions to the Trust Fund as of 31 August 2021. It also provides an overview of the implementation of the budget for the period January to June 2021 with projected expenditure until the end of December 2021.
2. Overall, expenditures are on track. However, there are significant outstanding assessed contributions attributable to both previous and current budget periods.
3. There are also new developments with budgetary implications with respect to how the costs associated with Umoja are calculated and allocated to the CMS Family of Secretariats.
4. The terms of reference adopted in Resolution 9.15 *Composition and Organisation of the Standing Committee* state that the Standing Committee is to oversee, on behalf of the Parties, the development and execution of the budget (paragraph 1 e). Accordingly, the Standing Committee is invited to review the information provided in this document and to give guidance to the Secretariat.

Status of Assessed Contributions

5. Article VII, paragraph 4 of the Convention requires each Party to contribute to the budget adopted by the COP for a given financial period according to the United Nations scale of assessment. As per Resolution 13.2, assessed contributions approved by COP13 for 2021 stand at € 2,748,047.
6. As of 31 August 2021, 68 per cent of the assessed contributions for the year 2021, which amounts to €1,862,660, had been paid by 40 of the 130 Parties. The total unpaid pledges as of 31 August 2021 amount to €2,134,394 (€885,387 for 2021, €1,091,874 for the previous triennium 2018-2020 and €157,133 for prior years). As shown in the table in Annex 1, of a total of 130 Parties, 58 Parties have not fully paid their assessed contributions to the Trust Fund for the previous triennium 2018-2020 and 22 Parties still have outstanding dues related to the period before 2018.
7. Two new Parties (The Central African Republic, retrospectively from Dec 2018, in August 2020, and Turkmenistan in January 2021) acceded to the Convention after the adoption of Resolution 13.2. Total new assessed contributions attributable to the two new Parties amount to €2,215 for the period 2018-2021.
8. To address arrears, the Secretariat sent personalized letters in May and July 2020 to the Parties that had contributions outstanding at that time. The Secretariat sent letters along with duly signed invoices to all Parties in October and November 2020 for the assessed contributions of 2021, noting arrears for prior years as relevant. Due to the closure of the postal office of the United Nations Environment Programme (UNEP), the Secretariat has been sending the scanned copies of the receipts of the paid assessed contributions to the respective Parties whenever the receipts are sent by the Contributions Unit of the UNEP. In August 2021, the Secretariat sent further reminders concerning arrears of 2021 and prior years to the relevant Parties.

9. During COP12, several Parties requested the Secretariat to explore the possibility of paying their assessed contributions through other modes of payment instead of the bank transfer, as the transactional costs of bank transfers is relatively high given the small amount of their contributions. In response to these requests, the Secretariat initiated discussions with the Corporate Services Division of UNEP. Additional updates can be provided during the Standing Committee meeting.
10. Since the UN Secretariat accounting system (Umoja) requires that cash be available before any commitments can be made or expenditures incurred, Parties are urged to pay their contributions as promptly as possible, preferably not later than the end of March in the year to which they relate, in line with Resolution 13.2 Paragraph 6.

Budget Implementation for the period 2021

11. COP13 adopted the budget amounting to €2,748,047 for 2021, including Programme Support Costs (PSC) of 13 per cent. In December 2020, the Chair of the Standing Committee authorized the Secretariat to redeploy €6,181 from the *Information Material Production* budget line to the *ICT Tools, Website Development and Maintenance* budget line for the upgrade of the CMS website.
12. Details of expenditure incurred during the period January to June 2021 with projected expenditure from July to December 2021 are provided in the table in Annex 2.
13. During the first half-year of 2021, there was an overall expenditure of 40 per cent of the total budget, corresponding to €1,103,500. The breakdown is as follows:
 - Expenditure on Staff (professional and general support staff) amounted to €819,824 against a budget of €2,027,584 having an implementation rate of 40 per cent due largely to vacancies.
 - Expenditure on Contractual Services amounted to €76,729, covering all contractual commitments related to the provision of translation services (French and Spanish) and report writing of meeting documents as well as official correspondences of the Secretariat, having an implementation rate of 70 per cent.
 - Expenditure for Operating Costs was €75,484 from January to June 2021 covering mainly the 2021 annual cost of Information Technology Services provided by United Nations Volunteers as well as the half-year cost of leasing contracts for four multifunctional printers. In addition, it includes the cost of telecommunications of the Secretariat and the cost of upgrading of the CMS website'. Additionally, the Secretariat procured office supplies amounting to €1,220 over this period.
 - Expenditures amounting to €3,293 were reported against the 5th Meeting of the Sessional Committee of the Scientific Council meeting, which took place from 28 June to 9 July 2021. The costs were related to the technical services provided by a specialized technical contractor on-site to facilitate interpretation services.
14. For the second half-year of 2021, it is projected that total expenditure will amount to €1,340,562.
15. Expenditure on Staff (professional and general support staff) from July to December 2021 is projected to amount to €1,029,936 since several positions will be filled in the second half of the year. There are expected to be estimated savings of €177,824 at the end of December 2021 due to the several vacant positions of the Secretariat in the first half of the year as well as reduced post-occupancy of several staff members of the Secretariat.

16. The Secretariat is planning to increase the effectiveness of the Information, Communication and Outreach unit by upgrading and advertising the position of the CMS Associate Information Officer from P2 to P3. There will be no costs in 2021, and the cost per annum for 2022 and 2023 is estimated to be \$30,000. Most of the costs will be covered through savings achieved by not filling a half-time G4 position. The above decision to upgrade is necessary because the responsibilities of the position greatly exceed those usually given to a P2 officer, including management responsibilities. This is in keeping with the independent consultant report of 2016, *Review of Job Classification*.
17. The budget for Contractual Services and office supplies will be fully expended. The operations of the Secretariat have changed to an online mode due to COVID-19, resulting in more highly operational IT equipment required for the Secretariat, and the non-expendable equipment budget will be fully expended by the end of December 2021.
18. The budget for Operating Costs will be partially spent resulting in an estimated balance amounting to at least €21,709. However, the majority of these savings are due to COVID-19, whereby the planned staff training could not take place in 2021, therefore any unspent balance under staff training will be likely carried forward to next year for the same purpose.
19. With respect to amounts budgeted for the organization of the Standing Committee meeting and Scientific Council meeting, it is projected that expenditure amounting to €76,183 will be incurred due to the need for several technical services for on-line platforms. It is also expected that the Secretariat, depending on how the COVID-19 situation evolves, might begin to undertake necessary travel, resulting in some costs to be incurred in the second half of the year.

Challenges faced to the Secretariat during the implementation of the 2021 budget

Unexpected increase of Corporate Initiative Costs (Umoja costs) for the CMS Family Secretariats

20. In accordance with the United Nations General Assembly Resolution 35/217 of 17 December 1980, the CMS Family Trust Funds are charged by UNEP at the standard rate of 13 per cent of their annual expenditures as Programme Support costs (PSC). The UNEP Executive Director retains a portion of the PSC income to finance the part of the UNEP central administrative services that supports the CMS Family Secretariats and allocates the remaining PSC income (up to 66.6 per cent of the total PSC income) to the CMS Secretariat for financing the CMS Administrative and Fund Management Unit (AFMU). The AFMU consists of one professional staff member and five General Service staff, who provide the services needed for the operation and administration of all of the CMS Family Secretariats, covering finance, human resources, procurement, travel and other services.
21. Within the framework of an administrative reform initiative, the United Nations Secretariat deployed a new enterprise resource planning system “Umoja” to streamline the business processes of the United Nations Organization. As part of the UN Secretariat, the CMS Family Secretariats enrolled on this system in June 2015. The costs associated with the deployment of Umoja were initially absorbed by a dedicated budget adopted by the UN General Assembly, but later passed on to the user entities in 2017. Since no allocation was included in the CMS Family Trust Funds budget to cover Umoja Costs in the year 2017, the cost attributable to the CMS Family (as well as for all other MEA Secretariats administered by UNEP) was exceptionally absorbed by UNEP.
22. Pursuant to General Assembly resolution 63/262, the guiding principle indicates that Umoja costs be charged to the PSC income. Therefore, from 2018 onwards, apportioned Umoja costs of the CMS Family were charged to the PSC income allocated to the CMS Secretariat. The apportioned costs of Umoja for CMS Family Secretariats were relatively low (\$ 28,821 in 2018, \$ 29,256 in 2019, and \$ 32,110 in 2020).

23. In February 2021, the UNHQ Office of the Controller introduced a new methodology of apportioning Umoja costs, which is based on a staff head count rather than programme support income. As a result, the apportioned Umoja costs of the CMS Family Secretariats for the year 2021 were increased to \$89K (approximately \$2,100 per head). Of the total of \$89K, the Umoja costs related to the CMS Secretariat amount to \$33K while the remaining amount of \$56K is related to all other Secretariats of the CMS Family. Unfortunately, although a number of staff members are on half-time positions, the new methodology does not differentiate the half time staff members in the cost apportionment.
24. In order to address the unexpected increase in Umoja costs in this intersessional period, the Secretariat has undertaken a review of the projected PSC income to be generated from the entire CMS Family Secretariats through 2023, and the staffing and other costs charged to PSC income. As a result, the Secretariat will be able to continue to charge most of the Umoja costs against PSC income through 2023. However, there is a projected shortfall of at least \$29K across the entire CMS family Secretariats.
25. There are some variations across the UNEP-administered Multilateral Environment Agreements (MEAs) regarding how to cover Umoja costs. The governing bodies of some MEAs have agreed to use core funds to cover Umoja costs, while other MEAs charge their PSC income for Umoja costs. The CMS Parties may wish to consider including Umoja costs as part of the core budget at COP14.
26. For the Agreement and MOUs such as Agreement on the Conservation of Small Cetaceans of the Baltic, North East Atlantic, Irish and North Seas (ASCOBANS), Memorandum of Understanding on the Conservation of Migratory Sharks (Sharks MOU) and Memorandum of Understanding on the Conservation and Management of Marine Turtles and their Habitats (IOSEA MOU), whereby the CMS Secretariat serves as the Secretariat, respective Governing bodies may wish to consider including Umoja costs as part of the core budget at their Governing bodies meetings. The total apportioned Umoja costs of ASCOBANS, Sharks MOU and IOSEA MOU amounts to \$10,500 per annum. However, except for the Sharks MOU, no Governing bodies meetings are scheduled in the near term.

Recommended action

27. The Standing Committee is invited to take note of this document and to provide the Secretariat with comments and guidance as necessary.

TRUST FUND FOR THE CONVENTION ON MIGRATORY SPECIES OF WILD ANIMALS
STATUS OF THE CONTRIBUTIONS AS AT 31 AUGUST 2021 (IN EUROS)

Party	Unpaid pledges for 2020 & prior years	Advanced payments for future years	Pledges for 2021	Collections in 2021 for 2020 & Prior Years	Collections in 2021 for 2021	Collections in 2021 for Future Years	Unpaid Pledges for 2020 & prior years	Unpaid pledges for 2021	Advanced payments for future years
1	Afghanistan	393	-	431			393	431	-
2	Albania	47	-	492			47	492	-
3	Algeria	-	-	8,491			-	8,491	-
4	Angola	-	-	615			-	615	-
5	Antigua & Barbuda	-	-	122			-	122	-
6	Argentina	100,406	-	56,302	44,279		56,127	56,302	-
7	Armenia	-	-	431		431	-	-	-
8	Australia	-	135,986	135,986		138,705	-	-	138,705
9	Austria	-	-	41,657		41,657	-	-	-
10	Bangladesh	629	-	615			629	615	-
11	Belarus	-	-	3,015		3,015	-	-	-
12	Belgium	-	-	50,518		50,518	-	-	-
13	Benin	189	-	185			189	185	-
14	Bolivia (Plurinational State of)	1,416	-	985			1,416	985	-
15	Bosnia and Herzegovina	785	-	738			785	738	-
16	Brazil	657,233	-	181,396			657,233	181,396	-
17	Bulgaria	-	-	2,830		2,830	-	-	-
18	Burkina Faso	1,082	-	185			1,082	185	-
19	Burundi	-	139	62			-	-	77
20	Cabo Verde	-	19	62			-	43	-
21	Cameroon	3,677	-	800			3,677	800	-
22	Chad	2,298	-	246			2,298	246	-
23	Chile	47,066	-	25,044			47,066	25,044	-
24	Congo (Brazzaville)	1,032	-	369			1,032	369	-
25	Cook Islands	-	73	62			-	-	11
26	Costa Rica	-	4,232	3,815			-	-	417

Party	Unpaid pledges for 2020 & prior years	Advanced payments for future years	Pledges for 2021	Collections in 2021 for 2020 & Prior Years	Collections in 2021 for 2021	Collections in 2021 for Future Years	Unpaid Pledges for 2020 & prior years	Unpaid pledges for 2021	Advanced payments for future years
27 Côte d'Ivoire	-	20,591	800				-	-	19,791
28 Croatia	-	-	4,738		4,738		-	-	-
29 Cuba	27,844	-	4,923				27,844	4,923	-
30 Cyprus	-	-	2,215				-	2,215	-
31 Czech Republic	-	19,136	19,136				-	-	-
32 Dem.Rep of the Congo (Kinshasa)	5,000	-	615				5,000	615	-
33 Denmark	-	-	34,089				-	34,089	-
34 Djibouti	789	-	62				789	62	-
35 Dominican Republic	8,353	-	3,261	8,353	3,093		-	168	-
36 Ecuador	14,083	-	4,923				14,083	4,923	-
37 Egypt	9,564	-	11,445				9,564	11,445	-
38 Equatorial Guinea	3,996	-	985				3,996	985	-
39 Eritrea	8	-	62				8	62	-
40 Estonia	-	-	2,400				-	2,400	-
41 Eswatini	126	-	122	126	122		-	-	-
42 Ethiopia	629	-	615				629	615	-
43 European Union	-	-	68,701		68,701		-	-	-
44 Fiji	-	-	185				-	185	-
45 Finland	-	-	25,905		25,905		-	-	-
46 France	-	-	272,402		272,402		-	-	-
47 Gabon	9,468	-	923				9,468	923	-
48 Gambia	187	-	62				187	62	-
49 Georgia	-	-	492		492		-	-	-
50 Germany	-	-	374,730		374,730		-	-	-
51 Ghana	-	389	923				-	534	-
52 Greece	-	-	22,521				-	22,521	-
53 Guinea	344	-	185				344	185	-
54 Guinea-Bissau	2,072	-	62				2,072	62	-
55 Honduras	451	-	554				451	554	-
56 Hungary	-	-	12,676				-	12,676	-
57 India	46,374	-	51,318	46,374	51,318		-	-	-
58 Iran (Islamic Republic of)	55,558	-	24,490				55,558	24,490	-
59 Iraq	27,674	-	7,938				27,674	7,938	-

Party	Unpaid pledges for 2020 & prior years	Advanced payments for future years	Pledges for 2021	Collections in 2021 for 2020 & Prior Years	Collections in 2021 for 2021	Collections in 2021 for Future Years	Unpaid Pledges for 2020 & prior years	Unpaid pledges for 2021	Advanced payments for future years
60	Ireland	-	-	22,828			-	22,828	-
61	Israel	27,057	-	30,151			27,057	30,151	-
62	Italy	-	-	203,486			-	203,486	-
63	Jordan	645	-	1,292			645	1,292	-
64	Kazakhstan	-	-	10,953		10,953	-	-	-
65	Kenya	2,124	-	1,477	2,124	1,477	-	-	-
66	Kyrgyzstan	106	-	122			106	122	-
67	Latvia	-	-	2,892		2,892	-	-	-
68	Lebanon	-	-	2,892			-	2,892	-
69	Liberia	138	-	62			138	62	-
70	Libya	95,955	-	1,846			95,955	1,846	-
71	Liechtenstein	-	440	554		114	-	-	-
72	Lithuania	-	-	4,369			-	4,369	-
73	Luxembourg	-	-	4,123		4,123	-	-	-
74	Madagascar	52	-	246			52	246	-
75	Mali	516	-	246			516	246	-
76	Malawi	-	16	122			-	106	-
77	Maldives	-	-	246			-	246	-
78	Malta	-	1,046	1,046			-	-	-
79	Mauritania	366	-	122			366	122	-
80	Mauritius	-	-	677			-	677	-
81	Monaco	-	-	677		677	-	-	-
82	Mongolia	-	-	307			-	307	-
83	Montenegro	-	-	246		246	-	-	-
84	Morocco	6,370	-	3,384	2,972		3,398	3,384	-
85	Mozambique	-	-	246			-	246	-
86	Netherlands	-	-	83,437		83,437	-	-	-
87	New Zealand	-	-	17,906		17,906	-	-	-
88	Niger	2,568	-	122			2,568	122	-
89	Nigeria	50,584	-	15,383			50,584	15,383	-
90	North Macedonia	-	-	431			-	431	-
91	Norway	-	-	46,395		46,395	-	-	-
92	Pakistan	9,355	-	7,076	3,221		6,134	7,076	-
93	Palau	-	4,148	62			-	-	4,086

Party	Unpaid pledges for 2020 & prior years	Advanced payments for future years	Pledges for 2021	Collections in 2021 for 2020 & Prior Years	Collections in 2021 for 2021	Collections in 2021 for Future Years	Unpaid Pledges for 2020 & prior years	Unpaid pledges for 2021	Advanced payments for future years
94 Panama	165	-	2,769				165	2,769	-
95 Paraguay	-	-	985				-	985	-
96 Peru	7,591	-	9,353	2,788			4,804	9,353	-
97 Philippines	6,182	-	12,614		12,614		6,182	-	-
98 Poland	-	-	49,349		49,349		-	-	-
99 Portugal	19,677	-	21,536	19,677			0	21,536	-
100 Republic of Moldova	0	-	185				0	185	-
101 Romania	-	-	12,183				-	12,183	-
102 Rwanda	0	167	185				0	18	-
103 Samoa	-	-	62				-	62	-
104 Sao Tome & Principe	882	-	62				882	62	-
105 Saudi Arabia	72,109	-	72,115				72,109	72,115	-
106 Senegal	1,127	-	431				1,127	431	-
107 Serbia	0	-	1,723				0	1,723	-
108 Seychelles	-	-	122				-	122	-
109 Slovakia	-	9,414	9,414				-	-	-
110 Slovenia	-	4,676	4,676				-	-	-
111 Somalia	2,072	-	62				2,072	62	-
112 South Africa	-	-	16,737		16,737		-	-	-
113 Spain	-	-	132,048		132,048		-	-	-
114 Sri Lanka	3,656	-	2,707				3,656	2,707	-
115 Sweden	-	-	55,748		55,748		-	-	-
116 Switzerland	-	-	70,823		70,823		-	-	-
117 Syrian Arab Republic	14,274	-	677				14,274	677	-
118 Tajikistan	-	63	246				-	183	-
119 Togo	169	-	122				169	122	-
120 Trinidad & Tobago	4,163	-	2,461				4,163	2,461	-
121 Tunisia	9,538	-	1,538	1,762			7,776	1,538	-
122 Uganda	1,547	-	492				1,547	492	-
123 Ukraine	6,480	-	3,507				6,480	3,507	-
124 United Arab Emirates	-	-	37,904				-	37,904	-
125 United Kingdom	-	-	281,016		281,016		-	-	-
126 United Republic of Tanzania	629	-	615				629	615	-

Party	Unpaid pledges for 2020 & prior years	Advanced payments for future years	Pledges for 2021	Collections in 2021 for 2020 & Prior Years	Collections in 2021 for 2021	Collections in 2021 for Future Years	Unpaid Pledges for 2020 & prior years	Unpaid pledges for 2021	Advanced payments for future years
127 Uruguay	4,970	-	5,353	4,970			-	5,353	-
128 Uzbekistan	1,701	-	1,969				1,701	1,969	-
129 Yemen	4,066	-	615				4,066	615	-
130 Zimbabwe	46	-	307				46	307	-
Total	1,385,653	200,535	2,748,047	136,646	1,686,507	138,705	1,249,007	885,387	163,087

ANNEX 2

IMPLEMENTATION OF THE 2021 BUDGET AS AT 30 JUNE 2021

(in Euros)

Object of expenditure	Approved Budget		Expenditure			Estimated Balance
	Approved by COP13	Redeployed	Jan - Jun	Jul - Dec Projected	Total	
Staff Costs						
Professional Staff	1,530,179		612,503	822,929	1,435,432	94,747
General Support Staff	497,405		207,321	207,007	414,327	83,078
Sub-total _Staff costs	2,027,584	0	819,824	1,029,936	1,849,760	177,824
Contractual Services						
Contractual services (general translations and document editing)	95,687		76,548	19,139	95,687	0
Servicing of COP13 (interpretation, report writing)	0		0	0	0	0
Information Material Production	13,530	(6,181)	181	7,168	7,349	0
Sub-total _Contractual Services	109,217	(6,181)	76,729	26,307	103,036	0
Operating Costs						
ICT Tools, Website Development and Maintenance	7,036	6,181	14,468	(1,251)	13,217	0
Staff Development (training, retreats etc.)	20,824		0	5,000	5,000	15,824
Information Technology Services (UNV)	75,770		50,000	25,770	75,770	0
Office Automation Services (printer leases, hosting etc)	10,824		4,878	5,946	10,824	0
Communication and Courier Services	10,000		6,138	0	6,138	3,862
Miscellaneous	4,046		0	2,023	2,023	2,023
Sub-total _Operating Costs	128,501	6,181	75,484	37,488	112,972	21,709
Supplies						
Office Supplies	6,278		1,220	5,059	6,278	0
Sub-total _Office Supplies	6,278	0	1,220	5,059	6,278	0

Object of expenditure	Approved Budget		Expenditure			Estimated Balance
	Approved by COP13	Redeployed	Jan - Jun	Jul - Dec Projected	Total	
Equipment						
Non-expendable Equipment	11,366		0	11,366	11,366	0
Sub-total_Equipment	11,366	0	0	11,366	11,366	0
Travel						
Staff travel	68,951		0	34,475	34,475	34,475
Standing Committee meetings	24,371		0	10,000	10,000	14,371
Scientific Council meetings	55,633		3,293	31,707	35,000	20,633
Sub-total_Travel	148,955	0	3,293	76,183	79,476	69,479
Total	2,431,901	0	976,549	1,186,338	2,162,888	269,013
Programme Support Costs	316,147	0	126,951	154,224	281,175	34,972
Grand total	2,748,048	0	1,103,500	1,340,562	2,444,063	303,985