

Agenda item 8.2

Current status of the Reserve Fund

Action requested: The Standing Committee is invited to note the contents of this report and consider the Secretary General's suggestions about the use of the Reserve Fund excess.

1. The Reserve Fund (established by Resolution VI.17, 1996) comprises excess/deficit funds from each year's core budget to be used to meet unforeseen and unavoidable expenditures. The resources kept in the Reserve Fund are limited to a maximum of 1/12th of the core budget of the current fiscal year. The Fund is to be administered by the Secretary General under the guidance of the Subgroup on Finance as established by the Standing Committee.
2. In Resolution X.2 (2008), para 21, the Contracting Parties requested the Secretary General to report to the Standing Committee on the status of the Reserve Fund and consult with the Standing Committee regarding the use of any excess resources of the Fund.
3. At 31 December 2007 the Fund stood at CHF 484,000, CHF 130,000 above the maximum. At 31 December 2008 the Reserve Fund per the unaudited accounts was 459,000 but should be no greater than 1/12th of CHF 4,365,000, i.e. CHF 364,000. The Secretary General has requested that CHF 100,000 of the Reserve be released and recommends allocation as follows:
 - First, to cover the deficit of CHF 34,000 on the COP10 project.
 - Secondly, to establish a project to provide a CHF 16,000 to finance ad hoc legal work that the Secretariat urgently needs to support its core and project activities.
 - Thirdly, to provide a CHF 40,000 project for working with the World Tourism Organization to highlight the role of wetlands in economic development. It is hoped that this will also lead to joint activities with the tourism sector and new income in 2009 and 2010.
 - Fourth, to provide CHF 10,000 to top up the fund for Ramsar Advisory Missions.

RESERVE FUND		STATEMENT OF ACCOUNT AT 31.12.2008
(in Swiss Francs)		
Year	Amount	TOTAL
	Carry forward from 2000	397,181
2001 Adjustments to the Fund		
	Annual contribution 1993 119	
	Deficit from 2001 (16,485)	380,816
2002 Adjustments to the Fund		
	Deficit from 2002 (168,660)	212,156
2003 Adjustments to the Fund		
	Deficit from 2003 (193,921)	18,236
2004 Adjustments to the Fund		
	Deficit from 2004 (23,635)	(5,400)
2005 Adjustments to the Fund		
	Surplus from 2005 105,619	100,220
2006 Adjustments to the Fund		
	Surplus from 2006 214,012	314,351
2007 Adjustments to the Fund		
	Surplus from 2007 170,398	484,749
2008 Adjustments to the Fund		
	Deficit from 2008 (25,910)	
	Transfer to projects (100,000)	
TOTAL to 31 Dec 2008		358,839

The Reserve Fund is comprises excess/deficit funds from each year's budget. It also receives annual contributions prior to 1994.

Note:

Resolution VI.17 of COP6 established that "the resources kept in the Fund should not be higher

at any time than one-twelfth of the core budget of the current fiscal year". One-twelfth of the 2008 budget approved by COP9 is CHF 363,758

For an excess:

At 31.12.08 there was an excess in the Reserve Fund. The Secretary General has decided to release CHF 100,000. He would like to propose that this amount is used as follows:

COP10	34,000
WWW 2009	40,000
Legal fund	16,000
RAM support	10,000