Agenda

• Subgroup on Finance
• 2012 year end accounting
• 2013-2015 Core budget
• Outstanding Contributions
• Proposed 2016-2018 budget scenarios
Agenda Item a.
Subgroup on Finance
2013-2015 Triennium
Subgroup on Finance

- Budgetary provisions established by paragraphs 5 and 6 of Article 6 of the Convention on Wetlands
- Members for 2013-2015 triennium
  - Standing Committee reps- Burundi, Canada (Chair), Chile, Denmark, Fiji, Republic of Korea
  - Outgoing Chair - Finland
  - Secretariat- Secretary General and Finance Officer *ex officio*
- Meetings of the Subgroup
  - SC46-2013, Gland, 8-12 April 2013
  - SC47-2014, Gland, 24-28 March 2014
  - SC49-2015, Punte del Este, 1 June 2015
Agenda Item b.
2012 Year end accounting
2012

- Ended with a positive balance.
- Standing Committee 46:
  I. Approved the audited final 2012 financial statements, subject to any final minor adjustments/audit completion;
  II. Noted the healthy Reserve Fund balance of CHF 812,000 at the beginning of the new triennium; and
  III. Urged the Secretariat to manage itself more efficiently to ensure all staff took their allocated annual leave, so as to minimize any future financial liability.
Agenda Item c.
2013-2015 Core Budget
# 2013-2015 Core Budget
**(COP12 DOC.14, Annex 5)**

## Triennium Core Budget*

<table>
<thead>
<tr>
<th>CHF 000’s</th>
<th>Core Actuals</th>
<th>Core Actuals</th>
<th>Core Budget**</th>
<th>2013-2015 COPT Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013</td>
<td>2014</td>
<td>2015</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. Parties' Contributions</td>
<td>3,782</td>
<td>3,779</td>
<td>3,779</td>
<td>11,340</td>
<td>3</td>
</tr>
<tr>
<td>ii. Voluntary contributions</td>
<td>1,048</td>
<td>1,066</td>
<td>1,065</td>
<td>3,179</td>
<td>-16</td>
</tr>
<tr>
<td>iii. Income Tax</td>
<td>215</td>
<td>168</td>
<td>225</td>
<td>608</td>
<td>-67</td>
</tr>
<tr>
<td>iv. Income Interest</td>
<td>3</td>
<td>2</td>
<td>12</td>
<td>17</td>
<td>-19</td>
</tr>
<tr>
<td>v. Miscellaneous Income</td>
<td>105</td>
<td>106</td>
<td>106</td>
<td>105</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL INCOME</strong></td>
<td>5,048</td>
<td>5,120</td>
<td>5,081</td>
<td>15,249</td>
<td>6</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Secretariat Senior Management</td>
<td>807</td>
<td>727</td>
<td>811</td>
<td>2,345</td>
<td>-130</td>
</tr>
<tr>
<td>B. Partnership Coordinator</td>
<td>203</td>
<td>228</td>
<td>259</td>
<td>689</td>
<td>-244</td>
</tr>
<tr>
<td>C. Regional Advice and Support</td>
<td>1,332</td>
<td>1,364</td>
<td>1,339</td>
<td>4,034</td>
<td>-7</td>
</tr>
<tr>
<td>D. Support to Regional Initiatives</td>
<td>115</td>
<td>121</td>
<td>120</td>
<td>356</td>
<td>-124</td>
</tr>
<tr>
<td>E. Scientific and Technical Services</td>
<td>209</td>
<td>170</td>
<td>210</td>
<td>588</td>
<td>-42</td>
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<td>F. Communications, Documentation, CEPA</td>
<td>497</td>
<td>660</td>
<td>589</td>
<td>1,745</td>
<td>227</td>
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<tr>
<td>G. Administration/RSIS/Web</td>
<td>758</td>
<td>556</td>
<td>898</td>
<td>2,212</td>
<td>-50</td>
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<td>H. Operating Costs</td>
<td>97</td>
<td>83</td>
<td>95</td>
<td>275</td>
<td>-16</td>
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<tr>
<td>I. Standing Committee Services</td>
<td>60</td>
<td>68</td>
<td>85</td>
<td>213</td>
<td>-42</td>
</tr>
<tr>
<td>J. IUCN Administrative Service Charges (maximum)</td>
<td>549</td>
<td>515</td>
<td>566</td>
<td>1,630</td>
<td>-68</td>
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<tr>
<td>K. Miscellaneous</td>
<td>338</td>
<td>169</td>
<td>110</td>
<td>617</td>
<td>-43</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>4,965</td>
<td>4,661</td>
<td>5,081</td>
<td>14,707</td>
<td>-536</td>
</tr>
<tr>
<td><strong>SURPLUS (DEFICIT)</strong></td>
<td>83</td>
<td>459</td>
<td>0</td>
<td>542</td>
<td>0</td>
</tr>
<tr>
<td><strong>Staff Costs (salary and related)</strong></td>
<td>3,289</td>
<td>3,089</td>
<td>3,435</td>
<td>9,812</td>
<td>-178</td>
</tr>
<tr>
<td><strong>Staff Costs, % of total</strong></td>
<td>66%</td>
<td>66%</td>
<td>68%</td>
<td>67%</td>
<td>66%</td>
</tr>
<tr>
<td><strong>Travel</strong></td>
<td>139</td>
<td>139</td>
<td>165</td>
<td>443</td>
<td>495</td>
</tr>
<tr>
<td><strong>Travel Costs, % of total</strong></td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
</tr>
</tbody>
</table>

**Notes:**
* More information can be found in Standing Committee and Finance Subgroup reports during the period.

** 2015 Core budget as approved at SC48
2013

- Ended with a positive balance.
- SC46:
  I. Allocated CHF 129,719 to the following six Regional Initiatives, as requested for their activities in 2013:
    - East African centre: CHF 35,000
    - Niger river basin network: CHF 30,000
    - La Plata river basin network: CHF 16,700
    - Caribbean network: CHF 15,000
    - Mangroves and coral reefs network: CHF 20,000
    - Carpathian Wetland Initiative: CHF 13,019
  II. Decided not to formally relaunch the Small Grants Fund for 2014;
    I. Requested the Secretariat to review the status of current Small Grants Funds portfolio and seek ways of refreshing it (pending further review and redevelopment of mechanisms for funding small projects of national priority, in relation to the terms of Resolution XI.2 and the finalization of the Strategic Framework for Ramsar Partnerships, for Standing Committee consideration)
2014

- Ended with a positive balance
- **SC47:**
  
  I. Approved the 2013 financial statements, subject to any final minor adjustments and audit completion
  
  II. Noted the excess reserve fund balance of CHF 291,000.
  
  III. Allocated CHF 120,000 to the following Regional Initiatives:
      - East African centre CHF 28,000
      - Niger river basin network CHF 30,000
      - La Plata river basin network CHF 16,000
      - Caribbean network CHF 16,000
      - Mangroves and coral reefs network CHF 20,000
      - Carpathian Wetland Initiative CHF 10,000
IV. Directed the surplus (CHF 366,000) as follows:

- Strategic Plan: CHF 76,000
- Regional Advisory Missions: CHF 50,000
- Translation, French/Spanish, of SC48 docs: CHF 90,000
- COP12 delivery: CHF 150,000

III. Asked the Secretary General (consulting with the Executive Team as necessary) to determine which of the three urgent, unfunded needs for COP 12 delivery (logistics coordination, regional meeting costs, ENB participation) most need this funding, taking into account other voluntary contributions received for COP12 during 2014.
• SC48:

I. Directed the 2014 surplus (CHF 345,000) as follows:

- Provisions (staff) CHF 100,000
- ENB (COP 12 support) CHF 50,000
- Ramsar Advisory Missions (Nicaragua, Sierra Leone, Uganda) CHF 75,000
- Staff Training CHF 20,000
- Ramsar Regional Centres (capacity building workshops on strategic plan (CHF10k each)) CHF 40,000
- Communications (STRP translation ~ CHF 20k; Site Manager Publication ~CHF 20k; Post COP priorities ~ CHF 20k) CHF 60,000

II. Requested the Secretariat not to launch a request for new project proposals for the 2015 Small Grants Fund cycle.
2015, continued

• Urgent request to Subgroup in April, 2015:
  I. Allocated (CHF 285,000) from reserve for sponsored COP12 delegates

II. Items committed continued
  ➢ Provisions (staff) CHF 100,000
  ➢ ENB (COP 12 support) CHF 50,000
  ➢ Ramsar Advisory Missions (Nicaragua) CHF 25,000

III. Items on hold: Staff Training, Strategic Plan Workshops, Communications, Ramsar Advisory Missions (Sierra Leone, Uganda)
2015 continued

• SC49:

I. Allocated CHF 106,800 to the following Regional Initiatives:
   - Niger river basin network: CHF 42,000
   - La Plata river basin network: CHF 18,000
   - Caribbean network: CHF 18,000
   - American mangroves and reefs network: CHF 20,000
   - Carpathian Wetland Initiative: CHF 6,300
   - Black and Azov Sea coast: CHF 2,500

II. Decided CHF 285,000 surplus to be allocated at SC 50. Proposal:
   - Ramsar Advisory Missions (Sierra Leone, Uganda): CHF 50,000
   - Staff Training: CHF 20,000
   - Ramsar Regional Centres (capacity building workshops on strategic plan (CHF 10k each)): CHF 40,000
   - Communications (STRP translation ~ CHF 20k; Site Manager Publication ~ CHF 20k; Post COP priorities ~ CHF 20k): CHF 60,000
   - Sponsor Delegate Support (reserve fund repayment): CHF 115,000
Agenda Item d.
Outstanding Contributions over the triennium
## Outstanding Contributions, 2006-2014

CHF 943,000 represents 20% of Secretariat core budget

<table>
<thead>
<tr>
<th>Year</th>
<th>Year in Arrears</th>
<th>Unpaid (CHF ‘000s)</th>
<th>Running Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>9</td>
<td>66</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>8</td>
<td>16</td>
<td>82</td>
</tr>
<tr>
<td>2008</td>
<td>7</td>
<td>20</td>
<td>102</td>
</tr>
<tr>
<td>2009</td>
<td>6</td>
<td>24</td>
<td>126</td>
</tr>
<tr>
<td>2010</td>
<td>5</td>
<td>44</td>
<td>170</td>
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<tr>
<td>2011</td>
<td>4</td>
<td>50</td>
<td>220</td>
</tr>
<tr>
<td>2012</td>
<td>3</td>
<td>64</td>
<td>284</td>
</tr>
<tr>
<td>2013</td>
<td>2</td>
<td>273</td>
<td>556</td>
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<tr>
<td>2014</td>
<td>1</td>
<td>387</td>
<td>943</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Total</strong></td>
<td>943</td>
</tr>
</tbody>
</table>
Outstanding Contributions, Regional

By region, arrears >3 years

<table>
<thead>
<tr>
<th>Region</th>
<th>Count</th>
<th>Amount</th>
<th>Count</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>19</td>
<td>135,000</td>
<td>18</td>
<td>196,000</td>
</tr>
<tr>
<td>Asia</td>
<td>4</td>
<td>14,000</td>
<td>6</td>
<td>40,000</td>
</tr>
<tr>
<td>Europe</td>
<td>1</td>
<td>2,000</td>
<td>1</td>
<td>4,000</td>
</tr>
<tr>
<td>Neotropics</td>
<td>3</td>
<td>41,000</td>
<td>3</td>
<td>91,000</td>
</tr>
<tr>
<td>Oceania</td>
<td>4</td>
<td>28,000</td>
<td>4</td>
<td>36,700</td>
</tr>
<tr>
<td></td>
<td>31</td>
<td>220,000</td>
<td>32</td>
<td>367,700</td>
</tr>
</tbody>
</table>

- Arrears: 40% improvement from 2013
- 31 countries have outstanding contributions of > 3 years
Outstanding Contributions, Actions

- Sending of reminders and statements via diplomatic and other government channels to specific Parties;

- Visits and follow-up communications to Geneva-based permanent missions of Parties with arrears;

- Sustained verbal and written reminders to National Focal Points and Administrative Authority contacts;

- Reminders to African Contracting Parties of their Ouagadougou Commitments and formal notifications in January 2014, advising them of contribution arrears and the realities and risks relating to receipt of future voluntary funding from certain donor Contracting Parties.

- SC47:
  I. Decided not to include a DR for SC48 consideration on this subject.
Agenda Item e.
Proposed Budget Scenarios
2016-2018
Three proposed core budget scenarios 2016-2018 (COP12 DR1 Rev.1)

- Three core budget scenarios proposals (COP12 DR1 Rev.1, Annex 1):
  - 0% increase, no changes from 2013-2015 budget
  - 2% increase, CHF 102,000
    - Ramsar Advisory Missions, CHF 50,000
    - Salary increase on merit, CHF 30,000
    - Staff training, CHF 22,000
  - 4% increase, CHF 203,000
    - Hire Regional Officer (Americas), CHF 123,000
    - Ramsar Advisory Missions, CHF 50,000
    - Salary increase on merit, CHF 30,000

The additional activities for 2% and 4% proposals are mutually exclusive
Reminder: Core budget is used for .....  

- Secretariat Senior Management  
- Partnership Coordinator  
- Regional Advisor and Support  
- Support for Regional Initiatives  
- Regional Networks and Centres  
- Scientific and Technical Services  
- Communication  
  - CEPA Program  
  - Comms, Translations, Publications, Reporting Implementation  

- Administration/ RSIS/Web  
  - Ramsar Sites Information Services  
  - Web/IT Support and Development  

- Operating Costs  
  - General  
  - Equipment/Office Supplies  

- Standing Committee Services  
  - SC delegates support  
  - SC meetings  
  - SC translation  
  - Simultaneous translation at SC meetings  

- IUCN Administration Services Charge  
- Miscellaneous- Reserve Fund  
  - Reserve Fund  
  - Provisions
Proposed non-core funds, 2016-2018 (COP12 DR1 Rev.1)

The Non-Core unfunded proposals are:

- Based on proposed 2016-2021 strategic plan
- Considered necessary to deliver proposed strategic plan
- Largely anticipated to be funded by Contracting Parties, but also non-Contracting Parties, including foundations, individuals, and the private sector
# Proposed non-core budget scenario, 2016-2018 (COP12 DR1 Rev.1, Annex 2)

<table>
<thead>
<tr>
<th>Budget item</th>
<th>NON-CORE FUNDS 2016 – 2018 (CHF)</th>
<th>Three year funding requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cost of three Regional Officers to support Parties requests for advice on: site updates and RSIS, Art 3.2 files, regional initiatives, project oversight, resource mobilization, indicators, etc.</td>
<td>900,000</td>
</tr>
<tr>
<td>2</td>
<td>Ramsar Advisory Missions for Parties requiring assistance</td>
<td>620,000</td>
</tr>
<tr>
<td>3</td>
<td>Support for development of a Global Partnership for Wetland Restoration, facilitating focussed project support in line with SP4 goals via partnerships and Party support</td>
<td>500,000</td>
</tr>
<tr>
<td>4</td>
<td>Support the introduction of the Arabic language into all aspects of the website, RSIS, media, publications and support for Arabic speaking Parties</td>
<td>1,400,000</td>
</tr>
<tr>
<td>5</td>
<td>Setting up contacts with, and running a virtual network for wetland professionals, aligned with the online portal on capacity building under regional initiatives, to help deliver targeted materials, build capacity, exchange experiences and increase information flow across countries and people</td>
<td>360,000</td>
</tr>
<tr>
<td>6</td>
<td>Support new STRP programme of work for 2016-2018 with provisions to carry out review of process and products from STRP and align to new strategy and into delivery of tailored technical advice in response to identified needs</td>
<td>750,000</td>
</tr>
<tr>
<td>7</td>
<td>Support to Regional Initiative Networks and Centres. Funding for their priority activities.</td>
<td>820,000</td>
</tr>
<tr>
<td>8</td>
<td>Increase level of engagement with GlobWetlands, NASA, JAXA and ESA in order to provide benefits of earth observation and citizen engagement to Parties and use current progress to leverage further improvements in data set and availability of big Data</td>
<td>350,000</td>
</tr>
</tbody>
</table>
**Proposed non-core budget scenario, 2016-2018 (COP12 DR1 Rev.1, Annex 2)**

<table>
<thead>
<tr>
<th>Budget item</th>
<th>NON-CORE FUNDS 2016 – 2018 (CHF)</th>
<th>Three year funding requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>Support and co-funding for developing the Ramsar Culture Network and broader efforts to increase appreciation of 'Wetlands, Culture and Livelihoods', which is initially supported by Mava Foundation</td>
<td>400,000</td>
</tr>
<tr>
<td>10</td>
<td>CHF 700,000 per annum of resourcing for the Small Grants Funds for protection and wise use of wetlands</td>
<td>2,100,000</td>
</tr>
<tr>
<td>11</td>
<td>Development of the online reporting systems and indicators for the Ramsar 4th Strategic Plan (2016-2021)</td>
<td>230,000</td>
</tr>
<tr>
<td>12</td>
<td>Ramsar CEPA Programme (2016-2021)</td>
<td>600,000</td>
</tr>
<tr>
<td>13</td>
<td>World Wetlands Day</td>
<td>150,000</td>
</tr>
<tr>
<td>14</td>
<td>Developing a ‘Ramsar Sites Outlook’ report, similar to the recently published ‘IUCN Conservation Outlook’ report</td>
<td>225,000</td>
</tr>
<tr>
<td><strong>COP 13 EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Costs of Full pre-COP regional meetings to support delegates and meeting costs for COP13 preparatory meetings</td>
<td>650,000</td>
</tr>
<tr>
<td>16</td>
<td>Sponsorship to bring eligible delegates to COP13 in 2018</td>
<td>600,000</td>
</tr>
<tr>
<td><strong>CHF TOTAL</strong></td>
<td></td>
<td>10,655,000</td>
</tr>
</tbody>
</table>
Meetings of the Subgroup on Finance

Cancun Room

• Thursday June 4th
  o 13:15 – 14:45
  o 18:30 – 21:00
• Friday June 5th
  o 13:15 – 14:45
  o 18:30 – 21:00
• Saturday June 6th
  o 13:15 – 14:45
Conclusion

- Secretariat has managed the Convention’s funds during 2013-15 triennium prudently, efficiently, and openly
- Despite several actions by Secretariat, outstanding contributions remain a concern
- Thanks to the members of the Subgroup on Finance