

## Contracting Parties with outstanding annual contributions

### Actions requested:

The Standing Committee is invited to note the current status of Parties' outstanding annual contributions and actions taken and planned by the Secretariat, and to consider the potential value of a resolution or resolutions to stimulate the payment of arrears.

### Background

1. Article 6.6 of the Convention reads: "Each Contracting Party shall contribute to the budget according to a scale of contributions adopted by unanimity of the Contracting Parties present and voting at a meeting of the ordinary Conference of the Contracting Parties".
2. Annual (assessed) contributions from Parties are used to finance the Conventions' Core budget. Each year, the Secretariat invoices Parties for their annual contributions. The Swiss franc invoicing is based upon the approved Core budget and the current UN Scale of Assessments. (The current UN Scale of Assessments is adjusted on a pro rata basis to reflect the actual membership of the Convention at the beginning of the year.) Income is recognized on invoicing and a receivable is recorded, assuming full collection.
3. Most Contracting Parties pay their assessed contributions on a timely basis. Some Parties, for a number of (often valid) reasons, do not pay their contributions on such a timely basis, and sometimes not in the year in which they fall due. The Secretariat is regularly in touch with these Parties and is able to agree payments at specified future dates, without this severely affecting the operations of the Convention or the Secretariat.
4. Before each financial year end, the Secretariat assesses the status of outstanding contributions, based on the amounts and lengths of time outstanding, and records a provision accordingly. Every annual increase in the provision reduces the Core funds available to spend.<sup>1</sup>
5. Core contributions, outstanding contributions and the provision against them have been gradually increasing over time, and since 2009 as shown in Table 1.

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<sup>1</sup> No outstanding contributions are written off. The Standing Committee is advised if a Party expressly advises that it does not recognize their outstanding contributions and/or has no intention of paying them.

Table 1: Outstanding contributions and provision for non-collection, 2009-2013

	2009	2010	2011	2012	2013
	CHF'000	CHF'000	CHF'000	CHF'000	CHF'000
Assessed contributions from Parties	3,337	3,482	3,625	3,780	3,782
Voluntary contribution from USA	941	942	872	930	1,048
Cumulative outstanding assessed contributions at end of year	515	760	736	759	759
Provision for non-collection	282	332	361	361	385

### 2013/14 update

6. In Resolution XI.2 (2012), the Conference of the Contracting Parties: “URGES Contracting Parties with outstanding contributions to make a renewed effort to settle them as expeditiously as possible to enhance the financial sustainability of the Convention through contributions by all Contracting Parties, and REQUESTS the Secretariat to contact Contracting Parties with outstanding contributions in excess of three years and work with them to identify appropriate options and actions for addressing the situation and initiating a plan for making payment of contributions, and to report back to each Standing Committee meeting and COP on activities taken and results achieved”.
7. The Standing Committee at SC46 “encouraged the Secretariat to continue to take actions to resolve this situation”. The Secretariat’s actions since SC46 have included:
  - Analysis of the Ramsar situation compared with other conventions, to identify patterns and focus our collection efforts;
  - Enquiries to determine any specific collection techniques that other secretariats employ that we should be considering;
  - 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 15 Parties with arrears;
  - Requests to Standing Committee Finance Subgroup members and Regional and Sub-regional members to follow up with specific Parties;
  - 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.
8. As of 21 February 2014 there was CHF 727,518 of outstanding annual contributions from 2013 and earlier, as shown in Annex 1. Despite 2013 collection successes with Burkina Faso, Chad, Dominican Republic, Equatorial Guinea, Fiji, Guinea, Paraguay and the Republic of Congo, the profile of arrears is only marginally better than the same time in the prior year, with 67 Parties on this list (down from 72 Parties), 32 of them with arrears of three or more years (down from 34 Parties). In addition, 11 Parties have made no contribution to the Convention since their accession. Efforts will continue in 2014, with a Secretary General and Secretariat more committed than ever to mobilizing these important funds for the Convention.

9. It has previously been suggested that the Standing Committee or COP could ask the Secretariat to manage requests from Contracting Parties with outstanding contributions in the following ways:
  - by not accepting further Small Grants Fund (SGF) proposals;
  - by providing the Secretariat's advice and missions (including Ramsar Advisory Missions) only in emergency situations; and
  - by providing financial support for the attendance of delegates at regional and COP meetings only if the Contracting Party is not more than three years in arrears, and after all other eligible Parties have been assisted.
10. These various approaches have not been unanimously supported by the Standing Committee. It is noted, however, that individual donors are increasingly restricting (or threatening to restrict) the use of their voluntary contributions to provide grants and travel support to Parties that are not more than three years in arrears.

### **Comparisons with other conventions**

11. Annex 2 provides a summary of Ramsar outstanding contributions by Ramsar Party, compared with CITES, CBD and CMS and WHF. There is no convincing evidence from these analyses or from our discussions with CBD, CMS and CITES that their approaches have delivered them significantly better collections. For CBD and CITES, their current profile of arrears is very similar to that of the Ramsar Convention. For CMS, the number of Parties with arrears is half that of Ramsar's, but they also have only 70% the current membership of Ramsar.
12. The Ramsar Standing Committee has so far decided not to support proposals for making non-paying Contracting Parties ineligible to vote in Convention meetings, stand for election to the Standing Committee, or make nominations for membership of the STRP.
13. CMS, however, has for many years excluded non-paying countries from their equivalent of Standing Committee (UNEP/CMS/Res.10.1 paragraph 23: "[...] representatives from countries with contributions in arrears three years or more should be excluded from holding office in Convention bodies and denied the right to vote.")
14. CBD has taken a similar approach (while excluding least developed countries from its provisions). CBD's COP 10 Decision X/45 paragraph 11 "Decides that [...] Parties whose contributions are in arrears for two (2) or more years will not be eligible to become a member of the Bureau of the Conference of the Parties."
15. The World Heritage Convention has formal rules that prevent Parties with arrears from participating in their 21-member World Heritage Committee, which oversees World Heritage Fund (WHF) expenditure. Article 16.5 of the Convention states that: "Any State Party to the Convention which is in arrears with the payment of its compulsory or voluntary contribution for the current year and the calendar year immediately preceding it shall not be eligible as a Member of the World Heritage Committee."
16. In addition, The World Heritage Fund provides rules for international assistance as follows: "Parties in arrears of payment of their compulsory or voluntary contributions to the World Heritage Fund are not eligible for international assistance."

17. It is striking that The World Heritage Convention has 178 members paying compulsory contributions and only 13 of these had arrears of three years or more at 31 August 2013. The equivalent for the Ramsar Convention was 32 Parties.
18. Other conventions, including the World Health Organization Framework Convention on Tobacco Control (WHO FCTC: see [http://apps.who.int/gb/fctc/PDF/cop5/FCTC\\_COP5\\_21-en.pdf](http://apps.who.int/gb/fctc/PDF/cop5/FCTC_COP5_21-en.pdf)), and UN-wide studies including 'Budgeting practices in UN system organizations – 2009 survey results' (document CEB/2009/HLCM/FB/14) have been reviewed. Again, Ramsar's situation is not dissimilar from most other Conventions.

#### **Towards a COP12 draft resolution?**

19. The Secretary General believes progress on clearing arrears and fuller engagement and financial commitment to the Convention from all Parties would send positive messages about the governance of the Convention and enable the Secretariat to fully achieve the tasks set by the COP.
20. It is also clear, from other attempts by other Conventions to implement activist measures to tackle non-payment, that it is difficult to stimulate payment from Parties by any admonitory or punitive measures. However, the Convention is also clear in stating that it is a duty for Parties to contribute to core funds.
21. The conclusion of comparative studies is that the biodiversity-related conventions have a similar number of Parties in arrears, many of which are in arrears for many conventions. However, the depth of Ramsar arrears is deeper in terms of amounts and number of years. None of these studies indicate a clear link between the various complex incentive schemes, administrative measures and penalty schemes in use across the UN, and ultimate collection success.
22. It is important to continue to explore additional actions since the status of contributions appears not to be markedly improving, and also to also recognize that success comes from multiple sustained actions.
23. The World Heritage Convention has a different level of collection success and we continue to investigate with them the secrets to their success.
24. One approach is to wait and observe the impact of new rules applied by the voluntary donors. We are already receiving strong signals from funders such as Switzerland (for SGA from 2013) and the USA (for WFF for some years) that they do not wish countries with significant arrears to benefit from their contributions. It is possible that these or other donors may go further and choose to stop the funding of Small Grant Fund or sponsoring intersessional Regional Meetings or attendance at COPs for delegates of Parties with more than three years of arrears.
25. As discussed with the Finance subgroup at SC43 ahead of COP11, the Secretariat believes that the situation may improve if the Convention makes those Parties with significant arrears ineligible for election to the Standing Committee, as is the case for the World Heritage Convention, CBD and CMS. After considerable debate, the Standing Committee chose not to take this suggestion through to COP11. On that occasion, the Contracting Parties in the Africa region, where the majority of non-paying contributions are to be found, chose to implement the suggestion by choosing to nominate only Parties that were not in arrears.

26. Respecting the needs for accountability and governance of the Convention (Article 6.6), the Secretary General believes that Ramsar Contracting Parties should support making full participation in the decision-making processes of the Convention contingent upon honouring their financial commitments. He seeks SC47 support for his intention to present to SC48 a COP12 draft resolution to that effect.

## Annex 1

## Membership receivables, 2013 and prior, outstanding as at 21 February 2014

Region	Annual contribution	No of years outstanding	Region	Annual contributions	No of years outstanding		
	CHF			CHF			
Africa	NIGERIA	32,000	>7	Asia	UZBEKISTAN	9,930	>7
Africa	LIBYA	27,670	>7 *	Asia	BAHRAIN	10,136	6
Africa	MAURITANIA	15,577	>7 *	Asia	YEMEN	6,000	6
Africa	GUINEA BISSAU	15,367	>7 *	Asia	BANGLADESH	4,489	4.5
Africa	CONGO, DEM. REP.	14,846	>7	Asia	LEBANON	4,910	4
Africa	SIERRA LEONE	13,000	>7 *	Asia	KYRGYZ REP	4,000	4
Africa	DJIBOUTI	11,000	>7 *	Asia	SYRIA	3,607	2.5 *
Africa	LIBERIA	8,110	>7 *	Asia	IRAN, ISLAMIC REP	22,748	1.5
Africa	CAPE VERDE	8,000	>7	Asia	PAKISTAN	6,394	1.5
Africa	SUDAN	8,000	>7	Asia	MONGOLIA	1,014	1
Africa	SAO TOME & PRINCIPE	7,000	7 *	Asia	INDIA	32,581	1
Africa	NIGER	6,192	6 *	Asia	TURKMENISTAN	1,030	1
Africa	CENTRAL AFRICAN REPUBLIC	6,000	6	Asia	JORDAN	1,000	1
Africa	CAMEROON	5,097	5	Asia	THAILAND	4,228	0.5
Africa	MALI	5,044	5 *	Asia	Other bits	1,223	0
Africa	BENIN	5,000	5			113,290	
Africa	ZAMBIA	5,000	5				
Africa	TANZANIA	4,000	4	Europe	MACEDONIA	4,000	4
Africa	TOGO	2,795	2	Europe	SLOVENIA	10,540	2
Africa	TUNISIA	2,741	1.5	Europe	MALTA	2,000	2
Africa	GAMBIA	2,261	2	Europe	PORTUGAL	23,188	1
Africa	SENEGAL	2,170	2	Europe	RUSSIA	24,336	1
Africa	KENYA	2,000	2	Europe	LUXEMBOURG	3,963	1
Africa	MADAGASCAR	2,000	2	Europe	Other	230	0
Africa	NAMIBIA	1,000	1			68,257	
Africa	LESOTHO	1,000	1				
Africa	SWAZILAND	1,000	1	Neotropics	SAINT LUCIA	10,000	>7
Africa	COMOROS	1,000	1	Neotropics	ANTIGUA & BARBUDA	6,000	6
Africa	ZIMBABWE	1,000	1	Neotropics	VENEZUELA	75,013	4
Africa	COTE D'IVOIRE	1,000	1	Neotropics	PARAGUAY	2,590	2.5
Africa	Other	811	0	Neotropics	ARGENTINA	34,557	2
		217,681		Neotropics	CUBA	6,613	2
				Neotropics	DOMINICAN REPUBLIC	4,387	2
				Neotropics	BELIZE	2,000	2
				Neotropics	NICARAGUA	1,518	1.5
				Neotropics	BRAZIL	143,532	1
				Neotropics	GUATEMALA	1,321	1
				Neotropics	GRENADA	1,000	1
				Neotropics	JAMAICA	1,000	1
				Neotropics	Other	2,042	0
						291,573	
				Oceania	PAPUA NEW GUINEA	14,205	>7
				Oceania	PALAU	11,000	>7
				Oceania	MARSHALL ISLANDS	8,000	>7
				Oceania	SAMOA	3,512	3.5
						36,717	
Note: African Parties have an additional CHF136,827 of voluntary contributions outstanding							
<b>GRAND TOTAL ASSESSED CONTRIBUTIONS</b>		<b>727,518</b>					
Key							
* No payment since acceding to Convention							

## Annex 2 - Ramsar and other Convention arrears 31 August 2013\*

### Parties with arrears from 2010 and prior

Ramsar	CITES	CBD	CMS	WHF**		
168	178	193	119	178	Total number of Parties	Comments
36	34	45	18	13	Total number of Parties with arrears of more than three years	The value of arrears for Ramsar ① is significantly higher than for CITES, CBD and CMS because of the CHF1000 minimum annual contribution for Ramsar since 2000 (CBD, CITES and CMS do not have such), and to a lesser extent the number of years outstanding. Countries in long arrears to Ramsar generally owe Ramsar more than they owe others. See example ②
36	31	36	16	8	Number of Ramsar Parties with arrears of more than three years	
	17	21	11	4	Number of Problem Parties shared with Ramsar	
21	14	17	12	4	Number of Ramsar African Parties with arrears of more than 3 years	Ramsar is generally in slightly worse shape than CITES, CBD and CMS in Africa, in terms of number of parties in arrears, number of years, and value.
	9	13	8	1	Number of African Problem Parties shared with Ramsar	
5	5	6	1	0	Number of Ramsar Asia Parties with arrears of more than 3 years	Ramsar similar to CITES and CBD in Asia, with slightly different Parties presenting problems
	3	3	1	0	Number of Asian Problem Parties shared with Ramsar	
5	2	3	1	1	Number of Ramsar Oceania Parties with arrears of more than 3 years	Ramsar is generally in worse shape than CITES and CBD in Oceania
	2	3	1	1	Number of Oceania Problem Parties shared with Ramsar	
5	10	8	2	3	Number of Ramsar Americas Parties with arrears of more than 3 years	Ramsar is generally in better shape than CITES and CBD in Latin America
	3	2	1	2	Number of Americas Problem Parties shared with Ramsar	
0	0	2	0	0	Number of Ramsar Europe Parties with arrears of more than 3 years	Ramsar in good shape in Europe

\* CMS 30.9.13

\*\* World Heritage Convention - WHF has 178 Parties making compulsory contributions and a further 12 parties making voluntary contributions

- ① As at 31 August 2013, Ramsar arrears of more than three years is CHF400,000 (plus CHF94,000 of African voluntary contributions). CITES is USD 200,000.  
At 30.6.13 CBD has a total of USD 480,000 outstanding relating to 2012 and prior.  
At 30.9.13 CMS has EUR 210,000 of outstanding contributions from 2012 and prior. WHF has significantly less than this.
- ② Mauritania appears to have never paid Ramsar, CITES, CBD or CMS, but because of the CHF1,000 deminimis, it owes Ramsar CHF15,000 and CBD and CITES around CHF2,000 each, and CMS EUR331.

Ramsar and other Convention arrears 31 August 2013*											
Ramsar Parties marked (X) have arrears from 2010 and prior											
AFRICA						ASIA					
Ramsar Contracting Party	Ramsar	CITES	CBD	CMS	WHF	Ramsar Contracting Party	Ramsar	CITES	CBD	CMS	WHF
Algeria	ok	ok	ok	ok	ok	Bahrain	X	ok	ok	n/a	ok
Benin	X	ok	X	ok	ok	Bangladesh	X	X	ok	ok	ok
Botswana	ok	ok	ok	n/a	ok	Bhutan	ok	ok	ok	n/a	ok
Burkina Faso	X	ok	ok	ok	ok	Cambodia	ok	ok	ok	n/a	ok
Burundi	ok	ok	ok	ok	X	China	ok	ok	ok	n/a	ok
Cameroun	X	X	ok	ok	ok	India	ok	X	ok	ok	ok
Cape Verde	X	ok	X	ok	ok	Indonesia	ok	ok	ok	n/a	ok
Central African Republic	X	ok	X	n/a	ok	Iran (Islamic Republic of)	ok	X	X	ok	ok
Chad	ok	X	ok	X	ok	Iraq, Republic of	ok	ok	ok	ok	ok
Comoros	ok	X	X	n/a	X	Israel	ok	ok	ok	ok	ok
Cote d'Ivoire	ok	ok	X	ok	ok	Japan	ok	ok	ok	n/a	ok
Dem. Rep. Of Congo	X	ok	ok	X	ok	Jordan	ok	ok	ok	ok	ok
Djibouti	X	X	ok	X	ok	Kazakhstan	ok	ok	ok	ok	ok
Egypt	ok	ok	ok	ok	ok	Kyrgyz Republic	X	ok	X	n/a	ok
Equatorial Guinea	X	ok	X	X	ok	Laos	ok	ok	ok	n/a	ok
Gabon	ok	X	ok	X	ok	Lebanon	ok	n/a	X	n/a	ok
Gambia	ok	ok	ok	ok	ok	Malaysia	ok	ok	ok	n/a	ok
Ghana	ok	ok	ok	ok	ok	Mongolia	ok	ok	ok	ok	ok
Guinea	ok	X	ok	X	X	Myanmar	ok	ok	ok	n/a	ok
Guinea-Bissau	X	ok	X	X	X	Nepal	ok	ok	ok	n/a	ok
Kenya	ok	ok	ok	ok	ok	Pakistan	ok	ok	ok	ok	ok
Lesotho	ok	ok	ok	n/a	ok	Philippines	ok	ok	ok	ok	ok
Liberia	X	ok	ok	ok	ok	Republic of Korea	ok	ok	ok	n/a	ok
Libya	X	X	X	X	ok	Sri Lanka	ok	ok	ok	ok	ok
Madagascar	ok	ok	ok	n/a	ok	Syrian Arab Republic	ok	ok	X	ok	ok
Malawi	ok	ok	X	n/a	ok	Tajikistan	ok	n/a	ok	ok	ok
Mali	X	ok	X	ok	ok	Thailand	ok	ok	ok	n/a	ok
Mauritania	X	X	X	X	ok	the Sultanate of Oman	ok	ok	n/a	n/a	ok
Mauritius	ok	ok	ok	ok	ok	Turkmenistan	ok	n/a	ok	n/a	ok
Morocco	ok	ok	ok	ok	ok	United Arab Emirates	ok	ok	ok	n/a	ok
Mozambique	ok	ok	ok	ok	ok	Uzbekistan	X	X	X	X	ok
Namibia	ok	ok	ok	n/a	ok	Viet Nam	ok	ok	ok	n/a	ok
Niger	X	X	X	X	ok	Yemen	X	X	X	ok	ok
Nigeria	X	X	X	ok	ok	AMERICAS					
Republic of Congo	X	ok	X	ok	ok	Ramsar Contracting Party	Ramsar	CITES	CBD	CMS	WHF
Rwanda	ok	n/a	ok	ok	ok	Canada	ok	ok	ok	n/a	ok
Sao Tome and Principe	X	X	X	X	ok	Mexico	ok	ok	ok	n/a	ok
Senegal	ok	ok	ok	ok	ok	USA	ok	ok	ok	n/a	ok
Seychelles	ok	ok	ok	ok	ok	Antiga and Barbuda	X	X	ok	ok	X
Sierra Leone	X	X	ok	n/a	ok	Argentina	ok	ok	ok	ok	ok
South Africa	ok	ok	ok	ok	ok	Bahamas	ok	X	ok	n/a	ok
South Sudan	ok	n/a	n/a	n/a	ok	Barbados	ok	ok	ok	n/a	ok
Sudan	X	X	X	n/a	ok	Belize	ok	X	ok	n/a	ok
Swaziland	ok	ok	ok	ok	ok	Bolivia	ok	ok	ok	ok	ok
Togo	ok	X	X	X	ok	Brazil	ok	ok	ok	n/a	ok
Tunisia	ok	ok	ok	ok	ok	Chile	ok	ok	ok	ok	ok
Uganda	ok	ok	ok	ok	ok	Colombia	ok	ok	ok	n/a	ok
United Rep. Of Tanzania	X	ok	ok	ok	ok	Costa Rica	ok	ok	ok	ok	ok
Zambia	X	ok	ok	n/a	ok	Cuba	ok	X	X	X	ok
Zimbabwe	ok	ok	ok	ok	ok	Dom Rep	X	X	X	n/a	ok
						Ecuador	ok	ok	ok	ok	ok
						El Salvador	ok	X	X	n/a	X
						Grenada	ok	X	X	n/a	ok
						Guatemala	ok	ok	X	n/a	ok
						Honduras	ok	ok	ok	ok	ok
						Jamaica	ok	ok	ok	n/a	ok
						Nicaragua	ok	X	X	n/a	ok
						Panama	ok	ok	ok	ok	ok
						Paraguay	X	ok	X	X	ok
						Peru	ok	ok	ok	ok	ok
						Saint Lucia	X	X	X	n/a	X
						Suriname	ok	X	ok	n/a	ok
						Trinidad and Tobago	ok	ok	ok	n/a	ok
						Uruguay	ok	ok	ok	ok	ok
						Venezuela	X	ok	ok	n/a	ok

\* CMS 30.9.13