



Subgroup on Finance Report

Standing Committee 47

March 27, 2014

Context

- Background
- 2013 year end accounting
- 2014 budget
 - Core/Non-core
 - Regional Initiatives
- COP12 funding gaps, fundraising strategies
- Reallocation of surplus funds
- Small Grants Fund
- Outstanding Contributions
- Preparation for 2016-2018 budget

Background

- 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*
- Standing Committee agenda papers
 - SC47-12 rev1
 - SC47-13
 - SC47-05
 - SC47-21
- Meetings of Subgroup on Finance
 - Tuesday March 25
 - Wednesday March 26

2013 year end accounting

- 2013 ended with a positive balance.
- The Subgroup recommends that the Standing Committee approves the 2013 financial statements, subject to any final minor adjustments and audit completion, and allocations of the surplus reserve fund balance of CHF 291,000 as at 31.12.13

2014 Core Budget- Regional Initiatives

- The approved COP11 regional initiatives budget for 2014 is CHF 120,000.
- The Subgroup recommends that the Standing Committee agrees to no changes to the COP11 approved core budget for Regional Initiatives for 2014 and recommends that, subject to their endorsement by Standing Committee, the 2014 funds are allocated as below.
- East African centre 28,000 CHF
- Niger river basin network 30,000 CHF
- La Plata river basin network 16,000 CHF
- Caribbean network 16,000 CHF
- American mangroves and reefs network 20,000 CHF
- Carpathian Wetland Initiative 10,000 CHF

2014 Core budget

- The approved Core budget for 2014 is CHF 5,081,000
- The Subgroup recommends that the Standing Committee confirms the 2014 budget as approved at COP11, recognising that the line item budgeting for a CHF 75,000 increase to the reserve fund in 2014 will not be required, and should be reallocated.

2014 Non-Core budget

- The approved COP11 non-core budget for 2014 is CHF 4,637,000
- The Subgroup recommends that the Standing Committee makes no changes to budgeted non-core budget lines in the COP11 adopted budget, noting that the list of funding needs in Resolution XI.2 Annex III is not in any order of priority

COP12 discussions

- Uruguay is committed to a successful COP
- The Subgroup recommends that Standing Committee notes the COP12 Administrative Budget shortfall of some USD 350,000 to USD 370,000, and the three key unfunded activities, and welcomes the generosity of Switzerland and Uruguay at SC47 in offering to reduce this shortfall.
- The Subgroup recommends that the Standing Committee notes the need to raise a further CHF 1.2 million during 2014 and 2015 for the Pre-COP regional meetings and sponsoring of delegates to COP, and encourages Parties and Secretariat to make COP 12 fundraising a priority.

Reallocation of Surplus Funds

- The Convention has an excess reserve fund balance at 31.12.13 of CHF 291,000 and had planned to add CHF 75,000 to this in 2014. A Total of CHF 366,000 requires reallocation.
- The Subgroup recommends that the Standing Committee direct that the surplus be allocated as follows:
 - Strategic Plan CHF 76,000
 - Regional Advisory Missions CHF 50,000
 - Translation (French and Spanish) of SC 48 documents CHF 90,000
 - COP12 delivery CHF150,000,

asking 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.

Small Grants Fund

- Ramsar grants programmes are still popular with potential donors and recipients. All Parties remain keen to retain, reinvigorate, focus and make successful.
- The Subgroup recommends that the Standing Committee requests an information paper for SC48 on the future of the Small Grants Fund, and for the Secretariat and Subgroup to explore further the scope for combining the funds to reap administrative cost benefits whilst still responding to the specific needs of Ramsar donors and recipients

Outstanding Contributions

- 32 countries have outstanding contributions of 3 years or more.
- The Subgroup recommends that the Standing Committee notes the current status of Parties' outstanding annual contributions and encourages the Secretariat working with Finance Subgroup members to continue to take actions to resolve this. The Subgroup requests immediate focus on Contracting Parties that have never paid, and would welcome progress, however small, in terms of Parties that have been in arrears for some time.
- The Subgroup notes the actions of Switzerland, restricting voluntary funding to African Contracting Parties to only those with outstanding contributions paid up. The Subgroup hopes that this action will support other efforts of the Secretariat
- **The Subgroup DOES NOT recommend including a draft resolution for SC48 consideration on this subject.**

Preparations for 2016-2018 budget

- The Subgroup has had good preliminary discussions on this, with helpful input from Parties and will continue discussions with the Secretariat this during this week.
- The Subgroup recommends that the Standing Committee requests the Secretariat to work with the Subgroup to agree on 2016 - 2018 budget scenarios, Core and non Core, for presentation to SC48 alongside Draft Resolution text, and that these should be consistent with the redeveloped Strategic Plan.