

**2014 core surplus funds, status of funding for sponsored delegates, reallocation of 2014 surplus funds and the temporary use of Reserve funds**

**Actions requested:**

- Standing Committee is invited to consider that the temporary loan of USD 300,000 (CHF 277,000 equivalent) funds from the reserve fund have been completely repaid
- Standing Committee is invited to reallocate the 2014 surplus as originally decided at SC48.

**2014 core surplus update**

1. At SC48, the 2014 forecasted core surplus was CHF 345,000. As of the end of April 2015, the 2014 core surplus is expected to be CHF 459,000. An explanation of the difference from SC48 and SC49 is as follows:

Cost Centre	Surplus/(Deficit)		Comment
	SC48	SC49	
Income		40	FX Gain, year end
Senior Mgmt	110	100	Insurance reimbursement DSG
Partnership Officer	95	85	Staff hire, mid-April
Admin	120	125	Staff salary savings, translation and internet
IUCN Service Fees		50	Reduction due to new acctg system delays
Provisions	25	50	Staff termination, leave, bad debt
Other	-5	9	Misc
<b>Total</b>	<b>345</b>	<b>459</b>	

2. The core surplus is not final because the audit for 2014 is not yet complete. A final report is expected in June 2015.
3. Due to a new accounting system, the data migration from the old accounting system and the new accounting system, and a change in the financial chart of accounts, the auditors discovered some issues that need adjustment. These adjustments are not yet finalized nor known at this time. Therefore, the final amount of the 2014 core surplus may change.

**Sponsored delegates**

4. In previous meetings of the Conference of the Contracting Parties (COPs), representatives from a number of countries have been provided with funding in order to participate in the COP. The

decision on which countries are eligible for sponsorship is made by consultation with the latest version of the DAC (OECD) list. The participants from eligible countries are referred to as “sponsored delegates”. These funds have been derived from non-core voluntary sources in all previous COPs and the Secretariat has been given the responsibility to seek such funding from countries, private sector and other partners.

5. There are in 2015, a total of 120 countries on the DAC List that are eligible for sponsorship. As of 18 May 2015, out of the possible list of 120 countries:
  - a. 113 countries are already sponsored (see **Table 2** for list of sponsored countries),
  - b. 4 countries are self-funding (China, Namibia, South Africa and Thailand)
  - c. 1 country is not attending (Syria), and
  - d. 2 countries are not yet registered and are not yet sponsored.
6. The budget to send one sponsored delegate from each of 120 eligible countries was estimated at USD 600,000 (CHF 555,000 equivalent).
7. By 30 March 2015, the Secretariat had raised USD 300,000 for sponsored delegates compared to the budget of USD 600,000. This left a shortfall of USD 300,000 for this budget. Considering the urgency of notifying sponsored delegates in time to start the arrangements of accommodation & travel & visas and the necessity to pay deposits for logistics and hotels, a request was made by the Secretary General to the Executive Committee on 30 March 2015 to exceptionally use USD 300,000 (CHF 277,000 equivalent) of the Ramsar reserve funds. This was anticipated to be a temporary measure while the Secretariat continued its fundraising efforts.
8. On 13 April 2015, the Chair of the Subgroup on Finance, with the agreement of the Subgroup on Finance and of the Chair of the Executive Committee supported the temporary use of the reserve funds for sponsored delegates.
9. The use of USD 300,000 reserve funds was considered a temporary measure to ensure that the arrangements of accommodation and travel for sponsored delegates would be carried out in good time for attendance of all sponsored delegates at COP12.
10. Between 30 March 2015 and 11 May 2015, the Secretariat raised an additional USD 185,000 (CHF 150,000) and this resulted in the total raised of USD 485,000 out of the budget of USD 600,000. This leaves a continuing shortfall of USD 115,000.
11. A list of funding sources for sponsored delegates and the amounts raised up to 18 May 2015 is available in **Table 3**.
12. As of 11 May 2015, the actual costs for 29 sponsored delegates have been calculated to be USD 140,000. The average cost is thus calculated at USD 4,750 compared to the original budget of USD 4,930, but the differential is not considered significant enough to require re-calculation of the total budget required.
13. From May 2015, an additional 2014 surplus of CHF 115,000 (USD 122,000) has now become available, due primarily to foreign exchange gains not reported by IUCN until the end of January 2015.
14. Considering the availability of funds and the size of the shortfall, it has been therefore been possible to refill the reserve fund fully, and the Secretariat announces that the temporary loan of USD 300,000 from the Reserve Fund has now been repaid.

15. The status of funds raised and budgets follows in **Table 1**:

**Table 1: Status of funds raised and budgets**

<b>Item</b>	<b>CHF</b>	<b>USD</b>
Funds raised	446,537	484,310
Additional 2014 Surplus	115,000	122,000
<b>Subtotal</b>	<b>561,537</b>	<b>606,310</b>
Budget	555,000	600,000
<b>Excess (Shortfall)</b>	<b>6,537</b>	<b>6,310</b>

### Reallocation of 2014 surplus funds

16. At SC48, Contracting Parties received notice that surplus funds were made available to the amount of CHF 345,000. It was decided at SC48 that the reallocation of core funds would be as follows:

<b>Description of items to be supported</b>	<b>CHF ,000</b>
<b>ENB (COP12 support)</b>	50
<b>Ramsar Advisory Missions</b>	75
<b>Staff training</b>	20
<b>Ramsar Regional Centres</b>	
Strategic plan workshops (4 x 10k)	40
<b>Communications</b>	
STRP translation	20
Site manager publication	20
Post COP priorities	20
<b>Staff provision</b>	100
<b>Total</b>	<b>345</b>

17. As part of the discussion on the temporary use of reserve funds, a request was made to put on hold all activities relating to the 2014 surplus except for the ENB (COP12 support), Staff Provision and any committed activities. In this case, only one Ramsar Advisory Mission to Nicaragua had been committed to the amount of CHF25,000. Since all other activities are on hold, there is nothing to report on those items.

18. With the complete refilling of the reserve fund as of 11 May, the 2014 surplus funds are available again for redistribution as per the earlier decision of SC48. The Standing Committee can consider approval for the use of these surplus funds, as already decided, or any other reallocation.

**Table 2: List of countries of sponsored delegates as of 18 May 2015**

Albania	Georgia	Nigeria
Algeria	Ghana	Pakistan
Antigua and Barbuda	Grenada	Palau
Argentina	Guatemala	Panama
Armenia	Guinea	Papua New Guinea
Azerbaijan	Guinea-Bissau	Paraguay
Bangladesh	Honduras	Peru
Belarus	India	Philippines
Belize	Indonesia	Republic of Moldova
Benin	Iran (Islamic Republic of)	Rwanda
Bhutan	Iraq	Saint Lucia
Bolivia (Plurinational State of)	Jamaica	Samoa
Bosnia and Herzegovina	Jordan	Sao Tome and Principe
Botswana	Kazakhstan	Senegal
Brazil	Kenya	Serbia
Burkina Faso	Kiribati	Seychelles
Burundi	Kyrgyzstan	Sierra Leone
Cabo Verde	Lao People's Democratic Republic	South Sudan
Cambodia	Lebanon	Sri Lanka
Cameroon	Lesotho	Sudan
Central African Republic	Liberia	Suriname
Chad	Libya	Swaziland
Chile	Madagascar	Tajikistan
Colombia	Malawi	The former Yugoslav Republic of Macedonia
Comoros	Malaysia	Togo
Congo	Mali	Tunisia
Costa Rica	Marshall Islands	Turkey
Côte d'Ivoire	Mauritania	Turkmenistan
Cuba	Mauritius	Uganda
Democratic Republic of Congo	Mexico	Ukraine
Djibouti	Mongolia	United Republic of Tanzania
Dominican Republic	Montenegro	Uzbekistan
Ecuador	Morocco	Venezuela (Bolivarian Republic of)
Egypt	Mozambique	Viet Nam
Equatorial Guinea	Myanmar	Yemen
Fiji	Nepal	Zambia
Gabon	Nicaragua	Zimbabwe
Gambia	Niger	

**Table 3: COP12 funding sources for sponsored delegates as of 11 May 2015**

	Pledged, Not Final
	COP12
Country	CHF
Australia	28,500
Canada	31,155
Finland	38,906
Germany	10,302
Korea - DoE	23,050
Norway	58,711
Sweden	55,320
Switzerland	115,000
<b>Subtotal</b>	<b>360,944</b>
Organisation	
Star Alliance	26,000
UNEP-ROWA	19,771
<b>Subtotal</b>	<b>45,771</b>
Secretariat (Non-Core Surplus)	
Non-Core surplus	39,822
<b>Subtotal</b>	<b>39,822</b>
<b>Total</b>	<b>446,537</b>
Budget	575,000