



## 11<sup>th</sup> Meeting of the Conference of the Parties to the Convention on Wetlands (Ramsar, Iran, 1971)

*“Wetlands: home and destination”*

Bucharest, Romania, 6-13 July 2012

**Agenda item XV**

**Ramsar COP11 DR2**

### Draft Resolution XI.2

#### Financial and budgetary matters

**Explanatory note:** Text included below in square brackets [...] concerns changes proposed by the USA during the 43<sup>rd</sup> meeting of the Standing Committee. Due to the unintentional ambiguities in the processes of that meeting and subsequent consultations, these proposals need to be considered by all Parties at COP11.

1. RECALLING the budgetary provisions established by Article 6, paragraphs 5 and 6, of the Convention on Wetlands;
2. ACKNOWLEDGING WITH APPRECIATION the prompt payment by the majority of Contracting Parties of their contributions to the Core budget of the Convention [~~but NOTING WITH CONCERN that a number of Parties are still significantly in arrears (COP11 DOC. 15)~~];
3. NOTING WITH GRATITUDE the additional voluntary financial contributions made by many Contracting Parties through their Ramsar Administrative Authorities and other agencies, including some development assistance agencies, and also the contributions made by non-governmental organizations and the private sector for activities undertaken by the Secretariat [~~but NOTING WITH CONCERN the continuing decline in such voluntary contributions~~];
4. ACKNOWLEDGING WITH APPRECIATION the financial and administrative services provided to the Secretariat by IUCN, underpinned by the Services Agreement between Ramsar and IUCN revised in 2009;
5. NOTING that Contracting Parties have been kept informed of the financial situation of the Secretariat through the audited annual financial statements for 2008 to 2011 and the reports of the Standing Committee meetings in 2009, 2010 and 2011 that have been circulated to Contracting Parties; and
6. RECOGNIZING the need to continue to strengthen financial partnerships with relevant international organizations and other entities and to explore additional funding opportunities through their existing financial mechanisms [consistent with those institutions' mandates and existing programming];

## THE CONFERENCE OF THE CONTRACTING PARTIES

7. ~~[NOTES WITH PLEASURE that since the 10th meeting of the Conference of the Contracting Parties in 2008 the Secretariat has managed the Convention's funds prudently, efficiently and openly;]~~
8. ~~[EXPRESSES ITS GRATITUDE to the Contracting Parties that have served in the Subgroup on Finance of the Standing Committee during the past cycle, and in particular to Finland, which has acted as Chair of the Subgroup;]~~
9. DECIDES that the *Terms of Reference for the Financial Administration of the Convention* contained in Annex 3 to Resolution 5.2 (1993) ~~[shall will]~~ be applied *in toto* to the 2013-2015 cycle;
10. FURTHER DECIDES that the Subgroup on Finance, as established by Resolution VI.17, ~~[shall will]~~ continue to operate under the aegis of the Standing Committee and with the roles and responsibilities specified in that Resolution;
11. NOTES that the 2013-2015 budget includes a Core element ~~[funded by assessed contributions from Contracting Parties]~~, prepared on the basis that there are no fundamental changes to the operation of the Secretariat during 2013-2015, and a non-Core unfunded element to be financed by ~~[additional]~~ voluntary contributions, and APPROVES the combined budget for the 2013-2015 cycle as attached in Annex I to enable the implementation of the Strategic Plan of the Convention;
12. AUTHORIZES the Standing Committee, with the advice of its Subgroup on Finance, to revise Core budgetary allocations between budget lines in the light of significant positive or negative changes during the cycle to costs, rates of inflation, interest and tax income projected in the budget, without increasing the ~~[assessed]~~ contributions of Parties or increasing the charges paid to IUCN above the budgeted 13% maximum;
13. AUTHORIZES the Standing Committee, with the advice of its Subgroup on Finance, to revise non-Core budgetary allocations and priorities depending upon the success of the Parties and Secretariat in securing voluntary funding for these activities;
14. DECIDES that the contribution of each Contracting Party to ~~[the core this]~~ budget [(other than those making only voluntary contributions)] should be in accordance with the scale of assessments for the contributions of Member States to the United Nations budget as approved by the UN General Assembly [which is applied on an indicative basis], except in the case of Contracting Parties which, in applying the UN scale, ~~[would could]~~ make annual contributions to the Ramsar Convention Core budget of less than CHF 1,000, in which case the annual contribution ~~[shall will]~~ be that amount;
15. NOTES WITH GRATITUDE that at the 10<sup>th</sup> meeting of the Conference of the Parties the Contracting Parties of Africa ~~[assessed contributing]~~ at less than CHF 2,000 agreed to increase their payments to that level, and that the difference between CHF 2,000 and their ~~[assessment indicative level]~~ will form a voluntary contribution specifically earmarked for African Regional Initiatives;

16. URGES all Contracting Parties to pay their ~~[assessed]~~ contributions promptly by 1 January of each year, or as soon thereafter as that country's budget cycle will permit;
17. URGES Contracting Parties ~~[in arrears in their payments of assessed contributions]~~ [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 AGREES that the Standing Committee should continue to consider options for dealing with Parties that are consistently in arrears with payments to the Convention];~~
18. ~~[NOTES with concern the continued fall in voluntary contributions from Contracting Parties and]~~ URGES Contracting Parties and others to ~~[reverse this trend in order~~ increase additional supplementary contributions] to fund the important non-Core element of the 2013-2015 combined budget, which includes, *inter alia*, the work of the Scientific and Technical Review Panel, the Ramsar Sites Information Service, Ramsar Advisory Missions, Regional Initiatives, and the Small Grants Fund;
19. REQUESTS the Secretariat to continue to develop [innovative] new approaches and tools, including signature initiatives, to secure voluntary financial support for priority projects;
20. REAFFIRMS its conviction that the Convention's grants programmes, including the Small Grants Fund, are of great value in terms of the implementation of the Convention and [in light of the current challenges experienced in financing these efforts] URGES Parties and others to ~~[find CHF 1,000,000 per annum~~ make additional supplementary contributions] to secure the efficient operation of these programmes, ~~[REQUESTING that the Standing Committee review the operation of the programme during the triennium and definitively conclude whether the Parties should continue or cease the Small Grants Fund for the consideration of the 12<sup>th</sup> meeting of the Conference of the Contracting Parties and requests the Secretariat make the Small Grants Fund a priority in the Partnership Coordinator's and others' fundraising efforts];~~
21. DECIDES, following the update on the results of the Partnership Coordinator position created through Resolution X.2 in the Secretary General's Report (COP11 DOC. 7), to continue the position of Partnership Coordinator for the 2013-2015 triennium;
22. RECALLS that the Reserve Fund was established by Resolution VI.17 (1996) to meet unforeseen and unavoidable expenditures and to provide for the unlikely event of the sudden dissolution of the Secretariat, and DECIDES to revise the maximum Reserve Fund level to 30% of the annual Core budget and to introduce a minimum of 6% and an ideal level of 15% of the annual Core budget.
23. REQUESTS the Secretary General to endeavor to increase the Reserve Fund over the 2013-2015 triennium and to report annually to the Standing Committee on the status and [propose to its Subgroup on Finance for its concurrence prior to any] uses of the Fund; and
24. [AFFIRMS that the rate of increase of the Ramsar Convention budget for the 2013-2015 cycle shall not be considered as setting a precedent for the budget in subsequent years or of any other international convention];

**Annex I includes two Alternative Combined Budgets for 2013-2015 for the Contracting Parties' consideration.**

**More information and analysis regarding the two budget alternatives can be found in the information paper COP11 DOC. 16.**

## Annex Ia: 2013-2015 Combined budget - Alternative budget A, with static contributions

Alternative A, with static contributions	2013		2014		2015	
	Core	Non-Core	Core	Non-Core	Core	Non-Core
	CHF'000	CHF'000	CHF'000	CHF'000	CHF'000	CHF'000
<b>INCOME</b>						
i. Parties' contributions	3,779	-	3,779	-	3,779	-
ii. Voluntary contribution	1,065	3,375	1,065	4,612	1,065	5,312
iii. Income Tax	225	-	225	-	225	-
iv. Income Interest	12	-	12	-	12	-
<b>TOTAL INCOME</b>	<b>5,081</b>	<b>3,375</b>	<b>5,081</b>	<b>4,612</b>	<b>5,081</b>	<b>5,312</b>
<b>EXPENDITURES</b>						
A. Secretariat Senior Management	825	-	825	-	825	-
B. Partnership Coordinator	311	130	311	130	311	130
C. Regional Advice and Support	1,347	-	1,347	587	1,347	587
D. Support to Regional Initiatives	160	300	160	300	160	300
E. Scientific and Technical Services	210	635	210	635	210	635
F. Communications, Documentation, CEPA	506	130	506	130	506	130
G. Administration/RSIS/Web	754	130	754	130	754	130
H. Operating Costs	97	-	97	-	97	-
I. Standing Committee Services	85	-	85	-	85	-
J. IUCN Administrative Service Charges (maximum)	566	-	566	-	566	-
K. Miscellaneous - Reserve Fund	75	-	75	-	75	-
K. Miscellaneous - Bad debt/exchange/legal	145	-	145	-	145	-
1. RSIS and RIS database	-	100	-	100	-	200
2. World Wetlands Day	-	100	-	100	-	100
3. Ramsar Advisory Missions	-	150	-	150	-	150
4. CEPA Action Planning Workshops	-	100	-	100	-	100
5. Grants Programmes - SGF/WFF/SGA	-	1,400	-	1,400	-	1,400
6. Regional Meetings	-	150	-	750	-	150
7. COP Delegates and Ramsar Award	-	-	-	-	-	1,200
8. Strategic Visioning/Planning for 40+ and 2016-2021	-	50	-	100	-	100
<b>TOTAL EXPENDITURES</b>	<b>5,081</b>	<b>3,375</b>	<b>5,081</b>	<b>4,612</b>	<b>5,081</b>	<b>5,312</b>
<b>TOTAL SALARY COSTS – staff salaries and related costs</b>	<b>3,330</b>	<b>260</b>	<b>3,330</b>	<b>797</b>	<b>3,330</b>	<b>797</b>
	66%	8%	66%	17%	66%	15%
<b>TOTAL TRAVEL COSTS</b>	<b>165</b>		<b>165</b>		<b>165</b>	
	3%		3%		3%	

## Annex Ib: 2013-2015 Combined budget - Alternative budget B, with 2% inflation

Alternative B, with 2% inflation	2013		2014		2015	
	Core - 2%	Non-Core	Core - 2%	Non-Core	Core - 2%	Non-Core
	CHF'000	CHF'000	CHF'000	CHF'000	CHF'000	CHF'000
<b>INCOME</b>						
i. Parties' contributions	3,854	-	3,931	-	4,010	-
ii. Voluntary contribution	1,087	3,375	1,109	4,612	1,131	5,312
iii. Income Tax	230	-	234	-	239	-
iv. Income Interest	12	-	12	-	12	-
<b>TOTAL INCOME</b>	<b>5,183</b>	<b>3,375</b>	<b>5,286</b>	<b>4,612</b>	<b>5,392</b>	<b>5,312</b>
<b>EXPENDITURES</b>						
A. Secretariat Senior Management	841	-	857	-	873	-
B. Partnership Coordinator	317	130	322	130	328	130
C. Regional Advice and Support	1,372	-	1,398	587	1,424	587
D. Support to Regional Initiatives	160	300	140	300	169	300
E. Scientific and Technical Services	238	635	240	635	242	635
F. Communications, Documentation, CEPA	513	130	520	130	528	130
G. Administration/RSIS/Web	763	130	817	130	823	130
H. Operating Costs	97	-	97	-	97	-
I. Standing Committee Services	85	-	85	-	85	-
J. IUCN Administrative Service Charges (maximum)	578	-	590	-	602	-
K. Miscellaneous - Reserve Fund	75	-	75	-	75	-
K. Miscellaneous - Bad debt/exchange/legal	145	-	145	-	145	-
1. RSIS and RIS database	-	100	-	100	-	200
2. World Wetlands Day	-	100	-	100	-	100
3. Ramsar Advisory Missions	-	150	-	150	-	150
4. CEPA Action Planning Workshops	-	100	-	100	-	100
5. Grants Programmes - SGF/WFF/SGA	-	1,400	-	1,400	-	1,400
6. Regional Meetings	-	150	-	750	-	150
7. COP Delegates and Ramsar Award	-	-	-	-	-	1,200
8. Strategic Visioning/Planning for 40+ and 2016-2021	-	50	-	100	-	100
<b>TOTAL EXPENDITURES</b>	<b>5,183</b>	<b>3,375</b>	<b>5,286</b>	<b>4,612</b>	<b>5,392</b>	<b>5,312</b>
<b>TOTAL SALARY COSTS – staff salaries and related costs</b>	<b>3,395</b>	<b>260</b>	<b>3,466</b>	<b>797</b>	<b>3,531</b>	<b>797</b>
	66%	8%	66%	17%	65%	15%
<b>TOTAL TRAVEL COSTS</b>	<b>165</b>		<b>165</b>		<b>165</b>	
	3%		3%		3%	