

Final Version

**Report
submitted to
the
Ramsar Convention
Ad Hoc Working Group
on
Administrative Reform**

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EXECUTIVE SUMMARY

The Convention is as strong and effective as the Parties want it to be.

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A. Background

1. During the tenth meeting of the COP to the Ramsar Convention on Wetlands¹, the COP pursuant to Resolution X.5 on "Facilitating the work of the Ramsar Convention and its Secretariat" established an Ad Hoc Working Group on Administrative Reform. The objective of the Ad Hoc Working Group as stated in the Annex of Resolution X.5 is: "to recommend efficient and effective measures to improve the capacity and operation of the Secretariat to support and facilitate the implementation of the Convention and serve the interests of the Contracting Parties."
2. The COP in order to facilitate the current and future work programme of the Convention mandated the Ad Hoc Working Group to assess the current status of the Convention under two options. Option I: whether the Secretariat should continue to be hosted by IUCN, or Option II: whether the Secretariat should be institutionally hosted by UNEP.
3. In accordance with Resolution X.5, the Ad Hoc Working Group on 2 April 2009 sent questionnaires to both IUCN and UNEP. Based on the responses received, this report has been prepared providing an independent comparison of the responses of IUCN and UNEP to the Co-Chairs letters of 2 April 2009. In addition, we have conducted a comparative analysis of the responses, and provided suggestions on the next steps to be taken depending on which option the Ad Hoc Working Group recommends to the Standing Committee.
4. This report is to assist the Co-Chairs and the Working Group in their consideration of which of the two options would provide opportunities for the effective implementation of the Convention.

B. Scope of the report

5. This report is organized into three parts:

Part A summarizes in a table format the responses of IUCN and UNEP, under the following headings: (a) institutional hosting; (b) enhancing the overall implementation of the convention; (c) legal personality; (d) staff; (e) administrative service and cost comparison; (f) location alternatives, and (g)

¹ Hereinafter referred to as "the Convention".

transition issues. The responses of both organizations are put side by side for ease of comparison.

6. Part B provides a comparative analysis of the responses based on the goals of the Strategic Plan 2009-2015. Under each heading we identify which of the goal(s) that could be realized. A detailed comparison of the responses of the two organizations shows what each organization can contribute towards the transformation of the Convention and Secretariat to the level of visibility, image and recognition that it deserves, and how doing so could assist in the achievement of the goals in the Strategic Plan. In carrying out this comparison, we have highlighted the salient points in the responses, and have focused on the differences. Finally, at the end of each of the headings we emphasize what each of the organizations would be able to offer the Convention. For ease of comparison, the same headings as used in Part A above are also used in this section.
7. Finally in Part C, we suggest the innovative approaches that could be adopted and the next steps that could also be taken depending on which of the two options the COP decides upon. Irrespective of the option that the Ad Hoc Working Group recommends through approval by the Standing Committee to the COP, would entail that the COP enter into intense negotiations with that organization. In the case of IUCN, it would require that the COP enter into negotiations with the IUCN Council on finding long-lasting solutions to the problems identified that impede the effective implementation of the Convention's mission. For UNEP, we identified a number of issues that would need to be addressed. For example, the need to take a critical look at how MEAs under UNEP are generally administered and the flexibilities that the Convention would be allowed given the stringent UN rules and regulations.

C. The Convention and the current state of play

8. More than four decades after negotiations towards an agreement on an international convention on wetlands was initiated, the Convention sometimes considered as the first treaty to involve the protection of ecosystems, was to become the first of many multilateral environmental agreements (MEAs). The importance of the Convention is seen in its mission: "the conservation and wise use of all wetlands through local and national actions and international cooperation, as a contribution towards achieving sustainable development throughout the world". Since the adoption of the Convention, wetlands where they were once considered as problematic swamps are now seen as beneficial ecosystems that are in a position to provide ecological services. This is due in part of the work of the Convention.
9. The Convention's first Strategic Plan for the period 1997 – 2002, broke ground in becoming the first MEA to develop a strategic plan. This Plan has since become a model for emulation by other Conventions. For a Convention which set the pace in establishing biodiversity related agreements and as the first to develop a

strategic plan, it has a legacy to preserve and an important future role to play in the world of environmental governance.

10. This role recognized by the COP was instrumental in its instruction to the Secretary General in Resolution IX.10 (2005) to engage in a consultative process for a transformation of the status of the Secretariat to an international organization.
11. Enhancing the image, visibility and recognition of the Convention, depends on the political opportunities that its institutional host can offer. The Convention if given greater visibility has the potential to play a big role in the wider debate on environmental governance. The goals of the Convention are linked to economic and social development, and the achievement of the Millennium Development Goals. This is within the broader context of environmental management and sustainable development under the umbrella of international environmental governance. Nonetheless, it is the environmental pillar that should act as the foundation and catalyst on which to build and stimulate the growth of the other two pillars: economic and social. The challenge is, which option would ensure that the importance of wetlands within the context of the global environmental agenda, and the linkage to social and economic development is fully recognized.
12. In December 2009, people around the world would be looking expectantly at the Copenhagen meeting on climate change, and 2010 has been designated as the International Year of Biological Diversity. These events create opportunities for highlighting the important role of the Convention. These events are also taking place at a time when there is increasing awareness of the importance of environmental issues, with emphasis on the socio-economic and ecological importance of wetlands. The institutional host that may well provide the visibility and recognition of the Convention is very relevant to the whole debate.
13. The decision of the Co-Chairs and the Working Group would feed into any final decision that the Conference of Parties would make on which of the two organizations will enhance the visibility, image and recognition of the Convention. The decision made would have far-reaching ramifications for the Convention and the Secretariat, and would map out the future role of the Convention and the Secretariat at the national, regional and global levels.

Part A: Summary of IUCN and UNEP responses

14. In this section we summarize the responses of UNEP and IUCN. The responses have been grouped under the headings indicated in the questionnaires sent to both IUCN and UNEP, namely: (i) institutional host; (ii) enhancing the overall implementation; (iii) legal personality; (iv) staff; (v) administrative service and cost comparison; (vi) location alternatives, and (vii) transition issues. It should be noted that IUCN responded to the questions either as host of the Secretariat or as an International Organization Partner (IOP). We indicate where IUCN responded as host or as IOP.

Table 1: summary of responses

	IUCN	UNEP
Institutional host	<p>As IOP.</p> <p>The organization's portfolio of projects offers opportunities for cooperation.</p>	<p>Is in a position to support the Convention realize its aims and objectives and the Convention would benefit from UN membership. The Convention would be integrated and benefit from cooperation with other MEAs. The importance of wetlands will be made known and the visibility, image and recognition of the Convention will be enhanced. UNEP sees complementarities between its Medium-Term Plan and the Strategic Plan of the Convention.</p>
Enhancing the overall implementation	<p>As IOP.</p> <p>IUCN could encourage policies in areas where the activities of both Secretariats intersect. Could also include Ramsar focal points in IUCN capacity building events and programmes. Continue its participation in the STPR with increased regional participation.</p>	<p>UNEP provides assistance to MEAs it administers on effective compliance with, enforcement and implementation at the global, regional and national levels.</p> <p>The Convention will have an impact on international policy making.</p> <p>UNEP will be able to reinforce the scientific and technical capacity of the Convention.</p>

Legal personality	<p>As host. Convention has no legal personality. IUCN Director General delegates authority to the Secretary General of Ramsar. IUCN is legally liable for the Convention's activities to the extent not covered by insurance. The Convention can partner with businesses and other international organizations. Convention staff can attend international meetings through IUCN's status.</p>	<p>The legal personality of the Convention will be similar to that of other MEAs. The Convention's COP will continue to determine the Secretariat's functions at international and national levels. The Convention's legal personality and position under UNEP in harmony with other MEAs would enhance the Convention as an equal partner. Staff can represent the Convention at all international and intergovernmental meetings. The Secretary General will be given delegated authority to enter into legal agreements up to US\$ 200,000. UNEP will be liable for transactions as determined by the COP. The Convention would benefit from funding only earmarked for UN organizations.</p>
Staff	<p>As host. Has no policy on mandatory rotation. Concerning international travel, staff of both Secretariats are treated equally, but do not enjoy any special benefits, security and support services. In the process of developing learning and training tools that the Convention staff can benefit from.</p>	<p>UNEP has a voluntary rotation programme, but will not rotate staff without regard to professional and personal interests. Staff will be considered as UN staff, and accorded all the UN privileges and immunities. Concerning international travel, both Professional and General Service staff are accorded protection and facilities under the Vienna Convention. Interns are not remunerated, but could be classified as Junior Programme Officers or as consultants. The UN has a number of training possibilities and facilities for staff development</p>
Administrative service and cost comparison	<p>As host. Charges the Convention 13 per cent of expenditures for services rendered. IUCN and the Convention have signed a Letter of Agreement</p>	<p>Charges all MEAs 13 per cent programme support cost, and provides financial management, human resources management, support services, corporate support, quality assurance, information and communications</p>

	covering administration, human resources, finance and information technology services.	technology. Administers MEA funds through trust funds in line with UN rules. MEAs benefit from services provided by other UN organizations, e.g. UNDP.
Location alternatives	As host. IUCN hosts the Convention in Gland, and can do so for the foreseeable future, but cannot host the Convention at another location.	Houses all MEAs in Geneva. MEAs do not pay rent, but do pay utility charges and other charges. Has the possibility to host the Convention in Nairobi. The ultimate location of the Convention would depend on offers from prospective host countries.
Transition issues	As IOP. Should the COP opt for a change in host, IUCN can terminate employment contracts, but the implications of the financial liabilities for termination should be considered.	The Convention as part of UNEP will assume the UN rules and regulations, and in the case of staff, under the 2009 staff rules. Joining UNEP would depend on the terms agreed between the COP and the UNEP Executive Director. Costs involved in any change of host will be borne by the Convention. It is difficult to determine any additional costs.

Part B: Comparative analysis

15. In order to conduct comparative analysis of the institutional hosting of the Secretariat of the Ramsar Convention, and enable the Ad Hoc Working Group on Administrative Reform to provide recommendations through the Standing Committee to the COP on improving the implementation of the Convention, we believe that the basis of the comparative analysis should be how the goals of the Convention would be achieved in light of options: Option I: to continue under the administration of IUCN, or Option II: under the administration of UNEP.
16. The COP in Resolution X.1 adopted "The Ramsar Strategic Plan 2009-2015", which was prepared through a wide consultative process. The Plan that is intended to guide all the Bodies of the Convention and provide the basis for future implementation of the Convention, has five goals: (i) wise use; (ii) wetlands of international importance, (iii) international cooperation, (iv) institutional capacity and effectiveness, and (v) membership.
17. The issue then is, which of the two options would best assist the Convention achieve its goals. The achievement of the goals is addressed under the headings as used in Part A above. Some of the goals are addressed under more than one heading, due to the fact that the goals cannot be achieved in isolation, and that their achievement are interrelated. For example, Goal 4: "institutional capacity and effectiveness" is related to the headings: institutional hosting, enhancing the overall implementation of the Convention and staff development.
18. In this section we review the responses of the two organizations, as they pertain to the opportunities of each organization can offer. At the end of each section we draw a distinction between what the two organizations can offer the Convention.

i. Institutional hosting

19. The Convention's goals 2 and 4: "Wetlands of International Importance" and "Institutional Capacity and Effectiveness" can be realized depending on factors such as the institutional host's global outreach, the affiliated agencies involved in its work and how it is or would be able to link the Convention's work with other related biodiversity programmes.
20. Both UNEP and IUCN have international recognition with a wide range of members, with great potential for access points for governments, international and national NGOs to participate. Both offer political opportunities to enhance the image of the Convention.
21. As the world's oldest and largest global environmental network, IUCN states that there are opportunities within its range of projects, such as its river basin management where interventions incorporate management of Ramsar designated sites. IUCN has offices in more than 45 countries and hundreds of partners in public, NGO and private sectors around the world. IUCN believes that its

programme of work creates possibilities for developing joint IUCN and Ramsar work, coordination of policy dialogue with governments, river basin organizations and other interested parties. IUCN has about seven regional offices, which could also by working in conjunction with the Convention boost the Convention's regional and national presence.

22. With respect to UNEP, as part of the UN system, it has the unique advantage of being able to draw upon the influence that the UN exerts on the international landscape. UNEP has made it clear that the Convention joining the UN would entail the application of the UN rules, but would in no way affect the legal autonomy of the Convention, which would be maintained at all times. UNEP stressed that it recognizes the authority and autonomy of the relevant governing bodies of the respective agreements it administers.
23. UNEP believes that the Convention as part of UNEP would benefit from the organization's expertise, and that the Convention's regional implementation programme would be significantly improved through the linkage with its Regional Offices. The offices through its activities with the Convention would promote collaboration and partnerships with other UNEP MEAs and enhance the Convention's regional presence, also the Convention's profile at the global and national levels.
24. Cooperation with other MEAs is another area that UNEP emphasizes would benefit the Convention. Collaboration with other UN Conventions, for instance, the UNFCCC and UNCCD would be valuable, leading to improvement in the effectiveness and streamlining of the conventions. This is currently taking place under the synergies programme between the Basel, Rotterdam and Stockholm Conventions.
25. From a review of the two organizations under this heading, UNEP is a member of the UN system linked to a wide network of interrelated MEAs and agencies dealing with economic and social development, which could be beneficial in enhancing the image of the Convention through linkages to other MEAs that UNEP administers. UNEP has highlighted the harmony of its Medium-term Strategy with that of the Convention's Strategic Plan, and how its global reach, especially its regional offices would raise the profile of the Convention at the global, regional and national levels. IUCN also has a number of projects at regional and national levels and the Convention's image could also be enhanced through this collaboration.

ii. Enhancing the overall implementation of the Convention

26. Goals 1, 2 and 4: "Wise Use", "Wetlands of International Importance" and "Institutional Capacity and Effectiveness" respectively fall under this heading.

27. UNEP and IUCN have both biodiversity programmes, and these programmes show the importance of conservation and sustainable use of biodiversity. The organizations, however, differ in their resources and in their capacity to provide the needed assistance to the Convention in realizing the goals of the Strategic Plan. The awareness programmes of both organizations are a factor in increasing the visibility of the Convention and in promoting greater awareness of the Convention's goals and mechanisms. This also depends on the level of visibility of the two organizations and through that the Convention.
28. IUCN has the possibility to assist the Convention through the application of the Convention's guidance in national water, environmental and climate policies, in situations where there is a linkage between the two organizations key messages. IUCN could also include the Convention's Administrative Authority focal points in its capacity building events and programmes.
29. UNEP stresses that it offers support to MEA Secretariats and state parties on effective compliance with, enforcement and implementation of MEAs at the global, regional and national levels. In addition, UNEP states that it prepares relevant technical, legal and policy papers, guidelines and handbooks for effective enforcement and implementation of MEAs. UNEP believes that the Convention would benefit from its expertise and institutional framework.
30. In UNEP's view the Convention as part of the UN would be improved and have an impact on international policy making and dialogue and also impact on national implementation processes and discussions. The Convention would form part of the efforts of UNEP to harmonize national reporting under the different MEAs with the aim of reducing national reporting burden and also improve national implementation. The Convention together with the other biodiversity MEAs could be participants in this process for coherent and synergetic implementation of the Conventions.
31. As a member of the UN system, the Convention could gain from the exchange of scientific and technical knowledge and data between the relevant bodies, which would improve the inter-accessibility of web-based data. UNEP asserts that it possesses excellent and up-to-date scientific expertise and works on the basis of a science-based approach, which is supported by a wide network of scientific institutions and UNEP's collaborating centers.
32. Achieving the goals identified under this heading would require the integration of the Convention within a wider network of interrelated agencies with strong implementation and compliance mechanisms from which the Convention could take advantage in ensuring that the Contracting Parties make "wise use" of the designated Ramsar sites through efficient management of resources. However, to do so would also entail that the Convention benefits from a credible and coherent science base. This is achievable through a system of data and information

collection, research and analysis, and also the establishment of an effective interface between science and policy.

33. The option which would enable the Scientific and Technical Review Panel in conjunction with the Secretariat to assist Parties in the conservation of wetlands based on timely, accurate, credible, relevant and consistent data and information, whilst ensuring effective implementation of the Convention, with the needed resources and capacity to do so, holds the key to strengthening the Convention to serve the interests of the Contracting Parties.

iii. Legal personality

34. The legal personality of the Convention under both IUCN and UNEP will not change. Under both organizations, the Convention will not have its own legal personality. Its legal status will be derived from both organizations. The Secretary General of the Ramsar Convention as now administered by IUCN, and should its institutional host change, will still not be able to act in his own capacity but can only do so with delegated authority.
35. Goal 4 of the Strategic Plan falls under this heading. What is relevant to achieving goal 4 on institutional capacity and effectiveness of the Convention is, which of the options would improve the ability of the Convention to function much more effectively.
36. Article 8(1) of the Ramsar Convention assigned the International Union for Conservation of Nature and Natural Resources to perform the Secretariat's duties until such time as another organization or government is appointed by a majority of two-thirds of all Contracting Parties. To date, the IUCN has provided services to the Secretariat for the management of financial and budgetary matters, and personnel management and facility management.
37. The Convention as administered by IUCN has no legal personality to enter legally enforceable contracts. IUCN exercises its legal personality either with third parties or delegates the authority to the Secretary General of the Ramsar Secretariat. This exposes IUCN to legal liability since in the exercise of the Secretariat's legal personality formal responsibility rests with the Director General of IUCN. Under the new services agreement of 15 May 2009, IUCN is exposed to the extent not covered by insurance. However, the Convention is obliged to indemnify IUCN for losses and expenses that IUCN might sustain.
38. The Convention under the administration of UNEP will have similar status as that of other MEAs. The Convention will have no decision-making powers, as its activities would be directed first by the Contracting Parties, and second, by the Executive Director of UNEP in line with relevant UN rules and regulations. The practice in UNEP is the recognition of the supremacy of the COP for the successful implementation of the Convention.

39. The Convention under IUCN has the ability to partner with businesses and other international organizations. A case in point is the joint project between the Danone Group, IUCN and the Convention.
40. UNEP's view is that the Convention as part of the UN system would enhance its image as an equal partner in the global network of environmental agreements. This would make it more convenient to work with other MEAs, the donor community and the business sector.
41. The UNEP Executive Director will be responsible for signing agreements related to institutional matters and host country agreements. For matters on administrative and financial matters, the Secretary General will have the delegated authority to enter into contractual arrangements.
42. Under IUCN's administration, the Secretariat staff cannot be represented at international meetings as Ramsar Convention delegates. They can, however, do so under the IUCN status. The Convention staff as UN staff members will be able at all times to represent the Convention at international and intergovernmental meetings. The Convention will also be able to participate in preparatory meetings of UN gatherings and receive all related correspondence on UN matters. The Secretary General of the Convention, on the same level as the heads of other MEAs, will receive invitations to speak or as panelist at international meeting.
43. On the face of it, the Convention would appear to implement its goals more effectively under UNEP than its present arrangement with IUCN. However, should the Parties decide to change the institutional hosting, a much thorough review of the legal personality of other MEAs under the UNEP umbrella would have to be undertaken to determine the exact nature of the legal status that the Convention would enjoy under UNEP, and how that could be translated into facilitating the implementation of the Convention.

iv. Staff

44. Goal 4, as in the section above on institutional capacity and effectiveness applies to this section. For example, strategy 4.3 on "Convention bodies' effectiveness", in particular 4.3.iv on the role of the Secretariat in fully managing staffing priorities and capacities, indicates how essential that staff development and training is to the effective implementation of the Convention.
45. There are currently 20 staff members working for the Secretariat. Sixteen are full-time staff with four working as paid interns. The Convention uses the salary scale as defined by IUCN, which is in line with Swiss law. Under UNEP, staff receive salary and benefits based on the UN staff regulations. The UN has a two-tier system of Professional staff, recruited internationally and General staff, recruited locally. IUCN has a similar system, with staff designated as either as expatriate or local staff.

46. At IUCN it normally takes about three to six months to fill a position, but is subject to such factors as, the length of time from vacancy announcement till interview, reference checks, negotiation of start date and authorization to work in Switzerland.
47. In line with UN rules, it normally takes about 120 days to fill a position. UNEP affirms that should it administer the Convention, the organization would not enforce the rules under the rotation scheme without considering a staff member's professional and personal interest.
48. UNEP staff are considered as UN staff, and staff are governed by host country agreements, and the staff of MEAs depending on location of the Secretariat are bound by the agreement between the UN and the host country. Staff members and their families who are non-Swiss are given permits by the Swiss authorities. IUCN staff are not accorded any advantages nor are they given any privileges, such as diplomatic status.
49. With respect to international travel, IUCN and the Convention's staff are treated equally when travelling on official duty. IUCN does not provide special benefits, and security and support services for staff on missions. UN staff on the other hand, whether Professional or General Service on duty travel of more than nine hours are entitled to business class tickets. Staff travel on the UN laissez-passer, and are accorded protection and facilities in line with the provisions under the Vienna Convention. The UN also provides staff with assignment grant, which is a reasonable amount of cash for relocation, assignment or transfer to duty station.
50. IUCN is in the process of developing new learning and training tools, which the Convention could use. IUCN participates in the recruitment of the Convention's staff, and under the new services agreement could provide more assistance. The Convention's staff are considered as internal candidates and given preference in the filling of positions.
51. UNEP has training possibilities, exposure and institutionalized capacity for staff development. The Secretariat's staff would have the possibility of developing their skills and UNEP could also provide targeted support in specific situations through temporary deployment of financial and human resources to the Secretariat.
52. It is generally acknowledged that the effectiveness of any organization is the caliber of staff and their access to development tools and opportunities. Whereas IUCN is in the process of developing learning tools, the UN has a number of facilities for staff development. IUCN staff do not have to rotate, but UN staff are expected with time to rotate jobs or even locations, and are accorded UN privileges and immunities. A comparison of staff salaries, benefits and entitlements in both IUCN and UNEP did not show any major differences. Whereas IUCN pays staff based on Swiss salary scales, UNEP remunerates based on the UN salary scale for staff.

v. Administrative service and cost comparison

53. UNEP in accordance with a resolution of the General Assembly applies a 13 per cent PSC on all trust funds under its administration, and in this case would include that of the Ramsar Convention. The PSC is used in providing services such as: financial management, human resources management, support services, corporate support, quality assurance, information and communications technology. For example, the Convention's positions of Finance and Administrative Officers would be covered under the PSC. UNEP also assists in the provision of professional legal advice. This list is, however, not exhaustive. The Service Agreement signed between IUCN and the Convention include service charges of up to 13 per cent of expenditures to cover the services provided on administration, human resources, finance and information technology.
54. In keeping with UNEP policy, the organization would administer the Convention's funds through specific trust funds, based on the terms of reference of the trust funds and proposed duration, as approved by the Parties. In line with UN rules, the Executive Director administers the trust funds with an administrative charge of 13 per cent. UNEP practice is to deposit the funds in a trust fund account in New York, and provides a certified statement of accounts at the end of each year. The account is regularly audited by the UN Office of Internal Oversight Services. The decisions on the administration of the trust funds are made by the Parties.
55. Under the agreements signed between IUCN and the Convention, the Secretary General has delegated authority in respect of financial and budgetary authority and personnel management. In relation to support services, UNEP states that it has created an efficient remote access facility to allow MEAs to initiate financial transactions without delay. The Secretariat's Fund/Administrative Officer would have delegated authority to certify transactions. UNEP's administrative services centre in Geneva is also in a position to provide advice on financial and administrative matters. The Convention in joining UNEP would also benefit from the services provided by UNDP offices for meetings and workshop held outside the seat of the Secretariat. In the case of IUCN, the organization provides support services, and since the Convention is located at the IUCN headquarters, support services are provided at the facility.
56. The Convention under both organizations will be deducted 13 per cent of its funds for programme support. The difference will be the network of UN offices that the Convention has at its disposal in implementing its programme of activities.

vi. Location alternatives

57. UNEP states that it has the facilities to host the Convention's Secretariat in Switzerland, but would it entail moving the Convention to Geneva. It is also possible to host the Secretariat at the UNEP headquarters in Nairobi. There is also the possibility that another country would offer to host the Secretariat, in which case the cost implications would depend on the offer made.
58. On the issue of office space, all UNEP offices and other MEAs are housed in the International Environment House in Geneva. There are, however, plans for a new building in about two to three years. The office space is provided by the Swiss Government rent free, but the MEAs pay for cost of utilities, cleaning, security and messenger services. The office space the Convention might occupy is compared to that of the UNEP Regional Office for Europe. The Regional Office has been allotted 720m² office space and for 2008 the Office incurred a total cost of CHF 108,500 for using the building.
59. IUCN is in a position to host the Convention into the foreseeable future at its headquarters in Gland, but not in a position to host it at another location.
60. The location of the Secretariat will depend on the offer of prospective host countries, taking into account the best possible location for effective implementation of the Convention's Strategic Plan.

vii. Transition issues

61. The Convention as part of UNEP would fall under the UN rules and regulations, and in the case of staff under the 2009 Staff Regulations. Normally, selection for all positions within the UN system is subjected to a competitive process. And this means that the Convention's staff cannot be transferred to UNEP without going through this process, but UNEP is open to taking temporary measures till the recruitment process for each Convention post is concluded.
62. Joining UNEP would entail that some practical steps be considered. This would in the first place depend on the administrative arrangements made between the COP and the Executive Director. The costs involved is expected to be covered under the Convention's budget, but would depend on the location of the Secretariat, the number of staff – both Professional and General Service, the possibility that some staff contracts would be terminated, consideration of need to honour current engagements and commitments.
63. Legally, UNEP would use its administration of other MEAs as a benchmark. The arrangements for joining UNEP would contain the role and responsibility of the Executive Director, delegation of authority, accountability frameworks and the services that UNEP would provide.

64. UNEP states that it is difficult at this stage to find out the additional costs that would be incurred in joining the UN system. However, the cost should be covered by the Convention. The process and the timing involved in joining UNEP are dependent on the actions of the COP and the Executive Director as stated above.
65. IUCN on the other hand can terminate its contract for the Convention's staff. However, what should be considered are the implications on financial liabilities for termination. IUCN stresses that the Convention has the responsibility of assessing the implications of any transfer to a different host, but its human resources division will be able to provide assistance, but at an additional cost.
66. It is beyond the scope of this report to analyze the different parameters and costs involved should the Contracting Parties decide to change the institutional host of the Convention to UNEP. A lot would depend on the negotiations between the COP and the UNEP Executive Director.

Part C: Innovative Approaches and Next Steps

67. Experience has shown that every breakthrough in all spheres of endeavor is first a break with tradition, with previous ways of thinking and working. Change in whatever form it takes is always a difficult process. Whether the COP decides to continue the present arrangement of institutional hosting under IUCN with marked improvements, or decides to change the institutional hosting to be administered by UNEP, would call for profound adjustments in the way the Convention has functioned till today. The extent to which either of the two options would facilitate the work of the Convention would depend on the extent to which the COP is prepared to make changes to the Convention's traditional way of functioning.
68. In the case of the Ramsar Convention, how can the Contracting Parties make it play the important role in this age of climate change and environmental governance as a whole. This calls for the Convention not resigning itself to being one of the several MEAs, but should be proactive and make its voice and the importance of its work be heard and seen.
69. This would require a strengthened Convention. The "wise use" concept at the heart of the Ramsar philosophy encompassing conservation and sustainable development fits into the three dimensions of sustainable development endorsed by the international community: the environmental, social and economic dimensions of development. Even though such policy integration has not been achieved by many of the existing environmental organizations, due in part to the incoherent approach to environmental governance, the complexity of environmental problems, the political and legal challenges of effective environmental governance and sustainable development governance, there

nevertheless are signs that people around the world are looking for change in tackling the environmental problems of our day.

70. This is the opportunity that the Parties to the Ramsar Convention could seize on: through the strengthening of the Convention's bodies' effectiveness, through increased funding, strengthened advocacy programmes, such as taking place under the Communication, Education, Participation and Awareness Programme (CEPA), enhancing the Convention's work at the global, regional, national and local levels, strengthening of synergies and partnerships with other MEAs and IGOs, the Convention could position itself to gain global attention. The Convention would also have to take cognizance of emerging developing countries such as China, the countries in the Arabian peninsula, and Gulf countries by translating the documents of the Convention into Chinese and Arabic.
71. It would require commitment from Parties on how to improve the overall implementation of the Convention - how to achieve the mission of the convention. This includes active participation of the Parties on the environmental action that could be implemented on the ground, with a focus on institutional strengthening, compliance and enforcement, financing. This calls for addressing the problems of the Secretariat identified in SC DOC. 37-2. In this respect, we review under the two options the innovative approaches that could be put into operation and the next steps that the Parties and the Secretariat could undertake depending on which option the Conference of the Parties decide on.
72. In all, we are guided by the goals of the Ramsar Strategic Plan 2009-2015. We also bear in mind that whereas there is rich institutional experience, for example, the multilateral trading system, there is no such international rule system for global environment. However, with the interest in a global environmental architecture taking shape with increasing awareness of environmental degradation, the Convention as part of the family of biodiversity agreements (the others in the family enjoying visibility and increased funding), the Convention has its work cut out for it in working to take its rightful place as a Convention which set the pace in the world of biodiversity agreements.

Option I: Hosting by IUCN (improving the present arrangement)

73. IUCN provides services to the Convention without a lot of room for interlinkages between IUCN programme of work and that of the Convention. This is probably due to the role that the Contracting Parties under Article 8(1) of the Convention on Wetlands envisaged for the relationship, for the performance of the Secretariat's duties. In addition, IUCN has stated that it does not have additional resources to devote to the work of the Convention, and that the resources should be from joint fund raising activities.
74. Out of the nine issues or problems identified in DOC. SC37-2 should the Convention continue to be hosted by IUCN, one was classified as solved and another as being solved. Maintaining the present hosting arrangement should not

be done without addressing the problems identified. Within the current institutional hosting setting, measures would have to be taken to ensure that lasting solutions are found to:

- i. Enhancing the image, visibility and recognition of the Convention on the international scene;
- ii. Enhanced cooperation and coordination between IUCN and the Convention;
- iii. Promotion of synergies between IUCN and the Convention's programmes and strengthening partnerships with IOPs that both organizations interact with;
- iv. Working on joint projects;
- v. Securing long-term financial predictability;
- vi. Improving the personnel services beyond what is stated in the Letter of Agreement;
- vii. Assisting the Convention to achieve all the goals of the Strategic Plan, especially the Convention's mission.

75. In order to ensure that the present situation works in the interest of both IUCN and the Convention, the Ramsar COP in conjunction with the IUCN Council would have to adopt on the basis of joint proposals:

- i. A strategic overall plan of collaboration and cooperation and interventions;
- ii. A programme budget and administrative budget encompassing both core and extrabudgetary resources, including intervention at the field level.

Option II: Hosting by UNEP

76. UNEP has provided a strong response to the questionnaire sent by the Ad Hoc Working Group on Administrative Reform. The Convention joining UNEP would possibly resolve at least five out of the nine problems identified in DOC. 37-2, and highlighted in Ramsar COP10 DOC.20, add. 1. The duties of the Secretariat should it be provided by UNEP would entail an overall institutional design where the functions assigned to IUCN would be carried out by UNEP, within the wider UN system. Whilst this carries the advantage of benefiting from UN membership, which are mainly political benefits, including the application of UN privileges and immunities, enhancing the visibility, image and recognition of the Convention, support from UNEP divisions and regional offices etc., it also carries the extra burden of the application of UN financial regulations and rules.
77. The other concern requiring consideration is the situation of staff. Moving from the present situation would affect staff in many ways and these would need to be carefully considered, in order not to affect morale and create a situation of uneasiness among the staff. In the case of one senior staff member who will soon

reach the age of retirement, moving the staff member's pension scheme to the UN pension fund could negatively affect the staff member's pension. This is a unique case that would require a three way negotiation between the Convention, IUCN and UNEP.

78. Some of the other issues that could emerge maybe unique and could demand a deviation from the usual UN staff rules in order to resolve them. For example, whether the current staff of the Convention would be automatically transferred to UNEP without going through a job selection process. UNEP in its response states that on the issue of whether the UN system provides for flexibility in case of departure from the staff regulations, this would depend on case-specific situations. The 2009 UN Staff Rules has created a "fixed-term appointment" for a maximum period of five years. This could provide a possible an interim solution for the transfer of the Convention staff to the UN System.
79. Should the Convention be administered by UNEP, the budget is projected to increase. According to the estimates in Ramsar COP10 DOC.20, add.1, the Convention's budget would increase by about CHF 1 million, which is a 24.43 per cent increase over the present budget. However, this increase should be weighed in light of the actual and perceived benefits of joining the UN system.²
80. UNEP has provided a comprehensive response by showing clearly the benefits that MEAs it administers enjoy. Chief among these are how UN membership would enhance the effectiveness of the Convention, the synergies that could be developed and intensified with biodiversity and other environment-related conventions, the opportunities for enormous opportunities as part of the international environmental governance structure, the benefits of UNEP's strong science based approaches, improved policy advice, mobilizing of resources, benefits under the Global Environment Facility.
81. It is not certain if the Convention on joining UNEP would benefit directly from the GEF. Its sister organization the Convention on Biological Diversity, with which Ramsar has close ties, benefits directly from the GEF. The benefits could be indirect, as it is starting to emerge in the case of the Secretariat of the Basel Convention.³
82. The synergies programme currently underway between the Basel, Rotterdam and Stockholm Conventions is very relevant to the debate as to whether Parties should opt for joining UNEP. The success of implementing the programme would go a long way to determining the benefits that would accrue to Ramsar in its dealings with the other biodiversity conventions. At the same time, any shortcomings in

² The Convention's core budgeted expenditure for 2009 is CHF 4,539,698. The budget is expected to increase by 4 per cent annually to reach CHF 5,106,543 in 2012.

³ In an interview with a senior official at the Secretariat of the Basel Convention, the official acknowledged that since the start of the synergies programme between the waste and chemical conventions, Basel Convention is beginning to gain indirectly from the Stockholm Convention's access to the GEF.

this programme could provide for finding solutions to implementing a successful synergies programme for the biodiversity conventions. The UN system could also provide for strategic partnerships between the Convention and other UN organizations and specialized agencies, such as the World Tourism and World Health Organizations, the UN Habitat, UNDP, the World Bank etc.

83. Under the option II scenario, the issues that would need to be addressed are:
 - i. Development of a clear framework for cooperation and coordination
 - ii. How joining UNEP would enhance the Convention and assist in its implementation;
 - iii. How promotion of synergies with other MEAs and strengthening of partnerships with other IOPs would be done;
 - iv. How to achieve complementarities between the UNEP Medium-term Strategy and the Ramsar Strategic Plan;
 - v. How the UNEP institutional framework would assist the Convention's implementation at the regional, national and local levels;
 - vi. How to secure a coherent, long-term and predictable fund-raising strategy for the Convention;
 - vii. How to avoid functional duplication and overlapping and to generate savings of resources;
 - viii. How the scientific and other bodies of the Convention would be strengthened, and how that could contribute to putting the Convention in a better position at the global level.
84. It could be stated without preference for any particular option that, the Convention by joining the UN system could benefit from increased internal coherence, especially under the strengthening of the International Environment Governance.
85. Nevertheless, the benefits of joining UNEP would depend first on a review of the cost implications of the Convention's obligations under the present arrangement, and second on the negotiations that the COP would enter into with UNEP. These negotiations should cover all the areas, by taking a critical look at the MEAs that UNEP administers and to determine the level of flexibility that the UN system would allow. Another area to consider is the location of the Convention, which should depend on the offer that possible host countries would put forward and most importantly, the location that would best serve the interest of the Convention.

Conclusions

86. This report has summarized in a table format the responses of the two organizations to the questionnaires of the Ad Hoc Working Group on Administrative Reform. The second part has provided a comparative analysis of

the responses indicating what each organization can offer the Convention in enhancing its image, visibility and recognition. In the final part, we embarked on innovative approaches on what can be done, and the steps that the COP can undertake under either option. The responses provided by the two organizations have provided an indication into how each would contribute to enhancing the image, visibility and recognition of the Convention. It is vital that a decision on the Convention's institutional hosting be based on which of the two organizations institutional setting would enable the Convention achieve its mission.

Annex A

Terms of reference

Reference is made to Resolution X.5 of the Conference of the Contracting Parties to the Ramsar Convention on Wetlands, and specifically to its Annex setting out the work of the Ad Hoc Working Group on Administrative Reform.

Reference is also made to the first and second meetings of the Ad Hoc Working Group on Administrative Reform and to the documents and reports of these meetings.

Your work will be to produce for the Co-Chairs of the Ad Hoc Working Group on Administrative Reform a report comparing the reports prepared by IUCN and UNEP in reply to the Co-Chairs' letters of 2 April 2009.

You will provide an independent comparison of these reports to help the Co-Chairs and the Working Group in their consideration of both options for the Ramsar Convention Secretariat. You will compile a detailed and informed report, including an executive summary, describing clearly the differences between the two options for all items of the Report Outline annexed to the 2 April 2009 letters to UNEP and IUCN. Your report is scheduled for release to members of the Working Group by 17 November 2009.

You will also prepare and present a PowerPoint presentation for the meeting of the Ad Hoc Working Group on 3 December 2009.

Finally, you will assist the Working Group Co-Chairs draft the Ad Hoc Working Group Recommendations to the Standing Committee.

In all of this work you will be reporting to the Co-Chairs of the Ad Hoc Working Group. Information will be provided by them. You may solicit clarification of information directly from UNEP and IUCN where required. All information made available to you will be treated in the strictest confidence.