

CONVENTION ON WETLANDS (Ramsar, Iran, 1971)
35th Meeting of the Standing Committee
Gland, Switzerland, 14-16 February 2007

Agenda item 8

Financial matters: Report of the Subgroup on Finance

The Subgroup on Finance met during the afternoon of Monday 12 February 2007.

Concerning the items on its Agenda, the Subgroup on Finance recommends the following to the Standing Committee.

1. Review of the 2006 core budget expenditure (DOC. SC35/SG Finance 1)

Following explanation from the Secretary General that the budget has now moved from deficit to a surplus in 2006, in significant part owing to the Secretariat's efforts as requested by SC34 to secure payment from Contracting Parties in arrears with their annual membership dues, the Subgroup recommends that:

Recommendation 1: The Standing Committee approves the 2006 core budget report.

The Subgroup on Finance also endorsed the Secretary General's recommendation that the proposal from one Contracting Party with substantial membership dues arrears that an overall repayment plan for the coming years is agreed, rather than the usual practice of offsetting any payments first against the earliest owed year of membership dues.

Recommendation 2: The Standing Committee approves that the Secretariat agrees a repayment plan for membership dues arrears with the specific Contracting Party concerned.

2. 2007 core budget (DOC. SC35/ SG Finance-2)

The Subgroup on Finance heard no reason to adjust the core budget allocations for 2007, and therefore recommends that:

Recommendation 3: The Standing Committee notes that the core budget for 2007 remains that as approved by COP9.

3. Budget framework for COP10 (DOC SC35/SG Finance-3)

Following consideration of the revised 'thematic' budget line approach developed, as requested, by the Secretariat, the Subgroup on Finance recommends that:

Recommendation 4:

- i. the Standing Committee requests the Secretariat to develop a core budget proposal for the next triennium using the approach proposed in DOC. SC35/SG Finance 3, subject to some further division and re-organisation of budget lines;*
- ii. that this budget structure is accompanied by an explanatory Information Paper showing the overall allocations proposed for the major areas of expenditure (including inter alia salary costs, IUCN service costs, mission travel costs etc.); and*
- iii. this budget presentation is prepared for consideration by the 36th meeting of the Standing Committee as the basis for their preparation of the budget proposal to COP10 for the 2008-2011 triennium.*

4. Regional initiatives (DOCs SC35-11 & SC35-11 Addendum)

Following consideration of proposals from regional initiatives approved by COP9 Resolution IX.7, and their reported progress in implementation since the 34th meeting of the Standing Committee, the Subgroup on Finance recommends that the Standing Committee approve the following:

Recommendation 5:

- i. that, owing to a delay in initiation of implementation of the “WacoWet” Initiative during 2006, the 2006 allocation to this initiative is carried over from the 2007 core budget to be available for allocation during 2007;*
- ii. that, from the CHF 262,382 thus available from the core budget for 2007, the following allocations of funding to regional initiatives from the core budget are approved for 2007:*

<i>WacoWet:</i>	<i>CHF 59,700</i>
<i>High Andean Initiative:</i>	<i>CHF 22,000</i>
<i>MedWet (as approved by Resolution IX.7):</i>	<i>CHF 15,499</i>
<i>CREHO (Panama):</i>	<i>CHF 80,000</i>
<i>Ramsar Centre, Iran:</i>	<i>CHF 30,000</i>
<i>Pacific Islands Initiative:</i>	<i>CHF 40,438*</i>
<i>TOTAL:</i>	<i>CHF 247,637</i>

** for project proposals A and B as provided in DOC. SC35-11 Addendum Annex 4*

- iii. that the remaining CHF 14,745 from the core budget allocation remains unallocated, pending further reports from these regional initiatives and their needs;*
- iv. that henceforth six-monthly progress and financial reports must be provided to the Secretariat from each initiative which has received funding from the core budget, the first such report being required by 31 July 2007, and a full report for 2007 by 15 January 2008 or a minimum of six weeks in advance of the 36th meeting of the Standing Committee (whichever is earlier); and*
- v. that, in relation for Decision SC34-21, insufficient information is as yet available from all COP9-approved initiatives to determine core budget allocations for 2008,*

and that such allocations be considered either inter-sessionally or at SC36, taking into account satisfactory progress and reporting of each initiative, and with a deadline for requests for 2008 allocations of 31 July 2007.

Concerning the request from Wetlands International for the 'BlackSeaWet' Initiative to receive approval as operating within the Framework of the Convention, and its request for core budget funding, the Subgroup on Finance concluded that, in line with the processes established under Resolution IX.7:

Recommendation 6:

- i. it is the full Standing Committee that should first consider, on the basis of the information provided (DOC. SC35-11 Addendum, Annex 1), whether to approve this initiative, noted as being in development in the pre-amble to Resolution IX.7; and*
- ii. under the terms of Resolution IX.7 paragraph 13, by which the Standing Committee is authorised to approve such initiatives inter-sessionally only provided that they have zero financial implications for the Convention's core budget, that the Standing Committee should confirm that such request for funding are beyond the remit of the Standing Committee to consider during this triennium.*

Whilst recognising that much of the information concerning the progress of regional initiatives has reached the Secretariat only shortly before this meeting of the Subgroup on Finance, the Subgroup recommends to the Standing Committee that in future:

Recommendation 7:

- i. the Secretariat prepare a single clearly set-out paper on regional initiatives sufficiently in advance of the meetings of the Standing Committee as to permit its full review and consideration; and*
- ii. so as to ensure that this can be done, that the deadlines for submission of progress reports and requests for further funding by involved regional initiatives are immutable, and that no such information submitted to the Secretariat after established deadlines will be transmitted to the Standing Committee.*

5. Future options for the Ramsar Small Grants Fund development (DOC. SC35/Finance-4).

Following consideration of the paper prepared by the Secretariat, the Subgroup on Finance welcomes this paper, and made a number of suggestions concerning the further development of the ideas contained within it. So as to progress these ideas rapidly, the Subgroup on Finance established a contact group, with membership initially being the Chair of Subgroup on Finance, Uganda, El Salvador, Ecuador, Japan, Czech Republic, Wetlands International and the Ramsar Secretariat. In so doing the Subgroup on Finance recognises the pivotal importance of the role and experience of the Convention's IOPs in this process.

The Subgroup will have met initially to develop its views prior to the Subgroup on Finance's reporting back to the Standing Committee, and its recommendations will be annexed to this report. Nevertheless, the Subgroup on Finance recommends that:

Recommendation 8:

The contact group on SGF development be endorsed by the Standing Committee as an intersessional working group of the Committee, with involvement of other Standing Committee members and observers who wish to participate, so as to further develop concrete proposals for consideration by the 36th meeting of the Standing Committee.

6. Report of progress with the Danone/Evian private sector initiative.

The Subgroup on Finance received a verbal report on recent progress and developments from the Secretary General. The Subgroup notes the promising developments concerning continuation of support from Danone/Evian, and also the developing private sector linkages with the Star Alliance (jointly with UNESCO-MAB and IUCN), and with BHP-Billiton in relation to Neotropical initiatives.