

CONVENTION ON WETLANDS (Ramsar, Iran, 1971)

**26th Meeting of the Standing Committee
Gland, Switzerland, 3-7 December 2001**

DOC. SC26-26

Agenda item 14

Report and recommendations from the Subgroup on Finance

Recommendations from the Subgroup on Finance

The Subgroup met, as scheduled, in the morning of 4 December. Having not completed its work, the Subgroup met again in the afternoon and decided to have a working lunch on 5 December and a working breakfast on 6 December.

All members of the Subgroup were present: Algeria, Argentina, Armenia (Chair), Japan and Mexico. In addition, the following observers were in attendance: France, Norway and USA, and BirdLife International and WWF.

14.1 Audited accounts for FY 2000 and status of the Reserve Fund (DOC. SC26-9)

Japan noted that in “Note 3 – Project Expenditure” of the audited accounts, under “Japan Vol, Contr. For 97-99” the expenditure includes SFR 4,000 for which the Bureau has not sought authorization from the Government of Japan. Japan was prepared to accept the explanations received from the Bureau, authorize the expenditure *ex post facto*, and accept the audited accounts as circulated.

The Subgroup recommends that the Standing Committee receives for fiscal year 2000 and notes the status of the Ramsar Reserve Fund.

14.2 Review of 2001 core and projects income and expenditure (DOC. SC26-10)

Members of the Subgroup thought clarifications from the Bureau on a number of issues in the report on core income and expenditure to 31 August 2001 and the forecast to 31 December 2001, as well as on the report on the Status of Projects Managed by the Convention Bureau.

The Subgroup recommends that the Standing Committee notes these reports.

14.3 Small Grants Fund:

14.3 i) Approval of project proposals (DOC. SC26-11)

The Subgroup recommends that geographical equity should also be taken into consideration, in addition to the scoring of projects, for funding projects in the A2 list.

Consequently, the Subgroup recommends to the Standing Committee:

- a) to approve funding for all projects in the A1 list;

- b) to approve the following list of priority for funding projects in the A2 list, should additional funds become available:

Syria (SGF/01/SYR/1) (Asia)
Colombia (SGF/01/COL/2) (Neotropics)
Togo (SGF/01/TGO/1) (Africa)
Armenia (SGF/01/ARM/1) (Europe)
Mexico (SGF/01/MEX/1) (North America)
Congo (SGF/01/COG/1) (Africa)
Croatia (SGF/01/HRV/1) (Europe)

- c) to authorize the Secretary General to try to identify resources within the funds at the disposal of the Bureau in other projects to complete funding for the Syria project in the above list (\$FR 17,967 are still required), so that at least two projects from each region will be funded for sure.

It should be noted that this will not be necessary if WWF should be able to confirm in the next few weeks that it will provide funding for two projects in the A1 list (Morocco and Mongolia).

14.3 ii) Proposal to establish a Ramsar Trust Fund to resource the SGF (DOC. SC26-12)

The Subgroup discussed at length the question of resourcing the SGF and received further information, in addition to that contained in the report of the Secretary General, concerning the work of the Senior Advisor on Environment and Development.

The Subgroup reiterated the importance of the SGF as a funding mechanism for small projects and noted the Bureau's explanation that the uncertainty of funding constitutes a source of a disappointment and frustration, both for the recipient countries and for the Ramsar Bureau staff who have to invest considerable efforts on this every year for few results.

Nevertheless, it was also noted that the SGF should be seen as a complement to the Bureau efforts to generate funding for much more substantial projects. In this sense, the question remains whether the Senior Advisor should continue to devote a lot of energy to generate resources for the SGF, to the detriment of providing assistance with fewer but more substantial projects that can "make the difference".

The Bureau explained that it is more and more difficult to fundraise from government sources for environment/conservation projects that do not have a clear sustainable development component, and more specifically a poverty alleviation component.

The Bureau also explained that so far it has not been possible to identify sources of funding that would be willing to commit themselves to provide regular support to the SGF. The Bureau also explained that the proposed Ramsar Trust Fund may be one of the few options left, if not the only one, to try to create a sustainable funding mechanism for the SGF.

Apart from a number of questions related to the proposed *modus operandi* of the proposed Trust Fund, the Subgroup considered that since this proposal was submitted to the Standing Committee only a few weeks ago, it requires more time for consideration not only by Standing Committee members but by all Contracting Parties.

Consequently, the Subgroup recommends to the Standing Committee to adopt the proposal put forward by the Secretary General, as follows:

- a) the Standing Committee document entitled "Proposal to establish a Ramsar Trust Fund to resource the SGF" should be distributed by 14 December 2001 to all Contracting Parties inviting comments by 15 March 2002;
- b) on the basis of the comments received, the Bureau should prepare a report, including the prospects and risks involved in establishing such a Trust Fund, to be considered by the Subgroup on Finance at a meeting that should be held on 6 May 2002, in conjunction with the proposed meeting of the Subgroup on COP8;
- c) the Standing Committee should authorize the Subgroup on Finance to submit to COP8 a recommendation on a Ramsar Trust Fund to resource the SGF, after the consultation with Contracting Parties.

14.4 Report on the regulations and practice applied by other environment-related conventions for providing funding to delegates to their meetings, and recommendations to COP8. See Standing Committee Decision 25.28 c). (DOC. SC26-13)

The Subgroup, after discussion, introduced amendments to the proposed decision contained in paragraph 4 of document DOC. SC26-13.

Thus, the Subgroup recommends to the standing Committee to adopt the following decision:

"The Standing Committee decides that, when not otherwise established by Resolutions of the Conference of the Contracting Parties, the allocation of funds for sponsored delegates to Ramsar meetings by the Bureau shall be as follows:

- a) funds should be directed first to one delegate from each Ramsar Contracting Party in the UN list of Least Developed Countries (LDCs);
- b) additional funds should be allocated to one delegate from Contracting parties that are considered to be developing countries in the United Nations practice; and
- c) in case that funds are still available, they should be allocated to a second delegate from LDCs."

14.5 Ramsar Bureau Budget 2002 (DOC. SC26-14)

The Subgroup recommends that the Standing Committee adopts the proposed Ramsar Bureau budget for 2002.

14.6 Proposed budget for the triennium 2003-2008 for recommendation to COP8 (DOC. SC26-15)