

CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES
OF WILD FAUNA AND FLORA

Forty-sixth meeting of the Standing Committee
Geneva (Switzerland), 12-15 March 2002

Strategic and administrative matters

Financial and administrative matters

Report of the Finance Subcommittee

BUDGET FOR THE TRIENNIUM 2003-2005

1. Following the 45th meeting of the Standing Committee, the Secretariat prepared a draft budget based on the 'no-change option', i.e. the budget for the triennium 2003-2005 noted in the medium term-plan at the 11th meeting of the Conference of the Parties (CoP11). The budget is presented in the Annex to this document.
2. In the presentation of the budget estimates for 2003-2005, the Secretariat has followed the approach agreed by the Standing Committee to the change of currency of the budget from Swiss francs (CHF) to United States dollars (USD). The estimates given in CHF are indicative and have been calculated using the exchange rate of USD 1.00 = CHF 1.70.
3. The 'no-change option' reflects the current level of the Secretariat's programme, for which there is not adequate funding provided in the Trust Fund budget for such priority activities as compliance, capacity building and regional assistance.
4. The budget shows a breakdown of costs for the following items: the Secretariat's staff, the maintenance of the office, meetings of the Conference of the Parties, the Standing Committee and the permanent committees, publications and the programme-related activities. The total budget for the triennium 2003-2005 amounts to USD 14,709,000 giving an annual average figure of USD 4,903,000.
5. The financing of the 'no-change option' budget will require an increase in the Parties contributions of 25 per cent a year for the triennium 2003-2005 over the contributions for the biennium 2001-2002 if the accumulated Trust Fund balance does not exceed USD 700,000.
6. The Secretariat considers the proposed budget as a minimum core budget and it is unable to identify any additional financial flexibility in the current work programmes. Any further reduction in the budget will influence the Secretariat's ability to implement programmes as directed by the Parties. The Secretariat seeks the endorsement of the Standing Committee for the presentation of the proposed budget for 2003-2005 at the 12th meeting of the Conference of the Parties.
7. Following the Standing Committee's instruction, the Secretariat has prepared the draft of a revision to the relevant text in Resolution Conf. 11.2 to reflect the Standing Committee's decision to change the currency of the budget from Swiss francs to United States dollars,

to be considered for adoption at the 12th meeting of the Conference of the Parties. The revised text of paragraph 5 and 13 of the Terms of Reference for the administration of the CITES Trust Fund annexed to Resolution Conf. 11.2 is presented below. The proposed amendments are underlined and the deleted text is crossed out.

Paragraph 5 would read as follows:

The budget estimates covering the income and expenditure for each of the calendar years constituting the financial period to which they relate, prepared in ~~Swiss Francs~~US dollars, shall be submitted for approval to the regular meeting of the Conference of the Parties to the Convention. ~~Together with the estimates, prepared in Swiss Francs, figures may be provided also in US dollars, for ease of reference and would only be indicative.~~

Paragraph 13 would read as follows:

All contributions shall be paid in any convertible currency. The amount of any payment, however, shall be at least equal to the amount payable in ~~Swiss Francs~~US dollars on the day the contribution is made. Contributions from States that become Parties after the beginning of the financial period should be made on a prorata basis for the balance of the financial period.

8. The Secretariat requests the Standing Committee to approved the proposed revision to paragraphs 5 and 13 of the Terms of Reference for the administration of the CITES Trust Fund.