

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



Fifty-seventh meeting of the Standing Committee
Geneva (Switzerland), 14-18 July 2008

Strategic and administrative matters

Financial matters

REPORT FOR 2007

1. This document has been prepared by the Secretariat.
2. It provides information on the actual expenditures of the Secretariat in 2007 (Annex 1), along with the status of contributions from the Parties (Annexes 2, 3 and 4). It also provides an overview of the availability of the CITES Trust Fund resources and their use in the biennium 2006-2007 (Annex 5).

Actual expenditures in 2007

3. Annex 1 to this document shows the actual expenditures by category of service, which amounted to USD 5.08 million. Each of these categories includes staff and travel costs as well as general operating expenses. This is 97.65 % of the modified budget of USD 5.29 million, which was approved by the Conference of the Parties at its 14th meeting (The Hague, 2007).
4. The budgetary provision was adequate to cover the projected costs for the majority of items. However, higher-than-projected expenditures specifically on the staff costs were attributable to the continuing depreciation of the US dollar. The rising value of the Swiss franc against the US dollar has affected the budget since most expenditures are incurred in the local currency and converted into US dollars.
5. The increased cost was offset by savings made under some operating budget lines specifically on the following:
 - a) CoP14 logistical costs were primarily covered by the Dutch Government;
 - b) the post of Deputy Secretary-General was not filled;
 - c) office maintenance cost was reduced due to the rearrangement of the offices and accommodation of all staff on one floor; and
 - d) an analysis of travel options to reduce travel cost was undertaken, including the possibility of using air mile credits. However, this option did not prove to be cost effective. The best option was by booking early enough to take advantage of special UN negotiated rates provided by the travel agency selected by the UN Office in Geneva.

Paid and unpaid contributions to the CITES Trust Fund

6. The status of contributions to the CITES Trust Fund is reported in Annex 2. The Secretariat sent out reminders to Parties with arrears. On 31 December 2007, 42 Parties were in arrears with their contributions for the years 1992-2006.

7. The contributions received in 2007 along with percentages are shown in Annex 3. The figures show the cumulative total received by the end of each month. The contributions received for the current, prior and future years are indicated separately.
8. Annex 4 provides information on the outstanding contributions to the CITES Trust Fund. At the end of 2007, the total unpaid contributions for 2007 and prior years amounted to USD 554,885, of which USD 290,608 was due for the year 2007. This is significantly lower than in 2005 and 2006, when total unpaid contributions amounted to USD 906,908 and USD 759,939 respectively, indicating that some Parties with contributions in arrears have been conscious of their obligations and have made payments.

Availability and use of resources

9. Annex 5 presents an overview of the flow and use of the CITES Trust Fund for 2007. The balance of the CITES Trust Fund as of 31 December 2007 stood at USD 2,144,523 of which USD 700,000 represents the operating cash reserve to guarantee the liquidity of the Trust Fund. The Fund Reserve is notably high because of an unexpectedly high level of payment of arrears. Interest income generated from investment with the UN investment pool as well as miscellaneous income from registration fees during CoP14 has contributed to the increase of the fund balance for this year.