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

Sixty-fifth meeting of the Standing Committee
Geneva (Switzerland), 7-11 July 2014

Administrative and financial matters

Relationship with the United Nations Environment Programme (UNEP)

REPORT OF UNEP

This document has been prepared and submitted by the United Nations Environment Programme.
Sixty-fifth meeting of the Standing Committee of the Conference of the Parties to the Convention on International Trade in Endangered Species of Wild Fauna and Flora

Geneva, 7–11 July 2014

Report of the United Nations Environment Programme

I. Introduction

1. In accordance with the memorandum of understanding between the Executive Director of the United Nations Environment Programme (UNEP) and the Chair of the Standing Committee of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), signed on 1 September 2011, concerning secretariat services to and support of the Convention, the Executive Director submits to each regular meeting of the Conference of the Parties, and to one meeting of the Standing Committee each year, a report concerning the provision of and support to the secretariat, including as appropriate the implementation of the memorandum of understanding.

2. Accordingly, the Executive Director hereby submits the present report, which summarizes the work carried out by UNEP in support of CITES. The report provides an overview of technical and scientific work, capacity-building activities and emerging issues, including relevant administrative support.

II. Technical and scientific support provided to CITES

A. Joining forces on the multilateral environmental agreement information and knowledge management initiative

3. Over the past year, CITES has fully implemented the technical standards that were agreed upon in the context of the multilateral environmental agreement information and knowledge management (MEA IKM) initiative. As a result, information on CITES ratifications, decisions and resolutions of the Conference of the Parties to CITES, national focal points and biennial reports are automatically and directly harvested into the United Nations information portal on multilateral environmental agreements (InforMEA).

4. CITES has successfully conducted projects in the field of information technology and knowledge management, including the CITES Virtual College, electronic permitting and the integration of customs documents into national and regional single windows on trade-related information. Some of these concepts have been included in funding proposals to potential donors for replication on a joint level, as is the case for the InforMEA e-learning tool expected to be launched at the end of 2014.

B. Great Apes Survival Partnership

5. In support of the CITES secretariat, the UNEP Great Apes Survival Partnership (GRASP) has continued its work on the implementation of the relevant resolutions on the conservation of and trade in great apes, developing several activities and plans, and convening meetings relating to enforcement.

6. GRASP, in collaboration with the Government of the Congo, convened the first GRASP regional meeting for the Central African great ape range States in Brazzaville on 25 and 26 May 2013. Representatives from all seven of the Central African States attended. Key topics at the meeting included transboundary collaboration, economic incentives such as reducing emissions from deforestation and forest degradation in developing countries (REDD), and the illegal trade in great apes.

7. GRASP, in collaboration with the UNEP World Conservation Monitoring Centre (UNEP-WCMC) and key partners, announced plans at the International Environmental Compliance and Enforcement Conference, jointly convened by UNEP and the International Criminal Police Organization in Nairobi on 6 November 2013, to create a great apes illegal trade database to monitor illicit activities involving the traffic of chimpanzees, gorillas, bonobos and orangutans. The database – which was one of the key recommendations of the 2013 GRASP report, entitled Stolen Apes: the Illicit Trade in Chimpanzees, Gorillas, Bonobos and Orangutans – will be launched in 2014.
8. GRASP, in collaboration with the Global Resource Information Database (GRID)-Arendal and key partners, produced a French-language version of *Stolen Apes: the Illicit Trade in Chimpanzees, Gorillas, Bonobos and Orangutans*, the 2013 report that established the first baseline information regarding the illegal trade in great apes.

9. GRASP, in collaboration with i-Site.com and key partners, launched the apeAPP mobile phone application at the 2014 Mobile East Africa conference held in Nairobi on 12 February 2014. The apeAPP links the general public directly with GRASP partner projects in the field, including those working to conserve great apes and their habitats and counter the effects of the illegal trade in great apes.

10. GRASP, in collaboration with the Arcus Foundation and the Jackson Hole Wildlife Film Festival, staged the Great Apes Summit in Wyoming, United States of America, from 21 to 24 September 2013. Panel discussions during the Summit focused on topics such as illegal trade, agro-industrial expansion, ecotourism and technology, among others. At the conclusion of the meeting, participants issued a statement on palm oil that called for greater regulation and oversight within the industry and the promotion of sustainable production.

11. GRASP, in collaboration with the African Wildlife Foundation, the Arcus Foundation and the United States Fish and Wildlife Service, held the first meeting of the African Apes Initiative in Kinshasa from 7 to 9 April 2013. Following the meeting, which was intended to address regional concerns, participants undertook a 5-day field trip to Lomako in the Democratic Republic of the Congo to undergo training with CyberTracker technology on monitoring illegal activities and other priorities in the field.

12. GRASP also announced the inaugural winners of the GRASP-Ian Redmond Conservation Awards, which were presented to conservationists from Cameroon, Indonesia and Nigeria working to protect great apes and their habitats and reduce the impact of illegal trade.

13. GRASP participated in a conference held in Bujumbura on 15 and 16 September 2013, organized by the European Union and United Nations partnership on land, natural resources and conflict prevention. The GRASP representative presented lessons learned from the GRASP project on conflict resolution in Kahuzi-Biega National Park in the Democratic Republic of the Congo. A conflict-sensitive approach was adopted for the project and it included the establishment of local community conservation committees that led to a 40 per cent decrease in illegal activities in the specific sector of the park relevant to the project.

C. Support provided to CITES by the World Conservation Monitoring Centre

14. The performance of the CITES Trade Database has recently been enhanced, with a joint news release on the matter posted on the CITES, UNEP and the UNEP-WCMC websites. The improved speed, better performance and upgraded infrastructure will enable the development of further features such as real-time trade visualizations, spatial mapping of trade trends, and the automated submission of annual report data directly to the CITES Trade Database, which could be pursued in line with parties’ priorities. These developments have been delivered by UNEP-WCMC with support from the CITES secretariat and UNEP.

15. The Checklist of CITES species has benefited from concerted efforts to enhance the provision of CITES species information services. UNEP-WCMC has worked in collaboration with the CITES secretariat, UNEP, the European Commission and UNEP-WCMC to develop an automated, database-driven checklist of CITES species (see http://checklist.cites.org/). The automated Checklist, is recognized as the official checklist of CITES species in accordance with Resolution Conf. 12.11 (Rev. CoP16) of the Conference of the Parties to CITES and is linked with Species+, a platform developed by UNEP-WCMC and launched in November 2013 which presents additional data on CITES quotas and other trade restrictions as well as information on species listed by the Convention on the Conservation of Migratory Species of Wild Animals (see http://speciesplus.net/).

16. The new data and information structures for CITES (the CITES Checklist, Species+ and the CITES Trade Database) are now supported on modern, open-source platforms that provide opportunities for the development of further technological advances by the Convention.

17. The CITES secretariat has sought advice from UNEP-WCMC on levels and trends in trade, scientific and technical matters (e.g., the distribution of species and nomenclature) together with support on issues relating to reporting, information management, capacity-building and training.
18. In order to assist parties with CITES implementation, support has recently been provided to the Central America region to introduce the database tools and trade analysis services provided by UNEP-WCMC at a workshop supported by the United States Department of the Interior International Technical Assistance Programme. China and others have expressed interest in support from UNEP-WCMC on the use of information tools to improve CITES implementation.

19. The CITES secretariat has tested the online reporting system to facilitate the submission of CITES biennial reports. UNEP-WCMC contributed to discussions on national reporting in the working group on special reporting requirements and provided information to the Chair of the working group on the development of the online reporting system, developed in collaboration with the Agreement on the Conservation of African-Eurasian Migratory Waterbirds and the Convention on Migratory Species. UNEP-WCMC also participated and gave a presentation on the role of CITES trade data in making non-detriment findings at a United States Department of the Interior International Technical Assistance Programme workshop to strengthen the capacity of authorities to conduct CITES non-detriment findings, held in San Salvador in September 2013.

20. For the review of significant trade, UNEP-WCMC undertook a review of 91 species and country combinations and presented the results to the Animals Committee at its twenty-seventh meeting and the Plants Committee at its twenty-first meeting held in Veracruz, Mexico, in April-May 2014 (see AC27 Doc. 12.4. (Rev.1), annex 1). Data prepared by UNEP-WCMC were also used to inform the selection of species for the next review (see AC27 Doc. 12.5; PC21 Doc. 12.4). UNEP-WCMC also contributed to additional reports presented to the Animals Committee at its twenty-seventh meeting, including a report presented by the secretariat on the use of source codes for live animals in trade (AC27 Doc.17 (Rev.1), annex 2) and another presented by the European Commission on nomenclature (AC27 Doc. 25.1, annexes 3 and 5). UNEP-WCMC also contributed to a report prepared by the secretariat for the Plants Committee at its twenty-first meeting on the use of source codes for artificially-propagated plants (PC21. Doc. 16, annex 3). More recently, UNEP-WCMC also contributed to a report on elephant trade and conservation for the Standing Committee at its sixty-fifth meeting (see SC65 Doc. 42.1, annex 1).

21. The CITES secretariat and CITES national focal points have engaged in the UNEP Division of Environmental Law and Conventions and a UNEP-WCMC project entitled “Improving the effectiveness of and cooperation among biodiversity-related conventions and exploring opportunities for further synergies”. The project is intended to identify possible future actions to improve efficiency and effectiveness for the coherent and coordinated implementation of multilateral environmental agreements and for support for the revision and implementation of national biodiversity strategies and action plans.

D. Collaboration between the UNEP Regional Office for West Asia and the CITES secretariat during 2013–2014

22. This section describes the activities of the UNEP Regional Office for West Asia in support of the CITES mandates during 2013–2014.

23. In support of new ratifications, the CITES secretariat, in collaboration with the Regional Office for West Asia, visited Bahrain to congratulate the Government of Bahrain on becoming a new party to CITES and initiating its measures to implement the Convention and resolve some of the issues surrounding the illegal trade in birds. Iraq and Lebanon also joined CITES in 2013 and with the addition of these countries the whole region is on board.

24. The section on capacity-building and enforcement of the CITES secretariat is currently engaged in discussions with the Regional Office for West Asia on a training programme for national officers on CITES measures, using the International Consortium on Combating Wildlife Crime country assessment method, in Bahrain, the United Arab Emirates and other new parties, such as Iraq and Lebanon. The International Fund for Animal Welfare (IFAW) has been heavily engaged in regional training courses on CITES measures in Bahrain, Iraq and Yemen. The Regional Office for West Asia has participated on behalf of CITES in some of the training courses to ensure coherence.
25. At the request of the CITES secretariat, the Regional Office for West Asia represented CITES in regional capacity-building workshops on national biodiversity strategies and action plans and indicators in Iraq, Jordan, Lebanon, Oman and the United Arab Emirates, including to ensure that national targets take CITES decisions into consideration and to promote synergies and policy coherence with other biodiversity-related multilateral environmental agreements.

26. In order to enhance synergies between CITES and the Convention on Migratory Species, the secretariats of both conventions requested the Regional Office for West Asia to participate on their behalf in a training workshop on the conservation of sharks organized by IFAW and held in Dubai, United Arab Emirates, from 17 to 19 February 2014. The objectives of the workshop were to invite new range States to sign the Convention on Migratory Species Memorandum of Understanding on the Conservation of Sharks; to train participants from the Arab region on CITES measures for listed species of sharks; and to foster cooperation between stakeholders from the environment and the fisheries sectors and non-governmental organizations, and to enhance synergies between the Convention on Migratory Species, CITES, UNEP and the Food and Agriculture Organization of the United Nations.

27. The focal points of Kuwait, which is a member of the Plants Committee, and Bahrain, which is a member of the Animals Committee, participated in the meetings of the committees held in Mexico in April–May 2014.

28. In support of CITES, the Regional Office for West Asia convened a meeting on “Wildlife crime and the rule of law” for Arab ministers for the environment in Bahrain in April 2014 in the context of regional preparations for the first session of the United Nations Environment Assembly of UNEP. The meeting aimed to prepare representatives of the region for the first session and key topics to be discussed during the session, including the illegal trade in wildlife and the rule of law.

E. Collaboration between the UNEP Regional Office for Africa and the CITES secretariat during 2013–2014

1. Capacity-building

29. In accordance with subparagraph (c) of decision 16.29, UNEP, in collaboration with UNEP-WCMC, organized and conducted two capacity-building workshops for francophone African countries in 2013, and sponsored the participation of CITES national focal points in the workshops.

30. The first workshop, held in Douala, Cameroon, from 25 to 28 June 2013, focused on the integration of the objectives and obligations of CITES and the Convention on Migratory Species into the updated national biodiversity strategies and action plans. The workshop brought together 38 participants, including national focal points of CITES, the Convention on Biological Diversity and the Convention on Migratory Species, as well as officials from the Ministry of Environment of Cameroon.

31. At the workshop, the participants discussed the importance of enhancing synergies among biodiversity-related multilateral environmental agreements by updating the national biodiversity strategies and action plans, and many expressed their interest in replicating the workshop in their respective countries. They also developed common best practice guidelines with tangible targets to improve the policy, legal and administrative coordination of biodiversity multilateral environmental agreements in the national biodiversity strategies and action plans process. The workshop demonstrated that planning, coordination and cooperation among the national focal points of the biodiversity-related multilateral environmental agreements are key to the success of the new national biodiversity strategies and action plans.

32. The second workshop, held in Abidjan, Côte d’Ivoire, from 29 to 31 October 2013, built on the outcomes of the first workshop, and focused on capacity-building in the development of national biodiversity targets and indicators. It brought together 26 senior officials involved in the updating of the national biodiversity strategies and action plans and gave them the opportunity to enhance national and regional capacities to develop and use biodiversity indicators in line with the Strategic Plan for Biodiversity 2011–2020 and the Aichi Biodiversity Targets. The aim of the workshop was: (a) to improve understanding regarding the information needs and availability of data to develop national targets and indicators, and (b) to strengthen relationships and opportunities for a “community of practice” in the implementation of national biodiversity strategies and action plans within the region. Overall, the workshop was successful, and it demonstrated the impact of the Douala workshop by means of country
presentations which showed how the knowledge gained at the first workshop had been used at the national level to develop new targets and indicators or improve existing ones.

III. Update on the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services

Update on progress in the Platform process

33. In response to paragraphs (a) and (b) of decision 16.13, directing parties to reinforce linkages between the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services and CITES and inviting parties to provide inputs to the secretariat in regard to CITES involvement in the Platform, CITES input was further refined and a thematic assessment on the “sustainable use and conservation of biodiversity and strengthening capacities and tools” was adopted as part of the work programme for 2014–2018. The scope of this assessment is to assess the ecological, economic, social and cultural importance, conservation status and drivers of change of mainly harvested and traded biodiversity-related products and wild species. It will also assess the potential of the sustainable use of biodiversity in enhancing the livelihoods of indigenous peoples and local communities, including the role of traditional governance and institutions therein. It will identify guidelines, methods and tools, and promote best practices, including both modern technologies and indigenous and local knowledge, for sustainable management and harvesting. The assessment will contribute to the identification of related knowledge gaps and better technologies, including in respect of indigenous and local knowledge. It will also contribute to the development of policy support tools and methodologies, enhancing sustainable management schemes (including the establishment and management of harvest quotas), aiding compliance and enforcement measures, and addressing capacity-building needs in countries of origin. It is anticipated that the assessment will contribute to attaining the objectives of CITES and the Convention on Biological Diversity, in particular Aichi Biodiversity Targets 3, 4, 6, 7, 12 and 18. The scoping process for the assessment will be initiated in late 2014 with a call for experts and it is recommended that CITES nominate experts from within its networks and further provides inputs to subsequent activities as the assessment progresses.

34. In response to a request made by the CITES secretariat, UNEP provided funding for representatives of the CITES subsidiary scientific bodies to participate in the first two meetings of the Platform’s Multidisciplinary Expert Panel (held from 2 to 6 June 2013 in Bergen, Norway, and from 27 to 30 August 2014 in Cape Town, South Africa, respectively). However, funds for such attendance at future meetings of the Panel will need to be sought from extrabudgetary sources.

IV. Emerging issues: illegal trade in wildlife

35. The illegal trade in wildlife is a paramount issue that has reached global dimensions and it will be one of the main topics of discussion at the first session of the United Nations Environment Assembly of UNEP. The scope of the dialogue is likely to move beyond the current focus of attention on the poaching crisis facing African elephants and rhinos, addressing a wider range of threats posed by illegal harvesting and trafficking, including of timber, fish, tigers, pangolins, great apes and a broad range of birds, reptiles and plants. The Environment Assembly will be the largest ministerial gathering convened during the current crisis to consider the illegal trade in wildlife.

V. UNEP administrative and financial management support to the CITES secretariat

A. Support provided to CITES from the programme support costs

36. CITES is entitled to 67 per cent of the programme support costs generated by its respective trust funds, which in 2012 amounted to $692,503, while expenditures incurred against the costs totalled $677,666. In 2013, 67 per cent of the programme support costs amounted to $610,529, with expenditures incurred during the same period totalling $631,501. The expenses for both years covered the costs of the following administrative staff directly assigned to the CITES secretariat: the Administrative and Financial Management Officer (P-4), the Administrative Assistant (G-6), the Finance Assistant (G-6), 50 per cent of the cost of the Information Network Officer (P-3) and certain operational costs. The remaining 33 per cent
of the programme support costs is for use by UNEP to cover their central administrative functions that support the CITES secretariat (see the annex to the present report for details).

37. With the transition from the United Nations System Accounting Standards (UNSAS) to the International Public Sector Accounting Standards (IPSAS) commencing on 1 January 2014, the budgeting methods of the United Nations Secretariat will be much more rigorous. From 2014 on, audited financial statements will be required for the year ending 31 December 2014 and for each subsequent year. Although IPSAS has far more stringent conditions on consolidation than UNSAS, UNEP will continue to include CITES trust funds within its financial statements.

38. For a comprehensive report on the use of the programme support costs account, please see the annex to the present report. The annex is submitted in line with paragraph 18 of the memorandum of understanding between UNEP and the Chair of the CITES Standing Committee, which states that the Executive Director will provide full transparency in respect of the allocation of programme support costs between the secretariat and central administrative functions and will provide an annual financial statement pertaining to the UNEP special account for programme support costs. It also provides details about the nature of the costs associated with the 33 per cent central administrative functions.

B. Progress made in the implementation of the African Elephant Fund

39. The African Elephant Action Plan was adopted by African elephant range States in March 2010 at the fifteenth meeting of the Conference of the Parties to CITES. The Multi-Donor Technical Cooperation Trust Fund for the Implementation of the African Elephant Action Plan was established in 2011 under the auspices of UNEP. The Fund was approved by the Governing Council of UNEP at its twenty-sixth session and came into effect on 1 February 2011.

40. A Steering Committee has been established under the Fund with membership comprising eight range States representing the four subregions of Africa. The current members of the Steering Committee are Botswana, Burkina Faso, Cameroon, the Congo, Kenya, Nigeria, South Africa and the Sudan.

41. Pursuant to decisions 14.75 to 14.79 adopted by the Conference of the Parties to CITES at its fourteenth meeting, mandating the African elephant range States to develop an African Elephant Action Plan and an African Elephant Fund (AEF), the African elephant range States, under the coordination of the African Elephant Steering Committee and UNEP have met twice to deliberate on specific and effective ways of and approaches to curbing elephant poaching in their respective regions.

42. As massive killing of elephants continues to be witnessed across the African continent (with over 300 elephants killed in Zimbabwe’s biggest nature reserve during 2013), the African elephant range States and the Steering Committee face the urgent challenge of addressing this growing crisis before the African elephant is rendered extinct. The first strategic objective of the African Elephant Action Plan is therefore to reduce the illegal killing of elephants as well as the illegal trade in elephant products, which pose a significant threat to the species. In the face of this ever increasing challenge, the implementation of the priority activities in the Action Plan is considered the best approach to stemming the elephant poaching crisis.

43. At the second meeting of the Steering Committee, held in Bangkok on 11 March 2013, participants discussed issues relating to the general management of the fund as well as the implementation of activities. Topics covered during the meeting included secretariat support by UNEP as well as the role and responsibility of UNEP; criteria to be used to determine the eligibility of projects (including eligibility for funding through the discretionary account for projects considered to be “urgent”); the availability of funds as well as document translation. At the time, a number of agreements had already been signed (Benin, Nigeria and Malawi) and UNEP was therefore able to report on progress in the implementation of activities by these three partners. In addition, the rules of procedure were discussed and new draft clauses proposed by the Chair were considered and amendments proposed.

44. The third meeting of the Steering Committee was held in Ouagadougou from 25 to 27 September 2013 with 11 members in attendance as well as two representatives of donor countries (Germany and the Netherlands). The highlight of the agenda was the review, approval and allocation of funding for critical and innovative elephant conservation and law enforcement projects. A total of 11 proposals was submitted by countries in East, West and Southern Africa for a total amount of $445,857. After a lengthy 2-day discussion and consideration of the projects presented and the determination of their quality and urgency in accordance with the criteria laid down for such consideration, a total of 8 projects involving 11 African
elephant range States were approved. The approved projects deal with a range of issues, from constructing fences in natural reserves to mitigating human-elephant conflict and training park rangers to combat the increasingly violent poachers. However, the Committee noted with regret that no proposals were submitted by Central African countries, acknowledging that the subregion was probably also very hard hit by the current African elephant poaching crisis. As there was no clear indication regarding particular challenges facing the subregion in terms of submitting proposals, it was agreed that further consultations would be held between the regional steering committee representatives (Cameroon, the Congo) and other members of the Steering Committee to address the situation with a view to understanding and possibly assisting with the challenges experienced in the development and submission of project proposals for the subregion.

1. Awareness-raising

45. The discussions at the third meeting of the Steering Committee also covered the important subject of the Fund’s visibility and various methods were proposed to raise awareness about the Fund. Specific proposals discussed were participation of Fund representatives at various future international events, which was viewed as beneficial in terms of fund-raising; the development of materials that would add value to the awareness-raising campaign as well as a joint media release to be prepared soon after the third meeting. It was suggested and agreed that an AEF logo would be effective in enhancing the visibility of the Fund.

46. The work of the Fund was highlighted at the African Elephant Summit, held in Gaborone from 2 to 4 December 2013, which was attended by a number of the Steering Committee members, as well as representatives of UNEP, the European Union, France, Germany and the Netherlands. As a result, a joint media release was drafted by UNEP, CITES and the Chair of the Fund, and circulated. In addition, the logo for AEF is currently under development and an initial draft will soon be availed by UNEP for consideration by AEF members.

2. Translation of documents

47. Following the Ouagadougou meeting, the chair of the Fund (South Africa) wrote to the UNEP Executive Director seeking further financial assistance for the translation of documentation and correspondence in both languages of the AEF members – French and English. As a consequence, and in line with UNEP commitment to support the work of AEF, a translation consultant has been hired by UNEP and work is under way on preparing the documentation.

3. Budget

48. The current status of the Fund from all the contributions received since 2011 stands at $934,283 (China: $200,000; France $63,690; Germany: $177,125; the Netherlands: $295,408; South Africa: $11,716; United Kingdom of Great Britain and Northern Ireland: $178,409; and an interest earned of $8,035). Out of the total funds received – in the amount of $934,283 – the total funds committed for approved projects is $367,360 (earlier projects approved during 2011 and 2012 – for Benin, Nigeria and Malawi – and eight projects later approved at the Ouagadougou meeting – for Burkina Faso, Ethiopia, Kenya, Uganda, United Republic of Tanzania (2 projects), Malawi, and a joint Benin-Burkina Faso-Niger project), which leaves a balance of $567,023 in the Fund. A further pledge has been received from the Netherlands in the amount of 120,000 euros, which has yet to be received.

4. Status of project implementation

49. In its continued support to AEF range States, UNEP has provided assistance in the implementation of the various approved projects, and activities are underway for most of the eight projects in accordance with the relevant agreements signed with UNEP.

50. In terms of project implementation, one of the three initial projects (Malawi) has been fully funded and all its activities completed. The remaining two of the initial three projects (Benin and Nigeria) are in their final stages of implementation of activities which include training of law enforcement officers and equipping them with tools for law enforcement work as well as the provision of uniforms for rangers. In addition, implementation has begun of five out of eight of the newly approved projects, which are expected to run until the end of the current year. The planned activities include carrying out surveys and censuses in parks, the recruitment and training of staff to combat poaching and the construction of fences. The process of preparation by UNEP of the other three funding agreements is under way and it is expected that they will be signed shortly and funding disbursed accordingly.
5. **Moving forward**

In the meantime, plans are now under way to organize the fourth meeting of the Steering Committee, which is envisaged to be held in Nairobi in the coming months. Among the items on the meeting agenda will be the selection of a new AEF Chair given that the current Chair (South Africa) has now completed a three-year term. In addition a call for new proposals for funding is also under way as UNEP continues to monitor the progress of the implementation of activities that have already been funded.

C. **Delegation of authority**

51. From 1 October 2010, a delegation of authority from the Executive Director of UNEP to the Secretary-General of CITES entered into force. The terms and clauses of the delegation of authority document were agreed upon by UNEP, the CITES secretariat and the CITES Standing Committee.

52. The process leading to the signature of the delegation of authority started in 2009, as a result of a decision by the Executive Director of UNEP to develop a procedure to clarify the relationship between UNEP and the multilateral environmental agreement secretariats it administers. The purpose of such delegations of authority is to enable the executive secretaries of UNEP-administered multilateral environmental agreements to undertake and implement activities efficiently and effectively without the need to refer to UNEP headquarters for routine administrative matters. These delegations of authority follow a generic framework, but are adapted specifically to the needs of each convention secretariat.

53. As with other such delegations of authority, the provisions of the agreement between the Executive Director of UNEP and the CITES Secretary-General describe the accountability context and the authority and responsibility vested in the Secretary-General. The agreement also deals with programme management as related to the implementation of the programme of work approved by the Conference of the Parties to CITES; management of the implementation of the budget approved by the Conference of the Parties and all other CITES budgets, including those financed from trust fund resources and the CITES allotment from the UNEP special account for programme support costs. Furthermore, the delegation deals with management of the human resources assigned to CITES. The delegation of authority signed in October 2010 supersedes any previous delegation of authority between the Executive Director of UNEP and the Secretary-General of CITES.

54. More specifically, the Secretary-General is delegated with the power to effectively and efficiently run the day-to-day operations of the secretariat. In line with the performance assessment requirements of the United Nations, the Secretary-General is required to submit an annual workplan to be agreed upon with the Executive Director, for which he is fully accountable. The Secretary-General is responsible for managing the implementation of the costed programme of work approved by the Conference of the Parties, and activities financed from the main and extrabudgetary trust funds, earmarked contributions and the CITES allotment from the UNEP special account for programme support costs approved by the Executive Director. Furthermore, the Secretary-General is responsible for compliance with all financial and substantive reporting arrangements set forth in projects and legal instruments. In this context, the Secretary-General is responsible for ensuring that all United Nations procurement, recruitment and audit policies, rules and regulations are upheld. In addition, the Secretary-General is expected to ensure the efficient and effective use of resources, and is responsible for ensuring that these resources are used for the purposes for which they are intended, including the adequate performance of certifying, approving, bank-signatory and petty-cash management functions within the Secretariat.

55. With regard to human resources, the Secretary-General is accountable to the Executive Director for the management of staff assigned to the CITES secretariat, and must ensure the timely initiation and performance of related human resource management actions, in accordance with the staffing table approved by the Conference of the Parties, and CITES budgets, taking into account the United Nations mandatory ethics and integrity initiatives and rules on financial disclosure.

D. **Memorandum of understanding between the Standing Committee of CITES and the Executive Director of UNEP**

56. A memorandum of understanding between the Chair of the Standing Committee and the Executive Director of UNEP came into effect on 1 September 2011. The main purpose of the memorandum of understanding is to highlight the provisions of secretariat services from UNEP to the Convention and its related support. The memorandum of understanding also provides details on the roles and responsibilities of the Secretary-General of CITES, the Executive Director of UNEP and the Conference of Parties through
its Chair. This memorandum of understanding is part of the effort by the UNEP Executive Director to strengthen the relationship between UNEP and the multilateral environmental agreements it administers.

57. The memorandum of understanding determines the basis for the cooperation between UNEP and the CITES secretariat. It highlights areas such as the United Nations and UNEP rules and regulations and their applicability to the operations of the secretariat, financial and budgetary matters, administrative support (including programme support costs), secretariat staff, including the recruitment process, and programme evaluation and management review. Furthermore, it is helpful in terms of recognizing and further promoting the mutual benefits of appropriate programmatic support. The draft memorandum of understanding was submitted to the United Nations Board of Auditors for their review as well to seek members’ opinions as to the merits of the UNEP approach to the maintenance of a strong administrative relationship between UNEP and CITES. This step also helped to ensure that UNEP was responding to paragraph 18 of Governing Council decision 26/9.

58. At the sixty-fourth meeting of the Standing Committee, held in Bangkok on 14 March 2013, the Committee acknowledged the request by UNEP to review the content of the memorandum of understanding in accordance with clause 48 of the memorandum and invited UNEP to present a revised version of the memorandum at the Committee’s sixty-fifth meeting to be held in Geneva, Switzerland, from 7 to 11 July 2014.

59. The UNEP Office for Operations and Corporate Services and the Division of Environmental Law and Conventions have worked together to review clauses 17 and 18 of the memorandum of understanding on administrative support and programme support costs. As the proposed changes are minor and relate to a single issue – programme support costs – UNEP proposes that a letter of agreement be drafted to complement the memorandum of understanding. The letter of agreement would complement the memorandum mutatis mutandis by explaining the clauses linked to the programme support costs and the ability of UNEP to report on the 33 per cent of the programme support costs that finances central administrative functions, including those performed by the United Nations Office at Nairobi, the Office of Internal Oversight Services and the Board of Auditors. The draft letter of agreement will be presented to the Chair of the Standing Committee at its sixty-fifth meeting.
### Annex

**UNEP report to the Standing Committee of CITES on the use of programme support costs**

<table>
<thead>
<tr>
<th>Fund</th>
<th>Description</th>
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- Programme support costs
  - 67 per cent
    - 1 033 587 | 911 238 | 1 944 825
    - 67 per cent allocations
      - 692 503 | 610 529 | 1 303 033
  - Staff costs
    - 676 723 | 631 501 | 1 308 224
  - Other costs
    - 943 | – | 943
  - **Total costs**
    - 677 666 | 631 501 | 1 309 167

**Overexpenditure against 67 per cent allocation**

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<tr>
<td>Administrative and Fund Management Officer</td>
<td>Ms. Alicia Abalos</td>
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<tr>
<td>Finance Assistant</td>
<td>Ms. Noemi Reyes</td>
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**Use of programme support cost income**

Programme support cost revenue is essential to the proper funding of support services and to ensuring that funds are used for the purposes for which they were provided. In this regard, the deployment of programme support costs within and between offices, programmes and departments must address the operational, financial, human and other resources management challenges associated with extrabudgetary funding. In accordance with existing policy, programme support costs income must be used in areas where a relationship exists between the supporting activity concerned and the activities that generated the programme support cost revenue. Currently the programme support costs generated from CITES is split, with 67 per cent being used to support the cost of staff and 33 per cent remaining with UNEP to fund indirect costs. In accordance with guidance received from the office of the United Nations Controller, programme support cost resources may be used to finance indirect costs in the following categories:

- **Central administration (including the United Nations Office at Nairobi):** staff in the human, financial, physical and information and communication technology resources management areas that support operations, programmes and projects financed from extrabudgetary contributions; rent, maintenance, operating expenses, furniture and equipment relating to these staff.
- **Central programme and departmental administration:** staff in the human, financial, physical and information and communication technology resources management areas that support operations, programmes and projects financed from extrabudgetary contributions; rent, maintenance, operating expenses, furniture and equipment relating to these staff.
- **Other services provided internally and externally:** information technology, legal, security and oversight services (the Office of Internal Oversight Services and the Board of Auditors); United Nations system-wide initiatives (e.g., Umoja and IPSAS) and centrally managed charges.
- **Programme and departmental programme services:** central planning, resource mobilization, donor relations, monitoring, evaluation, reporting and programme development.