

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

Financial matters

COSTED PROGRAMME OF WORK FOR 2012-2013

1. This document has been prepared by the Secretariat.

Costed programme of work for 2012

2. At the 16th meeting of the Conference of the Parties (CoP16, Bangkok, 2013), the Secretariat presented a preliminary report of the expenditures for its costed programme of work for the year 2012. This was accepted and approved by the Conference of the Parties, as stated in Resolution Conf. 16.2 on *Financing and the costed programme of work for the Secretariat for the triennium 2014-2016*.
3. Annex 1 to the present document shows the 2012 costed programme of work with the adjusted Trust Fund expenditure, including the programme support costs, amounting to USD 5.77 million, which is 96.35 % of the Secretariat's total budget of USD 5.99 million. This is based on the final certified accounts of UNEP for 2012.
4. This resulted in a total unspent balance of the Trust Fund budget of USD 218,548, which reduced the drawdown from the Trust Fund reserve from USD 450,000 to USD 231,452.¹

Costed programme of work for 2013

5. Annex 2 to the present document contains the costed programme of work for 2013, which shows the Trust Fund expenditure in the total amount of USD 5.55 million, including the programme support costs. This represents 94.65 % of the total budget of USD 5.86 million. The total unspent balance of the Trust Fund budget of USD 313,892 reduced the drawdown from the Trust Fund reserve to USD 136,108.²
6. In 2013, the Secretariat received funds from the European Union (EU) for three projects, which are being implemented from 2013 to 2016. These projects, which were all derived from discussions during and decisions approved at CoP16, relate to the following subjects:
 - Implementation of CoP16 Decisions for a total funding of EUR 700,000
 - Marine species for a total funding of EUR 1,980,000
 - MIKE 3.0 for a total funding of EUR 2,000,000

¹ For information on the drawdown from the Trust Fund reserve, see document CoP15 Com. II Rec. 14 (<http://www.cites.org/sites/default/files/eng/cop/15/sum/E15-Com-II-Rec14.pdf>)

² *Ibid.*

7. Besides these funds from the EU, other major donors were the following:
- Thailand hosted CoP16 and provided for the travel of the Secretariat and conference staff. The total funding amounted to USD 246,441;
 - Norway provided funds for CITES implementation related to enforcement, capacity building and scientific matters amounting to NOK 1,350,000, equivalent to USD 218,830;
 - The United States of America provided funds to implement CoP16 Decisions, amounting to USD 195,653;
 - Japan provided funds for capacity building and CITES implementation for new Parties and for the MIKE programme in Asia amounting to USD 120,000;
 - The United Kingdom of Great Britain and Northern Ireland provided funds for ICCWC activities, amounting to USD 53,650;
 - Hong Kong SAR, China, provides funds annually as a contribution to enforcement-related activities. In 2013m these amounted to HKD 400,000, equivalent to approximately USD 51,600; and
 - For the sponsored delegates project for CoP16, funds were provided by Austria, China, Finland, Germany, the Netherlands, Norway, Sweden, the United Kingdom, the United States, AAGE Jensen Charity Foundation, African Development Bank, Asian Development Bank and Loro Parque Fundacion, amounting to a total of USD 659,941.
8. Annex 3 shows the scale of contributions of each Party to the Trust Fund and payments made in 2013. Annex 4 shows a summary of the contributions paid for 2013. The total amount of USD 5,635,550 received represents payments of USD 4,964,681 for the current year, USD 104,669 for prior years and USD 566,200 for future years. The payment rate for 2013 is thus 95 %.
9. Annex 5 shows the unpaid contributions as of 31 December 2013, which was USD 575,925, while it was USD 444,927 at the end of 2012. It should be noted that Cape Verde, the Comoros, Paraguay and Uzbekistan, which had been in arrears for several years, sent payments in 2013 to clear some arrears or to bring their contributions up to date.
10. Annex 6 shows the flow and use of the CITES Trust Fund for 2013. The balance of the CITES Trust Fund reserve as of 31 December 2013 stood at USD 2,296,340, of which USD 851,300 represents the operating cash reserve to guarantee the liquidity of the Trust Fund. It should be noted that the Trust Fund reserve of USD 1,445,040 is in excess of the required operating reserve of 15% of the budget.

Translation costs:

11. At SC62, Parties stressed the importance of translating official documents into the three working languages of the Convention, noting that funds should be made available for this purpose to allow for all countries to participate fully in discussions. The Secretary-General shared these concerns, noting that all translations were now external as a result of the decision of the Conference of the Parties not to fund the two posts for the internal translators. The Committee asked the Secretariat to provide an analysis of the translation costs.
12. During the discussions of the Budget Working Group at CoP15 (Doha, 2010), it was decided that the 'General translation' budget line would be increased from USD 60,000 to USD 200,000 per year to cover any additional translation costs during the period of transition from having in-house translators to being dependent on external translators. As it was difficult to determine the budget needed for each permanent committee, this acted as a buffer for any over-expenditure in the translation costs for the committees. The table below shows the budget for translation as adopted at CoP15 for the period 2012-2013:

	<u>2012</u>	<u>2013</u>	<u>Total</u>
CoP16	50,000	50,000	100,000
Standing Committee	15,000	10,000	25,000
Animals Committee	25,000		25,000
Plants Committee	25,000		25,000
General translation	<u>200,000</u>	<u>200,000</u>	<u>400,000</u>
TOTAL	315,000	260,000	575,000

13. During these two years, the budget for the three permanent committees and for CoP16, had to be adjusted based on the expenditures as they were being incurred. The table below shows the revised budget:

	<u>2012</u>	<u>2013</u>	<u>Total</u>
CoP16	125,000	150,000	275,000
Standing Committee	95,000	10,000	105,000
Animals Committee	35,000		35,000
Plants Committee	35,000		35,000
General translation	<u>50,000</u>	<u>75,000</u>	<u>125,000</u>
TOTAL	340,000	235,000	575,000

14. The table below shows the actual translation costs incurred for 2012-2013:

	<u>2012</u>	<u>2013</u>	<u>Total</u>	<u>Balance</u>
CoP16	221,840	142,667	364,507	(89,507)
Standing Committee	100,876	(3,985)	96,891	8,109
Animals Committee	27,971		27,971	7,029
Plants Committee	34,168	(2,150)	32,018	2,982
General translation	<u>47,005</u>	<u>70,554</u>	<u>117,559</u>	<u>7,441</u>
TOTAL	431,859	207,086	638,945	(63,945)

15. The total budget for the translation of documents for the three permanent committees and for general translation for the biennium 2012-2013 was USD 575,000. The total translation costs incurred amounted to USD 638,945, resulting in an expenditure of USD 63,945 more than the budget. This was primarily due to translation of CoP16 documents and the extra costs were covered from savings on the printing of CoP16 documents and the CoP logistics¹⁶. The table below, which shows the approved budget for the period 2014-2016 for translation of core documents for the permanent committees, CoP17 and general office translation, is believed to be sufficient, with the 'General translation' budget acting as a buffer as in the previous two years.

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Total</u>
CoP17			200,000	200,000
Standing Committee	65,000	65,000	20,000	150,000
Animals Committee	50,000	50,000		100,000
Plants Committee	50,000	50,000		100,000
General translation	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>300,000</u>
TOTAL	265,000	265,000	320,000	850,000

17. With the analysis shown above on the translation costs, it is believed that the outsourcing of the translation of documents is more cost efficient than having in-house translators. However, it should be noted that, with no in-house translators, the Secretariat has no capacity to check the quality of external translations of documents. Moreover, given the increasing volume of documentation requiring translation, in particular for the permanent committees and the CoP meetings, the coordination and administration of the external translation of documents needed to be absorbed by existing staff, which has placed the Secretariat under significant strain.

Recommendation

18. The Secretariat requests the Committee to approve the report on the costed programme of work for 2012-2013 and to note the analysis of translation costs