

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



Sixty-ninth meeting of the Standing Committee
Geneva (Switzerland), 27 November - 1 December 2017

Administrative and financial matters

Administrative matters

ADMINISTRATIVE MATTERS INCLUDING HOST
COUNTRY ARRANGEMENTS FOR THE SECRETARIAT

1. This document has been prepared by the Secretariat.
2. The present document highlights the administrative performance of the Secretariat since the last meeting of the Conference of the Parties (CoP17, Johannesburg, 2016). It should be read in conjunction with the Secretariat's reports on financial matters).
3. In Resolution Conf. 17.2 on *Financing and the costed programme of work for the Secretariat for the triennium 2017-2019*, paragraph 3, the Conference of the Parties:

DIRECTS the Secretariat to report on the results of consultations under paragraph 2 and make the information available at 69th meeting of the Standing Committee.

4. The Secretariat wrote to Switzerland on 6 December 2016, in relation to above Resolution. The Secretariat has also been in direct contact with Swiss officials to explore possible opportunities to strengthen the support to the Convention and its Secretariat.
5. A meeting was held in Bern, on 19 June 2017, between senior Swiss officials and the Secretary-General to further explore ways to enhance the support to the CITES Secretariat, comparable with the financial and other support given to other Conventions' secretariats located in Geneva. Issues explored included sponsoring participants to meetings of the Conference of the Parties (CoP), financial support to implement CoP Decisions, additional staffing resources, fully paid office space in the International Environment House, etc.
6. During the period since CoP17, the Secretariat has received a contribution from Switzerland in the amount of USD 146,341 (CHF 150,000) for strengthening enforcement capacity at the CITES Secretariat. It has also received another USD 60,000 (CHF 59,900) for implementing selected CoP17 Decisions.

Staffing situation

7. The indicative staffing table for the Secretariat for the period 2017-2019 includes 21 posts funded from the core Trust Fund (CTL), 3.25 posts funded from the Programme Support Cost (PSC) and 9.5 project posts from the External Trust Fund (QTL). Based on these posts and remaining within the overall staffing budget, the Secretary-General has used his authority to make staffing decisions as required.
8. During the period since CoP17 and until today, a number of staffing changes have taken place within the Secretariat. The following recruitments were made during the period (partially reported in Notification to Parties No. 2017/021 of 13 March 2017):

Name	Functional title	Funding source
Ms. Karen Gaynor	Environmental Affairs Officer (Fauna), P-4	Core Trust Fund (CTL)
Mr. Aziz Baran Yilmaz	Fisheries Support Officer	Secondment by Turkey for one year until 29 December 2017
Mr. Daniel Kachelriess	Marine Species Officer	Junior Professional Officer (JPO) by Germany (extension for the 3 rd year)
Ms. Milena Sosa Schmidt	Project Coordinator, CITES Tree species programme, P-4	External Trust Fund (QTL) by the European Union (temporary assignment for 4 years)
Mr. Bernard Koech	Associate Finance and Budget Officer, P-2 with MIKE team in Nairobi	External Trust Fund (QTL) by the European Union
Ms. Sofie Flensburg	Legal Officer, P-4	Core Trust Fund (CTL)

9. The following recruitment against vacant positions is ongoing and they are expected to be finalized between late 2017 and early 2018:

Functional title	CITES Team	Funding source
MIKE Coordinator, P4	Scientific Services Team, MIKE Team in Nairobi	External Trust Fund (QTL) by European Union
Programme Management Officer, P-4	Knowledge Management and Outreach Services Team	Core Trust Fund (CTL)
Research Assistant, GS	Scientific Services Team	Core Trust Fund (CTL)
Programme Management Assistant, GS	Knowledge Management and Outreach Services Team	External Trust Fund (QTL) by European Union
Programme Assistant, GS (new)	Regulatory Services, Enforcement Support Team	Core Trust Fund (CTL)
Environmental Affairs Officer (Flora), P-4	Scientific Services Team	Core Trust Fund (CTL) (temporary assignment for 4 years)
Associate Programme Officer, P-2 (new)	Knowledge Management and Outreach Services Team	Core Trust Fund (CTL)

10. In addition, the Secretariat has also been supported by highly-qualified interns from Australia, Portugal and the Republic of Korea. Two new interns from France joined the Secretariat in mid-September. Financial and other support for interns from Korea is provided through the Korean Environment Corporation International Environment Expert Training Programme (KECO-IEETP).
11. The Secretariat's Internship Programme is an ongoing programme that provides students with an opportunity to spend a minimum of three months and a maximum of six months at the Secretariat, in order to gain insight and practical experience with issues related to their studies as well as to support the work of the Secretariat. The programme does not provide any funding for interns, who either support themselves or are sponsored by a host institution, as is the case with the Korean interns.
12. The core and project funded posts are filled either by regular recruitment via the UN system INSPIRA or via temporary hiring.
13. The Secretariat expresses its deep gratitude to Parties for their contributions to the Core Trust Fund and to those donors that have enabled the Secretariat to employ additional staff resources through the voluntary External Trust Fund, namely the European Union, Germany, Switzerland, Turkey, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.

Administrative changes introduced by the United Nations Environment Programme (UNEP)

14. Since November 2016, a number of administrative changes have been proposed by UNEP. The below items present, in chronological order of introduction/implementation, some of the major administrative changes introduced by UNEP.

UNEA resolution 2/18 on UNEP's relations with Multilateral Environmental Agreements (MEAs)

15. UNEA resolution 2/18 is rather modest in its request to UNEP's Executive Director, with a focus on flexibility and dealing with issues on a case-by-case basis, which the CITES Secretariat finds encouraging.
16. In its response to UNEP, the Secretariat has pointed out that it is important that its implementation takes fully into account existing Memoranda of Understanding (MoU) between the UNEP Executive Director and the MEA Governing Bodies, which in the case of CITES is the MoU between the CITES Standing Committee and the Executive Director of UNEP dated 1 September 2011.¹
17. As part of the implementation of UNEA resolution 2/18, the CITES Secretariat is grateful for the positive response to and approval of the request for the waiver of the Programme Support Cost (PSC) on the voluntary contributions for the CITES Sponsored Delegate Project for CoP17. This decision was consistent with UNEA resolution 2/18.
18. In addition, the work on the UNEP Executive Director's Delegation of Authority Policy and Framework (DAPF) included UNEP reaching out to the Secretariat throughout the process and the Secretariat has received feedback on the comments it provided.

Delegation of Authority Policy and Framework for the management and administration of Multilateral Environmental Agreement Secretariats (DAPF for MEA Secretariats)

19. As of 1 November 2016, the Executive Director launched the new Delegation of Authority Policy and Framework (DAPF for MEA Secretariats) for the management and administration of secretariats of Multilateral Environmental Agreements (MEAs), which entered into force immediately and superseded any previous delegation issued.
20. The new DAPF for MEA Secretariats is expected to simplify, standardize and streamline the delegation of authority from the Executive Director and is based on the UNEP Delegation of Authority Policy and Framework. It includes only those aspects of the DAPF that are relevant and applicable to the management and administration of the secretariats of MEAs.
21. The purpose of DAPF for each MEA Secretariat is to delegate authority in line with the responsibilities of the heads of MEA Secretariats for decision-making on financial and administrative matters with respect to exercising the functions of the respective Secretariat. Furthermore, the delegation of authority is intended to respect the legal autonomy of the MEAs; ensure both managerial autonomy and efficiency of the MEA Secretariat and the accountability of Executive Heads of MEA Secretariats to their respective governing bodies.
22. Prior to the launch of the Framework, UNEP headquarters engaged the MEA Secretariats in developing the new delegation framework and CITES Secretariat has provided inputs and feedback on the framework, which are mainly general observations related to the legal autonomy of the MEA, the uniqueness of each MEA and Secretariat, to more specific comments on the actual delegation on the human resource, procurement, legal instrument and financial components. The Secretariat also highlighted that any new delegation must be in line with the existing MoU between the CITES Standing Committee and the Executive Director of UNEP.
23. In line with the MoU, the CITES Secretariat has engaged with the Chair of the Standing Committee to seek guidance on whether the maximum level of delegation has been given as is required by the MoU between the CITES Standing Committee and the Executive Director of UNEP and to ensure that the new DAPF is meeting the requirements specified in the agreement, which has been confirmed.

¹ See https://cites.org/sites/default/files/common/disc/sec/CITES-UNEP_0.pdf

New Programme Support Cost allocation policy

24. A new procedure on management of the programme support cost (PSC) allocation has been introduced by UNEP which aims to re-align authority and responsibility in the management of PSC funds, and bring transparency over the processes of income generated, allocation and reporting.
25. The past years have seen major changes in the UN financial functions with 2014 being the first year of compliance to the International Public Sector Accounting Standards (IPSAS) and the roll-out of the new enterprises resources planning system Umoja. Following the same principles of enhancing efficiency, transparency and internal controls of all administrative transactions, UNEP is adopting a new, simple, transparent and effective procedure for Programme Support Cost management.
26. The new standard management procedure highlights the common interest that Divisions and MEAs, for which UNEP provides the secretariat, have to promote PSC generation.
27. For Convention Secretariats, UNEP will retain PSC up to 4.29 per cent (33% of 13 percent) of the expenditures incurred on their assessed funds and trust funds while the balance is returned to the MEAs. For voluntary contributions not using the standard 13 per cent Programme Support Cost rate, the split will remain as today (33% UNEP / 67 % MEA); however each MEA is expected to make the case to UNEP with justifications to receive its portion.
28. The 4.29 per cent is to cover the cost of the UNEP central administrative functions that support the Convention secretariats, including those performed by the United Nations Office in Nairobi (UNON) or the United Nations Office at Geneva (UNOG) on behalf of UNEP, the UN Office of Internal Oversight (OIOS) and the Board of Auditors.
29. The CITES Secretariat has provided inputs to the proposed new policy indicating that any change has to be in line with existing Memorandum of Understanding between the Standing Committee of the CoP to CITES and UNEP, which clearly states that the responsibility and allocation related to “administrative support and programme support costs” rests with UNEP. The new policy was in effect on 5 May 2017.
30. The allocation of PSC (33% UNEP / 67% MEA) is in line with the MoU between CITES Standing Committee and the Executive Director of UNEP. However, the CITES Secretariat is contesting the use of the percentage allocated to UNEP, i.e. the issue of what services will be provided by UNEP through its portion. UNEP is proposing that the 4.29 per cent only cover indirect costs (such as security, central internet and access to Umoja, treasury services for payments in EUR from UNOG and payroll, payments, accounting, financial statement, recruitment and staff administration from UNON) while the common services and direct cost (such as Information and Communication Technology (ICT), joint medical services, rent, travel processing costs etc.) are funded from the MEA’s core budget and/or supplemented from their own PSC allocation. Further consultation is required to ensure that the new PSC allocation policy is in fully line with the MoU between CITES Standing Committee and the Executive Director of UNEP.

Outsourcing travel services to the UN Office at Geneva (UNOG)

31. Following the move to Umoja in mid-2015, UNEP’s Corporate Services Division (CSD) has undertaken a review of its arrangements for travel services for its entities in Europe with a view to make better and more efficient use of resources, as well as the need to align with Umoja travel requirements.
32. As a result, UNEP decided to engage UNOG to provide Umoja travel request approval and ticketing services for all UNEP Offices in Europe that had previously been serviced by its Operational Services Centre (OSC) in Geneva. This new arrangement was effective as of 1 January 2017.
33. UNOG will apply a transaction cost of USD 40.00 per travel authorization or shipment request processed by the UNOG travel processing office and cost recovery will be executed by UNOG on quarterly basis. Ticketing will continue to be via the existing UNEP contract with Carlson Wagonlit (CWT) and the travel agent fee will remain at CHF 135.00 per ticket issued.
34. The approval of travel claims, upon completion of travel, will remain at the UN Office at Nairobi (UNON) at no cost. If this function is transferred to UNOG a transaction fee of USD 40.00 will be added for the service. At the time of the notification of this switch to UNOG, 30 September 2016, the CITES Secretariat was informed that UNEP will continue to cover travel processing costs for the MEA Secretariats as part of the services provided as the Secretariat, which in the view of the Secretariat is appropriate and should continue.

35. However, with the new MoU negotiated for 2017 between UNEP and UNOG for services to be provided to the UNEP Offices in Europe, the Secretariat is receiving quarterly requests to pay for the travel authorization requests approved by UNOG.
36. The CITES Secretariat keeps referring to the initial memorandum in which UNEP confirmed that it will pay for the travel processing cost to UNOG for the MEA Secretariats.

Introduction of the "User Pays Principle" for the Geneva offices

37. UNEP implemented the "user pays principle" to all entities hosted in Geneva as of January 2017. This is part of an ongoing measure to harmonize the financial obligations of each of the entities of UNEP, including all out-posted offices.
38. This principle has been operational in offices in Nairobi, UNEP headquarters, and all out-posted offices except in Geneva. Previously, the charges were centrally managed and paid from the Programme Support account. In line with the new Programme Support Cost allocation policy, which took effect on 1 January 2017, the allocation to individual offices will be in accordance with the revenue earned in programme support account by individual offices. Under this new principle, UNEP has transferred the administration of services, previously handled by OSC, to other entities, in particular to UNOG.
39. A service catalogue with unit prices in USD has been provided by UNOG as part of its MoU with UNEP. The notification of the new change and principle was sent to all UNEP offices in Geneva on 27 January 2017.
40. The CITES Secretariat has requested a similar services catalogue with unit prices from UNON to review and compare unit costs for services between different service providers, but was informed that this information is not currently available.

Discontinuation of the Operational Services Centre (OSC) in Geneva

41. Following the implementation of Umoja, UNEP has worked with its Regional Office for Europe (ROE), on outsourcing travel functions to UNOG and embedding other functions, e.g. human resources, procurement, extension of ID cards etc. into the Regional Office for Europe in the Geneva office. This has resulted in a gradual downsizing of OSC which ceased to exist on 1 March 2017.
42. The main changes include:
 - Travel processing has been outsourced to UNOG;
 - The human Resource function (1 person) and the legal advisory function (1 person) will remain in Geneva and be administered by UNEP's Corporate Service Division (CSD) in Nairobi; and
 - Human resources, procurement, mailing etc. previously performed by OSC will be embedded into ROE.

One UN – change of email address

43. As part of the migration from Lotus Notes to Outlook (based on Microsoft Office 365), the CITES Secretariat will now have a primary and secondary email address. For the CITES Secretariat, this will mean that @un.org will be the CITES Secretariat's staff primary address and @cites.org as their secondary address.
44. The main advantage of this migration is that it will eliminate the use, maintenance and support of local physical email servers and will also meet the UN Secretariat's security compliance requirements. A charge of USD 200 per year-user to cover the operating cost of email, and related applications and services will be added to each office. CITES is proposing that this new charge be covered through the PSC portion as no provision is included in the CITES costed work programme for 2017-2019.

Recommendation

45. The Standing Committee is invited to take note of this report on administrative matters, including host country arrangements for the Secretariat.
46. The Secretariat recommends that the Standing Committee request the Secretariat to work with UNEP to get further clarity on the programme support cost allocation and that the Secretariat ensure that the services

provided by UNEP are fully consistent with the existing MoU between CITES Standing Committee and the Executive Director of UNEP.