

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



Seventieth meeting of the Standing Committee
Rosa Khutor, Sochi (Russian Federation), 1-5 October 2018

Administrative and financial matters

REPORT ON PROPOSED BUDGET SCENARIOS FOR 2020-2022

1. This document has been prepared by the Secretariat.

Overview

2. As introduced at the 16th meeting of the Conference of the Parties (CoP16), the proposed programme of work and budget for the triennium will be presented in a similar format to the ones submitted for CoP16 in 2013 and CoP17 in 2016 and will be based on the current structure and activities of the Secretariat.
3. The functional budget headings and activities will be maintained with adjustments to specific activities as necessary. The proposed activities will constitute a continuation of the current activities implemented during the period 2017-2019, taking into account lessons learned and outcomes achieved during this period.
4. In addition, the proposed programme of work and budget for 2020-2022 will need to comply with the new requirements planned to be introduced as part of the Umoja Foundation Extension 2. The Umoja Extension 2 will include the new functional area "*Business Planning Consolidation*" which is a tool to assist in formulating the budget and the module will be used to cover voluntary assessed funds and earmarked contributions for both the United Nations Environment Programme (UNEP) and Multilateral Environmental Agreements.

Budgetary proposals

5. In line with Resolution Conf. 17.2 on *Financing and the costed programme of work for the Secretariat for the triennium 2017-2019*, the Secretariat proposes to present three alternative budget scenarios at the 18th meeting of the Conference of the Parties (CoP18). These will include the following key elements:
 - a) Zero nominal growth: this scenario will show the operational budget maintained at the current 2017-2019 level in nominal terms, including the current level of staff and operation costs. The estimation of salary costs will be based on the UN standard salary costs for 2017, version 9 dated 6 January 2016, and adjusted upward with 2 per cent per annum of the 2017 standard salary costs as agreed upon at CoP17. The standard salary costs applied are subject to revision by United Nations headquarters in early 2019 and will be used in calculating the budget scenarios at CoP18.
 - b) Zero real growth: this scenario will keep the current number of staff, but will entail an increase in the operations costs based on actual expenditures during the period 2017-2019, especially to reflect the actual costs for organizing governing bodies and scientific committee's meetings. It will use the UN standard salary costs for 2017, version 9 dated 6 January 2016, and adjusted at an increment of 2 per cent per annum for 2020, 2021 and 2022.
 - c) Incremental growth: this scenario will be building on the zero-real growth scenario and will include any new proposals from the incoming Secretary-General related to the implementation of the programme of work and Convention and take into account the larger meetings of the governing bodies and scientific

committees, as well as the high number of intersessional working groups requiring support and the increased number of Decisions and Resolutions adopted at each meetings of the Conference of the Parties to be implemented in the next triennium period. This scenario will also take account of any approval of the proposal to support the development of the data platform and the storage and management of the CITES illegal trade data from the Trust Fund (CTL) as per document SC70 Doc. 26.3.

6. The proposed scenarios will include staff and non-staff costs proposed to be funded from the respective Trust Fund (CTL) and External Trust Fund (QTL) of the Convention.
7. In developing the staffing proposal for the period 2020-2022, the following assumptions will be included:
 - a) New retirement age set at 65 years for staff members recruited from 1 January 2014 and for existing staff members in certain circumstances, applicable from 1 January 2018 (based on General Assembly resolutions 67/257 and 70/244, on human resources);
 - b) Pause in the cost-neutral implementation of the Mobility and Career Development framework in 2018 for all internationally recruited staff members which required geographic moves every four to seven years depending on the duty station (for Geneva every seven years). The pause was introduced by the United Nations Secretary-General in October 2017 and will allow time to conduct a comprehensive review and assessment of the framework; and
 - c) Reduction of Geneva post adjustment rate by a total of 5.2 per cent for internationally recruited staff set by the International Civil Service Commission (ICSC) and based on conducted cost of living survey for Geneva during late 2016 and early 2017. The lower post adjustment rate was applicable as of February 2018.
8. The assessed annual contributions for Parties will be based on the United Nations scale of assessment for 2019-2021 which is expected to be adopted by the General Assembly in late December 2018.
9. In accordance with paragraph 23 of the Memorandum of Understanding between the Standing Committee of the Conference of the Parties to CITES and the UN Environment Executive Director, the Secretariat will share the draft budget scenarios with the Executive Director “for review and comments in respect of any matters of direct relevance to the role and functions of the Executive Director before the final proposed budget is submitted by the Secretary-General for consideration by the Conference of the Parties”.
10. The three alternative scenarios for the proposed programme of work and budget for the period 2020-2022 will be posted in the three languages of the Convention 150 days prior to the 2019 meeting of the Conference of the Parties.

Recommendation

11. The Secretariat requests the Standing Committee to:
 - a) consider this report; and
 - b) provide feedback on the proposed budget scenarios and the preparation for the budgetary discussions during the 18th meeting of the Conference of the Parties.