

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



Seventy-fourth meeting of the Standing Committee  
Lyon (France), 7 - 11 March 2022

Administrative and financial matters

REPORT ON PROPOSED BUDGET SCENARIOS FOR 2023-2025

1. This document has been prepared by the Secretariat.

Overview

2. The proposed programme of work and budget for the triennium 2023-2025 will be shown in similar format to the ones submitted for the 18th meeting of the Conference of the Parties in 2019 (CoP18) and will be based on the current structure and activities of the Secretariat.
3. The functional budget headings and activities will be maintained with some adjustments to specific activities as needed. The proposed activities will represent a continuation of the activities implemented in the previous periods including lessons learned and outcomes achieved during this period.
4. In addition, the proposed programme of work and budget for 2023-2025 will be considering the recommendations from the Office of Internal Oversight (OIOS) audit conducted in 2021 as well as requests included in Resolution Conf. 18.1 on *Financing and the costed programme of work for the Secretariat for the triennium 2020-2022*.

Budgetary proposals

5. As per the paragraph 7 of the Resolution Conf. 18.1, the Secretariat proposes to present three alternative budgetary scenarios at the 19th meeting of the Conference of the Parties (CoP19). The three scenarios will include the following key elements:
  - a) Zero nominal growth: this scenario will show the operational budget maintained at the current 2020-2022 level in nominal terms, including the current staff level and operating costs. The estimation of salary costs will be based on the UN standard salary costs for 2021 and adjusted upward with 2 per cent per annum of the 2022 standard salary costs as agreed upon at CoP17. The standard salary costs applied are subject to revision by United Nations headquarters in early 2022 and will be used in calculating the budget scenarios at CoP19.
  - b) Zero real growth: this scenario will maintain the current number of staff and will include an increase in the operating costs based on actual expenditures during the current period 2020-2022 and it will use the latest UN standard salary costs and adjusted at an increment of 2 per cent per annum for the years 2023, 2024 and 2025. This scenario will also include proposed adjustments on the Programme Support Costs (PSC) related to core (indirect) costs covered by UNEP from the retained part of the PSC and common (direct) costs to be covered by CITES
  - c) Incremental growth: this scenario builds on the zero-real growth and will include the 2 posts funded from the fund balance as agreed at CoP18, recommendations from the OIOS audit conducted in 2021 as per details included in document SC74 Doc. 10.1 and other new proposals related to the implementation of the programme of work and Convention.

6. The above proposed scenarios will include staff and non-staff costs proposed to be funded from the respective Core Trust Fund (CTL) and External Trust Fund (QTL) of the Convention.
7. The assessed annual contributions for Parties will be based on the United Nations scale of assessment for 2022-2024 as adopted by the General Assembly.
8. As per paragraph 23 of the Memorandum of Understanding between the Standing Committee of the Conference of the Parties to CITES and the UNEP 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”.
9. The three budgetary scenarios for the proposed programme of work and budget for the triennium 2023-2025 will be posted in the official languages of the Convention 150 days prior to the 19th meeting of the Conference of the Parties.

#### Recommendations

10. The Secretariat requests the Standing Committee to:
  - a) consider this report; and
  - b) provide feedback to the Secretariat on the proposed budget scenarios and the preparation for the budgetary discussions during the 19th meeting of the Conference of the Parties.