

REPORT OF THE FINANCE WORKING GROUP OF COMMITTEE II

The Finance Working Group recommends that:

1. The reductions in either option must be based on the following guidelines:
 - a) Reductions must not diminish the level of capacity building in developing countries
 - b) Reductions must not diminish the ability of developing countries to participate in committees or at future CoPs
 - c) Reductions must not diminish the programme of work for the Animals and Plants Committees.
2. The Parties consider the use of a single language in intersessional meetings (as done by many other MEAs), which would result in significant savings in translation and interpretation costs from the core budget (these may be supplemented by voluntary contributions).
3. Annex 1 of COP 9.1 (Rev 1) be amended by the reductions identified in either of the following options:
 - a) 6% increase in Parties' contributions
 - b) 0% (option A) increase in Parties' contributions
 - c) 0% (option B) increase in Parties' contributions
4. Should the Parties agree to either the 6% ,0%A or 0%B increase option, the appropriate document would replace Annex 4 (Rev.2) of COP 9.1 (rev.1).
5. The Standing Committee be further charged with developing future budget containment strategies as follows:
 - a) Facilitate the collection of arrears through innovative payment strategies and develop an approach for dealing with non-payment of dues.
 - b) Consider bidding out relocation of the Secretariat to lower cost location.
 - c) Negotiate reduction of Programme Support costs from 13% with the Executive Director of UNEP.
 - d) Review overall travel costs and identify means to reduce expenditures
 - e) Review any COP agenda items not requested by the Parties to ensure they are relevant to the meeting Agenda.
 - f) Consider increasing minimum contribution to the CITES Trust Fund
 - g) Establish a Host Country Agreement with Switzerland
 - h) In the event that Parties do not agree to recommendation 2 above, the Standing Committee be asked to review possible cost-saving measures related to translation and interpretation.
 - i) All Parties be strongly encouraged to pay their contributions to the Trust Fund in a timely manner

6% Increase Option

Average Budget Estimates for the Triennium 2003-2005
(Expressed in USD)

<u>Description</u>	<u>Annual Budget</u>	<u>Reduction</u>
Personnel Costs	2,901,666	(25,000)
<ul style="list-style-type: none"> Reduce travel expenses, overtime and/or temporary assistance 		
Office Maintenance Costs	320,333	(100,000)
Reduce overall expenditures (including internet connection)		
COP Meeting	308,000	(55,000)
<ul style="list-style-type: none"> Reduce printing of pre-Conference documentation and proceedings 		
SC & AC & PC Meetings	256,999	
<ul style="list-style-type: none"> SC meets in Geneva only (savings from conference support) AC & PC meet sequentially and half of the meetings in Geneva (with the other half in developing countries) 		(10,000) (40,000)
Publications	131,333	(5,400)
<ul style="list-style-type: none"> Reduce number of printed documents 		
Other Activities	<u>500,000</u>	<u>(0)</u>
	Subtotal	
	4,418,333	(235,400)
Program support costs (13%)		(30,600)
	TOTAL	
	4,418,333	(266,000)

0% Increase – Option A

Average Budget Estimates for the Triennium 2003-2005
(Expressed in USD)

<u>Description</u>	<u>Ave Annual Budget</u>	<u>Reduction</u>
All items in 6% increase option	n/a	(266,000)
Personnel Costs	2,901,666	
• Reduce travel expenses, overtime and/or temporary assistance		(0)
• Freezing of staffing costs		(30,000)
Office Maintenance Costs	320,333	(0)
Reduce overall expenditures (including internet connection)		
COP Meeting	308,000	(0)
• Reduce printing of pre-Conference documentation and proceedings		
SC & AC & PC Meetings	256,999	
• SC meets in Geneva only (savings from conference support)		(0)
• AC & PC meet sequentially and half of the meetings in Geneva (with the other half in developing countries)		(0)
• Run in single language (i.e. translation and interpretation subject to voluntary contributions) (1)		(186,000)
Publications	131,333	(19,000)
• Reduce number of printed documents		
Other Activities	<u>500,000</u>	<u>(0)</u>
	Subtotal	4,418,333 (501,000)
Program support costs (13%)		(31,000)
	TOTAL	4,418,333 (532,000)

(1) The cost includes in-house translation (costs of staff on fixed term contracts).

0% Increase – Option B

Average Budget Estimates for the Triennium 2003-2005
(Expressed in USD)

<u>Description</u>	<u>Ave Annual Budget</u>	<u>Reduction</u>
All items in 6% increase option	n/a	(266,000)
Personnel Costs	2,901,666	
• Reduce travel expenses, overtime and/or temporary assistance		(0)
• Freezing of staffing costs		(70,000)
Office Maintenance Costs	320,333	(0)
Reduce overall expenditures (including internet connection)		
COP Meeting	308,000	(0)
• Reduce printing of pre-Conference documentation and proceedings		
SC & AC & PC Meetings	256,999	
• SC meets in Geneva only (savings from conference support)		(0)
• AC & PC meet sequentially and half of the meetings in Geneva (with the other half in developing countries)		(0)
• Run in single language (i.e. translation and interpretation subject to voluntary contributions)		(0)
Publications	131,333	(40,000)
• Reduce number of printed documents		
Other Activities		
• Reduce overall expenses	500,000	(25,000)
Translation of documents (1)		
• Reduce costs	_____	<u>(100,000)</u>
Subtotal	4,418,333	(501,000)
Program support costs (13%)		(31,000)
	_____	_____
TOTAL	4,418,333	(532,000)

(1) The cost includes in-house translation (costs of staff on fixed term contracts).