

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

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**Report to Finance and Budget Subcommittee**

**Administrative and financial matters as of 30 June 2021**

As per the Terms of Reference for the Finance and Budget Subcommittee (FBSC) of the CITES Standing Committee, please find below report on administrative and financial report as of 30 June 2021.

**Administrative matters**

**Delegation of Authority**

MEA Secretariat administered by UNEP have now reviewed the new version and provided jointly comments to Corporate Services Division of UNEP and a meeting has been held with the Executive Director on the final version.

The final version signed by the Executive Director is expected to be available shortly and will then communicate to the chair of Standing Committee and FBSC as per the Memorandum of Understanding between CITES Standing Committee and the Executive Director of UNEP from September 2011, paragraphs 15 and 16.

The delegation policy and framework for the management and administration of Multilateral Environmental Agreement Secretariat issued by UNEP on 1 November 2016 is still in place.

**Programme Support Cost Policy and allocation**

In line with Resolution 18.1 on *Financing and the costed programme of work for the Secretariat for the triennium 2020-2022*, paragraph 5, the Secretariat has liaised with UNEP on the allocation of the Programme Support Costs (PSC) retained by UNEP for its Secretariat services to the Convention.

The Secretariat has asked worked with UNEP on the breakdown of core (indirect) cost covered by UNEP and common (direct) costs to be covered by CITES as well as confirmation that the existing Memorandum of Understanding between Standing Committee and the Executive Director of UNEP signed in September 2011 is adhered to in the new proposed policy on allocation.

The final note on allocation and utilization of the programme support cost has now been finalized by UNEP and is attached to this note.

As this will have to be reported upon at the next Standing Committee meeting (SC74), I would propose a separate discussion among FBSC member together with UNEP for direct discussion and possibility of asking questions.

**Staffing situation**

The temporary hiring freeze is still in place for UNEP on its regular and Environmental funded positions while no such freeze is in place for CITES vacant positions. However, the Secretariat is closely monitoring the expenditure and collected contribution rates to ensure that we are within the available resources. This may delay the process as the Secretariat will proceed up to selection of the new staff while the on boarding may take longer time.

Since the previous quarterly report, the Secretariat has completed the following recruitments:

- Associate Information Systems Officer, P-2 – appointment by 1 September
- Programme Management Officer (ICCWC), P-3 – appointment expected in early September

Further details are included in below table on vacant positions under recruitment.

Summary of vacant position under recruitment:

Functional title	Funding source	Status
Programme Management Officer, P-3	Core	JO-152324; application period closed, and review of applicants is ongoing.
Chief, Scientific Unit, P-5	Core	JO-152660; application period closed, and review of applicants is ongoing and will be filled at the end of 2021 when current staff member will retire.

Please note that the all vacancy announcements for staff or consultancy positions are posted on CITES website with direct link to the UN recruitment system *Inspira*.

A notification to Parties informing about the staff changes since January 2020 until 31 March 2021 was published on the CITES website as at 12 April 2021 in Notification 2021/032.

Financial matters

CITES Trust Fund (CTL)

Financial data for the year 2021 as at 30 June 2021

As of 30 June 2021, the Secretariat has spent around 48% of the total budget for 2021 on mainly staff salaries and recurrent annual commitments. The assessed contributions collection rate for the same period was 39.5% as shown in below table.

Description	Budget 2021 (USD)	Expenditure 2021 (USD)	Assessed contribution collected for 2021 (USD)	Cash & funds balance (USD)
Post & salary items	4,324,319	2,147,418	-	-
Consultants	475,500	86,783	-	331,433
Non-post & salary items	1,556,126	789,354	-	5,288,216
<b>Total:</b>	<b>6,355,945</b>	<b>3,023,555</b> <b>(48%)</b>	<b>2,460,283</b> <b>(39.5%)</b>	<b>5,619,649</b>

The assessed contributions collection rate for the first 6 months of 2021 is slightly lower than in previous years as shown in below table.

<b>Assessed contributions collection rate per year</b>	<b>%</b>
Year 2021 as at 30 June 2021	39.5
Year 2020 as at 30 June 2020	45.5
Year 2019 as at 30 June 2019	40.8
Year 2018 as at 30 June 2018	37.3

The Secretariat will continue to closely monitor the payments related to 2021 and prior years assessed contribution during the year and consult with Parties on regular basis.

A reminder letter was sent out to Parties with unpaid contributions for 2020 and prior years during May and June 2021 through its Permanent Missions in Geneva and we would appreciate that the FBSC members are assisting us with reminding Parties in your respective region to pay 2021 and prior years outstanding contributions.

In addition to the cash and fund balance of around USD 5.6 million, the core trust fund also has its working capital reserve of USD 899,955.

At the time of this report, no further official communication has been received from Parties that they will not pay their 2021 assessed contribution during the year except for those Parties reported in 2020.

#### Audit of CITES

The Office of Internal Oversight Services (OIOS) audit of the CITES Secretariat is still ongoing and the draft audit report is expected to be shared with the CITES Secretariat and UNEP by the end of August for comments.

The final audit report is not expected to be finalized until September/October 2021 and will thereafter be posted on CITES website.

#### Online meetings in May-June 2021 and financial impact

Following the governing body and scientific committees' meetings in May and June 2021, the Secretariat has received five requests for reimbursement of communication cost and an average of USD 160 will be paid out to each eligible meeting participants or a total of USD 804 for their participation at the meetings.

The UNEP guidelines on "Reimbursement of communication cost for virtual meetings for meeting participants" has been used to determine the hourly rates per 1 GB per each UN region.

As no core funding is included in the triennium budget for 2020-2022 for this purpose, the above additional costs for data connection will be charged to the core travel cost budget for SC, AC and PC members.

#### Outcome from 73<sup>rd</sup> Standing Committee meeting on 5-7 May 2021

At the SC73 meeting in May and briefing in July, FBSC was asked to continue its work intersessionally and to discuss the following items online:

- CITES language strategy with representative from Chinese and Russian speaking Parties;
- Evaluation of the next triennium budget proposal for 2023-2025; and
- Possible financial impact on back-up plans including event cancellation insurance for the 19<sup>th</sup> meeting of Conference of the Parties.

#### Support of the CITES Activities Trust Fund (QTL)

During 2020 and up 30 June 2021, the following contributions have been collected on the external trust fund for ongoing and new activities:

- As at 31 December 2020: nearly USD 9,2 millions
- As at 30 June 2021: nearly USD 3.05 millions

The Secretariat is posting on monthly basis on its website detailed information on contributions collected on both the core and external trust funds and the data can be found on the below links:

- Core trust fund (CTL) – [https://cites.org/sites/default/files/eng/disc/funds/ct07-21\\_en.pdf](https://cites.org/sites/default/files/eng/disc/funds/ct07-21_en.pdf)
- External trust fund (QTL) – [https://cites.org/sites/default/files/eng/disc/funds/status\\_of\\_external\\_contributions\\_to\\_the\\_CITES\\_External\\_Trust\\_Fund\\_10Aug2021.pdf](https://cites.org/sites/default/files/eng/disc/funds/status_of_external_contributions_to_the_CITES_External_Trust_Fund_10Aug2021.pdf)

The page on financial matters on the CITES website has been amended and now includes more relevant information related to financial matters including financial resolutions, audit reports, UN financial regulations and rules etc.