

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

Administrative matters

ADMINISTRATIVE MATTERS INCLUDING
HOST COUNTRY ARRANGEMENTS FOR THE SECRETARIAT:
REPORT OF THE SECRETARIAT

1. This document has been prepared by the Secretariat.
2. This report highlights the administrative performance of the Secretariat since the last meeting of the Conference of the Parties (CoP18, Geneva, 2019) and the document should be read in conjunction with the financial report (see document SC74 Doc. 7).

Host country arrangements for the Secretariat

3. A contribution agreement is in place since March 2019 between the Secretariat and Switzerland on funding of implementation of activities related sub-heading items B to E of the Programme of Work of the CITES Secretariat for 2019-2022 including an annual contribution of CHF 1,000,000.
4. The Secretariat is holding regular informal consultations with senior Swiss officials and the Secretary-General on the priority activities of the Secretariat's programme of work for the use of the annual contribution.

Staffing situation

5. The indicative staffing table for the Secretariat as presented in the Resolution Conf. 18.1 on *Financing and costed programme of work for the Secretariat for the triennium 2020-2022*, includes 23 posts funded from the core Trust Fund (CTL), 3.25 posts funded from the Programme Support Cost (PSC), and 12 project posts from the External Trust Fund (QTL). Based on the above number of posts, and whilst remaining within the overall staffing budget, the Secretary-General has used her authority to make staffing decisions as required.
6. Since CoP18 until today, several staff changes have taken place within the Secretariat. In addition, the Secretariat has undergone an internal review of its structure and functions which has resulted in some restructuring of functions among the units. The new structure took place as of 1 September 2020 and the purpose is to ensure enhanced delivery of the core activities of the programme of work of the Secretariat with a better distribution of tasks and staff.
7. The below table is showing recruitments made during this period (partially reported in Notifications to Parties on staff changes No. 2021/032 of 12 April 2021 and No. 2021/072 of 30 November 2021):

| Name | Functional title | CITES Team | Funding source |
|-----------------------------|--|-------------------------------|--|
| Ms. Irene Ngigi | Programme Management Assistant, GS | Administrative & Finance Unit | Core Trust Fund (CTL) – funds balance (from 11 May 2020) |
| Mr. Duviel Lopez Fajardo | Temporary Meeting Services Assistant, GS | Governing Bodies Unit | Core Trust Fund (CTL) (from 1 July 2020 to 31 March 2021) |
| Ms. Rachel Mwangi | Finance & Budget Assistant, GS | MIKE team in Nairobi | External Trust Fund (QTL) by European Union (from 1 November 2020) |
| Mr. Constant Ndjassi | Programme Management Officer, P-3 | MIKE team in Nairobi | External Trust Fund (QTL) by European Union (from 1 February 2021) |
| Ms. Hyeong Jeong Kim | Associate Programme Management Officer, P-2 | Science Unit | Core Trust Fund (CTL) – funds balance (from 13 March 2021) |
| Mr. Fabrizio Trezza | Meeting Services & Conferences Assistant, GS | Governing Bodies Unit | Core Trust Fund (CTL) (from 3 August 2021) |
| Mr. Shashika Sedara-Hettige | Associate Information System Officer, P-2 | Outreach & Projects Unit | Core Trust Fund (CTL) (from 1 September 2021) |
| Ms. Sofie Flensburg | Officer-in-Charge, Outreach & Projects Unit, P-4 (while Chief, OPU is on temporary assignment) | Outreach & Projects Unit | Core Trust Fund (CTL) (from 15 November 2021) |
| Mr. David Morgan | Chief, Science Unit, P-5 | Science Unit | Core Trust Fund (CTL) (from 1 January 2022) |
| Ms. Thea Carroll | Officer-in-Charge, Governing Bodies Unit, P-4 (while the recruitment process is ongoing) | Governing Bodies Unit | Core Trust Fund (CTL) (from 1 January 2022) |
| Mr. Khan Faizus Salehin | Programme Management Officer, P-3 | Outreach & Projects Unit | Core Trust Fund (CTL) (selected & expected to be on-boarded by 15 February 2022) |

8. The below recruitment against vacant position is ongoing and is expected to be finalized by end of March 2022:

| Functional title | CITES Team | Funding source |
|--|----------------------|---|
| Officer-in-Charge, MIKE Coordinator, P-4 | MIKE Team in Nairobi | External Trust Fund (QTL) by European Union |

9. Since early 2020, a temporary freeze has been in place for the United Nations Environment Programme (UNEP) on its Environment budget-funded positions only, while no such freeze is in place for the CITES vacant positions. However, the recruitment process has been delayed as the onboarding of staff has taken longer time due to the ongoing COVID-19 pandemic. Note that the core and project-funded positions are filled either by regular recruitment via the UN system Inspira or via temporary hiring.
10. The Secretariat expresses its gratitude to Parties for their contributions to the Core Trust Fund and to those donors that have enabled it to employ much needed additional staff resources through the External Trust Fund.
11. In addition to the core and project-funded positions, the Secretariat has also been supported by highly qualified interns via its Internship Programme that provides students with an opportunity to spend a minimum

of three months and a maximum of six months at the Secretariat, to gain insight and practical experience with issues related to their studies while supporting 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. The General Assembly, however, has just requested the International Civil Service Commission for a review of this policy by identifying good practices and providing advice to common system organizations, including by measures to support interns from developing countries.

12. The Secretariat also wishes to inform about the UNEP Junior Professional Officer (JPO) Programme in which Governments can sponsor positions encumbered by its national staff for up to two years. During 2021, seven (7) JPO posts out of 82 proposals have been funded by governments for UNEP. The CITES Secretariat submitted to UNEP six (6) proposals for JPO posts related to enforcement, compliance, project management, communication, and information system areas and as of today they all remain unsponsored.

Administrative changes introduced by the UN Secretariat and UNEP

13. Since CoP18, several 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:

- a) *Private partnership policy*: The Secretariat has been involved and provided inputs into UNEP's first Strategy for Private Sector Engagement on how it can be integrated and implemented into the respective MEA programmes. It was adopted by UNEP Member States in October 2019. The UNEP Strategy will be further reviewed to see whether it can be used in CITES interactions with the private sector.
- b) *Programme Support Cost Policy on its allocation and usage*
 - i) In line with Resolution Conf. 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 administrative services to the Convention.
 - ii) The Secretariat has worked with UNEP on the breakdown of core (indirect) costs covered by UNEP and common (direct) costs to be covered by CITES as well as confirmation that the existing Memorandum of Understanding between the Standing Committee and the Executive Director of UNEP signed in September 2011 is adhered to in the new proposed policy on allocation.
 - iii) The note on allocation and utilization of the programme support cost has been finalized by UNEP and was shared with the Finance and Budget Subcommittee in August 2021 for further review and discussion as per Annex 1 to this document.
 - iv) The allocation of PSC for 2021 was issued by UNEP in February 2021 and includes a higher cost for the Umoja system than in previous years as United Nations Headquarters, through its Controller's office, has introduced a new methodology for sharing the costs within the UN Secretariat. The new methodology is based on staff headcount and includes all CITES positions funded from both the core and external trust funds except vacant posts. This new approach in calculating the annual Umoja cost is in line with what is done by UN headquarters.
 - v) For CITES this included an increase of 29% or USD 12,547 per annum from 2020 in Umoja costs as per below table. Further increases are expected with the new developments of Umoja extension 2 which will include project and programme management and fundraising modules.

| Year | Umoja costs in USD (out of CITES portion of the PSC) |
|------|---|
| 2017 | 27,728 |
| 2018 | 34,092 |
| 2019 | 46,835 |
| 2020 | 43,193 |
| 2021 | 55,740 |

c) *Umoja extension 2 deployment of modules related to project management*

- i) Umoja foundation and extension 1 which was deployed in mid-2015 covered a broad range of functions related to finance, payroll, human resources, procurement, travel, logistics and real estate. Extension 2 will cover areas not previously automated and relates to donor, vendors and implementing partners who in the future are envisaged to interact directly with the system.
- ii) New modules as part of Umoja extension 2 have been deployed during the period as per below details:
 - A. Grantors management module (GM) covers the business process where resources are provided by the UN to its Grantee, either implementing partner or end beneficiary; and
 - B. Integrated Planning, Monitoring and Reporting (IPMR) aims to manage the life cycle of programmes and projects across multiple funding sources from approval of the project document to closure of project. The IPMR pilot project went live for the UN Secretariat in December 2020 and UNEP started with its converted and new projects in September 2021.
- iii) The new deployed modules will improve the implementation and monitoring of projects during its life cycle but will add an additional administrative burden on all levels of staff involved in project management in the Secretariat.

d) *New Delegation of Authority Policy and Framework for the management and administration of Multilateral Environmental Agreements*

- i) On 30 March 2020, UNEP shared with the Multilateral Environment Agreements (MEAs) that they administer the updated draft of the UNEP Delegation of Authority (DOA) Policy and Framework for the management and administration of Multilateral Environmental Agreement Secretariats.
- ii) UNEP informed that the policy and framework were updated in line with the UN Secretary General's delegation of authority in the administration of staff and financial regulations and rules issued in early 2019 (ST/SGB/2019/2) and proposed to replace the existing delegation issued on 1 November 2016.
- iii) MEA Secretariats administered by UNEP reviewed and prepared joint comments to the draft delegation policy and framework. Several meetings between the UNEP-administered MEAs were carried out to discuss directly with UNEP the impact of the proposed changes. Several drafts were reviewed and commented on until the UNEP Executive Director informed that the draft was final and ready to sign. The most significant changes from the 2016 DOA are related to human resources matters but also on usage of legal instruments, signing of contribution agreements, and preparation of financial reports to donors.
- iv) In addition, clearance and confirmation of compliance with legal, financial and human resources rules has been added for Corporate Services Division (CSD) of UNEP. The new areas requiring prior clearance are mainly related to human resource actions, development of budget proposals, use of non-standard legal instruments including donor agreements above USD 1 million and preparation and issuance of final donor reports. The Secretariat notes that it was communicated to UNEP that transaction costs and lengthy processes for internal clearance by UNEP/CSD and the UN Office at Nairobi (UNON) before final actions can be taken could have an impact on implementation of activities by the Secretariat.
- v) The final version was issued by the Executive Director of UNEP and sent to the CITES Secretary-General for signature and has been in force since 15 September 2021. The DOA has been uploaded on the CITES website and can be reached on the link below:

https://cites.org/sites/default/files/common/disc/sec/CITES_Secretary-General_Delegation_of_Authority.pdf

Audit by Office of Internal Oversight (OIOS)

14. In line with paragraph 38 of the Resolution Conf. 18.1 on *Financing and costed programme of work for the Secretariat for the triennium 2020-2022*, the UN Office of Internal Oversight Services (OIOS) has conducted its audit of the CITES Secretariat during the period January to June 2021 and was carried out from Nairobi, Kenya.
15. The audit covered the period from 1 January 2018 to 31 December 2020 and was based on interviews with CITES Secretariat staff, review of relevant documentation, analytical review of data and judgmental sample testing. The audit included the following areas:
 - Strategic management and governance;
 - Operations management; and
 - Finance and administration.
16. The OIOS audit showed that there was a need to further strengthen internal controls in the areas of strategic management, operations, finance, and administration. OIOS made nine (9) recommendations to address issues identified during the audit related to:

Strategic management

1. Develop mechanism for review of approved programme of work and budget to align them to the CITES strategic vision and CoP decisions and resolutions; and to track and report on implementation of programme of work;
2. Establish mechanism for systematic tracking the implementation of CoP decisions to ensure that they are implemented; and
3. Develop a resource mobilization strategy to raise resources and facilitate effective implementation of the Convention's activities.

Operations management

4. Develop an action plan to address delays in project implementation through effective monitoring;
5. Establish mechanism to ensure full compliance with donor agreements including reporting and implementation requirements and mainstreaming of gender and human rights in project implementation;
6. Establish mechanisms to ensure that due diligence and comparative assessments are conducted before selection of non-governmental organizations as implementing partners and liaise with UNEP for knowledge sharing on the capacity of government entities and inter-governmental organizations in delivering projects effectively; and
7. Strengthening its monitoring of implementing partners by ensuring that reports submitted by partners are thoroughly examined and partners required to be audited duly submit the audit certificates in a timely manner.

Finance and Administration

8. Ensure that staff complete all mandatory and other training that are essential for effectively fulfilling their roles and responsibilities; and
 9. Establish mechanisms to ensure that consultants and individual contractors are hired through a competitive process and their re-hiring is based on a properly documented evaluation of their performance.
17. The Secretariat and UNEP accepted the above recommendations and the Secretary-General immediately initiated action to implement them. A list of OIOS audit recommendations with the management response is attached in Annex 2 to this document.

18. The final audit report was issued on 4 November 2021 (report 2021/051) and has been posted on the CITES website and can be reached on the link below:

https://cites.org/sites/default/files/eng/disc/funds/Audit_Report_of_CITES_OIOS_AA_2011_220_05.pdf

Recommendations

19. The Standing Committee is invited to take note of this report on administrative matters, including the host country arrangements for the Secretariat.