

REVISED Draft resolution of the Conference of the Parties

Financing and budgeting of the Secretariat and of meetings of the Conference of the Parties

RECALLING that the financial amendment to the Convention, adopted in Bonn in 1979, entered into force on 13 April 1987;

RECALLING Resolution Conf. 12.1 adopted at the 12th meeting of the Conference of the Parties (Santiago,2002);

HAVING NOTED the 2002-2003 actual expenditures presented by the Secretariat [document CoP13 Doc. 8.1 (Rev. 1)];

HAVING NOTED the revised estimates of expenditures for 2004 and 2005 presented by the Secretariat [document CoP13 Doc. 8.2 (Rev. 1)];

HAVING REVIEWED the 2006–2008 budget estimates submitted by the Secretariat [document CoP13 Doc. 8.3 (Rev. 1)];

RECOGNIZING the continuing need for administrative and financial arrangements between the Parties and the Executive Director of UNEP;

NOTING the considerable increase in the number of Parties to the Convention; the need for greater assistance to the Parties to achieve more effective implementation; the necessity to implement the increasing number of various Decisions and Resolutions of the Conference of the Parties; and the resulting extraincreasing expenditure incurred by the Secretariat, which requires a higher level of voluntary contributions;

NOTING also the serious economic difficulties being experienced by certain Parties and STRESSING the need to allow for flexibility in application of the UN scale of assessment to the Parties concerned;

THE CONFERENCE OF THE PARTIES TO THE CONVENTION

ACCEPTS the expenditures for the biennium 2002-2003 and TAKES NOTE of the estimates of expenditure for the biennium 2004-2005;

APPROVES the 2006-2008 budget attached in Annex 2 including a new P-3 post of Information Network Officer which will be funded 50 per cent from the CITES Trust Fund and 50 per cent from the 13 per cent Programme Support Costs on external funding;

DECIDES that the budget for the triennium 2006–2008 shall be covered by contributions from Parties which shall be increased by 10.3 per cent at the same level as those –as compared to contributions for the previous bienniumtriennium;

REQUESTS the Secretary-General of the Convention to report to the Standing Committee at its 53 rd meeting on cost-saving measures and the reallocation of staff time to different categories of service as a result of the reduced number of meetings and other savings decided for the triennium 2006-2008;

REQUESTS the Secretariat to maintain an operating cash reserve of USD 700,000 to ensure financial liquidity and AUTHORIZES the Secretariat to draw additional funds from the CITES Trust Fund balance at the end of each year, provided that it is not reduced below USD 700,000 at the commencement of each year;

APPROVES the Terms of Reference for the Administration of the Trust Fund, annexed to this Resolution, for the financial period beginning on 1 January 2006 and ending on 31 December 2008;

AGREES that:

- a) contributions to the Trust Fund shall be based on the United Nations scale of assessment, as amended from time to time, adjusted to take account of the fact that not all members of the United Nations are Parties to the Convention;
- b) any other basis of assessment of contributions shall not be used without the consent of all Parties present and voting at a meeting of the Conference of the Parties;
- c) any change in the basic scale of contributions which would increase the liability of a Party to contribute, or would impose a new such liability, shall not apply to that Party without its consent, and that any proposal to change the basic scale of contributions from that currently in use shall only be considered by the Conference of the Parties if notice of such proposal has been communicated by the Secretariat to all Parties at least 15090 days before the meeting; and
- d) Parties should pay their contributions to the Trust Fund in accordance with the agreed scale and, as in the Table attached to this resolution and whenever possible;

URGES Parties to, ~~should~~ make special contributions to support the Trust Fund above their assessed contributions as well as externally funded projects;

REQUESTS all Parties to pay their contributions as far as possible during the year prior to the one to which they relate or, otherwise, promptly by the beginning of the calendar year to which the contributions apply;

APPEALS strongly to those Parties which, for legal or other reasons, have so far been unable to contribute to the Trust Fund to do so;

URGES all Parties that have not yet done so to deposit as soon as possible an instrument of acceptance of the amendments to the Convention adopted on 22 June 1979 and 30 April 1983;

INVITES States not Parties to the Convention, other governmental, inter-governmental and non-governmental organizations, and other sources to consider contributing to the Trust Fund;

INVITES all Parties to support, through their representatives in UNEP, UNDP and the World Bank, the requests of the Secretariat for additional funding of CITES projects by the Global Environment Facility;

DECIDES that the standard participation charge for all observer organizations other than the United Nations and its specialized agencies shall be set at a minimum of USD 600 (except as otherwise decided by the Secretariat as required) and URGES such organizations to make a greater contribution if possible at least to meet their effective costs of participation;

REQUESTS the Standing Committee to develop future budget containment strategies in the following areas:

- a) collection of arrears through innovative payment strategies and explore measures for dealing with non-payments of contributions taking into account the measures used in other international multilateral instruments;
- b) consideration of official bids from Governments for the relocation of the Secretariat to a lower cost location;
- c) negotiation of reduction in the 13 per cent Programme Support costs with the Executive Director of UNEP;

AGREES that

- a) all meetings of the Conference of the Parties, all regular meetings of the Standing Committee, and all meetings of the Animals and Plants Committees should be held in Geneva unless a candidate host country pays the difference in costs between its proposed venue and Geneva;

- b) all meetings of the Animals and Plants Committees should be held back-to-back;
- c) no more than two regular meetings of the Standing Committee and no more than two meetings each of the Animals and Plants Committees should be convened between meetings of the Conference of the Parties;

DECIDES that the CITES Trust Fund should not be used to cover travel costs and per diem of the representatives of developed countries;

INSTRUCTS the Secretariat to make provisions, in proposals for externally-funded projects, for all the costs the Secretariat would incur, including staff costs, in the implementation of these projects.

APPROVES the Secretariat's reports; and

DECIDES that:

- a) in respect of the review of activities in any work unit, the Secretary-General shall have the authority to make staffing decisions as necessary to implement the priorities of the Parties within the overall budget and in accordance with the UN rules; and
- b) any work of the Secretariat deriving from a new resolution or decision shall be undertaken only if additional funds are approved or if existing work carried out under the Trust Fund is reprioritized at the time such a resolution or decision is adopted by the Conference of the Parties.

#### Annex 1

#### TERMS OF REFERENCE FOR THE ADMINISTRATION OF THE TRUST FUND FOR THE CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES OF WILD FAUNA AND FLORA

1. The Trust Fund for the Convention on International Trade in Endangered Species of Wild Fauna and Flora (hereinafter referred to as the Trust Fund) shall be further continued for a period of three years (1 January 2006–31 December 2008) to provide financial support for the aims of the Convention.
2. Pursuant to the Financial Regulations and Rules of the United Nations, the Executive Director of the United Nations Environment Programme (UNEP), with the approval of the Governing Council of UNEP and the Secretary-General of the United Nations, shall continue the Trust Fund for the administration of the Convention.
3. The Trust Fund shall cover the financial period of three calendar years which begins on 1 January 2006 and ends on 31 December 2008.
4. The appropriations of the Trust Fund shall be financed from:
  - a) the contributions made by the Parties by reference to the attached Table including contributions from any new Parties which are to be added to the Table;
  - b) contributions from States not Parties to the Convention, other governmental, inter-governmental and non-governmental organizations and other sources; and
  - c) any uncommitted appropriations from any of the financial periods prior to 1 January 2006.
5. The budget estimates covering the income and expenditure for each of the calendar years constituting the financial period to which they relate, prepared in US dollars, shall be submitted for approval to the regular meeting of the Conference of the Parties to the Convention.
6. The estimates for each of the calendar years covered by a financial period shall providebe specified according a breakdown across-to categories of service and activities objects of expenditure and shall be accompanied by such information as may be required by, or on behalf of, the contributors and such further information as the Executive Director of UNEP may deem useful and advisable.

7. The proposed budget, including all the necessary information, shall be dispatched by the Secretariat to all Parties at least ~~150~~ 90 days before the date fixed for the opening of the regular meeting of the Conference of the Parties.
8. The budget shall be adopted by a 3/4 majority of the Parties present and voting at the regular meeting.
9. In the event that the Executive Director of UNEP expects that there might be a shortfall in resources, over the year as a whole, he shall consult with the Secretary-General of the Convention, who shall seek the advice of the Standing Committee as to its priorities for expenditure.
10. The Secretary-General of the Convention is authorized, to the extent consistent with the Financial Regulations and Rules of the United Nations, to make transfers from one category of service to another up to a maximum of 20 per cent over and above the annual amount foreseen in the budget under any category of service provided that such action does not negatively affect any high-priority items. When any such transfers are made, these shall be reported to the Standing Committee at its following meeting. Any budget adjustments over and above the 20 per cent flexibility mentioned above may be made only after they have been agreed by the Standing Committee. However, the total budget approved by the Parties for that financial period shall not be exceeded unless this is specifically sanctioned in writing by the Standing Committee.
11. Commitments against the resources of the Trust Fund may be made only if they are covered by the necessary income of the Convention.
12. All contributions shall be paid in any convertible currency. The amount of any payment, however, shall be at least equal to the amount payable in US dollars on the day the contribution is made. Contributions from States that become Parties after the beginning of the financial period should be made on a pro-rata basis for the balance of the financial period.
13. At the end of each calendar year of a financial period, the Executive Director of UNEP shall submit to the Parties the accounts for the year. He shall also submit, as soon as practicable, the audited accounts for the financial period.
14. The Secretary-General of the Convention shall provide the Standing Committee with an activity based estimate of proposed expenditure over the coming calendar year simultaneously with, or as soon as possible after, distribution of the accounts and reports referred to in the preceding paragraph. The Secretary General of the Convention shall provide the Standing Committee at the end of each calendar year with an activity based financial report for the year.
15. The general procedures governing the operations of the Fund of UNEP and the Financial Regulations and Rules of the United Nations shall govern the financial operations of the Trust Fund for the Convention.
16. These Terms of Reference shall be effective for the financial period of 1 January 2006 to 31 December 2008 subject to amendments at the 14th meeting of the Conference of the Parties.