

3rd Session of the Meeting of Parties

Bristol, United Kingdom

26 – 28 July 2000

Resolution No. 2
Financial, Budgetary and Administrative Matters

The Meeting of Parties:

HAVING REGARD to paragraph 6.1. c) of the Agreement on the Conservation of Small Cetaceans of the Baltic and North Seas (hereinafter referred to as "the Agreement"), which states that the Meeting of Parties shall consider and decide upon "the establishment and review of financial arrangements and the adoption of a budget for the forthcoming three years",

HAVING REGARD also to paragraph 7 of the Agreement, which states that the Parties agree to share the cost of the budget according to the United Nations scale of assessment and that these sums shall be paid to the government or international organisation hosting the Secretariat;

RECALLING the Resolution on Financial and Budgetary Matters adopted at the Second Session (Bonn, Federal Republic of Germany, November 1997);

REFERRING to Resolution No. 1 adopted at this session, which provides for the integration of the Agreement Secretariat into the UNEP/CMS Agreements Unit;

ACKNOWLEDGING with appreciation the substantial contribution of the German Government in providing, and agreeing to continue to provide, the accommodation for the Secretariat on a rent-free basis and its annual voluntary contribution of DEM 50,000 in support of special measures and projects aimed at improving the implementation of the Agreement;

EXPECTING that the Secretariat of the Agreement shall cooperate effectively with other Agreement Secretariats in the UNEP/CMS Agreements Unit;

RECOGNISING the need for the Secretariat to be more proactive in ensuring that the work of the Agreement is taken forward, in order to achieve and obtain a favourable conservation status for small cetaceans

1. DISCHARGES and APPROVES the budget for the years 1997 - 1999 (as shown in the audited accounts attached as Annex 5), and AGREES that the accounts for the year 2000 should be discharged and approved by the Fourth Meeting of Parties (MOP4);
2. ADOPTS the budget for 2001 - 2003 attached as Annex 1 to this resolution;

3. REITERATES that in accordance with paragraph 7.2 of the Agreement, the annual contributions are to be paid as soon as practicable after the end of March and no later than the end of June of the calendar year to which they related;
4. TAKES NOTE of the medium-term plan for 2001 - 2006 attached as Annex 6 to this resolution;
5. INVITES Parties and non-Party Range States, government, intergovernmental and non-governmental organisations to make voluntary contributions towards special activities for the implementation of the Agreement;
6. REQUESTS the Executive Director of UNEP to establish a Trust Fund for the administration of the budget;
7. APPROVES the Terms of Reference for the administration of the Trust Fund as set out in Annex 3 to the resolution, for the period 2001 - 2003;
8. INSTRUCTS the Secretariat to report on its income and expenditure to the Advisory Committee at each of its meetings, and to report back to the Meeting of Parties at its next session.

Annex 1 to Resolution No. 2

Budget for 2001 - 2003 (in US Dollars)

Budget line	2001	2002	2003
10 Personnel			
1100 Professional Staff			
1101 Executive Secretary (P3)	102.000	89.000	91.000
1102 Administrative and Fund Management Officer (UNEP)	0	0	0
1220 Consultancies	4.000	4.000	4.000
1300 Administrative Support			
1301 Secretary (G4)*	21.750	22.250	45.500
1600 Travel on official business			
1601 Secretariat staff	6.500	6.500	6.500
1602 Experts on mission	1.600	1.600	1.600
1999 Personnel Subtotal	135.850	123.350	148.600
30 Meetings			
3301 Meeting of Parties	0	0	5.000
3302 Meeting of the Advisory Committee	3.700	3.700	3.700
3999 Meetings Subtotal	3.700	3.700	8.700
40 Equipment and Premises			
4100 Expendable equipment			
4101 Miscellaneous office supplies	2.100	2.100	2.100
4200 Non-expendable equipment			
4201 Office equipment	1.800	1.800	1.800
4300 Premises			
4301 Rent and maintenance costs***	0	0	0
4999 Equipment and Premises Subtotal	3.900	3.900	3.900
50 Miscellaneous Costs			
5100 Operation and Maintenance			
5101 Operation/maintenance computers	1.000	1.000	1.000
5102 Operation/maintenance of photocopier/fax	1.000	1.000	1.000
5200 Reporting Costs			
5201 Information material	2.000	2.000	2.000
5202 Reference material	500	500	500
5300 Sundry			
5301 Telephone and Fax	1.300	1.300	1.300
5302 Postage and miscellaneous	1.500	1.500	1.500
5401 Hospitality	800	800	800
5999 Miscellaneous Costs Subtotal	8.100	8.100	8.100
SUBTOTAL	151.550	139.050	169.300
6000 UNEP programme support costs (13%)	19.701,50	18.076,50	22.009,00
GRAND TOTAL	171.251,50	157.126,50	191.309,00

Annual Contributions by Parties

	UN Scale (2000)	Percentage ¹	2001	2002	2003
Belgium	1.104	10.52%	18,015.65 - 2,209.20 ² = 15,806.45	16,529.70	20,125.70 - 4,434.92 = 15,690.78
Denmark	0.692	6.60%	11,302.59 - 1,386.00 = 9,916.59	10,370.34	12,626.39 - 2,782.36 = 9,844.03
Finland	0.543	5.18%	8,870.82 - 1,087.80 = 7,783.02	8,139.15	9,909.80 - 2,183.73 = 7,726.07
Germany	9.857	25.00%	42,812.87 - 5,250.00 = 37,562.87	39,281.62	47,827.25 - 10,539.25 = 37,288.00
Netherlands	1.632	15.55%	26,629.60 - 3,265.50 = 23,364.10	24,433.17	29,748.54 - 6,555.41 = 23,193.13
Poland	0.196	1.87%	3,202.40 - 392.70 = 2,809.70	2,938.26	3,577.47 - 788.33 = 2,789.14
Sweden	1.079	10.28%	17,604.65 - 2,158.80 = 15,445.85	16,152.60	19,666.56 - 4,333.74 = 15,332.82
United Kingdom	5.092	25.00%	42,812.87 - 5,250.00 = 37,562.87	39,281.62	47,827.25 - 10,539.25 = 37,288.00
Total	20.195	100%	171,251.45	157,126.46	191,308.96
Total contributions of Parties after subtraction of estimated surplus ³			150,251.45	157,126.46	149,151.97

All figures in US Dollars using an exchange rate of 1 USD = DEM 1.90

¹ Subject to revision when UN scale of contributions for 2001 - 2003 is available

² This figure is the percentage of total surplus (US\$ 21,000) in each case

³ Estimated surplus of budgets for 1998-2000 (120,000 DEM = 63,157 US\$, of which 21,000 US\$ in 2001, 42,157 US\$ in 2003)

TERMS OF REFERENCE FOR THE ADMINISTRATION OF
THE TRUST FUND FOR THE AGREEMENT ON THE
CONSERVATION OF SMALL CETACEANS OF THE BALTIC AND NORTH SEAS

1. The Trust Fund for the Agreement on the Conservation of Small Cetaceans of the Baltic and North Seas (hereinafter referred to as the Trust Fund) shall be established for a period of four years to provide financial support for the aims of the Agreement.
2. The financial period shall be for four calendar years beginning 1 January 2001 and ending 31 December 2003.
3. The Trust Fund shall be administered by the Executive Director of the United Nations Environment Programme (UNEP), subject to the approval of the Governing Council of UNEP and the consent of the Secretary-General of the United Nations.
4. The administration of the Trust Fund shall be governed by the Financial Regulations and Rules of the United Nations, the Staff Regulations and Rules of the United Nations, and other administrative policies or procedures, promulgated by the Secretary-General of the United Nations.
5. In accordance with United Nations rules, UNEP shall deduct from the income of the Trust Fund an administrative charge equal to 13 per cent of the expenditure charged to the Trust Fund in respect of activities financed under the Trust Fund.
6. In the event that the Parties wish the Trust Fund to be extended beyond 31 December 2003, the Executive Director of UNEP shall be so advised in writing immediately after the fourth session of the Meeting of Parties. It is understood that such extension of the Trust Fund shall be decided at the discretion of the Secretary-General of the United Nations.
7. The financial resources of the Trust Fund for 2001-2003 shall be derived from:
 - (a) The contributions made by the Parties by reference to Annex 3, including contributions from any new Parties;
 - (b) Further contributions from Parties and contributions from States not Parties to the Agreement, other governmental, intergovernmental and non-governmental organisations and other sources.
8. All contributions to the Trust Fund shall be paid in fully convertible United States Dollars. For contributions from States that become Parties after the beginning of the financial period, the initial contribution (from the thirtieth day after deposit of the instrument of ratification, acceptance or accession till the end of the financial period) shall be determined pro rata based on the contribution of other States Parties on the same level on the United Nations scale of assessment, as it applies from time to time. However, if the contribution of a new Party determined on this basis would be more than 25 per cent of the budget, the contribution of that Party shall be 25 per cent of the budget for the financial year of joining (or pro rata for a part-year).

The scale of contributions for all Parties shall then be revised by the Secretariat on 1 January of the next year. Contributions shall be paid in annual instalments. The contributions shall be due on 1 January 2001, 2002 and 2003. Contributions shall be paid into the following account:

Account Name: UNEP Trust Funds
Account No.: 400-932-520
International Agencies Banking
Chase Manhattan Bank
United Nations Branch
270 Park Avenue
New York, N.Y. 10017, USA

9. For the convenience of the Parties, for each of the years of the financial period the Executive Director of UNEP shall as soon as possible notify the Parties to the Agreement of their assessed contributions.
10. Contributions received into the Trust Fund that are not immediately required to finance activities shall be invested at the discretion of the United Nations, and any income shall be credited to the Trust Fund.
11. The Trust Fund shall be subject to audit by the United Nations Board of Auditors.
12. The budget estimates covering the income and expenditure for each of the three calendar years constituting the financial period to which they relate, prepared in US Dollars, shall be submitted to the ordinary session of the Meeting of Parties to the Agreement.
13. The estimates of each of the calendar years covered by the financial period shall be divided into sections and objects of expenditures, shall be specified according to budget lines, shall include references to the programmes of work to which they relate, 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. In particular estimates shall also be prepared for each programme of work for each of the calendar years, with expenditure itemised for each programme so as to correspond to the sections, objects of expenditure, and budget lines described in the first sentence of this paragraph.
14. In addition to the budget estimates for the financial period described in the preceding paragraphs, the Secretariat of the Agreement, in consultation with the Advisory Committee and the Executive Director of UNEP, shall prepare a medium-term plan as envisaged in Chapter III of the Legislative and Financial Texts Regarding the United Nations Environment Programme and the Environment Fund. The medium-term plan will cover the years 2001-2006, inclusive, and shall incorporate the budget for the financial period 2004-2006.
15. The proposed budget and medium-term plan, including all the necessary information, shall be dispatched by the Secretariat to all Parties at least ninety days before the date fixed for the opening of the ordinary session of the Meeting of Parties.
16. The budget and medium-term plan shall be adopted by unanimous vote of the Parties present and voting at the ordinary session.
17. In the event that the Executive Director of UNEP anticipates that there might be a shortfall in resources over the financial period as a whole, the Executive Director shall consult with the Secretariat, who shall seek the advice of the Advisory Committee as to its priorities for expenditure.

18. Commitments against the resources of the Trust Fund may be made only if they are covered by the necessary income of the Agreement. No commitments shall be made in advance of the receipt of contributions, except for salaries.
19. Upon the request of the Secretariat of the Agreement, after seeking the advice of the Advisory Committee, the Executive Director of UNEP should, to the extent consistent with the Financial Regulations and Rules of the United Nations, make transfers from one budget line to another. At the end of any calendar year within the financial period, the Executive Director of UNEP may transfer any uncommitted balance of appropriations to the following calendar year, provided that the total budget approved by the Parties is not exceeded, unless this is specifically sanctioned in writing by the Advisory Committee.
20. At the end of each calendar year within the financial period⁴, the Executive Director of UNEP shall submit to the Parties, through the UNEP/ASCOBANS Secretariat, the accounts for the year. The Executive Director shall also submit, as soon as practicable, the audited accounts for the financial period. These shall include full details of actual expenditure compared to the original provisions for each budget line.
21. Those financial reports required to be submitted to the Executive Director of UNEP shall be transmitted simultaneously by the Secretariat of the Agreement to the members of the Advisory Committee.
22. The Secretariat of the Agreement shall provide the Advisory Committee with an estimate of proposed expenditures over the coming year simultaneously with, or as soon as possible after, distribution of the accounts and reports referred to in the preceding paragraphs.
23. The present terms of reference shall be effective from 1 January 2001 to 31 December 2003.

⁴ The calendar year 1 January to 31 December is the accounting and financial year, but the accounts official closure date is 31 March of the following year. Thus, on 31 March the accounts of the previous year have to be closed, and it is only then that the Executive Director can submit the accounts of the previous calendar year.

ASCOBANS Draft Budget Proposal for 2001 - 2003

- A. General remarks
- B. Comments on the various budget lines
- C. Draft budget table
- D. Annual contributions by Parties

1 A. General remarks

The draft budget proposals attached have been calculated in USD and structured according to UN regulations, as required in case of integration of the ASCOBANS Secretariat into the Agreements Unit of the CMS Secretariat.

2 B. Comments on the various budget lines

1. Budget line 10, Personnel

1.1 Executive Secretary:

Under UNEP administration - 1 P3/Step III, 1 G4/Step III

UN salaries vary considerably according to the personal/family situation of the incumbent. This proposal assumes that the Executive Secretary is aged 40 with two children, It is based on actual costs experienced by the CMS Secretariat for a professional who matched the above criteria. For the first year the estimate includes an allowance for relocation that would be payable if the incumbent were recruited from outside of Germany.

1.2 Consultancies

Parties might wish to consider providing some resources for consultancies and externally commissioned work.

1.3 Secretary

The proposal assumes that the Secretary is 35, with two children and includes an allowance for relocation (for the first year) that would be payable if the secretary were recruited from outside of Germany.

1.4. Travel on official business

1.4.1 Secretariat staff

According to the Resolution on Financial and Budgetary Matters adopted by the 2nd Meeting of Parties, this budget line should cover attendance at six meetings per year at an estimated cost of DEM 1,500 per trip (a current allocation of DEM 9,000 per year). However, the cost of travel to attend only three meetings, plus two one-day inland trips in the period of June to December 1998 already totalled DEM 5,864.14 (see audit report for the 1998 budget of ASCOBANS). The costs of travel by Secretariat staff in 1999 amounted to 11,041.17. This shows that annual travel costs are higher than the original estimate of DEM 9,000. The annual budget for travel on official business by Secretariat staff should therefore be increased to USD 6,500 for the coming triennium, taking into account also that a higher allocation will be needed to cover the higher subsistence allowances under the UN scale.

1.4.1 Others (experts, etc.)

Higher subsistence allowances under UNEP administration will also affect this budget line. But as this was not exhausted in most of the previous years (with the exception of 1999, when expenses came to DEM 4070.52) it is proposed to keep this allocation approximately at the current level (USD 1,600) per annum.

2. Budget line 30, Meetings

A slight increase in the allocation for the annual Advisory Committee meetings should cover general price increases. In addition, the moderately increased allocation for MoP 4 provides at least a small reserve for that meeting, should no official invitation from a Party be forthcoming.

3. Budget line 40, Equipment and Premises

3.1 Miscellaneous office supplies

Costs for office supplies remain unchanged.

3.2 Office equipment

When the ASCOBANS Secretariat moved to Bonn in 1998, the German Government provided office equipment, including furniture and computers, on a cost-free basis. At the end of the coming triennium, 2001-2003, some of this equipment, especially computers and printers, will need to be replaced. To avoid a sudden increase in the annual budget in the year 2003, it is proposed to allocate USD 1,800 annually for the replacement of office equipment. The Secretariat should be permitted to carry this forward from year to year to accumulate the amount necessary for the purchase of replacement items.

4. Miscellaneous costs

4.1 Operation and Maintenance

4.1.1 Computer

The allocation for computer maintenance has been adjusted to cover the cost of printer ink and cartridges, which turned out to be more expensive than expected, and to allow for external service support when necessary.

4.1.2 Photocopier and fax

The ASCOBANS Secretariat shares a photocopier with EUROBATS and CMS, thus keeping operation and maintenance costs extremely low. The respective budget line has therefore been considerably reduced. The allocation for operation and maintenance of the fax machine remains unchanged, and includes servicing when necessary. The amount of USD 1,000 covers the usual operational costs, and also includes a reserve for external photocopying services for coloured copies, posters etc.

4.2 Reporting costs

4.2.1 Information material

Unlike EUROBATS, ASCOBANS does not have a separate budget line for public relations. With only a very small sum allocated for information material, ASCOBANS has not been able to produce leaflets, while the cost of producing a new ASCOBANS poster in 1999 was covered by the voluntary contribution of the German Government. For the coming triennium an increase in the expenditure for information material is proposed. The Secretariat should be allowed to carry this allocation forward from year to year in order to accumulate a sum necessary to design and print information material at least once during the triennium.

4.2.2 Reference material

According to recommendations by the Advisory Committee, the Secretariat should continuously collect data on marine pollution and its effects on small cetaceans. Moreover, journalists and members of the public often ask the Secretariat for information on matters related to ASCOBANS and small cetaceans in general. In order to satisfy these information needs, the Secretariat must have access to recent relevant scientific publications. At the Secretariat's current location in Bonn there is no library focusing on marine issues, so it is essential that the Secretariat has sufficient resources to establish its own small reference library. During the seven-month period of the Financial Year 1998 the respective budget line was almost exhausted. The budget line for reference materials should therefore be increased.

4.3 Sundry

4.3.1 Telephone/Fax

Telecommunication charges are extremely low as the ASCOBANS Secretariat benefits from the UN arrangements in Bonn. Thus the allocation for phone/fax charges could be significantly reduced.

4.3.2. Postage and miscellaneous

Postage charges are also very low thanks to UN arrangements. Thus this budget line can be reduced in the coming triennium.

2.1 5 UNEP programme support costs

Under UNEP administration of the Secretariat an overhead charge of 13% of the total budget will be payable.

Annex 6 to Draft Resolution No. 2

Medium-Term Plan for 2001 - 2006 (in US\$)

Budget line	2001	2002	2003	2004	2005	2006
10 Personnel						
1100 Professional Staff	102.000	89.000	91.000	93.000	95.000	97.000
1220 Consultancies	4.000	4.000	4.000	4.000	4.500	4.500
1300 Administrative Support	21.750	22.250	45.500	46.500	47.500	48.500
1600 Travel on official business	8.100	8.100	8.100	8.100	8.300	8.300
1999 Personnel Subtotal	135.850	123.350	148.600	151.600	155.300	158.300
30 Meetings	3.700	3.700	8.700	3.900	3.900	10.000
40 Equipment and Premises						
4100 Expendable equipment	2.100	2.100	2.100	2.100	2.200	2.200
4200 Non-expendable equipment	1.800	1.800	1.800	1.800	2.000	2.000
4300 Premises	0	0	0	0	0	0
4999 Equipment & Premises Subtotal	3.900	3.900	3.900	3.900	4.200	4.200
50 Miscellaneous Costs						
5100 Operation and Maintenance	2.000	2.000	2.000	2.000	2.400	2.400
5200 Reporting Costs	2.500	2.500	2.500	3.000	3.100	3.100
5300 Sundry	2.800	2.800	2.800	2.800	3.200	3.200
5401 Hospitality	800	800	800	800	1.000	1.000
5999 Miscellaneous Costs Subtotal	8.100	8.100	8.100	8.600	9.700	9.700
SUBTOTAL	151.550	139.050	169.300	168.000	173.100	182.200
6000 UNEP programme support costs (13%)	19.701,50	18.076,50	22.009,00	21.840,00	22,503,00	23.686,00
GRAND TOTAL	171.251,50	157.126,50	191.309,00	189.840,00	195.603,00	205.886,00