

Agenda Item 22.5

Consideration and Preparation of Draft
Resolutions for MOP 6

Financial, Budgetary and Administrative
Matters 2010-12

**Document 12
(restricted)**

Budget Proposal 2010-12

Action Requested

- Consider the budget proposal
- Comment

Submitted by

Secretariat



NOTE:
**IN THE INTERESTS OF ECONOMY, DELEGATES ARE KINDLY REMINDED TO BRING THEIR OWN
COPIES OF DOCUMENTS TO THE MEETING**

Budget Proposal 2010-2012

1. In accordance with the instructions of the Meeting of Parties in Resolution 2d (2006) the CMS/ASCOBANS Secretariat has prepared a draft budget option for the period 2010-2012, which is hereby circulated in accordance with the deadline for dispatching proposals for the next triennium budget of 6 months before the MOP, also laid down in ASCOBANS Resolution 2d (2006).

2. The budget proposal is based on the existing arrangements for the ASCOBANS Secretariat. This time-sharing is in line with the budget approved by CMS Parties in December 2008 (CMS Resolution 9.14), within which any shared post, if maintained, would need to stay. Preparing this one baseline proposal is also in line with the decision of the ASCOBANS Advisory Committee Working Group for the Review of the Merger of the Secretariats, which tasked Mr Paulus Tak with preparing a paper outlining other scenarios and their financial implications. The approach to have one basic proposal prepared by the Secretariat and other options for the personnel component outlined in AC16/Doc.17, submitted by Belgium, was also fully agreed with the chair of the administrative part of the AC.

3. If, in the light of discussions by the Advisory Committee, it is necessary to prepare alternative budgetary options for Secretariat services to be provided by UNEP, this can be done with the assistance of the CMS Administrative and Finance Management Unit (AFMU) and UNEP headquarters in time for MOP6.

4. The budget proposal contained in table 1 foresees an overall increase of 5.758% compared to the triennium 2007-2009 and is 2.642% higher than the budgetary needs foreseen in the medium term plan contained in Annex 3 to Resolution 2c (2006).

5. This increase is due to several factors:

6. Salary costs are partly higher because the staffing of the Secretariat is no longer covered by temporary assistance through consultants. In the past triennium, through foreseeing consultancies for the Coordinating Officer (75%) in 2007 and 2008 and for the Administrative Assistant (50%) in 2008, Parties temporarily benefited from lower levels of staff costs than for established UN posts. In 2009, both these posts have been budgeted for as UN posts, including provisions for within-grade increment, dependancy allowance, education grant and contribution to pension fund. Figures in the budget proposal complement the budget approved in CMS Resolution 9.14 (2008) for these posts and are based on the same assumptions.

7. More importantly, the Secretariat has proposed increases in the budget lines for consultancies and fractional CMS staff time (BL 1220) and for experts on mission (BL 1602).

(a) The proposal for BL 1220 includes both funds needed for support to the ASCOBANS Secretariat, e.g. for the preparation of technical or scientific documents for which internal capacity or expertise is lacking. Higher needs are assumed for the MOP year. Further, some funds have been added for cost sharing in the joint CMS Information, Capacity Building and Fundraising Unit, which was established by CMS Parties in line with CMS Resolution 9.05 (attached as Annex 1). As outlined there, the joint unit will support ASCOBANS in fundraising, accession work and outreach and communication activities. The small Secretariat team will not be able to contribute staff time to the unit, so an appropriate cost sharing mechanism needs to be established.

(b) The increased sum proposed for BL 1602 is intended to ensure experts thought important for the progress at a meeting, or representing ASCOBANS in other fora, can be supported. The modest amounts will still require careful budgeting and decisions on whose attendance is a priority, but give a somewhat greater flexibility than the previous provisions, thereby ensuring adequate participation of ASCOBANS in

important other fora and the participation of experts in ASCOBANS meetings as needed.

8. Since the beginning of 2008 the Secretariat has been asked to pay for its computer network and services at our HQ in Bonn, which were previously provided by another UN agency, and to a lesser extent, by the host country, without charge. The annual charges are substantial for 2008: in the region of €10,000 per annum for ASCOBANS (with additional charges for the CMS and the other two co-located agreements in Bonn). The CMS Secretariat, also on behalf of the co-located Agreements, is exploring options to economise on IT costs, for example by soliciting offers from external providers to find the best solution. However, in the meantime provision needs to be made for covering these annual charges and accordingly provisions have been made in the budget agreed by CMS Parties for 2009-2011. Similar arrangements must be made in the ASCOBANS budget. These charges also make up a significant part of the increase in the proposed budget.

9. New budget lines have also been introduced, relating to:

(a) Meetings of the regional working groups for the Baltic and the North Sea (BLs 3304 and 3305): The experience with the Jastarnia Group shows that these meetings incur annual costs, related not only to travel of Secretariat staff and provision of a report writer, but also to the practice of inviting an external expert to these meetings, whose travel costs need to be covered. Additionally, for delegates from non-Party Range States participation is sometimes only possible if their participation can be supported. Finding the funds for this valuable tradition has proven to be difficult in the past triennium. A modest budget for the Jastarnia Group meetings has therefore been proposed, with similar provisions suggested for a North Sea Working Group, should it be established.

(b) Meetings of a Standing Committee (BL 3303): Should Parties wish to establish a Standing Committee as proposed in the Draft Resolution on the Future Structure of ASCOBANS Advisory Bodies (AC16/Doc.11), modest budgetary provisions should be made for it. These would cover both meeting-related costs such as catering and allow for limited travel support, upon request, to the chair of the Standing Committee for authorised travel undertaken on behalf of the Meeting of the Parties or on behalf of the Secretariat.

(c) Maintenance and Development of the Website (BL 5203): Awareness-raising and public information activities have repeatedly been identified as a priority, for example in Resolution 8 (2006). The website is in this respect a key tool. Maintaining and further enhancing it, as instructed, however requires regular funding. So far, these expenses have been covered from other budget lines with surpluses or from voluntary contributions. In order to allow the Secretariat to improve the website more systematically, rather than on an ad-hoc basis whenever funds can be identified, modest provisions for regular maintenance costs and a gradual further development of the website are proposed, which can be topped up by voluntary contributions for more complex additions.

10. Table 2 details the scale of contributions by Parties for 2010-2012, based on the scenario presented in table 1. These are based on the UN Scale of Assessments for 2009.

11. Table 3 presents a Medium Term Plan for 2010-2015. The annual inflation is assumed to be 3%.

12. After comments have been received from Parties and before a budget proposal can be forwarded to the Meeting of Parties, the Secretariat will submit it to UNEP for cross-check and clearance.

Table 1: Budget Estimates for 2010-2012 – ASCOBANS Trust Fund in Euro

| BL | Budget Item | 2010 | 2011 | 2012 | Total | Description |
|------|--|--------|--------|--------|---------|--|
| | | EUR | EUR | EUR | EUR | |
| 10 | PERSONNEL | | | | | |
| 1100 | Professional Staff | | | | | |
| 1101 | Executive Secretary (D1); 3% | 5,263 | 5,368 | 5,476 | 16,107 | Based on the approved 2009-2011 CMS budget with the same 2% increase for 2012 to provide for various cost adjustments, including within-grade increment, dependancy allowance, education grant and contribution to pension fund. CMS Budget provides for 97% of the cost and 3% will be covered by CMS/ASCOBANS. |
| 1102 | CMS Professional Staff (P4), 15% (ASCOBANS Senior Advisor) | 19,584 | 19,976 | 20,375 | 59,935 | Based on the approved 2009-2011 CMS budget with the same 2% increase for 2012 to provide for various cost adjustments, as outlined above. CMS Budget provides for 85% of the cost and 15% will be covered by CMS/ASCOBANS. |
| 1103 | Associate Coordination Officer (P2), 75% | 61,200 | 62,424 | 63,672 | 187,296 | The UNEP/CMS standard salary costs have been applied. ASCOBANS Budget provides for 75% of the cost and 25% will be covered by CMS. |
| 1220 | Professional Consultancies and fractional CMS Staff time | 8,500 | 8,755 | 15,150 | 32,405 | The higher sum in 2012 assumes that more support will be needed in the MOP year. The figures also include cost sharing of the joint CMS Information, Capacity Building and Fundraising Unit established at CMS COP9 for fundraising, accession work and outreach and communication activities. |
| 1300 | Administrative Support | | | | | |
| 1301 | General Services: Administrative Assistant (GS-5), 50% | 36,750 | 38,588 | 40,517 | 115,854 | Based on the approved 2009-2011 CMS budget with the same 5% increase for 2012 to provide for various cost adjustments, including within-grade increment, dependancy allowance, contribution to pension fund, medical insurance etc. |
| 1600 | Travel on Official Business | | | | | |
| 1601 | Secretariat Staff | 4,370 | 4,500 | 4,635 | 13,505 | The figures assume that the costs will be 3% higher than the approved appropriation for 2007-2009 to cover the inflation. |

| BL | Budget Item | 2010 | 2011 | 2012 | Total | Description |
|------|---|----------------|----------------|----------------|----------------|---|
| | | EUR | EUR | EUR | EUR | |
| 1602 | Experts on Mission | 1,500 | 1,545 | 1,590 | 4,635 | The figures assume an annual inflation of 3%. The higher amount takes into account experiences over the past triennium, when some requests had to be turned down for lack of funds. |
| 1999 | Personnel Subtotal | 137,167 | 141,156 | 151,415 | 429,738 | |
| 20 | SUBPROJECTS | | | | | |
| 2201 | Conservation Projects | - | - | - | - | |
| 2999 | Subprojects Subtotal | - | - | - | - | |
| 30 | MEETINGS | | | | | |
| 3301 | Meeting of Parties | - | - | 3,000 | 3,000 | |
| 3302 | Meeting of the Advisory Committee | 2,550 | 2,627 | 2,706 | 7,883 | The figures allow for annual inflation of 3% and the previous pattern of under-budgeting on this item. The figures also assume that Advisory Committees are one day shorter than in 2007-09 as a result of the creation of a Standing Committee. (This is a conservative estimate of saved time based on the experience of EUROBATS.) |
| 3303 | Meeting of the Standing Committee | 800 | 824 | 849 | 2,473 | Provided its establishment will be agreed. The figures assume an annual inflation of 3%. If the Standing Committee is not agreed, line 3302 will need to be increased to allow for longer AC meetings. |
| 3304 | Meeting of the Baltic Sea Working Group | 1,500 | 1,545 | 1,591 | 4,636 | The figures assume an annual inflation of 3%. It is intended to cover costs for report writing as well as inviting an expert. |
| 3305 | Meeting of the North Sea Working Group | 1,500 | 1,545 | 1,591 | 4,636 | Provided its establishment will be agreed. The figures assume an annual inflation of 3%. It is intended to cover costs for report writing as well as inviting an expert. |
| 3999 | Meetings Subtotal | 6,350 | 6,541 | 9,737 | 22,628 | |

| BL | Budget Item | 2010 | 2011 | 2012 | Total | Description |
|------|--|--------------|--------------|--------------|--------------|--|
| | | EUR | EUR | EUR | EUR | |
| 40 | EQUIPMENT AND PREMISES | | | | | |
| 4100 | Expendable Equipment | | | | | |
| 4101 | Miscellaneous Office Supplies | 753 | 776 | 800 | 2,329 | The figures assume that the costs will be 3% higher than the approved appropriation for 2007-2009 to cover the inflation. |
| 4200 | Non-Expendable Equipment | | | | | |
| 4201 | Office Equipment | 905 | 905 | 905 | 2,715 | The approved appropriation for 2007-2009 has been split over the triennium to allow greater flexibility in the purchase of equipment. |
| 4300 | Premises | | | | | |
| 4301 | Rent and Maintenance Costs | - | - | - | - | These costs are covered by the Federal Government of Germany. |
| 4999 | Equipment and Premises Subtotal | 1,658 | 1,681 | 1,705 | 5,044 | |
| 50 | MISCELLANEOUS COSTS | | | | | |
| 5100 | Operation and Maintenance | | | | | |
| 5101 | Operation/Maintenance computers | 538 | 554 | 571 | 1,663 | The figures assume that the costs will be 3% higher than the approved appropriation for 2007-2009 to cover the inflation. |
| 5102 | IT Services | 10,000 | 10,000 | 10,000 | 30,000 | These costs were previously met by a combination of resources from UN Volunteer's Programme and the Government of Germany prior to the transfer of ASCOBANS offices to its current premises in mid 2006. Charges were introduced on 1 January 2008 by UNV in accordance with UN rules. |
| 5103 | Operation/Maintenance of printers | 215 | 221 | 228 | 664 | The figures assume that the costs will be 3% higher than the approved appropriation for 2007-2009 to cover the inflation. |

| BL | Budget Item | 2010 | 2011 | 2012 | Total | Description |
|------|--|----------------|----------------|----------------|----------------|---|
| | | EUR | EUR | EUR | EUR | |
| 5200 | Reporting Costs | | | | | |
| 5201 | Information Material/Outreach and Education Work | - | - | - | - | |
| 5202 | Reference Material | 107 | 110 | 113 | 330 | The figures assume that the costs will be 3% higher than the approved appropriation for 2007-2009 to cover the inflation. |
| 5203 | Website Maintenance and Development | 2,000 | 2,060 | 2,122 | 6,182 | These costs are regularly incurred and have previously been covered by voluntary contributions. |
| 5300 | Sundry | | | | | |
| 5301 | Telephone and Fax | 591 | 609 | 627 | 1,827 | The figures assume that the costs will be 3% higher than the approved appropriation for 2007-2009 to cover the inflation. |
| 5302 | Postage and Miscellaneous | 700 | 721 | 743 | 2,164 | The figures are based on the actual expenditure amounts for 2007-2009 and assume an annual inflation of 3%. |
| 5401 | Hospitality | - | - | - | - | |
| 5999 | Miscellaneous Costs Subtotal | 14,151 | 14,275 | 14,404 | 42,830 | |
| | SUBTOTAL | 159,326 | 163,653 | 177,261 | 500,240 | |
| 6000 | Programme Support Cost (PSC), 13% | 20,712 | 21,275 | 23,044 | 65,031 | |
| | GRAND TOTAL | 180,039 | 184,928 | 200,305 | 565,272 | |

Table 2: Scale of Contributions by Parties to the UNEP/ASCOBANS Trust Fund for 2010-2012

| Party | Scale of Assessment (2009) | in % | 2010 | 2011 | 2012 | Total |
|----------------|----------------------------|----------------|----------------|----------------|----------------|----------------|
| Belgium | 1.102 | 7.495 | 13,494 | 13,861 | 15,014 | 42,369 |
| Denmark | 0.739 | 5.026 | 9,049 | 9,295 | 10,068 | 28,413 |
| Finland | 0.564 | 3.836 | 6,906 | 7,094 | 7,684 | 21,684 |
| France | 6.301 | 20.000 | 36,008 | 36,986 | 40,061 | 113,054 |
| Germany | 8.577 | 20.000 | 36,008 | 36,986 | 40,061 | 113,054 |
| Lithuania | 0.031 | 0.211 | 380 | 390 | 422 | 1,192 |
| Netherlands | 1.873 | 12.739 | 22,936 | 23,559 | 25,518 | 72,012 |
| Poland | 0.501 | 3.408 | 6,135 | 6,302 | 6,826 | 19,262 |
| Sweden | 1.071 | 7.284 | 13,115 | 13,471 | 14,591 | 41,177 |
| United Kingdom | 6.642 | 20.000 | 36,008 | 36,986 | 40,061 | 113,054 |
| Total | 27.401 | 100.000 | 180,039 | 184,928 | 200,305 | 565,272 |

Table 3: Medium Term Plan for 2010-2012 in Euro

| Budget Item | Description | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|-------------|--|----------------|----------------|----------------|----------------|----------------|----------------|
| 1100 | Professional Staff | 86,047 | 87,768 | 89,524 | 92,209 | 94,976 | 97,825 |
| 1200 | Consultants | 8,500 | 8,755 | 15,150 | 15,605 | 16,073 | 16,555 |
| 1300 | Administrative Support | 36,750 | 38,588 | 40,517 | 41,732 | 42,984 | 44,274 |
| 1600 | Travel on Official Business | 5,870 | 6,045 | 6,225 | 6,412 | 6,604 | 6,802 |
| 2200 | Subprojects | - | - | - | - | - | - |
| 3300 | Meetings | 6,350 | 6,541 | 9,737 | 6,939 | 7,147 | 10,640 |
| 4000 | Equipment | 1,658 | 1,681 | 1,705 | 1,756 | 1,809 | 1,863 |
| 5100 | Operation and Maintenance | 10,753 | 10,775 | 10,799 | 11,123 | 11,457 | 11,800 |
| 5200 | Reporting Costs and Information Material | 2,107 | 2,170 | 2,235 | 2,302 | 2,371 | 2,442 |
| 5300 | Sundry | 1,291 | 1,330 | 1,370 | 1,411 | 1,453 | 1,497 |
| 5400 | Hospitality | - | - | - | - | - | - |
| | SUBTOTAL | 159,326 | 163,653 | 177,261 | 179,489 | 184,874 | 193,698 |
| 6000 | 13% PSC | 20,712 | 21,275 | 23,044 | 23,334 | 24,034 | 25,181 |
| | TOTAL | 180,039 | 184,928 | 200,305 | 202,823 | 208,908 | 218,879 |