

Agenda Item 16

Financial and Administrative Issues

Accounts for 2016 and 2017

Document 16.2.b

Mid Term Budget Report 2017

Action Requested

- Take note
- Comment

Submitted by

Secretariat



NOTE:
DELEGATES ARE KINDLY REMINDED
TO BRING THEIR OWN COPIES OF DOCUMENTS TO THE MEETING

Secretariat's Note

The Rules of Procedure adopted at the 19th Meeting of the ASCOBANS Advisory Committee remain in force until and unless an amendment is called for and adopted.

Mid-Term Report on Budgetary Issues 2017

1. This report has been prepared by the CMS/ASCOBANS Secretariat, using information provided by the United Nations Office in Nairobi (UNON).
2. The report contains figures as recorded in the book-keeping system as at 30 June 2017. The report is presented in Euro, which has been converted from the US dollar figures provided by UNON. All figures are rounded to the next full Euro.
3. Voluntary Contributions were received in the reporting period as follows:
Germany: €25,600 (incl. PSC) for various activities as agreed with the donor

Income to the General Trust Fund

4. Table 1 below shows contributions to the General Trust Fund for the Agreement on the Conservation of Small Cetaceans in the Baltic, North East Atlantic, Irish and North Seas (ASCOBANS) (BA) as at 30 June 2017.

Table 1 – Income

Country	Pledges for 2017	Contributions received for 2017	Outstanding Amount at 30/06/2017
	EUR	EUR	EUR
Belgium	12,987	12,987	0
Denmark	8,570	0	8,570
Finland	6,692	6,692	0
France	38,711	38,711	0
Germany	38,711	38,711	0
Lithuania	1,057	1,057	0
Netherlands	21,748	0	21,748
Poland	12,341	12,341	0
Sweden	14,029	14,029	0
United Kingdom	38,711	38,711	0
Total	193,557	163,239	30,318

Expenditure and Commitments of the General Trust Fund

5. Table 2 below shows the approved budget for 2017 and the status of expenditures on the General Trust Fund for the Agreement on the Conservation of Small Cetaceans in the Baltic, North East Atlantic, Irish and North Seas (ASCOBANS) (BA) as recorded in our bookkeeping system at 30 June 2017. A total of € 68,619 was spent or obligated in the period January to June 2017¹.
6. A total amount of € 88,756 was available for rephasal at the end of 2016 (note the conversion rate of 1 US\$ = € 0.9560 used for this report). Of this amount, € 24,668, the 2016 closing balance of all staff lines combined, was rephased to the Administrative Assistant's line (03.04) to cover anticipated extra time required (see paragraph 7 for details). € 2,390 have been set aside to cover planned expenditure exceeding the allocated € 1,800 on the experts travel line, as well as € 4,780 which were needed to cover immediate AC23 expenses². As a consequence, a total of € 56,918) is available for additional activities to be funded from the "Conservation Projects" line. € 1,125 are yet to be paid to the Zoological Society of London from this line (SSFA2017_2) (2nd Part of existing project, finalised in mid-2017, see AC23/Inf.9.1.a).
7. In the transitional phase the ASCOBANS Secretariat has found itself in due to staff changes, the Administrative Assistant has been required to work significant overtime. This situation is likely to continue for some time. With the rephased money from the 2016 budget (see above), the funds necessary to cover extra time are available; no additional commitments are needed. There are two options for facilitating the necessary time increases:
 - **Option A:** The time percentage of the Assistant could be temporarily increased from 50 per cent (20 hours per week) to 80 per cent (32 hours per week). Keeping some buffer, this would easily allow an increase to 80 per cent for 10 months (approx. 43 weeks, equalling 521 additional work hours) for an amount of € 17,027. This time increase does not need to be for an uninterrupted period, but could be planned e.g. for the two periods of high work load, such as the preparation phase of the annual working group meetings and ECS workshops, and the Advisory Committee Meeting. The hourly rate for this 80% option is € 33.
 - **Option B:** The more flexible option, granting overtime as needed on a case-by-case basis, would for the same amount of money allow for only around 347 additional work hours (67% compared to Option A) because overtime is charged at a higher rate per hour. In this case, the amount of overtime taken is flexible. Any unspent funds could be made available for the same purpose the following year, or be reallocated to other activities. The hourly rate for this overtime option is € 49.
8. The Secretariat will welcome the views of the Advisory Committee on the preferred way forward.

¹ All Euro figures are approximations due to variations in the exchange rate between Euro and US\$.

² Unlike in the past, the UMOJA administrative system used for all CMS/ASCOBANS accounting does not permit one to overspend on individual budget lines. While France, the host of the AC23, will cover expenses above the agreed € 3,654 on the "Meeting of the Advisory Committee" line, funds had to be temporarily made available on the line to allow the Secretariat to book AC23 tickets for three staff members, as well as the report writer. See also paragraphs 9 onwards below.

Table 2 – Expenditures and Balance

WBSE-SB000143.	Budget Item	Approved budget for 2017 in EURO³	Expenditures as at 30/06/2017 in EURO⁴	Balance as at 30/06/2017 in EURO
03.01	Executive Secretary (D1); 3%	6,259	2,728	3,531
03.02	CMS Senior Advisor (P4), 15%	22,808	10,739	12,069
03.03	Associate Coordination Officer (P2), 75%	77,995	34,857	43,138
03.06	Coordination for HP Action Plan	0	0	0
03.05	Consultants	2,000	0	2,000
03.04	Administrative Assistant (GS-5), 50%	58,721 ⁵	15,791	42,930
03.07	Travel Staff	5,000	3,820 ⁶	1,180
03.08	Experts Travel	4,190 ⁷	0	4,190
	Personnel Subtotal	176,973	67,935	109,038
03.09	Conservation Projects	56,918 ⁸	0 ⁹	56,918
	Subprojects Subtotal	56,918	0	56,918
03.11	Meeting of the Advisory Committee	8,434 ¹⁰ ,	0 ¹¹	8,434
03.12	Meetings of Working Groups	1,000	0 ¹²	1,000
	Meetings Subtotal	9,434	0	9,434
03.13	Office Supplies	500	0	500
03.14	Office Equipment	900	0	900

³ The approved budget consists of the allotment granted in Resolution 8.13 on Financial, Budgetary and Administrative Matters for the Forthcoming Financial Period 2017-2020 and the rephasing of the 2016 fund balance into the 2017 budget, in line with operational paragraph 15 of this Resolution. The exchange rate applied to the rephasals was 0,9560.

⁴ Estimated expenditure in Euro. Conversion rate used is 0.9253, the average UN exchange rate for the period January-June 2017. Totals may be affected by rounding.

⁵ US\$ 25,803 (approx. € 24,668) from the 2016 balance have been allocated to this budget line to cover for anticipated extra time needs.

⁶ Travel Heidrun Frisch-Nwakanma and Aline Kühl-Stenzel to the ECS in Denmark (note: Ms. Frisch-Nwakanma did not receive Daily Subsistence Allowance).

⁷ US\$ 2,500 (approx. €2,390) from the 2016 balance has been allocated to this budget line to cover for AC23 expert travel.

⁸ Rephased amount (€56,918) from 2016 balance.

⁹ € 1,125 to be set aside for SSFA2017_2 (ZSL), see AC23/Inf.9.1.a

¹⁰ US\$ 5,000 (€ 4,780) from the 2016 balance have been allocated to this budget line to cover. These funds will become available for other purposes after reimbursement from the host country.

¹¹ Expenditures related to AC23 were all incurred after the period covered in this report.

¹² Costs related to the back-to-back NSG and JG meetings in June 2017 were covered by the German voluntary contribution.

WBSE-SB000143.	Budget Item	Approved budget for 2017 in EURO ³	Expenditures as at 30/06/2017 in EURO ⁴	Balance as at 30/06/2017 in EURO
	Equipment and Premises Subtotal	1,400	0	1,400
03.15	Operation/Maintenance computers	200	0	200
03.16	IT Services	10,200	0 ¹³	10,200
03.17	Operation/Maintenance of printers	300	0 ¹⁴	300
03.18	Information Material/Outreach and Education Work	1,500	0	1,500
03.19	Reference Material	120	0	120
03.20	Website Maintenance and Development	2,000	280 ¹⁵	1,720
03.21	Telephone /Fax/ Postage/Miscellaneous	1,000	258 ¹⁶	742
	Miscellaneous Costs Subtotal	15,320	538	14,782
	SUBTOTAL	260,045	68,473	191,572
	UN-PSC, 13%	33,806	8,902	24,904
	GRAND TOTAL	293,851	77,374	216,476

Changes to Arrangements for Hosting of Future Meetings

9. One consequence of the change in recent years of the United Nations to International Public Sector Accounting Standards (IPSAS) and the new enterprise resource system Umoja is that it is no longer possible to overdraw budget lines.
10. So far, the arrangements for hosting ASCOBANS meetings (workshops, North Sea Group, Jastarnia Group, Advisory Committee and Meeting of the Parties) was that the host would reimburse costs incurred to the Secretariat that exceed the available budget (e.g. for staff travel, contract and travel of the report writer, or shipments of needed material) following the meeting. These invoices have ranged between € 3,000 - 6,000.
11. The Secretariat proposes that meeting hosts transfer € 5,000 for working group meetings and € 10,000 for AC and MOP meetings well in advance, before travel arrangements etc. have to be made. Following the meeting, the Secretariat will report on actual expenditure and offer to reimburse leftover funds. The host will then be able to decide whether funds should be returned, or may be used as a voluntary contribution for other activities.

¹³ Charges by UN Volunteers (e.g. server provision/maintenance, IT service) will be made later in 2017.

¹⁴ Charges by CMS for use of printers will be made later in the year.

¹⁵ Website hosting and domain costs.

¹⁶ Transport costs for one pallet to Sylt for exhibition „The last 300“, postage of outreach material.