



**MEMORANDUM OF UNDERSTANDING
ON THE CONSERVATION AND
MANAGEMENT OF MARINE TURTLES
AND THEIR HABITATS OF THE INDIAN
OCEAN AND SOUTH-EAST ASIA**

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8TH MEETING OF THE SIGNATORY STATES

Da Nang, Viet Nam, 21-25 October 2019

Agenda Item 13.3

DRAFT BUDGET 2020-2023

(Prepared by the Secretariat)

Action requested:

- Decide on the budget for the coming intersessional period
- Decide the Indicative Scale of Contributions

DRAFT BUDGET 2020-2023

1. In this document, the Secretariat is presenting an indicative budget for the years 2020-2023, which provides for basic Secretariat operating costs plus some allocations for implementation of the Programme of Work to be agreed at this meeting.

Budget Proposal

2. Throughout the current budgetary period, as shown in Document 13.2, the Secretariat had to operate with a significantly lower income than the one foreseen in the budget agreed at MOS7. This has proven to be very challenging, given that adequate and predictable resources are crucial for the delivery of the most fundamental objectives of the MOU, and maintain the Secretariat. Therefore, the budget proposal presented in Table 1 foresees the same average funding needs as have applied since 2015, showing what the MOU should have at its disposal in a modest but healthy scenario. The Secretariat strongly advises against reducing this average annual budget and reiterates its call to Signatories to provide the required funding more reliably.
3. The budget foresees coverage of 80 per cent of the Coordinator's staff time, with the remaining 20 per cent being covered by CMS. Due to the lower grade of the position, this resulted in reduced allocations for staff costs, despite an increase in standard costs. For standard staff costs, calculations have to include the net salary base (the same for all UN professional staff at the same level), the post adjustment (depending on cost of living at the duty station), the staff assessment (deductions credited to the UN Tax Equalization Fund in lieu of national income taxes) and the common staff costs (covering e.g. assignment grants and education grants for international professional staff). The required budget allocations are accordingly much higher than the salary paid to staff.
4. As in the past, costs for a part-time assistant at G-4 level were included, even though the low income received did not allow recruitment against this position. The higher budgetary allocation for this reflects the salary costs and overheads to be expected in the Bonn duty station.
5. The proposal incorporates a 2 per cent year-on-year inflation rate for staff costs, which takes into account the impact of inflation on post adjustment and other entitlements as well as normal within-grade salary increments and revisions.
6. Allocations have also been made for consultancies and projects that are likely to be needed to implement the Programme of Work to be agreed at this meeting (see Doc.8.2).
7. A new line has been introduced for expert travel, which would allow e.g. the funding of travel of members of the Advisory Committee (AC) to attend external meetings on behalf of the AC, or to engage in capacity-building activities requested by Signatories. Other potential beneficiaries could be chairs of the Marine Turtle Task Forces. Any travel support would have to be directly linked to the implementation of a measure foreseen in the Programme of Work.
8. Also, the budget proposal includes funding for a potential additional Advisory Committee meeting in the intersessional period. The rationale for this is being presented in Doc.14.1.c.

9. The Secretariat suggests maintaining the provisions for supporting the participation of delegates for the 9th Meeting of Signatory States, provisionally scheduled for 2023, at a similar level to previous budgetary periods. The costs of €120,000 were estimated based on the participation of approximately thirty sponsored delegates. The eligibility of a Signatory to receive funding is being assessed in accordance with standard practice, applying the 0.2 benchmark of the United Nations Scale of Assessments¹.
10. No provision has been made for the rent and maintenance of office space, as these continue to be borne by the Government of Germany under the terms of their agreement in relation to the hosting of the CMS Family in Bonn.

Average Annual Budget and Indicative Levels of Voluntary Contributions

11. As mentioned above, the budget proposal presented in Table 1 foresees the same average funding needs of US\$315,000 than applied since 2015.
12. MOS5 in 2008 acknowledged that while the IOSEA MOU is likely to be funded through voluntary contributions for the foreseeable future, some guidance would be helpful as to the level of funding needed from member States to cover operational costs. A formula was agreed making reference to the official United Nations Scale of Assessments, adapted to fit the circumstances of historical contributions to IOSEA. In line with this practice, which was continued at MOS6 (2012) and MOS7 (2014), the Secretariat has again calculated an indicative level of voluntary contribution for each IOSEA Signatory State, based on the annual budget averaging US\$315,000 for the years 2020 to 2023.
13. The resulting indicative scale of voluntary contributions has been prepared as guidance for Signatory States to refer to when determining an appropriate level of contributions and is presented in Table 2. It uses the currently applied minimum contribution of US\$750 and has fixed the indicative voluntary contributions of the three major, regular donors in the current budgetary period, India, South Africa and United States. The suggested voluntary contributions of the remaining Signatory States have been computed proportionately according to the UN Scale of Assessments to reach the total average budget of US\$315,000 per annum.

Financial Period

14. Contrary to past practice, the budget proposal assumes a four-year budgetary period. This time scale seemed more realistic to the Secretariat, given the insecure financial footing of the MOU; the proposals can however easily be changed to three-year budgetary periods, should Signatories wish to see such options.
15. In case income to the MOU Trust Fund is not sufficient for holding the 9th Meeting of Signatory States (MOS9) in 2023, the Secretariat would again propose to Signatories that the same indicative levels of voluntary contributions would be applied to following years.

¹ This scale is agreed by the United Nations General Assembly and is periodically updated to reflect, as far as possible, the actual ability of countries to contribute to UN programmes. The current UN scale applies to the period 2019-2021 and is available here: <https://undocs.org/en/A/RES/73/271>.

Financial Arrangements

16. In accordance with the United Nations General Assembly Resolution 35/217 of 17 December 1980, the United Nations Environment Programme charges a 13 per cent fee on Trust Fund expenditure for administering the CMS Secretariat. The General Assembly resolution is intended to ensure that the core resources provided to UN organizations are not diverted away from the core mandates approved by their legislative organs towards administering or implementing extrabudgetary activities. In the case of the United Nations Environment Programme, the Executive Director has, in accordance with the established Programme Support Costs (PSC) policy, decided to return a portion of the 13 per cent PSC charged on the expenditure of all the funds in the CMS Family to help cover the costs of the CMS Secretariat's administrative support services, funding the staff of the Administrative and Finance Management Unit.

17. In accordance with ST/AI/285 on operation of Trust Fund, United Nations Trust Funds are required to maintain an operating cash reserve at the level of 15 per cent of the annual estimated expenditures during the implementing of the trust funds activities in order to cover uneven inward cashflows and unanticipated programme budget fluctuations. Therefore, the Secretariat has proposed to establish such operating reserve just above the level of 15 per cent at a constant level of US\$50,000.

Recommended Actions

18. The Meeting of the Signatories is recommended to:
 - a) decide on the budget for the coming intersessional period.

 - b) decide the Indicative Scale of Contributions.

Table 1: Proposed budget for the financial period 2020 to 2023

Budget estimates 2020-2023 (in USD) for 32MRL - Technical Cooperation Trust Fund on the Conservation and Management of Marine Turtles and their Habitats of the Indian Ocean and South East Asia (IOSEA)					
Budget Line	2020	2021	2022	2023	Total
<u>Personnel</u>					
Professional Staff					
Coordinator (P-3 80%)	132,700	135,354	138,061	140,822	546,937
Consultants & individual contractors					
Consultancies	10,000	10,000	10,000	10,000	40,000
Administrative Support					
Team Assistant (G-4 50%)	31,324	31,950	32,589	33,241	129,105
Travel on official business					
Staff travel	14,000	14,000	14,000	14,000	56,000
Expert travel	4,000	4,000	4,000	4,000	16,000
Personnel Subtotal	192,024	195,304	198,651	202,064	788,043
<u>Sub-contracts</u>					
Project activities / SSFA	20,000	20,000	20,000	20,000	80,000
Sub-contracts Subtotal	20,000	20,000	20,000	20,000	80,000
<u>Meetings & conferences</u>					
Meeting of Signatory States (MOS)	0	0	0	120,000	120,000
Advisory Committee Meetings (AC)	0	20,000	0	20,000	40,000
Meetings Subtotal	0	20,000	0	140,000	160,000
<u>Equipment and Premises</u>					
Expendable equipment					
Office automation services (printers and faxes)	500	500	500	500	2,000
Non-expendable equipment					
Office equipment (computers, peripherals)	2,000	0	2,000	0	4,000
Premises					
Rent, maintenance costs	0	0	0	0	0
Equipment and Premises Subtotal	2,500	500	2,500	500	6,000
<u>Miscellaneous Costs</u>					
Operation and Maintenance costs					
IT. Services & Websites	550	561	572	584	2,267
Operation/maintenance computers	6,000	6,120	6,242	6,367	24,730
Reporting costs					
External production of info material	1,000	0	1,000	0	2,000
Sundry					
Communication & Courier services	400	400	400	400	1,600
Miscellaneous supplies	1,500	1,500	1,500	1,500	6,000
Miscellaneous Costs Subtotal	9,450	8,581	9,715	8,851	36,597
Sub-total	223,974	244,385	230,865	371,414	1,070,639
UNEP programme support costs (13%)	29,117	31,770	30,012	48,284	139,183
Build-up of Working Capital	12,500	12,500	12,500	12,500	50,000
Grand-total	265,591	288,656	273,378	432,198	1,259,822

Table 2: Indicative Scale of Voluntary Contributions, applying a minimum contribution of US\$ 750, and fixing the following contributions at the same levels as in the current budgetary period: United States: US\$ 80,000, South Africa: US\$ 25,000, India: US\$ 15,000

	Signatory	UN Scale (2019-2021)	Scale Adjusted to 100%	Amended Scale Adjusted to 100%	Indicative Voluntary Contribution in USD
1	Australia	2.21	5.723	8.33	26,253
2	Bahrain	0.05	0.129	0.24	750
3	Bangladesh	0.01	0.026	0.24	750
4	Cambodia	0.006	0.016	0.24	750
5	Comoros	0.001	0.003	0.24	750
6	Egypt	0.186	0.482	0.70	2,210
7	Eritrea	0.001	0.003	0.24	750
8	France	4.427	11.464	16.69	52,589
9	India	0.834	2.160	4.76	15,000
10	Indonesia	0.543	1.406	2.05	6,450
11	Iran (Islamic Republic of)	0.398	1.031	1.50	4,728
12	Jordan	0.021	0.054	0.24	750
13	Kenya	0.024	0.062	0.24	750
14	Madagascar	0.004	0.010	0.24	750
15	Malaysia	0.341	0.883	1.29	4,051
16	Maldives	0.004	0.010	0.24	750
17	Mauritius	0.011	0.028	0.24	750
18	Mozambique	0.004	0.010	0.24	750
19	Myanmar	0.01	0.026	0.24	750
20	Oman	0.115	0.298	0.43	1,366
21	Pakistan	0.115	0.298	0.43	1,366
22	Papua New Guinea	0.01	0.026	0.24	750
23	Philippines	0.205	0.531	0.77	2,435
24	Saudi Arabia	1.172	3.035	4.42	13,922
25	Seychelles	0.002	0.005	0.24	750
26	South Africa	0.272	0.704	7.94	25,000
27	Sri Lanka	0.044	0.114	0.24	750
28	Sudan	0.01	0.026	0.24	750
29	Thailand	0.307	0.795	1.16	3,647
30	United Arab Emirates	0.616	1.595	2.32	7,317
31	United Kingdom	4.567	11.826	17.22	54,252
32	United Republic of Tanzania	0.01	0.026	0.24	750
33	United States of America	22.00	56.970	25.40	80,000
34	Viet Nam	0.077	0.199	0.29	915
35	Yemen	0.01	0.026	0.24	750
		38.617	100	100	315,000