



SECOND MEETING OF THE STANDING COMMITTEE

2 - 3 November 2004, Bonn, Germany

ALLOCATION OF FUNDS ACCRUED THROUGH CONTRIBUTIONS OF NEW CONTRACTING PARTIES

INTRODUCTION

At the second session of the Meeting of the Parties it was agreed that each Party shall contribute to the budget as adopted in Resolution 2.7. Furthermore, it was agreed that the contributions as laid down in Appendix to Resolution 2.7 shall be fixed till the next ordinary session of the Meeting of the Parties.

During the discussion on the 2003-2005 Budget proposal, it was agreed that additional funds accrued from contributions of new Parties that accede to the Agreement after the 1st January 2003 could be used for a number of activities as listed at the end of the budget proposal.

Since MOP2 the number of Contracting Parties has grown from 33 to a current 48, funds have been accrued for activities as listed in Appendix 1 to Resolution 2.7.

At the first meeting of the Standing Committee (November 2003, Germany), an amount of US \$ 118,650 of the funds accrued by contributions of new Parties was already allocated to: consultancies regarding research/ surveys; development of International Single Species Action Plans; regional meetings and for the development of information materials.

Besides an overview of the total amount available, this document also contains a proposal regarding how to use these funds taking into account the funds that were already allocated at the first meeting of the Standing Committee.

The members of the Standing Committee are requested to agree with the proposal drafted by the Secretariat regarding allocation of the funds accrued through contributions of new Contracting Parties.

CONTRIBUTIONS OF NEW PARTIES

Since the 1st January 2003, the number of Contracting Parties has grown from 37 to 48 as of 1 November 2004. The following Range States became Contracting Parties to the Agreement: Djibouti, France, Hungary, Ireland, Lithuania, Luxembourg, Nigeria, Portugal, Slovenia, Syria and Uzbekistan. Appendix III paragraph 6 to Resolution 2.7, '*States that becomes a Party after the beginning of the financial period, the initial contribution (from the first day of the third month after deposit of the instruments of ratification, acceptance or approval until the end of the financial period) shall be determined pro rata based on the same level of the United Nations scale of assessments, as applies for that time*', has been used by the Secretariat as Terms of Reference to calculate the contribution for these eleven new Parties for 2003, 2004 and 2005. The outcome of this is presented in table 1.

Table 1: Contributions of new Parties in US Dollars

New Contracting Party	Entry into force	2003	2004	2005	Total
Hungary	01-03-2003	2,414	2,997	5,971	11,382
Ireland	01-08-2003	2,841	7,055	13,632	23,528
Syria	01-08-2003	773	1,920	3,709	6,402
Slovenia	01-10-2003	466	1,927	3,724	6,117
Luxembourg	01-12-2003	152	1,888	3,648	5,688
France	01-12-2003	7,231	89,777	173,455	270,463
Portugal	01-03-2004	-	5,297	12,280	17,577
Djibouti	01-03-2004	-	100	100	200
Uzbekistan	01-05-2004	-	101	292	393
Nigeria	01-07-2004	-	388	1,799	2,187
Lithuania	01-11-2004	-	55	634	734
Total		13,877	111,505	219,244	344,626

PROPOSAL FOR ALLOCATION OF FUNDS

Based on the figures given in table 1, the total amount of funds that will be accrued from new Contracting Parties is US \$ 344,626. At the first meeting of the Standing Committee, the decision was taken to allocate US \$ 118,650 for a number of projects/ activities as listed in document AEWA/ StC 1.10. This means that an amount of US \$ 225,976 remains and could be allocated for projects/ activities for 2005. However, MOP2 already took the decision for which projects/activities the additional funds accrued through contributions for new Contracting Parties could be used. An overview of these projects/activities is given below in Table 2.

Table 2: Projects to be funded by extra income from contributions of New Parties that accede to the Agreement after 1 January 2003.

Budget line	2003	2004	2005	Total
1222 Consultancies regarding research/ surveys	0	25,000	25,000	50,000
2202 Project (support to implementation of GEF project)	50,000	50,000	50,000	150,000
2203 Development of International Species Action Plans (matching funds)	15,000	15,000	15,000	45,000
3304 Regional meetings	30,000	30,000	30,000	90,000
5202 Information material	10,000	10,000	10,000	30,000
Subtotal	105,000	130,000	130,000	365,000
UNEP overhead 13 %	13,650	16,900	16,900	47,450
Grand Total	118,650	146,900	146,900	412,450
Income/ contributions of New Parties	118,650	146,900	146,900	412,450
Remaining cost to be shared by the Parties	0	0	0	0

By comparing Table 1 and Table 2, it becomes clear that the accession of new Parties is going a bit slower than expected at the time the Budget proposal for MOP2 was drafted. However, it should be noted that we still have more than a year to go before we reach the end of 2005. It is expected that by that time,

a total amount of approximately US \$ 400,000 will be accrued.

With the exemption of the figure for the GEF project, the figures given in table 3 for the year 2005 are in line with Appendix 1 to Resolution 2.7 (see table 2). At the previous StC meeting the Secretariat proposed to wait with allocating funds for the GEF project until implementation of this project started. Based on the latest information, implementation will probably start in late 2004. Therefore, the Secretariat proposes to re-allocate the funds initially foreseen for this project in 2003 and 2004, and totalling US \$ 100,000, to 2005. As indicated above, a total amount of US \$ 226,624 is available. The current proposal foresees an allocation of US \$ 214,700, which is US \$ 11,924 less than actually available.

It is expected that a number of new Contracting Parties will join the Agreement before the end of 2005. This will again give leverage with some additional funds. The Secretariat proposes that, at the next StC meeting, it will be decided how to use the funds available at that time.

Table 3: Proposal for allocation of funds from contribution of new Parties in US Dollars

Project description:	2004¹	2005
1222 Consultancies regarding research/surveys	25,000	25,000
2202 Project (support to implementation of GEF project)	-	100,000
2230 Development of International Single Species Action Plans (matching funds)	30,000	15,000
3304 Regional meetings	30,000	30,000
5202 Information material	20,000	10,000
<i>AEWA award to be granted to Institutions/ Private Persons</i>		10,000
Subtotal	105,000	190,000
UNEP overhead 13 %	13,650	24,700
Grand Total	118,650	214,700

Except for the idea of establishing an AEWA award, all projects mentioned above are listed in Annex 1 to Resolution 2.7. As part of the celebration of the 10th Anniversary of the Agreement, one of the ideas that came up is to establish an AEWA award that will be granted every three years during the ordinary session of the Meeting of the Parties. For the time being, it is proposed to divide the nominees for such an award into two categories: Institutions and Private Persons. The award, consisting of an amount of €5,000, will be granted to those Organisations and Private Persons that have made exceptional contributions to the development and/ or implementation of the Agreement. Although it is proposed to allocate €10,000 for this award in 2005, the Secretariat will do its utmost to find sponsors to cover not only the costs for 2005 but also for future awards.

If agreement is reached in the Standing Committee on allocation of the funds accrued from contributions of new Parties that acceded to AEWA after the 1st of January 2003, the following steps will be taken by the Secretariat:

- 1) to inform UNON about the decision of the Standing Committee on the allocation of funds from contributions of new Parties,
- 2) to prepare a budget revision to include the allocated funds,
- 3) to submit concrete project proposals to the members of the Technical Committee for approval,
- 4) to contract out the projects and
- 5) to report back to the Standing Committee and the Technical Committee on progress made regarding the projects as listed in Table 3.

¹ Funds that have been already allocated by the decision of the StC1.