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|  | *AGREEMENT ON THE CONSERVATION OF**AFRICAN-EURASIAN MIGRATORY WATERBIRDS* | *AEWA/StC15.8 rev.2**Agenda items 9a to d* *13 December 2019* |
| **15th Meeting of the STANDING COMMITTEE***11 – 13 December 2019, Bristol, United Kingdom* |
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**REPORT OF THE SECRETARIAT ON FINANCE AND**

**ADMINISTRATIVE ISSUES**

*Prepared by the UNEP/AEWA Secretariat*

**Introduction**

At the 7th Session of the Meeting of the Parties (MOP7) in December 2018, the core budget for 2019-2021 was adopted through Resolution 7.12. The Secretariat reported on financial and administrative matters at the13th Standing Committee Meeting in July 2018 and, for the period 1 January 2016 – 30 September 2018, at MOP7.

The present document focuses on staffing issues and income and expenditures for the period 1 January 2019 – 20 October 2019. To complement the report delivered at MOP7 it also contains the final expenditure situation for 2016-2018 after closure of 2018 accounts and reports on all voluntary contributions received in 2018.

**Action Requested from the Standing Committee:**

The Standing Committee is requested to take note of the information provided in the report.

**1. Staffing (January – October 2019)**

For details on the staffing situation and organisation of the Secretariat please see the Report of the Secretariat (UNEP/AEWA/StC/15.5).

The Secretariat would like to point out that it becomes increasingly difficult to find sufficient financial resources for the Secretariat’s posts that are partially or fully depending on voluntary contributions. Due to a lack of funding the Secretariat was not in the position to extend the contract of the Assistant to the European Goose Management Platform beyond July 2019, who had been recruited in November 2017. Voluntary contributions are, moreover, still lacking for both positions under the African Initiative (Coordinator (P-2) and Programme Management Assistant (G-5)), which are both covered through the AEWA core budget at 50 % level only. Thanks to the generous contributions received from the EC and the Governments of Luxembourg, Germany and Switzerland the positions could be maintained at 100 % (P-2) and 80 % (G-5) respectively in 2019. However, both budget lines show over-expenditures since the last quarter of the year, which the Secretariat will need to compensate for retrospectively.

**2. Core Budget (AWL) - Overview of income and expenditure**

*Income*

Annex 1 summarizes the status of collection of annual assessed contributions from Parties as at 20 October 2019. The assessed contributions 2019-2021 approved by MOP7 amount to EUR 3,203,160. Since the adoption of the budget the Governments of Serbia and Malawi joined the Agreement, which adds to the assessed contributions approved by MOP7. The overview shows a fairly healthy income situation. Still, unpaid contributions amount to a total of EUR 644,059 [update as at 9 Dec: EUR 402,741], split up as follows: EUR 292,867 for 2018 and previous years, and EUR 351,192 [update as at 9 Dec: EUR 109,874] for 2019. Advanced payments for future years amount to EUR 296,854 [update as at 9 Dec: 311,054]. The Secretariat regularly reminds Parties with arrears to pay their dues and has been successful in individual cases; actually only six countries from the 80 Parties have not yet made any payment since their accession.

In early 2019 the Secretariat was informed by UNEP that the service of invoicing for future years would not be available anymore due to incompliance with the International Public Sector Accounting Standards (IPSAS). Contracting Parties therefore – different from the past years – received invoices referring to the year 2019 only.

In follow up of Resolution 7.12, which explicitly “requests Parties, in particular those that are required to pay the minimum contribution, to consider paying for the whole triennium in one instalment”, the Secretariat requested UNEP to re-assess the IPSAS requirements in the light of Resolution 7.12 and was successful with its request. In July 2019 Contracting Parties received a second invoice referring to the whole triennium 2019-2021.

*Expenditures (triennium 2016-2018)*

Annex 2 shows the budget implementation for 2016-2018 as at 31 December 2018. The triennial budget shows a positive ending balance of EUR 159,946 before Programme Supporting costs, corresponding to an implementation rate of 94,13 %. The Secretariat would like to point out that the costs related to the interpretation services and staff overtime at MOP7 were partly recorded in 2019 due to delays in payments. As these costs relate to the year 2018 they are, however, reflected in the expenditure report for 2018.

*Expenditures (year 2019)*

Annex 3 provides an interim report of 2019 budget implementation as at 20 October 2019. As agreed at MOP7, the budget for 2019 includes an authorised withdrawal from the trust fund of USD 2,200 including Programme Support Costs.

Overall, the budget shows a negative end-year balance of 73,157 EUR due to over-expenditure in both staff lines, Professional Staff and General Service Staff.

EUR 758,801 of the total budget is for staff salaries, corresponding to 75,39 % of the 2019 budget. The staff overspendings result mainly from an increase in working hours from 50 % to 100 % and
80 % respectively for the Coordinator and Programme Management Assistant of the African Initiative. The Secretariat hopes to be able to compensate these over-expenditures by a voluntary contribution that is still pending for confirmation at the time of writing this report.

*Trust Fund balance*

According to the currently available preliminary statement of financial performance for the year 2019, the Trust Fund balance for assessed contributions as at 20 October 2019 is expected to amount to **USD 315,563 [update as at 9 Dec: USD 790,254]** (which is inclusive of the Operating Reserve of a constant level of at least 15 % of the estimated annual expenditure or € 150,000, whichever is higher). The Secretariat, however, wishes to point out that advance payments of € 296,854 [update as at 9 Dec: 311,054] for 2020 are included in this figure. Also, the final figure might still slightly differ due to corrective actions.

**3. Voluntary Contributions (AVL) - Overview of collections 1 January 2018 – 20 October 2019**

In addition to the annual contributions paid by Parties towards the AEWA core budget (AWL), the Secretariat also received voluntary contributions from different Governments and organisations that were earmarked for certain activities. These voluntary contributions are managed in the separate Trust Fund (AVL). Annexes 4 and 5 summarize the voluntary contributions to the AVL Trust fund in 2018 and 2019 respectively. The pledged voluntary contributions amounted to **EUR 752,212.74** in 2018 (Annex 4)[[1]](#footnote-1) and **EUR 353,635.18 [update as at 9 Dec: EUR 503,635.18]** in 2019 (Annex 5). Two additional pledges for 2019 (from Switzerland and the UK) are pending for confirmation at the time of writing this report. The Secretariat would like to thank all Governments and organisations that have provided contributions to AEWA [update as at 9 Dec: UK still pending for final confirmation].

**4. In-kind Contributions received since 1 January 2019**

The Secretariat was requested through Resolution 7.12 “to endeavour compiling a list of all in-kind contributions received in support of meetings, workshops and other projects (co-)organised by the Secretariat to be published through the Report of the Secretariat on Finance and Administrative Issues in 2019-2021.

Annex 6 shows the list that the Secretariat has compiled to cover the period 1 January 2019 – 20 October 2019.

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| **ANNEX 1: GENERAL TRUST FUND OF THE AGREEMENT ON THE CONSERVATION OF AFRICAN - EURASIAN MIGRATORY WATERBIRDS (AWL)****Status of Contributions from Contracting Parties as at 20 October 2019 (Euros)** |
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**UPDATE AS AT 9 DEC:**



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**ANNEX 2**

**IMPLEMENTATION OF THE APPROVED AEWA BUDGET 2016 - 2018**

**Report as at 31 December 2018**





**ANNEX 3**

**IMPLEMENTATION OF THE APPROVED AEWA BUDGET 2019**

**Interim Report as at 20 October 2019**



 **ANNEX 4: GENERAL TRUST FUND FOR VOLUNTARY CONTRIBUTIONS IN RESPECT OF THE AGREEMENT ON THE CONSERVATION OF AFRICAN-EURASIAN MIGRATORY WATERBIRDS (AVL) AS AT 31 DECEMBER 2018**



**ANNEX 5: GENERAL TRUST FUND FOR VOLUNTARY CONTRIBUTIONS IN RESPECT OF THE AGREEMENT ON THE CONSERVATION OF AFRICAN-EURASIAN MIGRATORY WATERBIRDS (AVL) AS AT 20 OCTOBER 2019**



**UPDATE AS AT 9 DEC:**



**ANNEX 6: IN-KIND CONTRIBUTIONS RECEIVED AS AT 20 OCTOBER 2019**



1. **EUR 471,946** + USD 313,147.20, equivalent to **EUR 280,266.74** (average exchange rate for 2018: 0,895). [↑](#footnote-ref-1)