

Report of the Subgroup on Finance, 4 September 2023

This Report includes the recommendations for the consideration of the Standing Committee made during the meeting of the Subgroup on Finance on 4 September 2023.

The Chair opened the meeting and asked the Subgroup to refer to the actions requested in documents on financial and budgetary matters, noting that the discussions related to the report on financial matters for 2022 and 2023 would be considered after those on the annual contributions.

1. Status of annual contributions

The Secretariat briefly summarized document SC62 Doc.8.2, presenting the status of annual contributions as of 31 December 2022, and noting the increases in the annual contributions receivable at that date and in the provision against contributions not received. It listed: actions taken on group confirmation of outstanding contributions as part of the audit process; actions to continue encouraging the payment of annual contributions; and the status of the African voluntary contributions.

The Chair noted that Subgroup members had no additional comments. The Subgroup approved the recommendations for decisions by the Standing Committee.

Recommendation for decision by the Standing Committee:

The Subgroup on Finance recommends that the Standing Committee:

- i. take note of the status of annual contributions;***
- ii. note the actions listed in paragraphs 12 and 13 of document SC62 Doc.8.2 on group confirmation of outstanding contributions as part of the audit process;***
- iii. note the actions listed in paragraphs 15, 17, 18 and 19 of document SC62 Doc.8.2 to continue encouraging the payment of annual contributions by the Contracting Parties;***
- iv. note the changes in annual contributions receivable and in the annual provision against contributions receivable; and***
- v. note the status of the voluntary contributions received from the Contracting Parties in the Africa region outlined in paragraph 22 of document SC62 Doc.8.2.***

2. Report on financial matters for 2022 and 2023

Document SC62 Doc.8.1, requested actions i. to iv.

The Secretariat introduced the elements of document SC62 Doc.8.1 relating to financial matters concerning the core budget for 2022 and 2023. It highlighted the audited financial statements for 2022; the core budget results for 2022; the pre-committed funds to be carried forward from 2022 to

2023; and the status of non-core funding and voluntary contributions, expressing appreciation to Parties and donors that have contributed.

Following a request by the Subgroup, the Secretariat clarified the aggregate surplus of core funds and non-core projects, providing further explanations on the operating expenditures for non-core projects.

Document SC62 Doc.8.1, requested actions v. to viii.

The Secretariat summarized the items for discussion regarding the core budget allocations: the repurposing of unspent balance for Ramsar Advisory Missions (RAMs); the request to approve the use of CHF 140,000 to complement voluntary funding for COP14 delegate travel; the request to approve the allocation of CHF 30,000 to the Southern Africa Ramsar Regional Initiative (SARRI) for activities in 2023; and options suggested by the Secretariat for possible uses of the 2022 surplus, including CHF 22,000 for the review of previous Resolutions and decisions, up to CHF 7,000 for approaches and online systems to enhance collaboration between Contracting Parties, and up to CHF 90,000 for provision of technical support to Contracting Parties to ensure that key data is available in the Ramsar Sites Information Service (RSIS) for all Wetlands of International Importance, in particular regarding Site boundaries.

Regarding the provision of support to Contracting Parties in relation to RSIS data, the Subgroup noted the importance of ensuring that all regions are adequately engaged in the process. Members further requested clarification on how the Secretariat had estimated the proposed allocation of CHF 90,000 over the 2023-2025 triennium.

The Secretariat explained that the use of this amount of surplus funds will enable support, as requested, to Contracting Parties in all regions. The Secretariat further clarified that approving a lower amount would reduce the ability to provide support to all countries that require it. It was noted that a voluntary contribution for such a purpose has already been received in 2023, earmarked to the African region.

The Subgroup agreed with the allocation, noting that this support should not be used for Sites located in areas affected by conflict or in disputed territories; and emphasizing that updating Ramsar Site data is the responsibility of Contracting Parties, and Contracting Parties should focus on collecting the necessary data themselves.

Recommendation for decision by the Standing Committee:

The Subgroup on Finance recommends that the Standing Committee:

- i. accepts the 2022 audited financial statements as of 31 December 2022;***
- ii. notes the core budget results for 2022;***
- iii. notes the status of the non-core balances and voluntary contributions for 2022;***
- iv. approves the carry forward of the pre-committed funds totalling CHF 701,000 from 2022 to 2023, as included in column D of the table in Annex 1 Core budget 2023 of the present report;***
- v. approves the repurposing of unspent balance for Ramsar Advisory Missions, as described in paragraph 11 of document SC62 Doc.8.1;***
- vi. approves the allocation of 2022 surplus of CHF 140,000 to complement voluntary funding for COP14 delegate travel, as described in paragraph 18 of document SC62 Doc.8.1;***
- vii. approves the allocation of CHF 30,000 from the core budget to the Southern Africa Ramsar Regional Initiative (SARRI) for activities in 2023, as described in paragraph 32 of document***

SC62 Doc.8.1; and

viii. approves allocation of 2022 surplus amounting to:

- CHF 22,000 for review of previous Resolutions and decisions;*
- CHF 7,000 for approaches and online systems to enhance collaboration between Contracted Parties intersessionally; and*
- CHF 90,000 for technical support during the 2023-2025 triennium to ensure that key data is available in the Ramsar Sites Information Service (RSIS) for Wetlands of International Importance in all regions, with a focus on Site boundaries, noting that funds should not be used for Sites located in areas affected by conflict or in disputed territories, and further noting that updating Site data is primarily the responsibility of Contracting Parties, and should be encouraged before utilizing the service.*

Annex 1 to the report of the Subgroup on Finance
Core budget 2023

(CHF '000s, includes possible rounding differences)

2023 Ramsar Budget COP14 Approved CHF '000s	Approved budget (COP14- approved) (A)	COP14 authorised use of 2021 budget savings (B)	Pre- committed 2022 to be spent in 2023 (C)	SC62 authorised use of 2022 surplus (D)	Total 2023 budget (E)= (A)+(B)+(C)+ (D)
INCOME					
Parties' Contributions	3,779	0	0		3,779
Voluntary contributions	1,065	0	0		1,065
Income Tax	225	0	0		225
Other Income (including Interest Income)	12	0	0		12
TOTAL INCOME	5,081	0	0	0	5,081
EXPENDITURES					
A. Secretariat Senior Management	1,050	5	8	0	1,063
Salaries, social costs and other benefits	1,010	0	0		1,010
Travel	40	5	8		53
B. Resource Mobilization and Outreach	508	45	225	0	778
Salaries, social costs and other benefits	352	0	0		352
CEPA Programme	30	0	79		109
Comms, Translations, Publications and Reporting Implementation	60	40	113		213
Web/IT support and Development	56	0	0		56
Web re-development	0	0	28		28
Travel	10	5	5		20
C. Regional Advice and Support	1,309	10	121	0	1,440
Salaries, social costs and other benefits	1,242	0	0		1,242
Travel	67	10	25		102
Ramsar Advisory Missions	0	0	96		96
D. Support to Regional Initiatives	100	0	24	0	124
Regional networks and centres – available budget not allocated in 2023 (<i>this will be a budget surplus at the end of 2023</i>)	70	0	0		70
Southern African RRI 2023 activities	30	0	0		30
Amazon Basin 2021 carry over	0	0	24		24
E. Scientific and Technical Services	840	5	190	90	1,125
Salaries, social costs and other benefits	652	0	0		652
Travel	18	0	17		35
Travel STRP Chair	5	0	4		9
STRP implementation	35	5	25		65
STRP meetings	50	0	20		70
Strategic Plan SP5 (2022 - 2024)	0	0	82		82
SDG 6.61 (Inventories)	0	0	42		42
Ramsar Sites Information Service (maintenance and development)	80	0	0		80

2023 Ramsar Budget COP14 Approved CHF '000s	Approved budget (COP14- approved) (A)	COP14 authorised use of 2021 budget savings (B)	Pre- committed 2022 to be spent in 2023 (C)	SC62 authorised use of 2022 surplus (D)	Total 2023 budget (E)= (A)+(B)+(C)+ (D)
Ramsar Sites Information Service (technical support during the triennium 2023-2025)	0	0	0	90	90
F. Administration/Web	474	11	71	0	556
Salaries, social costs and other benefits	331	0	0		331
Staff hiring and departure costs	48	0	0		48
Travel	0	0	0		0
Equipment/Office Supplies	95	0	0		95
Planning and Capacity building	0	11	71		82
G. Standing Committee Services	150	0	14	29	193
Standing Committee delegates' support	45	0	0		45
Standing Committee meetings	10	0	0		10
SC translation	60	0	0		60
Simultaneous interpretation at SC meetings	35	0	0		35
Effectiveness Working Group	0	0	14		14
Enhance efficiency and collaboration (Res. XIV.3)	0	0	0	7	7
Review of Resolutions (Res. XIII.4)	0	0	0	22	22
H. IUCN Administrative Service Charges (max.)	541	0	0	0	541
Administration, Human Resources, Finance & IT services	541	0	0		541
I. Miscellaneous - Reserve Fund	109	120	49	0	278
Staff Provisions	20	0	0		20
Provision for outstanding contributions	30	120	0		150
Exchange rate gains / losses	0	0	0		0
Legal Services	59	0	49		108
TOTAL EXPENDITURES	5,081	196	701	119	6,097