CONVENTION ON WETLANDS (Ramsar, Iran, 1971)

48th Meeting of the Standing Committee

Gland, Switzerland, 26-30 January 2015

**SC48-20 Rev.1**

**Budget scenarios for 2016-2018 and Draft Resolution on financial and budgetary matters for the 2016-2018 triennium**

**Action requested:** The Standing Committee is invited to note the contents of this report and confirm the combined budget scenarios (core and non-core) it would like to see presented to Parties at the 12th meeting of the Conference of the Contracting Parties. At the 48th meeting of the Standing Committee, there will be an opportunity for further explanation of the basic assumptions and priorities included in the budget scenarios.

**Budget scenarios for the 2016-2018 triennium**

1. In 2011, the Ramsar Secretariat sought the approval of the Standing Committee and Conference of the Contracting Parties (COP) of both a core budget (funded) and a non-core budget (unfunded) for 2013-2015, in accordance with decisions and formats approved at the 42nd meeting of the Standing Committee (SC42). These, taken together, provide the basis for the Secretariat to implement the Strategic Plan 2009-2015 and the Resolutions of the COP more effectively. The Secretariat, the Subgroup on Finance, and the Standing Committee strongly believed that COP approval of both a funded core and unfunded non-core budget for the 2013-2015 triennium would positively support the efforts of all in securing funding for the Ramsar Convention and its valuable contributions to the issues of water and wetlands. The same approach is suggested for the 2016-2018 triennium.

**Core budget scenarios (Annex 1)**

1. For 2016-2018, three core budget scenarios are proposed in Annex 1:
	1. 0% increase, no changes from the 2013-2015 triennium budget;
	2. 2% increase (CHF 102,000) for three additional activities:
		1. Ramsar Advisory Missions[[1]](#footnote-1);
		2. Salary increase on merit[[2]](#footnote-2); and
		3. Staff training[[3]](#footnote-3).
	3. 4% increase (CHF 204,000) for three different additional activities(due to volume of funds needed for hire of Regional Officer, the priorities are changed from the 2% scenario):
		1. Hiring of a Regional Officer(Americas)[[4]](#footnote-4);
		2. Ramsar Advisory Missions; and
		3. Salary increase on merit.
2. The three core budget scenarios presented in Annex 1 of this document include the following fundamental assumptions (Note: the core budget details have been retained to help Parties see the specifics of how their assessed contributions will be spent):
	1. Full Swiss franc (CHF) contributions from all Contracting Parties are received, based on the UN schedule of assessed contributions, including a voluntary provision of 22% from the United States of America;
	2. Continuation of all current positions funded by the core budget (Secretary General, Deputy Secretary General, 4 Senior Regional Advisors, 1 Regional Officer (Oceania - outposted), 1 junior Regional Officer (Africa), 4 Regional team interns, 1 Head of Partnerships/Fundraising, 1 STRP Support Officer, 1 Finance Officer, 1 Documentation Officer, 1 Head of Communications/CEPA, 1 Communications Officer, 3 Administrative Assistants) and 1 IT Officer.
	3. There are no changes to the staff complement from 2015, and all staff costs fit within the same budget, as provided for by COP11.
	4. For all staff positions, the ability to continue all of these positions will be challenged if real salary inflation/cost of living exceeds the amounts assumed in the different scenarios.
	5. In this and in the last triennium, CHF 120,000 per annum was budgeted for start-up funding for Regional Initiatives, but there are currently no new Regional Initiatives for funding from the core budget in 2016-2018, However, new initiatives are expected, judging by Parties’ indications of interest, and the same budget is retained.
	6. No funding is allocated from the core budget for meetings of the Conference of the Parties or pre-COP regional meetings, as for 2013-2015.
3. The **“0% scenario” (A)** assumes that core contributions from Parties will not increase in any of the three years, and that salaries and related costs will not increase at all over that period.
4. The **“2% scenario” (B)** assumes that core contributions from Parties will increase by 2% in order to support the three activities mentioned in item 2.b.
5. The **“4% scenario” (C)** assumes that core contributions from Parties will increase by 4% to support the three activities mentioned in item 2.c.
6. In all three proposed budget scenarios:
	1. payroll costs have been re-budgeted and presented based upon 2015 figures. Salary costs are essentially the same, but their distribution across cost centres is different to reflect changing costs related to staff arrivals and departures.

* 1. the total payroll and related costs represent 67% of the total core budget (as shown at the foot of each of the scenario columns).
	2. A new budget line SC Translations, CHF 60,000 per annum was budgeted for translation of Standing Committee documents into Spanish and French, in line with Decision SC47-07 on “Concerning accommodation of UN Languages under Resolution XI.1”.
	3. An additional CHF 12,000 per annum is re-allocated for Communication, Translation, Publications and Reporting to respond to the call for greater visibility and the importance of communicating key messages through traditional and new media, and to support Parties’ efforts and their need for materials (virtual, print, film, clip, photo, sound) which are highly attractive to the target audiences in different languages; this reflects the drive for an increased number of supporters for the Convention and for wider involvement in wetlands.
1. These adjustments have been possible due to the completion of the Ramsar Sites Information Service development and part of the Ramsar Website redevelopment.
2. In the 2% scenario (B), the total increase in budget would be CHF 102,000 over the triennium with the proposed priorities as an additional CHF 50,000 for Ramsar Advisory Missions[[5]](#footnote-5), an additional CHF 30,000 for Salary Increase on Merit[[6]](#footnote-6) (following IUCN recent policy) to award a 3-6% salary increase to outstanding staff (as salaries have not increased since 2011), and CHF 22,000 for Staff Training[[7]](#footnote-7). Further explanations for all these posts are in the footnotes below.
3. In the 4% scenario (C), the total increase in budget would be CHF 204,000 over the triennium with the proposed priorities as allocations of CHF 123,000 to hire a Regional Officer for the Americas region[[8]](#footnote-8), an additional CHF 50,000 for Ramsar Advisory Missions, and an additional CHF 30,000 Salary Increase on Merit (following IUCN recent policy) to award a 3-6% salary increase to outstanding staff (as salaries have not increased since 2011). No support for Staff training would be possible under this scenario due to limits on funding available.

**Non-core, unfunded budget scenarios (Annex 2)**

1. The goal is for the 2016-2021 Strategic Plan and future core and non-core (unfunded) budgets to be based on the same well-identified strategies, priorities, and programmes.
2. The expenditure items included in the non-core, unfunded budget are those that are not funded by the core budget but are considered either necessary to deliver the Strategic Plan or strongly mandated by recent COP Resolutions and SC decisions.
3. Additional Secretariat staffing has been included in all three versions of the non-core unfunded budget.
4. The non-core income is largely anticipated to come from Contracting Parties, although there is also an assumption that increasing contributions will be secured from non-Contracting Parties, including the private sector.
5. In addition to the non-core unfunded budget, voluntary funding will continue to be sought for any programme activities beyond the more narrowly interpreted scope of the non-core budget.

**General conclusion**

1. The development of both people and technology is not well provided for in the Convention’s current core budget. There is no budget for training and development of Secretariat staff (except in the 2% scenario (B)), and the sum is considered small compared to other organizations that tend to set aside 1.5% of staff costs per staff per year. However, IUCN is also just starting to invest in training and we will work with the issue over the triennium.
2. There is still little capital development plan in terms of technology. Databases require regular and significant investment; key communications platforms and tools need regular 3-5 year refreshment or replacement. The Secretariat as an information repository needs highly effective document management technologies to efficiently support its activities, and providing access to various forms of wetland data is also critical to the Convention’s mission. Whilst Ramsar’s arrangement with IUCN provides for IT maintenance, IUCN’s internal and external needs in terms of communication and documentation, and their priorities, are somewhat different from Ramsar’s. The inclusion of an IT Officer on the payroll will still leave the need to consider a larger investment in technology by COP13 or earlier. In the 2016-2018 proposed budgets, the focus is not on IT personnel and technology investment; it is on supporting local, national and regional activities on the ground.

**Draft Resolution on financial and budgetary matters**

1. The Draft Resolution for COP12 on financial and budgetary matters is proposed below and includes the following points of interest for discussion:
	1. African additional voluntary contribution, as COP10 – paragraph 15;
	2. voluntary contribution plea for non-core, Small Grants Fund and more general and signature initiatives – paragraphs 18 and 19; and
	3. future of the Small Grants Fund – paragraph 20.

**Draft Resolution 12.xx**

**Financial and budgetary matters**

1. RECALLING the budgetary provisions established by paragraphs 5 and 6 of Article 6 of the Convention on Wetlands;
2. ACKNOWLEDGING WITH APPRECIATION the prompt payment by the majority of Contracting Parties of their contributions to the core budget of the Convention, but NOTING WITH CONCERN that a number of Parties are still significantly in arrears (COP12 DOC.xx);
3. NOTING WITH GRATITUDE the additional voluntary financial contributions made by many Contracting Parties through their Ramsar Administrative Authorities and other agencies, including some development assistance agencies, and also the contributions made by non-governmental organizations and private companies for activities undertaken by the Secretariat, but NOTING WITH CONCERN the continuing decline in such voluntary contributions;
4. ACKNOWLEDGING WITH APPRECIATION the financial and administrative services provided to the Secretariat by IUCN, underpinned by the Services Agreement between Ramsar and IUCN revised in 2009;
5. NOTING that Contracting Parties have been kept informed of the financial situation of the Secretariat through the audited annual financial statements for the years from 2011 to 2014 and the reports of the Standing Committee meetings in 2012, 2013 and 2014; and
6. RECOGNIZING the need to continue to strengthen financial partnerships with relevant international organizations and other entities and to explore additional funding opportunities through their existing financial mechanisms;

THE CONFERENCE OF THE CONTRACTING PARTIES

1. NOTES WITH PLEASURE that since the 11th meeting of the Conference of the Contracting Parties in 2012 the Secretariat has managed the Convention’s funds prudently, efficiently and openly;
2. EXPRESSES ITS GRATITUDE to the Contracting Parties that have served in the Subgroup on Finance of the Standing Committee during the past cycle, and in particular to Canada, which has acted as Chair of the Subgroup;
3. DECIDES that the Terms of Reference for the Financial Administration of the Convention contained in Annex 3 to Resolution 5.2 (1993) shall be applied *in toto* to the 2016-2018 cycle;
4. FURTHER DECIDES that the Subgroup on Finance, as established by Resolution VI.17, shall continue to operate under the aegis of the Standing Committee and with the roles and responsibilities specified in that Resolution;
5. NOTES that the 2016-2018 budget includes a core element funded by assessed contributions from Contracting Parties, prepared on the basis that there are no fundamental changes to the operation of the Secretariat during 2016-2018, and a non-core unfunded element to be financed by voluntary contributions, and APPROVES the combined budget for the 2016-2018 cycle as attached in Annex 1 and 2 to enable the implementation of the Strategic Plan of the Convention;
6. AUTHORIZES the Standing Committee, with the advice of its Subgroup on Finance, to revise core budgetary allocations between budget lines in the light of significant positive or negative changes during the cycle to costs, rates of inflation, interest and tax income projected in the budget, without increasing the assessed contributions of Parties or increasing the charges paid to IUCN above the budgeted 13% maximum;
7. AUTHORIZES the Standing Committee, with the advice of its Subgroup on Finance, to revise non-core budgetary allocations and priorities depending upon the success of the Parties and Secretariat in securing voluntary funding for these activities;
8. DECIDES that the contribution of each Contracting Party to the core budget should be in accordance with the scale of assessments for the contribution of Member States to the United Nations budget as approved by the UN General Assembly, except in the case of Contracting Parties which, in applying the UN scale, would make annual contributions to the Ramsar Convention Core budget of less than CHF 1,000, in which case the annual contribution shall be that amount;
9. NOTES WITH GRATITUDE that at the 10th meeting of the Conference of the Parties the Contracting Parties of Africa assessed at less than CHF 2,000 agreed to increase their payments to that level, and that the difference between CHF 2,000 and their assessment will form a voluntary contribution specifically earmarked for African Regional Initiatives;
10. URGES all Contracting Parties to pay their assessed contributions promptly by 1 January of each year, or as soon thereafter as that country’s budget cycle will permit;
11. URGES Contracting Parties in arrears in their payments of assessed contributions to make a renewed effort to settle them as expeditiously as possible to enhance the financial sustainability of the Convention through contributions by all Contracting Parties, and AGREES that the Standing Committee should continue to consider options for dealing with Parties that are consistently in arrears with payments to the Convention;
12. NOTES with concern the continued fall in voluntary contributions from Contracting Parties and URGES Contracting Parties and others to reverse this trend in order to fund the important non-core element of the 2016 -2018 combined budget, which includes, *inter alia*, work of the Regional Teams, Ramsar Advisory Missions, support for a Global Partnership for Wetland Restoration, introduction of translation into the Arabic language, Regional Initiatives, the Scientific and Technical Review Panel, Earth observations, the Ramsar Culture Network, the Small Grants Fund, and COP13 expenses;
13. REQUESTS that the Secretariat continue to develop new approaches and tools, including signature initiatives, to secure voluntary financial support for priority projects;
14. REAFFIRMS its conviction that the Convention’s grants programmes, including the Small Grants Fund, are of great value in terms of the implementation of the Convention, and URGES Parties and others to find CHF 700,000 per annum to secure the efficient operation of these programmes, REQUESTING that the Standing Committee review the operation of the programme during the triennium and definitively conclude whether the Parties should continue or cease the Small Grants Fund for the consideration of the 13th meeting of the Conference of the Contracting Parties;
15. AFFIRMS that the rate of increase of the Ramsar Convention budget for the 2016-2018 cycle shall not be considered as setting a precedent for the budget in subsequent years or that of any other international convention.

**Annex 1**

**Proposed budget scenarios for 2016-2018**

**Scenario A, 0% increase**



Note: Total salary costs: adding the numbers manually gives CHF3,430 versus 3,429 stated on spreadsheet. This is due to rounding up.

**Scenario B, 2% increase**



**Scenario C, 4% increase**



**Annex 2**

|  |  |  |
| --- | --- | --- |
| **NON-CORE FUNDS 2016 - 2018** | Non-Core budget item | Three year funding requirementCHF |
| 1. Cost of three Regional Officers to support Parties better in the four regional teams to meet increased requests for advice on: help on site updates and RSIS, Art 3.2 files, regional initiatives, project oversight, resource mobilization, SDG development, etc.  | A | 900,000 |
| 2. Ramsar Advisory Missions for Parties requiring assistance | B | 500,000 |
| 3. Support for Global Partnership for Wetland Restoration with programme funds released for focussed project support in line with SP4, objectives, partners and donor support | C | 10,000,000 |
| 4. Support the introduction of the Arabic language into all aspects of the website, RSIS, media, publications and support for Arabic speaking Parties | D | 1,200,000 |
| 5. Setting up contacts with, and running a virtual network for wetland professionals, aligned with the online portal on capacity building under regional initiatives, to help deliver targeted materials, build capacity, exchange experiences and increase information flow across countries and people | E | 150,000 |
| 6. Support new STRP programme of work for 2016-2018 with provisions to carry out review of process and products from STRP and align to new strategy and into delivery of tailored technical advice in response to identified needs  | F | 150,000 |
| 7. Support to Regional Initiative Networks and Centres. Funding for the priority activities. | H | 900,000 |
| 8. Improving knowledge, earth observation and citizen engagement by support to GlobWetlands, NASA, JAXA and ESA actions | G | 350,000 |
| 9. Support the new programme of work on Wetlands, Culture and Livelihoods with co finance on MAVA investments  | I | 400,000 |
| 10. CHF 0.7 million per annum of resourcing for the Small Grants Funds for protection and wise use of wetlands  | J | 2,000,000 |
| **COP 13 EXPENSES** |  |  |
| 12. Costs of Full pre-COP regional meetings to support delegates and meeting costs for COP13 preparatory meetings | L | 650,000 |
| 13. Sponsorship to bring eligible delegates to COP13 in 2018 | M | 1,200,000 |
|  |  |  |
|  | CHF | 18,700,000 |

1. Ramsar Advisory Missions (RAMS) for Parties unable to self-fund their missions as there is increasing need and recognition of the value of the RAMs around the world in all geographies [↑](#footnote-ref-1)
2. Salaries for all staff have remained static since 2011, but incentives are needed to retain staff and reward the highest achievers and this sum could provide merit awards for 5-6 staff members [↑](#footnote-ref-2)
3. IUCN is starting to introduce a training budget for its staff and it is considered that opportunities for development of Ramsar staff should also be opened up. The initial call on this budget would serve to assess demand for all staff, but it is recognized that the amount is relatively low considering that responsible employers are investing 1.0 - 1.5% of staff budget costs for training and development. [↑](#footnote-ref-3)
4. The proposed staff member, under a 4% increase, would be for a Regional Officer (Americas). This would add to the post of Regional Officers for Africa and Oceania that have been agreed previously. The choice to support the Americas responds to the call from the Region and increasing needs of Parties for support and advice and the ever-increasing work related to both Ramsar Sites and other wetlands and the needs in relation to the new Strategic Plan. This post will, *inter alia,* provide technical support to Parties in using and updating the new RSIS and in the analysis, investigation and resolution of  Article 3.2 files, and assistance to make regional initiatives active and secure finance for regional and national initiatives*.* [↑](#footnote-ref-4)
5. Ramsar Advisory Missions (RAMS) for Parties unable to self-fund their missions as there is increasing need and recognition of the value of the RAMs around the world in all geographies [↑](#footnote-ref-5)
6. Salaries for all staff have remained static since 2011, but incentives are needed to retain staff and reward the highest achievers and this sum could provide merit awards for 5-6 staff members [↑](#footnote-ref-6)
7. IUCN is starting to introduce a training budget for its staff and it is considered that opportunities for development of Ramsar staff should also be opened up. The initial call on this budget would serve to assess demand for all staff, but it is recognized that the amount is relatively low considering that responsible employers are investing 1.0 - 1.5% of staff budget costs for training and development. [↑](#footnote-ref-7)
8. The proposed staff member, under a 4% increase, would be for a Regional Officer (Americas). This would add to the post of Regional Officers for Africa and Oceania that have been agreed previously. The choice to support the Americas responds to the call from the Region and increasing needs of Parties for support and advice and the ever increasing work related to both Ramsar sites and other wetlands and the needs in relation to the new Strategic Plan. This post will help to support Parties better in their needs for technical support in using and updating the new RSIS, analysis, investigation and resolution of  Art 3.2 files, help to  make regional initiatives happen and secure finance for regional and national initiatives, *inter alia.* [↑](#footnote-ref-8)