

Report of the teleconference of the Subgroup on Finance

27 September 2022

Participants:

Members of the Subgroup on Finance

Australia, Estonia, Japan, Mexico (Chair), Panama, Switzerland and the United States of America

Secretariat

Deputy Secretary General, Finance Manager and Resource Mobilization and Partnership Officer

Summary

1. The Subgroup met virtually to consider the allocation of core surplus funds to facilitate the participation of eligible Contracting Party delegates at the 14th meeting of the Conference of the Contracting Parties (COP14) in Geneva, Switzerland, from 5 to 13 November, for final approval and endorsement by the Standing Committee.
2. Considering the short time frame until COP14 and the need to proceed with the accommodation, travel and visa arrangements, as well as the need to pay deposits for logistics and hotels of delegates eligible for financial support, a request was made by the Secretariat to supplement the funding gap, while the Secretariat continues its fundraising efforts.
3. The Secretariat presented a report on the current status of fundraising, noting that 48% of the estimated budget has been pledged or paid by voluntary contributions to facilitate the participation of one delegate from each of the Contracting Parties listed as a least developed country, developing country or country with an economy in transition in the OECD DAC List, as well as Small Island Developing States.
4. The Secretariat reported that there is a current shortfall of CHF 469,755 to fully cover participation of 124 eligible delegates.
5. The Subgroup noted that allocations in the past for this purpose have been done on an exceptional basis and considered that core funds should not be mixed with voluntary funds. It therefore recommended that the allocation be considered as a temporary loan from the reserve, and encouraged the Secretariat to continue fundraising efforts until COP14 and beyond until the next meeting of the Standing Committee. The Subgroup agreed to meet again after COP14 to review the actual income and expenditure report for COP14 fundraising for sponsored delegates, and at that time make a recommendation on repayment of the loan from the reserve including via funds raised since the present meeting. The Subgroup also requested the Secretariat to continue its ongoing fundraising efforts, including by exploring the possibility of further assistance from the COP Host, and to report on the outcome of the fundraising at the 62nd meeting of the Standing Committee in mid-2023, when the Subgroup can review the outcome.
6. The Subgroup expressed its gratitude to Parties that have pledged or sent voluntary contributions for sponsored delegate travel, and thanked Switzerland for its generous in-kind contribution of the meeting venue. Furthermore, some members of the Subgroup suggested the possibility of exploring, for the future, the option of allocating COP meeting expenses within future core budgets. The Subgroup also asked the Secretariat to look into the possibility of providing a reduced daily subsistence allowance (DSA) rate to sponsored delegates, rather than

the applicable IUCN rates, while noting that IUCN rates are lower than United Nations DSA rates.

7. Considering the timeline and urgency of this decision, the Subgroup urgently submits the following recommendation to the Standing Committee, for its intersessional endorsement via email.

Recommendation for decision by the Standing Committee:

The Subgroup on Finance recommends, on an exceptional basis, that the Standing Committee authorize the temporary use of reserve funds (of up to CHF 470,000) as a loan to supplement voluntary funding for COP14 sponsored delegate support. After COP14, the Subgroup will meet to review the status of fundraising up until the next Standing Committee and consider, if necessary, the repayment of the loan from the reserve with such funds, and possibly including core surplus funds as a last resort.

- **Action item: Secretariat to send recommendation of the Subgroup on Finance for urgent intersessional endorsement by the Standing Committee via email.**