

Agenda item 8

Towards a new budget framework for COP11

Action requested: The Standing Committee is requested to note this report and to consider requesting the Subgroup on Finance to work with the Secretariat to develop an indicative non-Core budget, with full cost allocation, for 2011 as a basis for considering presenting a non-Core budget to COP11.

1. Many UN agencies and other organizations use formal Results Based Management (RBM) and Results Based Budgeting (RBB) techniques, to a greater or lesser extent. Many of the elements of RBM exist within the Convention and Secretariat, and elements of RBB already exist within the Core budgets presented for approval at each meeting of the Conference of the Contracting Parties (COP). For example, in anticipation of COP10, changes were made starting in 2007 in the basis of presentation of the secretariat's Core budget, with analysis by major activity area. By breaking up salaries and other major costs into programme areas, it was anticipated that the relative costs of the work of the Secretariat would be more transparent.
2. The Secretariat considers that this was a major improvement, but would like to continue to refine the way in which we budget and capture and report the actual costs of our activities, in order to optimize the direction of resources. One of the main missing elements relates to our non-Core operations, including Contracting Party accountability for the objectives, outcomes, incomes and allocation of expenditures to such, which are quite sidelined within this current process.
3. In recent years, the COP has approved annual budgets for the Core budget but has not formally endorsed a budget for non-Core activities. The Secretariat would like the Standing Committee to consider asking for the preparation of an indicative annual non-Core budget for 2011 covering non-Core activities requested by the COP such as our grants programmes, the successful delivery of a COP, the work of STRP, CEPA workshops, the preparation and celebration of World Wetland Day, Ramsar Advisory Missions (RAM) and other capacity building activities, which might be further developed and utilised for 2012 and ultimately at COP11.
4. Often the COP makes decisions and directs the Secretariat and other Convention bodies to undertake certain areas of work, but does not provide Core budget for this. With formal Standing Committee and COP recognition of the true cost and financing requirements of such activities, Parties and Secretariat may be better placed to assess the merits of activities that compete for limited resources. Formal budgets and decisions/resolutions might help to secure these resources.

5. In its 2009 request to Contracting Parties for voluntary funds, and in its paper SC41-09, the Standing Committee will see the beginnings of such an approach. In addition to this we would like to allocate Secretariat staff time to these non-Core activities, even if on a notional, indicative basis, so that Parties can appreciate the real cost of these non-Core activities.
6. The approval of a Core and indicative non-Core budget is the approach already adopted by a number of conventions, including UNCCD and UNFCCC. To be truly successful it would require commitment from the Parties and Secretariat to ensure that the Convention's Strategic Plan is sound and mapped closely to a Secretariat Strategic Plan and annual Work Plan.