

Agenda Item 13.2

Report of the Secretariat on Finance and
Administrative Issues
Accounts for 2011

**Document 13-03
(restricted)**

Report on Budgetary Issues 2011

Action Requested

- Take note of the report
- Comment

Submitted by

Secretariat



NOTE:
**IN THE INTERESTS OF ECONOMY, DELEGATES ARE KINDLY REMINDED TO BRING THEIR
OWN COPIES OF DOCUMENTS TO THE MEETING**

Report on Budgetary Issues 2011

1. This report has been prepared by the CMS/ASCOBANS Secretariat, using information provided by the United Nations Office in Nairobi (UNON). It is an update with respect to the mid-term report sent to Parties in September 2011.
2. The report contains figures as recorded in the book-keeping system on 31 January 2012 and may still be subject to changes, mainly in relation to variations in the exchange rate between Euro and USD. All figures are rounded to the next full Euro.
3. This document is divided into three sections, as follows:
 - a) Section 1 reports on income in the period 1 January to 31 December 2011 to the General Trust Fund for the Agreement on the Conservation of Small Cetaceans of the Baltic and North Seas (BA Trust Fund)
 - b) Section 2 reports on expenditure and commitments by 31 December 2011 under the 2011 budget (BA Trust fund)
 - c) Section 3 reports on income in the period 1 January to 31 December 2011 to the fund for Voluntary Earmarked Contributions in support of the ASCOBANS Secretariat (XV Fund), as well as on expenditure and commitments by 31 December 2011.

SECTION 1 – Income to the General Trust Fund

4. Table 1 below shows contributions to the General Trust Fund for the Agreement on the Conservation of Small Cetaceans of the Baltic and North Seas (ASCOBANS) (BA) as at 31 December 2011.

Table 1 – Income

Country	Pledges for 2011	Contributions received for 2011	Outstanding Amount at 31 December 2011
	EUR	EUR	EUR
Belgium	13,857	13,857	0
Denmark	9,292	9,292	0
Finland	7,092	7,092	0
France	36,974	36,974	0
Germany	36,974	36,974	0
Lithuania	390	390	0
Netherlands	23,551	23,551	0
Poland	6,300	6,300	0
Sweden	13,467	13,467	0
United Kingdom	36,974	36,974	0
Total	184,871	184,871	0

SECTION 2 – Expenditure and Commitments of the General Trust Fund

5. At the 18th Meeting of Advisory Committee the Secretariat had informed Parties about a problem with the ASCOBANS Trust Fund balance, caused by the method which UNON/UNEP had been using to compute and apportion exchange rate fluctuations. As a result, only part of the fund balance for the year 2010 was available for rephasal (for details please refer to paragraphs 128-133 of the AC18 Report).
6. Upon repeated intervention by the Secretariats of the CMS Family in Bonn, this problem has been solved and the Trust Fund balance is back to the expected level. Accordingly, a rephasal of the entire fund balance for 2010, which amounts to USD 119,648 (approx. € 90,334), has been possible. Details on the rephasal are included in the annotations to the table below.
7. UNON/UNEP has also changed the method applied for computing and apportioning exchange rate fluctuations on the UNEP Euro account to avoid similar problems in future.
8. Table 2 below shows the approved budget¹ for 2011 and the status of expenditures on the General Trust Fund for the Agreement on the Conservation of Small Cetaceans of the Baltic and North Seas (ASCOBANS) (BA) as recorded in our internal bookkeeping system at 31 December 2011. A total amount of € 203,451 was spent or obligated.
9. The balance of the General Trust Fund at the end of 2011 has not yet been certified by the Accounts Section, Budget and Financial Management Service of the United Nations Offices in Nairobi (UNON). According to the records indicated above, an unspent balance of approx. 50,487 Euro (62,473 USD) should be available for rephasal from the 2011 budgetary year. Positive balances of some budget lines have already been allocated to the same or specific other budget lines in 2012. Details are contained in the annotations to the table below.
10. In total, approximately € 46,753 should be available for rephasal to budget line 2201 “Conservation Projects” of the 2012 budget if Parties so wish.

¹ The approved budget consists of the allotment granted in Resolution 6.5 on Financial, Budgetary and Administrative Matters 2010-2012 and the rephasal of the 2010 fund balance into the 2011 budget, as decided by the 18th Advisory Committee Meeting.

Table 2 – Expenditures and Balance

BL	Budget Item	Approved budget for 2011 in EURO	Status of expenditure as at 30 June 2011 in EURO ²	Available balance as at 30 June 2011 in EURO
1101	Executive Secretary (D1); 3%	5,368	4,906 ³	462
1102	CMS Professional Staff (P4), 15% (ASCOBANS Senior Advisor)	19,976	21,426 ⁴	-1,450
1103	Associate Coordination Officer (P2), 75%	62,424	51,920 ⁵	10,504
1220	Professional Consultancies and fractional CMS Staff time	17,671 ⁶	16,065 ⁷	1,606
1301	General Services: Administrative Assistant (GS-5), 50%	38,588	25,444	13,144
1601	Travel Secretariat Staff	4,501	2,711	1,790 ⁸
1602	Experts on Mission	1,545	1,433 ⁹	112
1999	Personnel Subtotal	150,073	123,905	26,168
2201	Conservation Projects	82,095 ¹⁰	63,295	18,800
2999	Subprojects Subtotal	82,095	63,295	18,800
3302	Meeting of the Advisory Committee	3,090	3,389	-299
3999	Meetings Subtotal	3,090	3,389	-299
4101	Miscellaneous Office Supplies	776	829	-53
4201	Office Equipment	1,304 ¹¹	982	322 ¹²
4999	Equipment and Premises Subtotal	2,080	1,811	269

² Estimated expenditure amount in Euro. Conversion rate used is 0.7154, the average UN exchange rate for the year 2011.

³ Cost sharing: 3% were reimbursed to CMS.

⁴ Cost sharing: 15% were reimbursed to CMS.

⁵ Cost sharing: 25% were reimbursed from the CMS budget.

⁶ The allotment on this line was increased by € 9,431 from the 2010 fund balance in order to cover 6 months of the contract of the North Sea Plan Coordinator in line with the decision of AC18.

⁷ Consultancies: P. Evans/Ship Strikes Risk Map; A. Galatius/Expert JG7; R. Vagg/JG7 Report Writing; G. Desportes/North Sea Plan Coordination. Reimbursement of CMS staff time.

⁸ The balance on this line was rephased to line 3302 (Advisory Committee) to make up for the shortfall in 2012.

⁹ R. Leaper and T. Folegot to AC18.

¹⁰ The allotment in this line was increased by € 80,504 from the 2010 fund balance.

¹¹ The allotment in this line was increased by € 399 from the savings in the same line in 2010.

¹² The balance on this line was rephased to the same line for 2012 in order to cover purchase of a new laptop and docking station for the Coordinator.

BL	Budget Item	Approved budget for 2011 in EURO	Status of expenditure as at 30 June 2011 in EURO ²	Available balance as at 30 June 2011 in EURO
5101	Operation/Maintenance computers	554	0	554 ¹³
5102	IT Services	10,000	6,796	3,204
5103	Operation/Maintenance of printers	221	221 ¹⁴	0
5201	Information Material/Outreach and Education Work	1,500	962	538
5202	Reference Material	110	107	3
5203	Website Maintenance and Development	2,060	2,478 ¹⁵	-418
5301	Telephone and Fax	609	9 ¹⁶	600
5302	Postage and Miscellaneous	1,545	477	1,068 ¹⁷
5999	Miscellaneous Costs Subtotal	16,599	11,050	5,549
	SUBTOTAL	253,937	203,450	50,487
6000	Programme Support Cost (PSC), 13%	33,012	26,449	6,563
	GRAND TOTAL	286,949	229,899	57,050

¹³ Decisions on software purchases had to be delayed until January 2012 when new computer equipment was in place. Accordingly, the balance on this line was rephased to the same line in 2012.

¹⁴ Cost sharing with CMS.

¹⁵ High costs incurred by finalization of new website; fees to website company, instalment costs with provider etc.

¹⁶ A credit of € 625 was offset against the charges on this budget line, hence reducing the expenditure.

¹⁷ The balance on this line was rephased to line 3302 (Advisory Committee) to make up for the shortfall in 2012.

**SECTION 3 – Income, Expenditure and Commitments
of the fund for Voluntary Earmarked Contributions**

11. Table 3 below shows income or pledges to the fund for Voluntary Earmarked Contributions in support of the ASCOBANS Secretariat (XV Fund) in the period 1 January to 31 December 2011, as well as expenditure and commitments by 31 December 2011.

Table 3 – Voluntary Contributions

		Allotment in Euro	Total expenditure in Euro	Balance in Euro
1201	German Voluntary Contribution for North Sea Plan Coordination	26,041	26,152	-112
2267	Unspent balance of Finnish Voluntary Contribution for 2010	2,161	1,426 ¹⁸	734
5201	German Voluntary Contribution for 2011	22,655	24,804 ¹⁹	-2,149
	Total	50,856	52,383	-1,527
6000	UNEP 13% PSC	6,611	6,810	-199
	Grand total	57,467	59,193	-1,726

¹⁸ Travel of Roustam Sagitov as invited expert to 7th Meeting of Jastarnia Group, Copenhagen, Denmark, February 2011.

¹⁹ Reprints of ASCOBANS information material. Secretariat expenses related to the International Day of the Baltic Harbour Porpoise. P. Evans/Production of Proceedings of ECS/ASCOBANS/ACCOBAMS Pollution Workshop. P. Evans/Production of 20th Anniversary Volume. Travel of North Sea Plan Coordinator to NS RAC meeting. R. Stempel/Translation of Study on Baltic Fisheries.