

OEWG-V/14: Financial matters

The Open-ended Working Group,

Having considered and reviewed the information submitted by the Secretariat pursuant to decision VII/41 of the Conference of the Parties and decision OEWG-IV/10 of the Open-ended Working Group,

1. *Requests* the Secretariat to include in its note on financial matters for the eighth meeting of the Conference of the Parties three options: one option based on having one session of the Open-ended Working Group, conducted in the six official languages of the United Nations, in 2007 and one meeting of the Conference of the Parties in 2008; the second option based on having two sessions of the Open-ended Working Group, conducted in the six official languages of the United Nations, in 2007 and 2008, respectively, and one meeting of the Conference of the Parties in 2009; and a third option based on zero nominal growth in contributions over the biennium and an explanation of the implications on the productiveness and the organization of the work programme, its efficient implementation, and the budget of the Basel Convention;

2. *Stresses* that the current financial situation of the Trust Fund for the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Technical Cooperation Trust Fund) makes it particularly important for all arrears to be cleared at the earliest possible time;

3. *Also stresses* the need of increasing significantly voluntary contributions to the Trust Fund to Assist Developing Countries and Other Countries in Need of Technical Assistance in the Implementation of the Basel Convention, in particular contributions from developed countries;

4. *Agrees* on the following elements for a draft decision for consideration and possible adoption by the Conference of the Parties at its eighth meeting:

“The Conference of the Parties,

Recalling its decision VII/41 and decision OEWG-IV/10 of the Open-ended Working Group, on financial matters,

Recalling also paragraph 136 of the report of the Conference of the Parties at its seventh meeting,¹

Expressing appreciation to the newly assessed Parties which have made timely payment of their contributions for 2005 and 2006,

Noting the financial reports on the Basel Convention trust funds for 2005 and 2006,²

1. *[Welcomes][Notes]* the new programme budget format proposed by the Secretariat as set out in table 1 of the present decision;³

2. *Approves* the programme budget for the Trust Fund for the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention Trust Fund) in the amount of \$[] for 2007 [,][and] \$[] for 2008 [and \$ [] for 2009], for the purposes set out in table 2 to the present decision;⁴

3. *Authorizes* the Executive Secretary to utilize an amount not exceeding \$[] in the years 2007 [,] [and] 2008 [and 2009], respectively, from the reserve and fund balance of the Basel Convention Trust Fund to meet expenditures in the approved budget;

[4. *Approves* the staffing of the Convention Secretariat for the programme budget as contained in table 3 of the present decision;⁵]

[5. *Also authorizes* the Executive Secretary, in addition to the approved budget, on an exceptional basis, to use an amount not exceeding \$[] by the end of 2007 from the reserve and fund

1 UNEP/CHW.7/33.

2 UNEP/CHW.8/INF/[].

3 This table will be inserted when the present draft decision is presented to the Conference of the Parties at its eighth meeting.

4 This table will be finalized when the present draft decision is presented to the Conference of the Parties at its eighth meeting.

5 This table will be finalized when the present draft decision is presented to the Conference of the Parties at its eighth meeting.

balance of the Basel Convention Trust Fund for the purpose of completing the activities of the project entitled “Training on Environmentally Sound Management of Biomedical Waste in Dhaka City, Bangladesh” under the Strategic Plan;]

6. *Decides* that the total amount of the contributions to be paid by the Parties is \$[]for 2007[,][and] \$ [] for 2008, [and \$ [] for 2009], as set forth in table 4 to the present decision;⁶

7. *Also decides* that the contributions of individual Parties shall be as listed in table 4 to the present decision, which is based on the current United Nations General Assembly scale of assessments, modified so that no Party contributes less than 0.001 per cent of the total, no Party’s contribution exceeds 22 per cent of the total and no contribution from a least developed country Party exceeds 0.01 per cent of the total;

8. *Decides further* to maintain the level of the working capital reserve at [15] [8.3] per cent of the estimated annual planned expenditures at any time in the [biennium 2007–2008] [triennium 2007-2009];

9. *Decides* that the Executive Secretary may make transfers of up to 20 per cent from one main appropriation line of the approved budget to other main appropriation lines;

10. *Expresses its concern* over delays in payment of agreed contributions by Parties contrary to the provisions set forth in paragraph 8 of the terms of reference for the administration of the Basel Convention Trust Fund;

11. *Urges* all Parties to pay their contributions promptly and in full and further urges Parties that have not done so to pay their contributions for prior years as soon as possible [and in this context welcomes the monthly publication by the secretariat on the Convention website of all contributions received];

[11bis. *Invites* the President of the Conference of the Parties and the Executive Director of the United Nations Environment Programme to write to the relevant Parties impressing on them the importance of paying their respective arrears for 2005 and previous years;

11ter. *Requests* the Executive Secretary to continue to consult with Parties in arrears requesting payment of the arrears and, if necessary, to invite such Parties to agree on payment plans, and to report to the Conference of the Parties at its ninth meeting on such efforts;]

12. *Takes note* of the programme budget for the Technical Cooperation Trust Fund in the amount of \$ [] for 2007 [,] [and] \$[] for 2008, [and \$[] for 2009] as set forth in table 5 to the present decision;⁷

13. *Invites* voluntary contributions to the Technical Cooperation Trust Fund and to the Basel Convention Trust Fund from Parties, non-Parties and other sources;

14. *Invites* Parties, non-Parties and other stakeholders to contribute financially and with other means to implement the activities prepared for the Strategic Plan focus areas and related projects and encourages Parties and non-Parties to submit such projects for consideration by appropriate funding agencies;

15. *Requests* Parties to notify the Secretariat of the Basel Convention of all contributions made to the Basel Convention Trust Fund and the Technical Cooperation Trust Fund at the time such payments are made;

16. *Decides* that the Basel Convention Trust Fund and the Technical Cooperation Trust Fund shall be further continued until 31 December 2010 and requests the Executive Director of the United Nations Environment Programme to extend them to 2009–2010, subject to the approval of the Governing Council of the United Nations Environment Programme;

17. *Requests* the Secretariat to report annually to the Open-ended Working Group and to the Expanded Bureau on all sources of income received, including the reserve and fund balances and interest, together with actual, provisional and projected expenditure and commitments, and requests the Executive Secretary to report on all expenditures against the agreed budget lines;

6 This table will be inserted when the present draft decision is presented to the Conference of the Parties at its eighth meeting.

7 This table will be inserted when the present draft decision is presented to the Conference of the Parties at its eighth meeting.

18. *Requests* the Executive Secretary to prepare a budget for the [biennium 2009–2010] [triennium 2010–2012] for consideration by the Conference of the Parties at its ninth meeting and to explain the key principles and assumptions on which the budget is based;

19. *Notes* the need to facilitate priority-setting by providing Parties with timely information on the financial consequences of different options and to that end requests the Executive Secretary to include in the proposed programme budget for the [biennium 2009–2010] [triennium 2010–2012] three alternatives based on:

- (a) The Executive-Secretary's assessment of the required rate of growth of the programme budget;
- (b) Maintaining the operational budget at the 2007–2008 level in [nominal][real] terms;
- (c) Increasing the operational budget from the 2007–2008 level by 10% in [nominal][real] terms;

20. *Requests* the Open-ended Working Group and the Expanded Bureau to keep under review the financial information provided by the Secretariat, including the timeliness and transparency of that information.”

Table 2. Basel Convention Trust Fund programme budget

Basel Convention Trust Fund		Budget approved at COP 7			Programme budget proposal for COP 8				
	Budget components	2005	2006	Biennium	2007	2008	Biennium	2009	Triennium
	PERSONNEL COMPONENT								
	Professional staff	1'413'600	1'413'600	2'827'200					
	Consultants	260'000	260'000	520'000					
	Administrative support	799'700	799'700	1'599'400					
	Conference servicing	704'000	804'000	1'508'000					
	Travel on official business	150'000	150'000	300'000					
	TOTAL PERSONNEL COMPONENT	3'327'300	3'427'300	6'754'600					
	SUBCONTRACT COMPONENT	10'000	10'000	20'000					
	MEETINGS AND CONFERENCES COMPONENT	136'400	136'400	272'800					
	EQUIPMENT AND PREMISES COMPONENT	113'500	118'500	232'000					
	MISCELLANEOUS COMPONENT	205'800	205'800	411'600					
	TOTAL OPERATIONAL COSTS	3'793'000	3'898'000	7'691'000					
	13% Programme support costs	493'090	506'740	999'830					
	TOTAL BUDGET OF THE TRUST FUND	4'286'090	4'404'740	8'690'830					
	Year to year								
	Percentage increase in total budget	2.0%	2.8%	3.4%	%	%	%	%	%
	Percentage increase in assessed contribution	9.5%	15.8%	18.1%	%	%	%	%	%
	Required working capital reserve (15 %)	642'914	660'711						

Table 3. Basel Convention Trust Fund staffing

	Staff category and level	Budget approved for 2006	Budget proposal for 2007	Budget proposal for 2008	Budget proposal for 2009
A.	Professional and above categories				
	D-2 level	1.00			
	D-1 level	1.00			
	P-5 level	2.00			
	P-4 level *	3.00			
	P-3 level	2.00			
	P-2 level	1.00			
	Subtotal	10.00			
B.	General Service category				
	GS **	10.00			
	Total (A+B)	20.00			

* One post funded from 13 per cent programme support costs.

** Two posts funded from 13 per cent programme support costs.

Standard staff costs (based on United Nations standard salary costs for Geneva)

	Staff category and level	Budget approved for 2006	Budget proposal for 2007	Budget proposal for 2008	Budget proposal for 2009
A.	Professional and above categories				
	D-2 level	211'000			
	D-1 level	200'000			
	P-5 level	173'600			
	P-4 level	150'200			
	P-3 level	124'200			
	P-2 level	96'200			
B.	General Service category				
	GS	118400 / 92100			