

Evolution of the Convention

RELATIONSHIP BETWEEN CITES AND UNEP

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| <ol style="list-style-type: none"> 1. This document is submitted at the request of the Chairman of Standing Committee. 2. It has the following Annexes: <ul style="list-style-type: none"> – Annex 1: Draft Memorandum of Understanding prepared by a Working Group of the Standing Committee – Annex 2: Draft Memorandum of Understanding as amended by UNEP | <ul style="list-style-type: none"> – Annex 3: Comments by the Working Group of the Standing Committee on the draft Memorandum of Understanding prepared by UNEP – Annex 4: UNEP's response to the comments of the Working Group – Annex 5: CITES/UNEP Working Group – Report of Meeting 23-24 March 1997 |
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Doc. 10.23 Annex 1

Draft Memorandum of Understanding Prepared by a Working Group of the Standing Committee

CONSCIOUS of the need to maintain flexibility and adaptability in the management of the CITES Secretariat and in the provision of services to the Parties to the Convention;

AWARE that the responsibilities and functions of the Standing Committee and the Executive Director of the United Nations Environment Programme (UNEP) with regard to the implementation of Articles XI and XII of the Convention need to be clarified;

RECOGNIZING that the decisions of the Conference of the Parties shall guide the administration and management of the Secretariat;

DESIRING to improve the relationship between CITES and UNEP; and

RECOGNIZING that the 37th meeting of the Standing Committee recommended that the Agreement between the Standing Committee and the Executive Director of UNEP, signed in June 1992, be revised.

The CITES Standing Committee and the Executive Director of UNEP agree as follows:¹

AGREEMENT BETWEEN
THE CITES STANDING COMMITTEE AND THE EXECUTIVE DIRECTOR OF UNEP

BASIC PRINCIPLES

1. The Executive Director will act in conformity with the provisions of Articles XI and XII of the Convention **and the rules and regulations of the United Nations** on these and other functions as may be entrusted to the Secretariat by the Parties. The Executive Director shall ensure that the Secretary General implements the policy guidance of the Conference of the Parties and, between the meetings of the Conference of the Parties, the policy guidance of the Standing Committee in exercising the functions of the Secretariat in accordance with Articles XI and XII of the Convention, and other functions as may be entrusted to the Secretariat by the Parties.
2. The Executive Director will inform the Standing Committee in advance of any significant action with respect to the Secretariat which may affect the interests of the Parties or the efficient administration of the Convention, and will consider carefully the views the Standing Committee presents to him/her on such actions.

PERSONNEL MANAGEMENT

3. Personnel Selection

All personnel selection shall be performed expeditiously by UNEP and the Secretary General, and any unforeseen delays in filling senior posts shall be explained in writing to the Chairman of the Standing Committee, as representative of the Parties. All vacancy announcements shall be drafted

carefully and in conformity with UN rules, and UNEP shall ensure its circulation to all the Parties. All selection panels for posts at the Secretariat shall be convened in accordance with United Nations rules and regulations. Only candidates with the requisite knowledge, experience, and expertise shall be selected for posts at the CITES Secretariat. For senior posts, the Executive Director shall consult with and take into consideration the views of the Standing Committee in establishing selection panels, as appropriate.

4. Selection of the Secretary General

The Secretary General (the Chief Officer of the Secretariat of the Convention) shall be appointed by the Executive Director of UNEP in accordance with the United Nations personnel rules, and after consultation with the Standing Committee. The consultation will be such that every effort will be made to appoint a Secretary General acceptable to the Standing Committee, while recognizing that the United Nations personnel rules will govern the appointment.

5. Selection of Other Staff

Other staff members will also be appointed under the United Nations personnel rules, which provide for consultation with the Secretary General. The consultation will be such that every effort will be made to appoint candidates the Secretary General considers acceptable for the effective conduct of the business of the Secretariat.

¹ The Current Agreement (normal print) was signed on 26 June 1992 by the Chairman of the Standing Committee (Murray Hosking, New Zealand), and on 28 June 1992 by the Executive Director of UNEP, Dr. Mostafa Tolba. Recommended changes are in **bold print**.

6. The appointment of individuals to posts in the Secretariat financed by Governments or other institutions over and above their normal contributions to the CITES Trust Fund (e.g., **secondments**) will be confirmed through the normal appointment process of the United Nations Environment Programme, and will be subject to the terms of an agreement negotiated between the originating Government agency and UNEP.

7. Performance of the Secretary General

In appraising the performance of the Secretary General, **the Executive Director will provide the Standing Committee with the applicable performance appraisal criteria. On an annual basis, the Standing Committee will submit its comments to the Executive Director on the performance of the Secretary General. The Executive Director will reflect these comments in his/her performance evaluation of the Secretary General. The Executive Director will consult with the Standing Committee on issues of concern to him/her in the performance of the Secretary General. The Executive Director will not extend or discontinue the contract of the Secretary General without consulting the Standing Committee.**

8. Performance of Other Personnel

The evaluation of the performance of the incumbents of all other posts shall be in accordance with the applicable Staff Rules of the United Nations, which provide for the full participation of the supervisors of the Secretariat.

FINANCIAL MANAGEMENT

9. Budget Oversight and Execution

The Standing Committee oversees on behalf of the Parties the development and execution of the Secretariat budget as derived from the Trust Fund and other sources. The Executive Director will be guided by the specific resolutions established by each meeting of the Conference of the Parties with respect to matters related to the financing and budgeting of the Secretariat. The Executive Director shall consult with the Standing Committee before **taking actions or** implementing decisions which cause an unforeseen **change** in the budget of the Secretariat.

10. Administrative Support Charge (“Overhead”)

Regarding the 13% administrative support charge (“overhead”) currently paid, per United Nations General Assembly Resolution 35/217, by the CITES Trust Fund to UNEP on expenditures against the CITES Trust Fund, UNEP shall provide the following to the CITES Standing Committee and Conference of the Parties on a regular basis, as specified in paragraph 14 below:

A detailed accounting of how this administrative support charge (“overhead”) is spent by UNEP.

A detailed accounting of all services CITES receives from UNEP for this overhead charge.

These overhead funds provided by the CITES Parties are not to be used by UNEP on non-CITES issues.

11. Externally Financed Projects

Proposals for externally financed projects shall be submitted in the established format to the Standing Committee which has the authority to approve proposals. Upon approval by the Standing Committee, the CITES Secretariat then discusses the proposal with the implementing body and finalizes the document with the assistance of the UNEP Programme Support Unit in Geneva. The requisite project document shall then be signed between the Secretary General of CITES and the relevant implementing body. UNEP will give authorization to commit resources for the project subject to the actual receipt of the externally provided finance in the CITES account. These projects are not to be assessed any overhead charges.

12. Location and Custody of the Trust Fund

In accordance with Rule 8.1 of the Financial Rules and Regulations of the United Nations, the Controller, in consultation with UNEP and the CITES Secretary General, has designated a bank in Geneva in which the CITES Trust Fund shall be located. The Trust Fund account will be managed by the Chief of the United Nations Organization in Geneva (UNOG) in consultation with UNEP and the CITES Secretary General. The annual reports of the United Nations auditors on the management and investment of the Trust Fund account shall be provided to the CITES Standing Committee, for transmission to all CITES Parties.

MANAGEMENT REVIEW

13. **UNEP, upon the request of the Standing Committee, may as appropriate commission an independent management review of services provided by the CITES Secretariat, in the interest of promoting cost efficiency, transparency, and furthering the goals of the Convention.**

PERIODIC REVIEW

14. UNEP Report

UNEP shall submit a report on its provision of the Secretariat, including the implementation of this agreement, for consideration at each meeting of the Standing Committee and meetings of the Conference of the Parties. That report shall include all aspects of the administration of the Secretariat. The Parties shall review and analyze this report, and assess UNEP’s performance under this Agreement.

15. Revision of this Agreement

This agreement may, at the request of either party to it, be reviewed at any time. Such a request shall be made at least four months in advance, and shall then be addressed at the next meeting of the Standing Committee or the next meeting of the Conference of the Parties, whichever comes first.

Draft Memorandum of Understanding as Amended by UNEP

CONSCIOUS of the need to maintain flexibility and adaptability in the management of the CITES Secretariat and in the provision of services to the Parties to the Convention;

AWARE that the responsibilities and functions of the Standing Committee and the Executive Director of the United Nations Environment Programme (UNEP) with regard to the implementation of Articles XI and XII of the Convention need to be clarified;

RECOGNIZING that the decisions of the Conference of the Parties shall guide the *implementation of the CITES Convention and management of its Secretariat*;

DESIRING to *further* improve the relationship between CITES and UNEP; and

RECOGNIZING that the 37th meeting of the Standing Committee recommended that the Agreement between the Standing Committee and the Executive Director of UNEP, signed in June 1992, be revised.

The CITES Standing Committee and the Executive Director of UNEP agree as follows:¹

AGREEMENT BETWEEN
THE CITES STANDING COMMITTEE AND THE EXECUTIVE DIRECTOR OF UNEP

BASIC PRINCIPLES

1. The Executive Director will act in conformity with the provisions of Articles XI and XII of the Convention **and the rules and regulations of the United Nations** on these and other functions as may be entrusted to the Secretariat by the Parties. The Executive Director shall ensure that the Secretary General implements the policy guidance of the Conference of the Parties and, between the meetings of the Conference of the Parties, the policy guidance of the Standing Committee in exercising the functions of the Secretariat in accordance with Articles XI and XII of the Convention, and other functions as may be entrusted to the Secretariat by the Parties.
2. The Executive Director will inform the Standing Committee in advance of any significant action with respect to the Secretariat which may affect the interests of the Parties or the efficient administration of the Convention, and will consider carefully the views the Standing Committee presented to him/her on such actions.

PERSONNEL MANAGEMENT

3. Personnel Selection

All personnel selection shall be performed expeditiously by UNEP and the Secretary General. () All vacancy announcements shall be drafted carefully and in conformity with UN rules, and UN shall ensure its circulation to all the Parties. All selection panels for posts at the Secretariat shall be convened in accordance with United Nations rules and regulations. Only candidates with the requisite knowledge, experience, and expertise shall be considered for posts at the CITES Secretariat. ()

4. Selection of the Secretary General

The Secretary General (the Chief Officer of the Secretariat of the Convention) shall be appointed by the Executive Director of UNEP in accordance with the United Nations personnel rules, and after consultation with the Standing Committee. The consultation will be such that every effort will be made to appoint a Secretary General acceptable to the Standing Committee,

while recognizing that the United Nations personnel rules will govern the appointment.

5. Selection of Other Staff

Other staff members will also be appointed under the United Nations personnel rules, which provide for consultation with the Secretary General. The consultation will be such that every effort will be made to appoint candidates the Secretary General considers acceptable for the effective conduct of the business of the Secretariat.

6. The appointment of individuals to posts in the Secretariat financed by Governments or other institutions over and above their normal contributions to the CITES Trust Fund (**e.g., secondments**) will be confirmed through the *applicable* appointment process of the United Nations Environment Programme, and will be subject to the terms of an agreement negotiated between the originating Government agency and UNEP.

7. Performance of the Secretary General

In appraising the performance of the Secretary General, the Executive Director will provide the Standing Committee with the applicable performance appraisal criteria. On an annual basis, the Standing Committee will submit its comments to the Executive Director on the performance of the Secretary General. The Executive Director will reflect these comments in his/her performance evaluation of the Secretary General. The Executive Director will consult with the Standing Committee on issues of concern to him/her in the performance of the Secretary General. The Executive Director will extend or discontinue the contract of the Secretary General *after* consultation with the Standing Committee.

8. Performance of Other Personnel

The evaluation of the performance of the incumbents of all other posts shall be in accordance with the applicable Staff Rules of the United Nations, which provide for the full participation of the supervisors of the Secretariat.

¹ The Current Agreement (normal print) was signed on 26 June 1992 by the Chairman of the Standing Committee (Murray Hosking, New Zealand), and on 28 June 1992 by the Executive Director of UNEP, Dr. Mostafa Tolba. Recommended changes are in **bold print**. Proposed amendments by UNEP appear in *italics*. () indicates deletion of text.

FINANCIAL MANAGEMENT

9. Budget Oversight and Execution

The Standing Committee oversees on behalf of the Parties the development and execution of the Secretariat budget as derived from the Trust Fund and other sources. The Executive Director will be guided by the specific resolutions established by each meeting of the Conference of the Parties with respect to matters related to the financing and budgeting of the Secretariat *taking into account the availability of resources*. The Executive Director shall consult with the Standing Committee before **taking actions** or implementing decisions which cause an unforeseen **change** in the budget of the Secretariat.

10. Administrative Support Charge ("Overhead")

Regarding the 13% administrative support charge ("overhead") currently paid, per United Nations General Assembly Resolution 35/217, by the CITES Trust Fund to UNEP on expenditures against the CITES Trust Fund, UNEP shall provide to the CITES Standing Committee and Conference of the Parties on a regular basis, as specified in paragraph 14 below, a report on ways in which the 13 percent support charge has been used for the benefit of the CITES Convention and its Secretariat.

11. Externally Financed Projects

Proposals for externally financed projects shall be submitted in the established format to the Standing Committee which has the authority to approve proposals. Upon approval by the Standing Committee, the CITES Secretariat then discusses the proposal with the implementing body and finalizes the document with the assistance of the UNEP Programme Support Unit in Geneva. The requisite project document shall then be signed by the Secretary General of CITES, the relevant implementing body and UNEP. UNEP will give authorization to commit resources for the project subject to the actual receipt of the externally provided finance in the CITES account.)

12. Location and Custody of the Trust Fund

In accordance with Rule 8.1 of the Financial Rules and Regulations of the United Nations, the Controller, in consultation with UNEP and the CITES Secretary General, has designated a bank in Geneva in which the CITES Trust Fund shall be located.) The Annual reports of the United Nations auditors on the management and investment of the Trust Fund account shall be provided to the CITES Standing Committee, for transmission to all CITES Parties.

MANAGEMENT REVIEW

13. UNEP, upon the request of the Standing Committee, may as appropriate commission an independent management review of services provided by the CITES Secretariat, in the interest of promoting cost efficiency, transparency, and furthering the goals of the Convention.

PERIODIC REVIEW

14. UNEP Report

UNEP shall submit *an annual* report on its *support to the Secretariat, including the implementation of this agreement, and the administration of the Secretariat* for consideration *either at a meeting of the Standing Committee or at a meeting of the Conference of Parties.*)

15. Revision of this Agreement

This agreement may, at the request of either party to it, be reviewed at any time. Such a request shall be made at least four months in advance, and shall then be addressed at the next meeting of the Standing Committee or the next meeting of the Conference of the Parties, whichever comes first.

On behalf of the
Standing Committee:

Executive Director UNEP:

Date:

Date:

Doc. 10.23 Annex 3

Comments by the Working Group of the Standing Committee on the Draft Memorandum of Understanding Prepared by UNEP

3. Personnel Management

The phrase "and any unforeseen delays in filling senior posts shall be explained in writing to the Chairman of the Standing Committee, as representative of the Parties" was deleted in the first sentence. The W.G. disagrees with this amendment; the issue was fully discussed at the meeting in Washington and it was agreed by all, even Mr Illueca, that, even if it is implicit, the Parties would prefer that this be spelled out in the agreement. The W.G. therefore prefers to retain the original text.

The W.G. also prefers to retain the phrase "For senior posts, the Executive Director shall consult with and take into consideration the views of the Standing Committee in establishing selection panels, as appropriate", which was deleted without any explanation.

10. Administrative Support Charge ("Overhead")

This is perhaps the most crucial issue that led to a discussion of a new MoU. The W.G. believes that the proposed amendment does not reflect the concern of the Parties contained in the original phrases: "A

detailed accounting of how this administrative support charge ("overhead") is spent by UNEP" and "A detailed accounting of all services CITES receives from UNEP for this overhead charge. These overhead funds provided by the CITES Parties are not to be used by UNEP on non-CITES issues." Therefore, the W.G. emphatically recommends that no changes be introduced in this point.

11. Externally Funded Projects

The W.G. recommends that the phrase "These projects are not to be assessed any overhead charges" be retained. However, a legal consultation on whether the Executive Director has authority to make this statement may be necessary.

12. Trust Fund

The W.G. has no objection to the proposed deletion.

14. UNEP Report

The agreed text reads: "UNEP shall submit a report on its provision of the Secretariat, including the implementation of this agreement, for consideration at each

meeting of the Standing Committee and meetings of the Conference of the Parties. That report shall include all aspects of the administration of the Secretariat. The Parties shall review and analyse this report and assess

UNEP's performance under this Agreement." UNEP's proposal is for the review to be either at a meeting of the CoP or a Standing Committee meeting. The W.G. wishes the original text to be retained.

Doc. 10.23 Annex 4

UNEP's Response to the Comments of the Working Group

3. Personnel Management

Suggested addition to the phrase "and any unforeseen delays in filling senior posts should be explained in writing to the Chairman of the Standing Committee as representative of the Parties": "upon his written request".

The sentence "For senior posts, the Executive Director shall consult with and take into consideration the views of the Standing Committee in establishing selection panels, as appropriate" was deleted as the establishment of selection panels is the prerogative of the Executive Director.

10. Administrative Support Charge ("Overhead")

UNEP's Governing Council (UNEP GC Decision 19/24 B, paragraph 1 and 2) requested the Executive Director to "identify the full administrative and management costs incurred by the individual trust funds and UNEP" and recommends to "request the assistance of the ACABQ and any other office within the UN system for help in developing the methodology required".

At a later stage, when UNEP will have responded to the request of its Governing Council, it may be possible to include a more comprehensive report on the costs UNEP incurs in the administration and management of the CITES trust fund.

At this stage, it will not be possible for UNEP to commit itself with furnishing more information with regard to the use of the programme support cost derived from the CITES trust fund and we are comfortable with the text we proposed earlier.

11. Externally Funded Projects

As indicated earlier the Executive Director of UNEP has no authority to state that "these projects are not to be assessed any overhead charges".

14. UNEP Report

As UNEP will submit an annual report on its support to the Secretariat it was felt more correct to reflect that such report would be submitted to the CoP or Standing Committee whatever is appropriate as CoP and Standing Committee do not meet annually. UNEP has no objection to submit an annual report to each meeting of the Standing Committee and meetings of the CoP as long as the frequency of reporting does not exceed one report a year.

As indicated earlier UNEP cannot accept part of the last sentence "and assess UNEP's performance under this Agreement". It is for the parties to decide what they want to do with the report.

Doc. 10.23 Annex 5 (Doc. SC.38.2)

CITES/UNEP Working Group

Report of Meeting 23-24 March 1997

Attendees at the meeting

Argentina: Victoria Lichtschein (Chair)
Switzerland: Peter Dollinger
Namibia: Malan Lindeque
Japan: Keiichi Kawase and Kazuhiko Kokubu
United States
of America: Susan Lieberman, Peter Thomas,
Mitchell Cohn, Evelyn Wheeler,
Sabrina Safrin

1. The meeting was convened by the Chair, Victoria Lichtschein of Argentina, and was hosted by the United States. The 37th meeting of the CITES Standing Committee charged this working group with producing a revision of the Agreement between CITES and the United Nations Environment Programme (UNEP). The existing Agreement was signed on 26 June 1992 by the Chairman of the Standing Committee (Murray Hosking, New Zealand), and on 28 June 1992 by the Executive Director of UNEP, Dr. Mostafa Tolba.
2. The decision of revising the existing Agreement between the CITES Standing Committee (on behalf of the CITES Parties) and UNEP was made by the Standing Committee, in response to a report submitted to it by the Working Group on the Relationship between CITES and UNEP. That report, adopted by the Standing Committee, has been circulated to the CITES Parties in Notification to the Parties No. 961.

The Working Group was established by the 36th meeting of the Standing Committee, to assess the relationship between CITES and UNEP.

March 23, 1997

3. The Working Group met, and had a preliminary discussion of the existing Agreement, what functions are covered, and what would need to be included in a revised Agreement. All AGREED that there should be increased transparency and precision regarding personnel management selection and evaluation (for the Secretary General and professional staff), as well as financial management issues. It was AGREED that the revised Agreement should deal with both the management of the CITES Trust Fund, and Externally Funded projects. All AGREED that the revised Agreement should also deal with any future revisions of the Agreement, and periodic evaluation and review of the Agreement.
4. There was discussion of the issue of what exactly is meant by the terminology in Article XII paragraph 1 of the CITES treaty, which states: "Upon entry into force of the present Convention, a Secretariat shall be provided by the Executive Director of the United Nations Environment Programme."
5. It was AGREED that the revised Agreement needs to be clear as to the procedures regarding CITES and UNEP, and as to what services are provided to CITES by UNEP. It was also AGREED by all that a procedure

- is needed to monitor the implementation of the Agreement.
6. During the discussion of what is meant by the treaty language "provide a Secretariat", there was discussion of the history of the administration of the Secretariat (provided by Switzerland). Originally, UNEP delegated that function to IUCN. When the first CITES Secretary General was selected, IUCN had advertised the post. After he left, UNEP became more involved. There was discussion of the role of UNEP in selection of the current and previous Secretaries General. There was sentiment in the group that Article XII of the treaty was more pertinent to the original establishment of a Convention Secretariat, and is not necessarily applicable today. It was noted by several participants that there is strong sentiment among many Parties to leave UNEP, if that were possible, and UNEP needs to be aware of that. There was strong sentiment that the interpretation of what the treaty means by "provide a Secretariat" is up to the Parties, and not UNEP.
 7. There was also discussion of the legal issue of whether an agreement (e.g., the CITES treaty) can oblige an entity that is not a party to it (e.g., UNEP). It was AGREED that the Parties present would ask their legal offices if the United Nations General Assembly gave its imprimatur to CITES when it was negotiated (CITES was negotiated about the time that UNEP was established), and if UNEP in any formal way accepted a CITES role at a UNEP Governing Council.
 8. There was extensive discussion of whether or not the Parties could opt to have some other entity or organization provide for the administration of CITES. It was noted by several participants that there needs to be greater transparency in the relationship with UNEP, and greater accountability by UNEP, such that UNEP is aware that if the Parties are unsatisfied in the future they will not continue to accept UNEP as providing for the Secretariat-- which will lead to either an amendment of the treaty or some other arrangement. It was AGREED that the Working Group was charged with submitting a revised Agreement to CoP10, which it would do, but it would set something up that could be revisited at CoP11 if necessary. It was noted that the Convention on Biological Diversity (CBD) is also looking for ways to measure progress or document the lack thereof.
 9. There was a discussion of the roles of UNON (the United Nations Office in Nairobi) and UNOG (the United Nations Office in Geneva). There are serious concerns with the effectiveness of UNON, including Trust Fund management and personnel issues.
 10. There was strong sentiment that UNEP should be transparent as to what it provides the CITES Parties with, but should not be allowed to continue to claim contributions that it does not make and are unrealistic.
 11. There was discussion of recent problems within UNEP, and the need for a "zero based strategy" for UNEP, to identify its basic mission. It was agreed that it would be more constructive if they worked with Convention Secretariats instead of against them. There was a discussion of the need for central oversight in UNEP, but agreement that removing CITES from UNEP at this time would not help, and would not be productive.
 12. There was discussion of concerns that the CITES Secretariat has lost administrative staff and thereby efficiency; three staff members used to work full-time for CITES, and are now shared with other Conventions. It was AGREED to deal with this in the revised Agreement.
 13. It was AGREED that in the context of efforts to reform the United Nations, a strong Agreement should be sought at this time. Recent developments at the UNEP Governing Council were also discussed.
 14. It was agreed that personnel selection, as an example, broke down recently from UNON, and must be clearly spelled out in the revised Agreement. It was also AGREED that Trust Fund administration has been more efficient than personnel and management issues. It was AGREED that basic performance indicators are needed in the revised Agreement with UNEP. It was also AGREED that the revised Agreement should be drafted so that if it were agreed to switch to a different "provider", the same services would be provided. It was also AGREED to build a review process into the revised Agreement.
 15. There was a discussion of the 13% administrative support charge assessed by UNEP on the CITES Trust Fund. It was noted that the UN General Assembly said that UNEP is authorized to charge 13%, but NOT mandated. It was suggested that the Parties should state what they expect for their overhead assessment, and be prepared to pay up to 13%. There was discussion of "indirect costs", and how to determine what is and is not provided. It was AGREED that UNEP had already been asked by the Working Group at its last meeting to submit information as to what it costs to provide for the Secretariat, but UNEP had refused to say how much time and money it spends on each Trust Fund; UNEP's response to all inquiries on this issue were AGREED by all to be unsatisfactory and not at all convincing. It was AGREED by all that UNEP needs to calculate what it is providing and how it is spending the Parties' money. A suggestion was made to ask UNEP to hire a consultant to do a Time and Motion study.
 16. After further discussion, the Working Group AGREED to the following agenda:
 17. – Update on the information that was requested from UNEP at the last meeting of the Working Group
 18. – Report from UNEP on the Ombudsman's evaluation of the "crisis in the Secretariat".
 19. – Revision of the CITES/UNEP Agreement: discussion of draft submitted by UNEP and discussion of text prior to meeting with UNEP
 20. – Meeting with UNEP representative to discuss text
 21. It was AGREED that the highest priority for the Working Group is the revised Agreement; issues related to information that UNEP did not provide (as promised) are important but secondary, and will only be dealt with if time permits.
 22. Note: UNEP provided a draft revision of the existing (1992) Agreement. The United States provided a draft revision as well, for discussion purposes, and as a starting point for the meeting of the Working Group.
 23. There was discussion of UNEP's proposed revision, regarding the section involving externally funded projects. It was felt that this text was an attempt by UNEP to obtain the 13% out of "counterpart" funding (externally funded projects). All AGREED that this is not appropriate, and that the revised Agreement must spell out how the 13% (overhead assessment) is to be accounted for, and that it is not to be assessed on externally funded projects.
 24. There was a discussion and summary of discussions with the Working Group and UNEP (Felipe Guerrero in particular) regarding administration of the Trust Fund, and approval, funding and administration of externally

- funded projects. Based on the last meeting of the Working Group, Mr Guerrero had a productive meeting with Secretariat staff on these issues as well.
25. There was a summarizing and brief discussion of the Working Group's report to the Standing Committee, in order to be certain that all of the recommendations contained therein are incorporated into a draft revised Agreement. During the discussions of the actual text of the revised Agreement, throughout the two day meeting, the Working Group continually referred to its report to the Standing Committee.
 26. It was noted that UNEP had told the Working Group in 1996 that the Executive Director was preparing a policy paper on what constitutes "provides a Secretariat". It was AGREED to ask UNEP what progress had been made towards that end.
 27. The Working Group AGREED that the Standing Committee discussions with UNEP of these issues pertaining to the services provided by UNEP were not satisfactory. Several participants concurred that UNEP needs to be more flexible in terms of various personnel rules. Furthermore, it was AGREED that UNEP has been unwilling to be accountable as to how it spends the overhead assessment from the CITES Trust Fund, but it must be willing to do so.
 28. The Working Group AGREED that any Agreement that is adopted must include a periodic review process—both of the performance of UNEP and the text of the Agreement itself. It was also AGREED that frequent reports from the Secretary General to the Parties on execution of the Agreement must be included in the revised Agreement.
 29. It was AGREED that the revised Agreement must contain a statement about the application of United Nations rules by the Executive Director of UNEP, including personnel matters (announcements, selection procedures, etc.).
 30. It was also AGREED that the Performance Evaluation of the Secretary General, as spelled out in the Working Group's report, must be included in the revised Agreement.
 31. Several other items that UNEP was asked to report on have not yet been reported on by UNEP. The Working Group AGREED to send a separate letter to the Chairman of the Standing Committee with these concerns.
 32. It was AGREED that the revised Agreement must contain language on the location of the Trust Fund (as in the Working Group's report), and approval of externally funded projects.
 33. It was AGREED that the items in the Working Group report promised by UNEP (13.1) and the Secretariat must be requested from them.
 34. It was AGREED that the revised Agreement should deal with:
 35. — Selection and management of staff, including: both the Secretary General and other staff; selection, supervision and evaluation; and staff from secondments.
 36. — Financial questions, including reporting obligations and where the Trust Fund is located, who is responsible for it, and who controls expenditures.
 37. — Externally funded projects.
 38. — Administrative support, including the overhead assessment (13%), justification, reporting and accountability.
 39. — Periodic review of the Agreement and monitoring of its implementation.
 40. It was AGREED by all that there should be a decision of the CoP that as long as the CoP agrees, UNEP will provide for the administration of the Secretariat. The Working Group AGREED to develop a draft decision of the CoP, for submission by the Chair of the Working Group.
 41. There was discussion and great concern regarding Notification to the Parties Number 961 from the Secretariat, which transmitted the Report of the Working Group to the Standing Committee. The Standing Committee had explicitly agreed and asked the Secretariat to ask the Parties to provide comments on the report; none were requested, nor was there any explanation from the Secretariat regarding the Report, nor was there any explanation that the Working Group was now charged with developing a revised Agreement. It was AGREED by all to express these serious concerns to the Chairman of the Standing Committee.
 42. There ensued a discussion of the decision of the UNEP Governing Council regarding administrative overhead costs (Res. 19/24 part B of the Governing Council). It was noted that the Governing Council charged the Executive Director with identifying the full administrative and management costs incurred by individual Trust Funds and UNEP.
 43. It was agreed to allow Mr Illueca, UNEP's representative as observer to the meeting of the Working Group, to explain the proposed modifications they had submitted to the Working Group.
 44. Several members suggested that payment to UNEP should be based on direct cost accounting and not overhead, to a maximum of 13%. It was also suggested that the Parties should be able to choose the services they want from UNEP. All AGREED to explore the option of direct cost accounting.
 45. Several of the recent problems involving the management of the Secretariat and performance and activities of the Secretary General were discussed. It was AGREED that a "paper trail" of these problems is needed, and any deficiencies in terms of what the Parties direct to the Secretariat but are not complied with should be recorded.
 46. After a lunch break, Jorge Illueca of UNEP was invited to participate in the meeting.
 47. Concerning several other items that UNEP was asked to report on, the Working group noted that this had not yet taken place. The Chair of the Working Group asked UNEP for an explanation on the information that had been requested from UNEP in June 1996 but not provided. Mr Illueca was surprised that no response had been received by the members of the Working Group. He said that a response went to Secretary General Topkov in November 1996 from the Executive Director of UNEP, and he had assumed that it was communicated to the Chairman of the Standing Committee.
 48. The Working Group asked UNEP for an update on the mission of the UNEP Ombudsman to the Secretariat. The Standing Committee had agreed at its last meeting to ask UNEP to send an Ombudsman to the Secretariat due to the serious management concerns involving the Secretary General. Mr Illueca responded that the Ombudsman Report was completed at the end of January, and was forwarded with recommendations to the Executive Director. She sent a letter to Ambassador Akao (Chairman of the Standing Committee) at the end of January or early February, informing him of

the outcome of the investigation. Mr Illueca noted that the Report is confidential, in order to guarantee confidentiality to those who were interviewed by the Ombudsman. The letter from the Executive Director to Ambassador Akao summarized the outcome of the investigation. His understanding is that Ambassador Akao did not make the letter available, as it was identified as confidential.

49. Several participants stated that the Chairman of the Standing Committee acts on behalf of all members of the Standing Committee, and should not be put in such an awkward position. All AGREED that since this Working Group discovered serious concerns that led to the Ombudsman's mission, and as such should receive the letter that went to the Chairman of the Standing Committee. Furthermore, all AGREED that the letter and results of the Ombudsman's Report could be critical to the Working Group's deliberations, and withholding of information compromises the Working Group's ability to function properly. Dissatisfaction with UNEP on this issue was the consensus view.
50. The Working Group AGREED to ask Mr Kawase and Mr Kokubu to contact Ambassador Akao and inquire as to the status of the report of the Ombudsman and any correspondence he received from Executive Director Dowdeswell on this issue. Mr Illueca agreed to inquire from UNEP in Nairobi as to when the aforementioned letters were sent.
51. Mr Illueca noted that various financial and administrative procedures are currently being worked out between UNEP and the CITES Secretariat. One member of the Working Group inquired if the members could see the agreement between the Secretariat and UNEP. It was determined, after questioning, that the CITES Trust Fund account is to be set up in Geneva, as with all Convention Secretariats. The Working Group suggested that such an agreement should be made in consultation with the Standing Committee, as Parties to the Convention.
52. There was a brief discussion of reclassification by UNEP of professional posts, and other related personnel issues. There was also discussion of performance appraisals, the UNEP system, and how often the Secretary General and other CITES Secretariat staff are appraised. In 1996, UNEP instituted a new Performance Appraisal System. There was also a discussion of UNEP contracting procedures. There was also a discussion of the CITES budget, and the fact that the CITES Secretary General may only commit resources if they are covered by existing contributions. UNEP acts as the Trustee, and gives authority to the Secretary General to commit/expend resources. All allotments must be within available Trust Fund resources and must be in line with a particular CoP-approved budget line item.
53. There was discussion as well of funding for externally funded projects, which goes into the Trust Fund. All moneys are held in an account in Geneva, which is administered jointly by UNOG, the Secretary General, and UNEP program support services staff in Geneva.
54. A member of the Working Group noted that the discussion was focusing on micro-details and miscommunications, which are plenty. One member referred to the Working Group's report to the Standing Committee, which said that financial reports are sent by UNEP to the Secretary General. The Working Group members all AGREED that they had never seen these reports. Mr Illueca agreed to follow through and find out if those reports went to the Secretary General; he promised to arrange to have them sent immediately

to the Parties on the Standing Committee. He was surprised that the UNEP financial report was not sent by the Secretary General to the Parties. The members of the Working Group were equally surprised, as they had not received the promised auditors report.

55. Mr Illueca noted that it is very clear in the policy paper provided to the Working Group regarding what services UNEP is currently providing to all Convention Secretariats. The Chair and other members of the Working Group expressed concern with the tone of the discussion and the document circulated, as representing a regression from earlier discussions in Bern (in June, 1996).
56. Concern was expressed that the Standing Committee directed the Secretariat *in December 1996* to circulate the Working Group's report to the parties, asking for comments by March 1, 1997. The Secretary General did not distribute the Report until March 7, 1997, and made no request for comments, nor did he report to the Parties on the decisions of the Standing Committee in this regards. The Parties do not even have the minutes of the December meeting yet. This was disturbing to the members of the Working Group.
57. A discussion ensued of the draft revised Agreement: submitted by UNEP to the Working Group. According to Mr Illueca, key paragraphs with changes are:
 58. – A Bank in Geneva has been designated for the CITES Trust Fund, with management by UNOG in consultation with UNEP and the Secretary General.
 59. – 13% administrative charge: The Parties will not be charged on 'earmarked' 'counterpart' contributions. The paragraph lays out how UNEP plans to account for the 13% charge.
 60. – Approval for externally-financed projects. This is the product of meetings held with Secretariat staff after the June 1996 Bern meeting of the Working group.
61. Regarding UNEP's draft revision of the Agreement, one participant noted in regard to transparency of trust funds, that in its recent report to the Governing Council UNEP did not find it feasible to do a time/measurement study in 1996/97 period due to its reorganization. UNEP reported to the Governing Council that it plans to do a time/measurement study in the future. UNEP was asked to reply.
62. Mr Illueca responded that according to the report of the Office of Internal Oversight Services, UNEP is making institutional changes. It is splitting its corporate accountability program into 2 units: Oversight Services and Program Planning. He discussed UNEP's various other programs and management of various Trust Funds. By January 1998 UNEP will have a system fully put into place that can track time spent on various trust funds and their administration.
63. There was a further elaboration by Mr Illueca of the work of its Fund Program Management Branch in Nairobi and its Fund Officer in Geneva, who ensures that funds are properly expended. Periodically, different entities within UNEP are audited. Mr Illueca noted that oversight of the programmatic work of Secretariats is the responsibility of the relevant substantive units, which hasn't worked well recently for CITES.
64. There was a discussion of the recent Performance Evaluation of the CITES Secretary General. UNEP reported that it consulted with Ambassador Akao regarding the extension of the Secretary General's contact. UNEP evaluates how well Conventions are being implemented, to ensure they are functioning properly. Some Working Group members noted a need

to work more closely with the Parties. Members of the Working Group asked Mr Illueca if the UNEP Ombudsman spoke with any Standing Committee members or CITES Management Authorities in evaluating the management concerns raised by the Standing Committee. Mr Illueca replied that only the Chairman was interviewed. The Working Group AGREED that the revised Agreement *must* include periodic reviews of the management and performance of the Secretariat.

65. There was discussion of some of the text in the U.S. submission (draft revised Agreement), particularly regarding the 13% overhead charges, and benefits of using 13% versus real costs.
66. All AGREED to build in a process in the revised Agreement to allow for review of the Agreement and review of its implementation at CoP11, and subsequently. All AGREED to obligate a review of the Agreement's implementation at each meeting of the Standing Committee and each CoP, and to provide a mechanism for review of the text of the Agreement itself, at the request of either party.
67. Mr Illueca stated that he had no problem with building in a requirement to report to the CoP, although he preferred that there only be a review of the text of the Agreement if either side requests it. He also requested flexibility on the issue of how the 13% overhead is spent, noting that UNEP will report on this to the Governing Council in 1998. He agreed with the proposed Agreement language on showing where the 13% goes. The specific agreed-upon language states: "UNEP shall provide the following to the CITES Standing Committee and Conference of the Parties on a regular basis, as specified in paragraph 14 below: A detailed accounting of how this administrative support charge ("overhead") is spent by UNEP; and a detailed accounting of all services CITES receives from UNEP for this overhead charge. These overhead funds provided by the CITES Parties are not to be used by UNEP on non-CITES issues."
68. One representative suggested a management review for UNEP and the Secretariat, inquiring if, given the budget, it would be technically possible. All AGREED to put text into the Agreement on such a management review.
69. One representative raised the issue of the three administrative staff at the Secretariat, who are provided by UNEP. They used to work 100% on CITES issues, and were paid out of the administrative overhead charge (the 13%). They now spend a significant portion of their time on work for other Convention Secretariats, and clarification was sought from UNEP. Mr Illueca discussed the new Program Support Services Unit in Geneva, stating that this unit is designed to increase efficiency. It will include 2 or 3 Fund Officers and administrative support staff. The individual Secretariats will keep their Administrative Officers, as liaisons with this new unit. Mr Illueca promised to provide the Working Group (and thereby the Standing Committee) with more information on this unit and UNEP's plans. Mr Illueca was asked if UNEP can agree to report to the Parties on what percentage of the time of the administrative support staff are spent on CITES matters. He said he could answer the question by the Governing Council meeting in 1999, which will include a detailed breakdown for the 1998/99 biennium.
70. Several Party representatives complained that their country is Party to only 1 or 2 of the 3 Conventions that will be served by this Program Support Services Unit, and as such they will in essence be subsidizing other Conventions. After further discussion, all Parties

AGREED that the Parties must know how their money is being spent, and must be assured that they are not subsidizing other Conventions with funds directed for CITES. All AGREED that the Parties must be able to know exactly what services are provided by UNEP.

71. Mr Illueca was asked if UNEP, UNON, or UNOG are assisting the CITES Secretariat with any aspects of CoP10 organization. He said he would inquire, as he did not know.
72. UNEP was asked to provide not only a list of services provided to the CITES Secretariat, but also a document spelling out what deficiencies there are and what improvements are planned.
73. There was extensive discussion of aspects of the draft revised Agreement, and agreed-upon text would be available to participants at the opening of the next day's session.

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74. There was extensive discussion of the actual text of draft revised Agreement, including moving several paragraphs. All Parties AGREED that this revised Agreement should be adopted as a Decision of CoP10, which could be further reviewed at CoP11. All Parties AGREED that a legal analysis of what constitutes "provide a Secretariat" is needed.
75. It was suggested and AGREED upon that in addition to the Agreement itself, the Parties should ask UNEP to provide an Operations Memorandum, with details of what services are provided to the Secretariat.
76. The representatives of Japan reported that they had spoken with Ambassador Akao (Chairman of the Standing Committee). Ambassador Akao did indeed receive the report of the Ombudsman from the Executive Director of UNEP (dealing with the management crisis in the Secretariat and the Secretary General). The Executive Director told him that the report was strictly confidential, and not for circulation. Ambassador Akao consulted with Mr Hepworth, Vice-Chair of the Standing Committee, and together they decided to refrain from circulation to other members of the Standing Committee. Ambassador Akao stated that he intends to make the report available at the next meeting of the Standing Committee.
77. Mr Illueca reported that he requested that his assistant in Nairobi fax the letter from the Executive Director on this issue. All Parties expressed regret that as members of the Working Group and the Standing Committee, they were not consulted on whether to receive copies of the letter from the Executive Director. Several attendees agreed that all members of the Standing Committee should be treated equally, and Ambassador Akao should not have been placed in such an awkward position by the Executive Director. Several attendees expressed concern that Ambassador Akao only consulted the Vice-Chair, and not the alternate Vice-Chair or other Standing Committee members.
78. Mr Illueca requested that the minutes of this meeting note that consensus was reached on this revised Agreement, and that he as UNEP's representative agrees to the document; however, UNEP in Nairobi or New York may have further comments. He asked for a few days to be able to comment, and agreed to provide any comments by close of business Monday April 30, 1997. It was AGREED that Victoria Lichtschein of Argentina would be consulted directly if UNEP has any comments or proposed changes, and she will decide if they need to go back out to members of the Working Group. Mr Illueca agreed that UNEP will reply by Monday April 30, 1997 directly to Ms. Lichtschein. It was

agreed that if necessary, she will consult members of the Working Group on any proposed changes, and otherwise will transmit the document directly to Ambassador Akao, for transmission by the Secretariat to members of the Standing Committee. It was stressed that if no comments were received from Mr Illueca by the end of the day Monday April 30, 1997 Ms. Lichtschein would take it to mean that there was consensus on the revised Agreement.

79. Mr Illueca stated that according to the Secretary General of CITES, the 94-96 financial reports were already copied to the Standing Committee and will appear at CoP10 as Doc. 10.11. He stated that the Auditor's Report was not sent to the Standing Committee, because Mr Topkov did not know that he was supposed to send it.
80. Mr Illueca also reported to the Working Group that Mr Anderson, the Enforcement Officer at the Secretariat, has resigned and returned to the United States. The Secretary General informed UNEP that an existing Secretariat staff member, Mr Leduc, has been temporarily placed in that post. The Secretary General does not intend to advertise the Enforcement Officer post, unless the Parties or UNEP are not satisfied. Otherwise, there will be a vacancy announcement for the Training Officer post. Ms. Astralaga of the Secretariat is currently Acting as the Training Officer, although she will be leaving Geneva shortly.
81. Mr Illueca also reported that UNON will not provide any services to CoP10 in Zimbabwe, and has never in the past provided services to a CoP.

82. Regarding the three administrative posts, Mr Illueca reported that one post will remain in the CITES Secretariat, while two others will now be with the new Program Support Services Unit.
83. Mr Illueca promised that upon his return to Nairobi, he will obtain a copy of the second letter from the Executive Director to Ambassador Akao, and will ask that it be distributed to members of the Standing Committee.
84. There was further discussion of the draft revised Agreement, and some further text modifications agreed upon by all participants.
85. The meeting concluded with good rapport between all participants, and a strong commitment to work to adopt the revised Agreement at CoP10 in Zimbabwe. The Working Group also discussed and AGREED upon two letters to Ambassador Akao regarding these issues, and a draft Decision of the CoP to be submitted by the Chair of the Working Group to CoP10 on this issue.
86. The Working Group wishes to express its gratitude to the CITES Management Authority and Department of State of the United States for successfully organizing and hosting the meeting in Washington, as well as for the kind hospitality offered.
87. The Chair warmly thanks the support and collaboration received from all Working Group members and acknowledges particularly Susan Lieberman's excellent work in producing comments on draft documents and the draft report of the meeting.

Evolution of the Convention

RELATIONSHIP BETWEEN CITES AND UNEP

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| <p>1. The working group of the Standing Committee on this subject has met with representatives of UNEP to discuss the revision of the Agreement between the CITES Standing Committee and the Executive Director of UNEP.</p> | <p>2. The Annex to this document is the result of the discussion, on which the working group of the Standing Committee and the representative of UNEP are agreed.</p> |
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Doc. 10.23.1 Annex

Agreement Between the CITES Standing Committee and the Executive Director of UNEP

CONSCIOUS of the need to maintain flexibility and adaptability in the management of the CITES Secretariat and in the provision of services to the Parties to the Convention;

AWARE that the responsibilities and functions of the Standing Committee and the Executive Director of the United Nations Environment Programme (UNEP) with regard to the implementation of Articles XI and XII of the Convention need to be clarified;

RECOGNIZING that the decisions of the Conference of the Parties shall guide the implementation of CITES and management of its Secretariat;

DESIRING to further improve the relationship between CITES and UNEP; and

RECOGNIZING that the 37th meeting of the Standing Committee and the Executive Director of UNEP, signed in June 1992, be revised;

The CITES Standing Committee and the Executive Director of UNEP agree as follows:

BASIC PRINCIPLES

1. The Executive Director will act in conformity with the provisions of Articles XI and XII of the Convention and the rules and regulations of the United Nations on these and other functions as may be entrusted to the Secretariat by the Parties. The Executive Director shall ensure that the Secretary General implements the policy guidance of the Conference of the Parties and, between the meetings of the Conference of the Parties, the policy guidance of the Standing Committee in exercising the functions of the Secretariat in accordance with Articles XI and XII of the Convention, and other functions as may be entrusted to the Secretariat by the Parties.
2. The Executive Director will inform the Standing Committee in advance of any significant action with respect to the Secretariat which may affect the interests of the Parties or the efficient administration of the Convention, and will consider carefully the views the Standing Committee presents to him/her on such actions.
3. Where consultations between the Executive Director and the Standing Committee are required under this agreement, they shall be conducted through the Chairperson of the Committee who shall seek the views of the members and reflect these in his or her reply. On specific issues, the Chairperson may designate another member of the Standing Committee to conduct such consultations.

PERSONNEL MANAGEMENT

4. Personnel Selection

All personnel selection shall be performed expeditiously by UNEP and the Secretary General. The aim should be to ensure that any vacancies occurring among the senior professional staff shall be filled by replacements on fixed term appointments within 6 months. Any unforeseen delays in filling senior posts shall be explained in writing to the Chairperson of the Standing Committee, as representative of the Parties, upon his/her written request. All vacancy announcements shall be drafted carefully and in conformity with UN rules, and the UN shall ensure its circulation to all Parties. All selection panels for posts at the Secretariat shall be convened in accordance with United Nations rules and regulations. Only candidates with the requisite knowledge, experience and expertise shall be considered for posts at the CITES Secretariat. For senior posts, the Executive Director, or his/her designated official (Secretary General), shall consult with and take into consideration the views of the Standing Committee in establishing selection panels, as appropriate.¹

5. Selection of the Secretary General

The Secretary General (the Chief Officer of the Secretariat of the Convention) shall be appointed by the Executive Director of UNEP in accordance with the United Nations personnel rules, and after consultation with the Standing Committee. The consultation will be such that every effort will be made to appoint a Secretary General acceptable to the Standing Committee, while recognizing that the United Nations personnel rules will govern the appointment.

6. Selection of Other Staff

Other staff members will also be appointed under the United Nations personnel rules, which provide for consultation with the Secretary General. The consultation will be such that every effort will be made to appoint candidate the Secretary General considers acceptable for the effective conduct of the business of the Secretariat.

7. The appointment of individuals to posts in the Secretariat financed by Governments or other institutions over and above their normal contributions to the CITES Trust Fund (e.g. secondments) will be confirmed through the applicable appointment process of the United Nations Environment Programme, and will be subject to the terms of an agreement negotiated between the originating Government agency and UNEP.

¹ In accordance with UN staff rules and regulations, selection panels for all posts are established by the Executive Director, who has delegated this authority to the Secretary General.

8. Performance of the Secretary General

In appraising the performance of the Secretary General, the Executive Director will provide the Standing Committee with the applicable performance appraisal criteria. On an annual basis, the Standing Committee will submit its comments to the Executive Director on the performance of the Secretary General. The Executive Director will reflect these comments in his/her performance evaluation of the Secretary General. The Executive Director will consult with the Standing Committee on issues of concern to him/her in the performance of the Secretary General. The Executive Director will extend or discontinue the contract of the Secretary General after consultation with the Standing Committee.

9. Performance of Other Personnel

The evaluation of the performance of the incumbents of all other posts shall be in accordance with the applicable Staff Rules of the United Nations, which provide for the full participation of the supervisors of the Secretariat.

FINANCIAL MANAGEMENT

10. Budget Oversight and Execution

The Standing Committee oversees on behalf of the Parties the development and execution of the Secretariat budget as derived from the Trust Fund and other sources. The Executive Director will be guided by the specific Resolutions established at each meeting of the Conference of the Parties with respect to matters related to the financing and budgeting of the Secretariat taking into account the availability of resources. The Executive Director shall consult with the Standing Committee before taking actions or implementing decisions which cause an unforeseen change in the budget of the Secretariat.

11. To assist the Standing Committee in fulfilling its responsibilities, the Executive Director shall ensure that a report is submitted to each meeting of the Committee showing details of the expenditure for each of the years of the triennium in question which a) has been allocated by the Conference of the Parties, b) which is projected or committed, and c) has been incurred. The reports should allow year on year comparison with the final year of the preceding triennium and show the amount of unspent balance held in the Trust Fund. In the year preceding a Conference of the Parties, the Executive Director shall additionally provide the Standing Committee with detailed expenditure proposals for the next biennium identifying priorities and the scope for savings, including those from increased efficiency. This information shall be included in the report as indicated in paragraph 16 of this Agreement.

12. Administrative Support Charge

Recognizing the current process within UNEP in collaboration with the United Nations to determine an adequate mechanism to report administrative support cost, as called for in UNEP Governing Council decisions 19/24B, UNEP will provide to the Parties as detailed an accounting as possible of services provided to CITES with the understanding that the level of detail will be consistent with the needs of the Parties. This information shall be included in the report as indicated in paragraph 16 of this Agreement. Progress on the implementation of this paragraph will be assessed at the 42nd meeting of the Standing Committee.

13. Externally Financed Projects

Proposals for externally financed projects shall be submitted in the established format to the Standing Committee which has the authority to approve proposals. Upon approval by the Standing Committee, the CITES Secretariat then discusses the proposal with the implementing body and finalized the document with the assistance of the UNEP Programme Support Unit in Geneva. The requisite project document shall then be signed by the Secretary General of CITES, the relevant implementing body and UNEP. UNEP will give authorization to commit resources for the project subject to the actual receipt of the externally provided finance in the CITES account. Any changes in the current practice of administering these projects will be subject to negotiations between the Executive Director and the Standing Committee.

14. Location and Custody of the Trust Fund

In accordance with Rule 8.1 of the Financial Rules and Regulations of the United Nations, the Controller, in consultation with UNEP and the CITES Secretary General, has designated a bank in Geneva in which the CITES Trust Fund shall be located. The Annual reports of the United Nations auditors on the management and investment of the Trust Fund account shall be provided to the CITES Standing Committee, for transmission to all CITES Parties.

MANAGEMENT REVIEW

15. UNEP, in consultation with the Standing Committee or at its request, may as appropriate commission an independent management review of services provided by the CITES Secretariat, in the interest of promoting cost efficiency, transparency, and furthering the goals of the Convention. UNEP shall keep the Committee fully informed about any such reviews which are undertaken.

PERIODIC REVIEW

16. UNEP Report

UNEP shall submit an annual report on its provision of and support to the Secretariat, including the implementation of this agreement and the administration of the Secretariat for consideration at each meeting of the Standing Committee and meetings of the Conference of the Parties. In the event that the Standing Committee meets more than once a year, the required information, in particular that set out in paragraph 11, will be updated accordingly. This report will be utilized by the Standing Committee and UNEP to monitor and enhance the implementation of this Agreement.

17. Revision of this Agreement

This agreement may, at the request of either party to it, be reviewed at any time. Such a request shall be made at least four months in advance, and shall then be addressed at the next meeting of the Standing Committee or the next meeting of the Conference of the Parties, which ever comes first.

On behalf of the
Standing Committee:

Executive Director UNEP:

Date:

Date: