

***Summary Report
of the Budget Committee Meeting***

First Session: 11 June 1997: 09h40-12h00

Chairman:	M. Hosking (New Zealand)
Secretariat:	I. Topkov J. Armstong M. Astralaga A. Beyene
UNEP:	E. Ortega
Rapporteur:	G. Furness

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The Chairman thanked all those who had come to participate, which included the delegations of Australia, Belgium, Canada, China, France, Germany, Italy, Japan, Malawi, Mexico, the Netherlands, New Zealand, the Republic of Korea, the Russian Federation, Saudi Arabia, Spain, Switzerland, the United Kingdom, the United States of America and Zimbabwe. The Chairman indicated that documents Doc. 10.11, Doc. 10.12, Doc. 10.13 and Doc. 10.14 were to be considered by the Committee and recommended to Committee II. Clearly the most important of these would be document Doc. 10.13, because it charted the resource needs of the Secretariat to carry out the requirements of the Conference of the Parties over the next triennium. It was important to act reasonably and to avoid paring down budget proposals while at the same time adding more tasks and providing the Secretariat with an impossible workload as had occurred at previous meetings of the Conference of Parties.

The Chairman added that, as Parties, the Committee members had the duty to suggest priorities to Committee II, which would subsequently be confirmed in plenary session. The Committee's task was to examine the proposals, look for consensus, and recommend priorities if cuts were contemplated. Most importantly the Committee needed to recommend the overall budget limit within which the Secretariat must work. The Chairman recommended and the Committee agreed to review documents Doc. 10.11, Doc. 10.12, and Doc. 10.14 first and use the remaining time to review document Doc. 10.13.

There was a brief discussion on the admission of observers and agreement that the question would be taken up at the end of the afternoon session. The Chairman noted that the Committee had only two days for its deliberations.

The delegation of the United States of America pointed out the relevance of document Doc. 10.10 on the Organization Plan and Programme Budget of the Secretariat, and the need to co-ordinate with priorities set by Committees I and II. The Chairman agreed, noting that the Animals and Plants Committees had also raised budgetary questions, and that it might be necessary for the Committee to meet again later to address these.

1. Financial Report for 1994, 1995 and 1996

The Secretariat introduced document Doc. 10.11, noting that all figures were in Swiss francs, with two columns, the first showing amounts approved at the ninth meeting of the Conference of the Parties and the second actual expenditures. Savings of 20 per cent were realized in 1994, largely because the Government of

the United States of America covered many costs of the ninth meeting of the Conference of the Parties that were included in the approved budget, there was less demand for translation than expected, and recruitment of the two translators had been delayed. Savings were also achieved in 1995 and 1996. However, there was a decline in receipt of contributions in 1996, down to 61 per cent of the amount due.

The Chairman commended the Secretariat, stating that the report indicated prudent budget management and taking advantage of savings especially through external funding opportunities. The Trust Fund was maintained in healthy condition going into 1997, despite the ongoing problem of tardy payment of contributions to the Trust Fund by some Parties.

After brief discussion of the low rate of interest earned on the Trust Fund account, with suggestions as to how it might be increased, members of the Committee raised the possibility of using some of the surplus to help fund the increases in the forthcoming budget. The Secretariat emphasized that there was not in reality a surplus, but rather an increase in working capital. There had to be sufficient funds available at the beginning of the year to allow staff contracts to be written; it would be a major risk to start the year without funds in hand. Members of the Committee expressed the need for greater flexibility. The Representative of UNEP noted that it was essential to maintain an adequate fund balance at the end of the year as this provided a cushion to enable the Secretariat to implement its activities at the beginning of the year while waiting for the additional flow of contributions from the Parties. Although there was risk management involved, it might be possible to reduce the current projected fund balance in 1997 of CHF 3.6 million to a reasonable level. The Chairman suggested that a small number of Parties meet to draft a recommendation regarding the surplus. The delegation of Canada asked for a list of Parties in arrears, which the Secretariat agreed to provide while noting that making such a list generally available would be sensitive. The delegation of the United Kingdom urged complete transparency. Finding no objection, the Chairman noted that document Doc. 10.11 was approved for forwarding to Committee II.

2. Estimated Expenditures for 1997

The Secretariat introduced document Doc. 10.12, noting that there were few changes from the approved budget. Translation costs had increased significantly owing to the number and length of documents received for the 10th meeting of the Conference of the Parties, as well as other costs related to the meeting. After discussion of other problems related to translation of documents and of several of the adjustments made by the Secretariat, the document was approved for forwarding to Committee II.

3. External Funding

The Secretariat introduced document Doc. 10.14, noting that it only summarized contributions received by the Secretariat from November 1994 to the end of 1996. It had no way of knowing the size of contributions made directly to projects. Major donors included Belgium, France, Japan, the United Kingdom and the United States of America.

The Rapporteur, speaking as the observer from the Conservation Treaty Support Fund (CTSf), noted that the Fund had made contributions or secured funds for future projects amounting to over USD 60,000 during the period of the report, many of which were not recorded as they were made direct to the project co-

ordinators, as well as earlier contributions in 1994 that were not recorded in the report for the ninth meeting of the Conference of the Parties. It was important that these were recorded in order to satisfy donors to CTSf. After discussion it was agreed that in future, if donors provided the information, the Secretariat would produce a separate report documenting external funding contributions not made through the Secretariat.

The delegation of Japan pledged to continue its donations of external funding, and the delegation of France announced that it would second a Customs officer to the Secretariat. The Chairman noted that document Doc. 10.14 was approved for forwarding to Committee II, and adjourned the meeting at 12h00.

Second Session: 11 June 1997: 14h10-17h00

Chairman:	M. Hosking (New Zealand)
Secretariat:	I. Topkov J. Armstrong M. Astralaga A. Beyene N. Reyes
UNEP:	E. Ortega
Rapporteur:	G. Furness

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The delegations of France and Belgium stated for the record their concern about the lack of interpretation. The delegation of France requested that interpretation for the Committee be provided at the next meeting of the Conference of the Parties. The Secretary General concurred, saying there was no other reason than lack of money.

3. Budget for 1998-2000 and Medium-term Plan for 1998-2002

The Chairman pointed out that the Committee must consider whether some increase in the budget for the next triennium was justified: 1) there were nearly 10 per cent more Parties than at the ninth meeting of the Conference of the Parties; 2) price levels and UN pay scales had moved upwards; 3) the Parties were exerting more pressure for permit confirmation, regional assistance and full service in all three official languages; 4) other and new tasks had often stretched the demands on staff beyond reasonable limits. However, the full budget proposal represented a 26 per cent increase over the past biennium, which would impose a considerable burden, especially on major funding Parties. He noted that Parties had a duty to their Budget ministries as well as to the Secretariat to be reasonable.

The Chairman then asked the Secretariat to introduce document Doc. 10.13 (Rev.), to be followed by general comments and questions by members of the Committee and then a line-by-line review, in search of consensus. Finally, the Committee needed to see if consensus could be reached on the total budget, to be reported to Committee II, and to focus on the draft resolution. The Committee concurred in this course of action.

Introducing document Doc. 10.13 (Rev.), the Secretariat noted that the increase in the proposed budget was the result of a number of consequential factors, of new budget items, and of modifications in existing items. As outlined in the document, consequential factors included the rapid growth in Parties, approaching 140. Nearly all new Parties were developing countries needing greater assistance to implement the Convention. Other factors included the very serious financial implications of decisions of the Conference of the Parties, increases in UN salary scales and the fact that salaries were based on US dollars, whose value had increased relative to Swiss francs.

New or modified items were treated at length in the document; many of these had been requested by Parties and had to be quantified. If the Committee agreed that these had high priority but did not agree to

increase the budget, the Secretariat simply could not provide them under the Trust Fund.

In response to a call from the Chairman for general comments, the delegations of Canada, France, Germany, Spain and the United States of America stated they were not in a position to increase their contributions. Some might be forced to reduce their contributions. It would be unrealistic to adopt a budget which the Parties could not fulfil. Cuts appeared necessary to offset increases, despite strong moral support for the Convention.

The Secretary General pointed out that for some Parties the budget actually represented a decrease, as a result of changes in the UN scale of contributions and the increase in value of the US dollar. For others, it was an increase. The Secretariat subsequently distributed a document demonstrating this.

The delegation of the United States of America congratulated the Secretariat for document Doc. 10.10 on the Organization Plan and Programme Budget for the Secretariat, which showed how the Secretariat structure related to the budget and provided an analysis of priorities.

The Committee then proceeded to a line-by-line review of the budget, beginning with line 1112 calling for the addition of three new professional staff, including an editor for English documentation, a permit confirmation officer and a regional co-ordinator officer for Africa, plus a permit confirmation assistant. The justification for these new positions was outlined in detail in document Doc. 10.13 (Rev.).

The editor was needed to ensure that documents prepared in or received by the Secretariat were written in accurate English before they were translated into French and Spanish. This work was at present performed by the Head of the Convention Interpretation, Monitoring and Servicing Unit, who was already overloaded. Bottlenecks were developing which delayed translation of documents.

The permit confirmation officer and assistant were needed to relieve the burden on professional staff, who at present have this task in addition to their regular duties.

There was a long discussion of the need for the new personnel, their functions, and other possible courses of action that might be taken, including authorizing the Secretariat to take the action it feels best, within the availability of resources. Past practice had not permitted this, but the Secretariat could do so if authorized. This would mean that the Secretariat could appoint staff without needing the authority of the Conference of the Parties. The Chairman suggested that the Committee might couple this with a recommendation for approval of the budget with a zero increase. There was

further discussion of the need for the new positions and their functions, and the feeling expressed that the question of setting priorities should properly rest with Committee II. The Chairman indicated that the Committee must make clear to Committee II that the Parties can not ask the Secretariat to undertake a workload imposed by unlimited demands on a limited budget. The delegation of the United States of America suggested that Committee II should set priorities but let the Secretariat decide how to implement them.

There was also discussion of the need for analysis and technical assistance to the Parties in preparation of annual reports. The delegation of Malawi requested clarification of the proposals regarding a list server and the CITES Web site, which was provided. The delegations of Japan and Spain noted the need to help developing countries obtain the necessary hardware.

In a further discussion of preparation by the Secretariat of an operating base budget, the delegation of Australia

noted that the Secretariat had indicated some unavoidable increases required by changes in salary scales, maintenance of office premises, etc. The Secretary General felt there might be some items which Parties would fund externally, such as permit confirmation and provision of training materials.

At the request of the delegation of Switzerland, the Secretariat explained that line 2110 on a Secretariat counterpart contribution to externally funded projects had been added because some Parties, notably within the European Union (EU), desired an indication of seed money before they would offer funding for certain projects. These related to species important in EU trade. In response to a question by the delegation of the Russian Federation, the Secretariat indicated that items in the budget related to plant projects were accurate reflections of decisions of the Plants Committee.

The Chairman adjourned the meeting at 17h00.

Third Session: 12 June 1997: 09h25-12h00

Chairman:	M. Hosking (New Zealand)
Secretariat:	I. Topkov J. Armstrong A. Beyene M. Astralaga
UNEP:	E. Ortega
Rapporteur:	G. Furness

The Chairman asked Committee members to review the summary reports of the previous two sessions and raise any points during the afternoon session.

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3. Budget for 1998-2000 and Medium-term Plan for 1998-2002

As had been requested at the previous session, the Secretariat introduced a document containing an adjusted baseline budget based on the previous biennium budget which envisaged a mandatory increase of 8.66 per cent in order to maintain current services to the Convention. Increases included salaries, to conform to the standard UN salary scale (which had been changed in error at the ninth meeting of the Conference of the Parties). Increases in travel for regional coordinators and other aspects of restructuring were more than offset by other travel reductions. Increases in maintenance of office premises were nearly offset by the commitment of the Swiss Government to provide premises free of charge.

The delegations of France and the United Kingdom thought the maintenance costs very high, but the delegation of Switzerland confirmed that they would be less than CHF 100 per square metre even if the Secretariat were moved to new premises in the Palais Wilson. The Secretariat thought the 10 per cent net increase for premises was modest and pointed out that it had recently added new room to the 800 square metres it had previously occupied.

The Chairman requested the Committee move on to the discussion of the budgetary requirements needed to allow the Secretariat to continue its core work and to consider any items which might be reduced. In response to a suggestion by the delegation of Malawi that item 3304 for the Panel of Experts on the African Elephant could be deleted on the grounds that its work had been completed, the Secretary General noted that after this had been done at the ninth meeting of the Conference of the Parties, three missions were required.

Noting that all Member States of the European Union that were Parties were committed to the Convention, the delegation of the Netherlands recommended that priorities for the work of the Secretariat be clearly delineated and the Committee advise the Parties that whenever a proposal were made, the proposer should state how much it would cost and how it would be paid for. The Chairman expressed strong concurrence and said he intended to propose such language be added to the budget draft resolution. The delegation of the Russian Federation concurred and suggested that if proposals to transfer taxa from one appendix to another had financial implications, these should also be set out. Given the basic objective of conservation,

however, the delegation of the Netherlands felt that a distinction might have to be made between Parties able to finance such proposals and those which could not.

Returning to the discussion of the budget paper, the Chairman suggested that it should properly be called an "adjusted baseline budget" as opposed to a zero-based budget. The delegation of the United States of America, supported by the delegation of Canada, noted that the 13 per cent UNEP charge should be shown. Referring to the Chairman's statement, the Secretary General emphasized that the proposed document covered the current workload; any reduction would adversely affect the discharge of that workload.

The Committee then embarked on a lengthy discussion as to how priorities might be set and what items might be reduced or eliminated. The delegation of Australia, supported by the delegations of Malawi, Germany and the United States of America suggested dispensing with permit confirmation; the delegations of France and Canada opposed this. The delegation of the United States of America felt there might be some flexibility in items of zero increase, and the Chairman and the Secretariat noted that further decreases might be possible in other areas already indicated for reduction. On the other hand, the Secretary General noted that Committee I had adopted a priority proposal on significant trade in plants which would increase the total budget by 2.9 per cent (subject to funding) supported by the same governments which have been calling for budget reduction.

The Secretariat indicated that an increase in expenses for regional co-ordination could require elimination of permit confirmation work. The Chairman noted that the permit confirmation staff proposals were actually part of the original budget proposal and were not included in the "adjusted baseline budget". The delegation of the United States of America urged that the Secretariat be freed to make decisions on how to carry out its work, including shifting, hiring and firing of personnel; the Secretary General and other Secretariat staff underlined that this must be put in writing and also emphasized that problems would arise if funding for interpretation for Committees other than Committee I or II were cut from the budget.

The delegation of France reiterated the importance of funding permit confirmation and the vital need for interpretation and translation to permit universal participation and understanding by all Parties to the Convention. The Chairman noted that there was a clear division in the Committee on the importance of permit confirmation and that in the operational base budget paper there was no provision for meeting the requests of the Animals and Plants Committees for interpretation.

The Secretary General confirmed that, in accordance with the request of the Committee, no new posts were

included in the budget paper. The United Kingdom would continue to second an enforcement officer to replace the current incumbent, and France would be seconding a Customs officer. With regard to CITES implementation legislation, the funds budgeted currently were about to be spent on Phase III (creating and drafting legislation for "pilot countries"). If this item were cut, some "pilot countries" would have to be eliminated, which would seriously compromise the project.

The delegation of the United Kingdom raised the issue of using the current balance as at 31 December 1997 as a "cushion" for funding increases in the budget and suggested it might be drawn down to CHF 2 million subject to the agreement of the Parties. The Chairman noted the potential of covering all the increase projected in the Secretariat's budget paper by the "cushion", and asked the Representative of UNEP for advice. The Representative stated that while it was up to the Parties to decide, they would be taking a risk; if the money coming into the Trust Fund were insufficient, the Secretariat could not continue its activities. Although there was no UN rule on the matter he felt that a reserve of at least USD 2,500,000 should be retained, as it was vital that the Secretariat had access to working capital. The delegation of the United States of America and the Chairman noted that a drawdown to cover the 8.66 per cent increase in the budget paper could only be done once, unless the Secretariat rebuilt the "cushion".

The Secretary General noted that the Ramsar Convention had been given an increase of 50 per cent and the Convention on Migratory Species an increase of 10 per cent. What would the Committee do if there were no "cushion"? Why should the oldest Convention be put in the most difficult position and the risk taken of drawing down the surplus rather than going to the Parties for a normal inflationary increase? We were already nearly half-way through 1997, and 40 per cent

of the 1996 contributions had not been paid. The delegation of Canada noted that using the "cushion" was extremely discomforting, and that they could not support such use without instructions. The Convention on Biological Diversity was receiving only a 3 per cent increase, and the trend was to restrict on increases. The Chairman, speaking as the delegation of New Zealand, asked whether the delegation of Canada were unwilling to give the Secretariat any latitude.

In response to a query by the delegation of the Netherlands as to whether the "cushion" had ever been used before, the Secretary General noted that many times previously the Secretariat had had to get a loan of USD 1 million from UNEP to start the year; this was repaid when contributions came in. The delegation of Switzerland shared the concerns of the delegation of Canada.

After additional inconclusive discussion revealed no agreed possibilities for reducing amounts in the budget paper submitted by the Secretariat, the Chairman asked whether the Committee could recommend the base budget for adoption. The delegation of Germany said they could not agree to any increase but had no proposal which would save money. The delegation of the United States of America said: 1) they could not obtain authorization for any increase; but 2) the Secretariat needed an increase to keep its doors open; and 3) there were priorities that had to be decided. As there was a current balance, part might reasonably be used. The delegation of the Russian Federation could support the budget in principle, but was concerned about the scale of contributions. In response to a query by the delegation of France as to whether UNEP could reduce the 13 per cent overhead charge, the Representative of UNEP felt it premature to suggest this, in view of the Agreement between UNEP and the Standing Committee.

The Chairman adjourned the meeting at 12h00.

Fourth Session: 12 June 1997: 14h15-17h00

Chairman:	M. Hosking (New Zealand)
Secretariat:	I. Topkov J. Armstrong M. Astralaga A. Beyene
UNEP:	E. Ortega
Rapporteur:	G. Furness

The Chairman opened the session and members of the Committee presented corrections to Summary Reports in documents Fin. 10.1 and Fin. 10.2. These were to be incorporated in revisions to these documents.

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3. Budget for 1998-2000 and Medium-term Plan for 1998-2002

The Chairman asked the Committee whether it would be possible to reach a conclusion on how to fund the budget.

The delegation of the United States of America recommended adoption of a budget based on the adjusted baseline budget provided by the Secretariat at the Committee's request, subject to the following conditions:

- 1) the mandatory increase of 8.66 per cent would be funded from the available balance in the Trust Fund at a level of about CHF 520,000 per annum;
- 2) in order to provide the Secretariat with some flexibility, it would be given authority to appoint and release staff without approval of the Conference of the Parties, within the overall budget target and to assure that the priorities of the Parties were addressed, as clarified by Committee II; and
- 3) no modifications or new items which appeared in document Doc. 10.13 (Rev.) would be covered by the available balance.

It would be the responsibility of Committee II to look at items currently funded, those that had been proposed so far at the 10th meeting of the Conference of the Parties, and those that may come up during the remainder of the meeting, and to determine how these items would be funded.

The delegations of France and Spain identified as a priority interpretation and translation in the Animals, Plants and Budget Committees. The Chairman noted that other priorities had been mentioned and that hard choices would have to be made. Committee II must be made to understand that it would have to increase the budget or find other sources of funding. The delegation of the United Kingdom, supported by the delegation of Switzerland, suggested that reductions could be spread equally across the board, but the Secretary General

pointed out that many items were core functions or previously agreed and could not be cut. The delegation of the United States of America felt the issues raised should be passed on to Committee II. The delegation of Malawi concurred.

While appreciating the suggestion of the delegation of the United States of America, the delegation of the Netherlands, supported by the delegations of Australia, Switzerland and Zimbabwe, asked, if the available balance were used for fixed costs on an annual basis, what would happen when there were no available balance. They suggested that the mandatory 8.66 per cent increase be funded from the regular contributions and that the available balance could be used for additional activities. The delegations of Canada, Germany and Japan supported the position of the delegation of the United States of America. The delegation of the United Kingdom suggested that the Committee recommend a compromise by which only part of the 8.66 per cent mandatory increase would be taken out of the available balance. With the concurrence of the delegation of the United Kingdom, the Chairman suggested that about 5 per cent might be taken from the balance and the remaining 3.66 per cent out of the Trust Fund.

The Secretary General and members of the Secretariat reiterated their concern about drawing on the available balance to provide for fundamental maintenance of the Convention. The surplus was needed to avoid delays in starting projects at the beginning of the year. The Secretary General felt that the "cushion" should be about twice as large as it was at present and that the element of risk in drawing on it must be recorded.

Noting that there were three different proposals, presented by the delegations of the United States of America, the Netherlands and the United Kingdom (supported by the delegation of Switzerland), the Chairman called a 45-minute recess so that written submissions could be prepared. When the session resumed, the Committee edited the submissions. There being no agreement on reducing the proposals to one or two, the Chairman proposed that he incorporate them into his report to Committee II and that the Budget Committee review the report at a session the following morning.

The Chairman adjourned the meeting at 17h00.

Fifth Session: 13 June 1997: 09h15-12h10

Chairman:	M. Hosking (New Zealand)
Secretariat:	I. Topkov J. Armstrong M. Astralaga A. Beyene
UNEP:	E. Ortega
Rapporteur:	G. Furness

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The Chairman noted that he had circulated a draft report to Committee II and asked the Committee members to study it. The Committee discussed and edited the draft report paragraph by paragraph. In accordance with a decision of the Chairman and as the report will be published as a document of the 10th meeting of the Conference of the Parties, it will not be repeated in this summary report. Only those items which generated significant discussion will be recorded herein.

During the discussion of the Budget for 1998-2000, the Secretary General stated that, if options for funding the budget out of the available balance as at 31 January 1998 were accepted, this would be the first time the Parties had approved a budget that would not be paid for entirely by contributions to the Trust Fund made by the Parties for the triennium concerned. The Secretary General wished to underscore the risks, discussed in earlier sessions, of this procedure.

There was a lengthy debate on the draft decision annexed to document Doc. 10.13.1, which would require that, if the text of any document submitted for consideration at a meeting of the Conference of the Parties, including supporting statements for amendments of the appendices, exceeded 6,000 words, it should include a summary of not more than 2,000 words. Only this summary would be translated by the Secretariat into the other two working languages of the Convention. The draft decision was prompted by the volume and size of documentation presented for the 10th meeting of the Conference of the Parties compared with the capacity of the Secretariat for translation and review.

The delegations of France and Spain felt that it would be unfair to limit the length of translations of documents submitted to meetings of the Conference of the Parties. The delegation of Malawi noted that several Parties, notably Canada and the United States of America, provide documents in more than one language. The Chairman noted that some Parties did this, some could not do this, and some insisted that the Secretariat make the translations. The delegation of the United States of America suggested that the issue be referred to the Secretariat for recommendation to the 11th meeting, but the Secretary General felt strongly that this decision should not be put off and should be referred to Committee II to find a solution. The delegation of the Netherlands suggested that guidelines urging limitation of proposals to 12 pages (about 5,000 words) might be issued. As there was clearly no consensus on this issue, the Chairman stated he would insert a provision in his report asking for equity for all three languages of the Convention.

When the review was completed, the Chairman asked whether it would be possible to eliminate any of the three different proposals tabled at the previous Committee session (document Fin. 10.4). The delegation of Japan announced that they had been instructed that an 8.66 per cent increase in the core budget as set forth in the Secretariat's adjusted budget baseline paper was acceptable. The delegations of the United States of America and Canada had no new instructions. The delegation of Malawi stated that, while the Southern African Development Community (SADC) countries favoured the Netherlands' proposal to fund the increase from an increase in the regular contributions of the Parties, they would vote for the compromise proposal submitted by the delegations of Switzerland and the United Kingdom.

The delegation of the United States of America asked whether there was an actual ceiling to the budget or whether it could be increased if the available balance increased. The delegation of the Netherlands felt the budget was clearly limited to the amount in the paper approved by the Committee. The Chairman proposed leaving this up to Committee II, but recommending that any draw down not result in a year-end balance of less than CHF 2.3 million.

The delegation of the Russian Federation stated they had instructions to request readjustment of the Scale of Contributions to the Trust Fund if there were changes in the UN Scale of Contributions. The Secretariat explained that this would be impossible, as under the budgeting Resolution currently in effect, any proposal to change the basic scale of contributions could only be considered by the Conference of the Parties with advance notification from the Secretariat of at least 90 days.

Discussion of the draft report having concluded, the Chairman said he would incorporate the agreed changes and seek to bring them to the attention of the Committee members without convening another meeting of the Budget Committee. The Chairman commended the Secretariat, members of the Committee, and the Rapporteur for their work, and applause followed expressions of congratulations to the Chairman by several delegations. Joining in these commendations, the Secretary General stated that this was the first time to his knowledge that the Committee had been of a size to be operationally effective and included a significant number of developing countries. He expressed the hope that major donors would extend external funding to meet priorities not covered in the budget document forwarded to Committee II. The Secretary General closed by announcing that Myanmar may become the 139th Party to the Conven-

tion, pending a decision by the Depositary Government on its instrument of accession. This would be a significant advance for CITES, given the volume of illegal trade in the region.

At 12h10, the Chairman closed the meeting, although it could be reconvened if further Budget Committee work became necessary as a result of decisions taken subsequently by other Committees or in plenary sessions.