



UNITED NATIONS ENVIRONMENT PROGRAMME

Programme des Nations Unies pour l'environnement Programa de las Naciones Unidas para el Medio Ambiente
Программа Организации Объединенных Наций по окружающей среде برنامج الأمم المتحدة للبيئة

联合国环境规划署



MEMORANDUM

To: John Scanlon
Secretary-General, CITES Secretariat

Date: 2 October 2012

From: Michele Candotti
Chief, Executive Office

Reference: EO/OCT/02

Copy: Bakary Kante
Director, DELC
Christophe Bouvier
Chief, OfO

Subject: **Comments on the Draft CITES Budget - COP 16**

Thank you for providing us with a draft copy of the CITES budget and availing us the opportunity to comment on it at this early stage. We have reviewed the budget estimates with a view to ensure that the budget is developed in accordance with the relevant rules and regulations of the UN and UNEP, or in relation to areas where UNEP could be exposed to a financial liability.

We have found that the budget has been drafted very professionally, in terms of overall budget criteria, presentation, indicators and format. Staff budgeting has been found in line with the current UN pro forma costs for the corresponding levels in Geneva, and the inflation factor included for future years is reasonable. Possible adjustments shall be made once the official UN pro forma costs for 2014 and beyond will be made available.

Estimates and Assumptions:

UNEP fully recognizes that CITES is confronted with increasing programmatic challenges: in this context, we consider that the zero (real and nominal) scenarios provided in the budget estimates are realistic and consistent with the programmatic objectives, and take into account the reality of the financial crisis and the current public funding context.

Programme Support Costs have been uniformly budgeted at 13%, which is in line with applicable UN standards. It is assumed that budgets for such projects as the capacity building for developing countries with prospective funding from donors are put in for one year and will be adjusted depending on the duration of the implementation of activities as stipulated in the relevant grant agreement. Finally, with regards to the funds to be received from the European Commission, it is assumed that the Programme Support Costs - PSC will be adjusted in accordance with the FAFA, at a maximum of 7% depending on the signed EC grant agreement.



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We trust these comments offer you a useful input in view of the upcoming budget discussions with CITES parties. We remain at your disposal for any further information or input you may require.