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Environment Programme
Mediterranean Action Plan**

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93rd Meeting of the Bureau of the Contracting Parties to the
Convention for the Protection of the Marine Environment
and the Coastal Region of the Mediterranean and its Protocols

Thessaloniki, Greece, 30 November-1 December 2022

Agenda Item 5: Report by the Secretariat on Financial and Administrative Issues

Report by the Secretariat on Financial and Administrative Issues

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FINANCIAL SITUATION AND PROPOSALS

I. Financial Matters

A. Fund Balances

1. The assessed part of the Mediterranean Trust Fund (MTF) balance decreased from USD 8.8 million as of 31 December 2019 to USD 7.9 million as of 31 December 2021¹. It reflects the accumulated surplus of USD 6.7 million and the amount put aside for the Working Capital Reserve (WCR) of USD 1.2 million. The accumulated surplus includes the assessed contributions receivable (arrears) and the advance transfers to implementing partners.
2. The Host Country Contribution fund balance increased from USD 656,425 as of 31 December 2019 to USD 992,031 as of 31 December 2021². The balance of the Host Country Contribution will be utilized for the refurbishment of the current premises of the Secretariat as agreed by the Government of Greece.
3. Pursuant to the Conclusions and Recommendations of the 92nd Meeting of the Bureau (Istanbul, Türkiye, 24-25 March 2022), the Secretariat is sharing with the Bureau Members the certified and audited financial statements for the MTF as of 31 December 2020 and as of 31 December 2021 (Annex III).

Proposed Recommendations:

- (a) **The Bureau takes note of the Fund Balances as of 31 December 2021;**
- (b) **The Bureau takes note of the Financial Statements provided in response to the Conclusions and Recommendations of the 92nd Bureau meeting requesting for the certified and audited financial statements to be shared as soon as they are available;**

B. Contributions

4. As of 10 October 2022, the collection rate of the Assessed Ordinary Contributions to the MTF had reached 65.27% for the year 2022. The comprehensive status of contributions as of 10 October 2022 is presented in Annex I.
5. As of 10 October 2022, four Contracting Parties were in arrears for more than two years, as detailed in the table below.

Country	Contributions in Arrears	Years
State of Libya	EUR 680,930	2011-2021
Algeria	EUR 237,780	2016-2019, 2021
Syrian Arab Republic	EUR 121,801	2011-2021
Lebanon	EUR 67,879	2016, 2019-2021

6. In line with Procedure 4.2.d of the Financial Regulations and Rules and Procedures for the Contracting Parties, its subsidiary bodies and the Secretariat of the Barcelona Convention, the Coordinator has written to those Parties whose contributions had not been received by the 1st July of the current year, to impress upon them the importance of paying their respective contributions for the year as well as arrears for prior periods. In line with Procedure 4.2.e of the Financial Regulations and Rules and Procedures, the Coordinator has proposed to the four Parties whose contributions are in

¹ Figures based on the certified and audited financial statements.

² Figures based on the certified and audited financial statements. The costs for the rental of the premises for the 2nd semester of 2021 are not included in the fund balance as of 31 Dec 2021.

arrears for two or more years, a payment schedule to enable them to clear all outstanding arrears within a maximum of six years and to pay future contributions by their due dates. The Secretariat continued its efforts with the relevant national authorities, in particular Algeria and Libya. The Secretariat will continue formal and informal follow-up action with representatives of the above-mentioned Contracting Parties whenever the opportunity arises.

Proposed Recommendations:

- (c) The Bureau notes with appreciation the contributions received by 12 Contracting Parties for the year 2022 and urges the 10 Contracting Parties which did not pay to do so as soon as possible;**
- (d) The Bureau strongly urges the Contracting Parties to adhere to Procedure 4.2.b of the Financial Regulations and Rules and Procedures, which states that contributions for each calendar year are expected within the first quarter of that year and should be paid promptly and in full;**
- (e) The Bureau strongly urges the Contracting Parties in arrears to pay them as soon as possible, while noting the specific circumstances of each Contracting Party in arrears;**

C. Financial Implementation of the Programme of Work and Budget 2020-2021

7. The level of the budget consumption for the biennium 2020-2021 reached 90% as per the final audited UN accounts as of 31 December 2021³.

Proposed Recommendation:

- (f) The Bureau takes note of the budget consumption level for the biennium 2020-2021;**

D. Financial Implementation of the Programme of Work and Budget 2022-2023

8. The Financial Implementation of the Programme of Work and Budget 2022-2023 is progressing well and the level of the budget consumption for the year 2022 had reached approximately 77% as of 30 September 2022⁴.

Proposed Recommendation:

- (g) The Bureau takes note of the status of the financial implementation of the Programme of Work and Budget 2022-2023 and requests the Secretariat to continue making all possible efforts to achieve its full implementation;**

II. CONSULTANCY REPORTING

9. During the first eight months of the year 2022, the consultancy costs were funded by the MTF/EC Discretionary Contribution at a rate of 22%. MAP Components are continuing the efforts to utilize mainly and on a priority basis external funding resources for the consultancies and to use MTF complementary, as need be, in most of the cases and apart from the cases where consultants/individual contractors are recruited to execute functions similar to vacant staff posts. The summary of the consultancy costs for the period January to August 2022 is presented in Annex II.

³ This is the budget consumption level for MTF (Assessed Ordinary Contributions and EC Discretionary Contribution).

⁴ This is the budget consumption level for MTF (Assessed Ordinary Contributions and EC Discretionary Contribution).

III. PERSONNEL MATTERS

10. The recruitments status is summarized below:

P5 Deputy Coordinator (position No. 30600864): candidate selection for the post is completed, and onboarding process is underway.

P5 Senior Programme Officer (MedPol): post was created at P.5 level. Job Opening is under finalization and is to be launched in Inspira

P3 Programme Management Officer (MedProgramme) (position No: 31032929): Ms. Maren Mellendorf (German national) was selected for the position and reported for duty at UNEP/MAP on 19 April 2022.

P3 Programme Management Officer (EcAp MED III Project) (position No: 30606551): Ms. Patrizia Busolini (Italian national) was selected for the position and reported for duty at UNEP/MAP on 17 October 2022.

P3 Legal Officer (position No: 31012355): Mr. Ihab Tarek (Egyptian national) was selected for the position and reported for duty at UNEP/MAP on 1 September 2022.

P3 Programme Management Officer (Socio-Economic and Sustainable Development): Mr. Julien Le Tellier is transferred to UNEP/ROWA, effective 18 October 2022. Therefore, recruitment was launched, and post was advertised under JO 189200 in Inspira with a deadline for applications of 10 November 2022.

P2 Associate Finance and Budget Officer (MedProgramme) (position No: 31039463): Ms. Timea Minaei (Hungarian national) was selected for the position and reported for duty at UNEP/MAP on 13 June 2022.

P2 Junior Professional Officer (Bilateral Cooperation Agreement with the Italian Ministry for Ecological Transition): Ms. Ellen Svensson (Swedish national) will report for duty at UNEP/MAP on 1 November 2022.

G6 Meetings and Procurement Assistant: Mr Giorgos Petridis was seconded to UNOPS for one year effective 22 August 2022. Recruitment for temporary replacement is underway.

G5 Programme Management Assistant (EcAp MED III Project and Marine Litter MED II) (position No: 31009278): The post was advertised under JO 181377 in Inspira with a deadline for applications of 28 July 2022. Recruitment is underway.

G4 MedPol/Coordinating Unit Team Assistant: post was created and classified at G.4 level. Recruitment was launched and post is advertised under JO 190229 in Inspira with a deadline for applications of 29 October 2022.

Secondment of an Expert from France on a Non-Reimbursable Loan for 2 years: Ms. Elisabeth Chouraki (French national) reported for duty at UNEP/MAP on 15 September 2022.

Proposed Recommendations:

(h) The Bureau takes note of the status of recruitments;

IV. OTHER MATTERS

A. Premises of the Secretariat

11. Paragraph 14 of Decision IG.24/14 on the PoW and Budget for 2020-2021 reads as follows: “Urge the Government of the Hellenic Republic to undertake all the required steps in order to ensure that fully adequate premises are made available to the Coordinating Unit within the shortest delay and

in line with its commitments under the Host Country Agreement and request the Secretariat to report to the Contracting Parties and to the Bureau on the progress made”.

12. As a result of the continuous efforts of the Coordinating Unit to ensure the adequacy of the premises, discussions with the Greek Government and the hosting Institute are ongoing regarding the refurbishment of the current premises of the Secretariat. A plan has been elaborated regarding the premises of the Coordinating Unit in consultation with the UNEP Headquarters and the host institution. The plan takes into consideration the need for the required external expertise as well as the timeline. The design of the new premises has been already shared with the Headquarters and the host institution. The work is ongoing in mobilizing the required external expertise, with the aim of the refurbished premises to be operational as soon as possible. It is expected that the works will start in early spring 2023 and the refurbished premises will be operational in early July 2023, well in advance of the MAP Focal Points meeting. The balance of the host country contribution will be utilized for the refurbishment of the current premises of the Secretariat.

B. Updated UNEP Travel Guidelines

13. The Secretariat would like to inform the Bureau members of the issuance of Updated UNEP Travel Guidelines which became effective on 1 September 2022. The Travel Guidelines have been updated building on lessons learnt from the previous guidance and takes into account the UN Secretariat Guidelines including those related to the COVID-19 Pandemic.

14. The main objective of the updated guideline is to reduce UNEP’s carbon footprint and costs.

15. With an aim to reducing the MAP’s carbon footprint in light of the updated guideline described above, the Secretariat would like to stress once again the importance of early nominations of meeting participants by the Contracting Parties. To this aim, every effort will be made to send invitation letters three months before the meeting dates that would allow sufficient time for the national authorities to appoint their representatives well in advance of the 21 days deadline to make the necessary travel arrangements.

16. Further to paragraph 14 of Decision IG.25/19 on the Programme of Work and Budget for 2022-2023, adopted by COP 22 (Antalya, Türkiye, 7-10 December 2021), the Contracting Parties are urged to adhere to nomination deadlines of their representatives in meetings of the MAP system and to avoid modifications and cancellation of their travel in order to minimize losses arising from the increase of airfare and cancellation fees and inefficiencies.

17. Furthermore, the updated guideline reiterates that meeting participants who are traveling are strongly advised to obtain medical insurance before leaving their home country. UNEP will assume no responsibility or expenses for health care services during their travel and meeting participants should familiarize themselves with national and local travel advisories, WHO and UN Guidelines and travel restrictions (including quarantine requirements) in their departure, arrival destinations and transit points.

Proposed Recommendation:

- (i) The Bureau takes note with appreciation of the efforts made by the Greek Government with regards to the refurbishment of the premises and requests the Secretariat to accelerate the process with the support of the Greek Government and to report the final outcome of this process to the next Bureau meeting;**
- (j) The Bureau takes note of the information provided by the Secretariat with regards to the UNEP updated Travel Guidelines and urges the Secretariat to continue its efforts for their implementation and working with the Contracting Parties to ensure adherence to nomination deadlines.**

Annex I

Status of Contributions as of 10 October 2022

Status of Assessed Ordinary Contributions apportioned to the Parties of the Barcelona Convention as of 10 October 2022

Ordinary Contributions to MTF										
Country	Unpaid Pledges for 2019 and prior years	Unpaid Pledges for 2020	Unpaid Pledges for 2021	Unpaid Pledges as of 31/12/2021			Pledges for 2022	Collections for 2022	Unpaid Pledges for 2022	Deferred Income
	EUR	EUR	EUR	EUR			EUR	EUR	EUR	EUR
Albania	-	-	-	-			3,704	3,704	-	
Algeria	177,979	-	59,801	237,780			50,469	-	50,469	*
Bosnia and Herzegovina	-	-	-	-			5,556	5,556	-	
Croatia	-	-	-	-			42,135	42,135	-	
Cyprus	-	-	-	-			16,669	16,669	-	
Egypt	-	-	-	-			64,360	64,360	-	
European Union	-	-	-	-			142,670	142,670	-	
France	-	-	-	-			1,999,323	1,999,323	-	
Greece	-	-	-	-			150,482	-	150,482	
Israel	-	-	-	-			259,755	-	259,755	
Italy	-	-	-	-			1,476,573	-	1,476,573	
Lebanon	27,145	20,367	20,367	67,879			16,669	-	16,669	
Libya (State of Libya)	654,930	13,000	13,000	680,930			8,334	-	8,334	*
Malta	-	-	-	-			8,797	8,797	-	
Monaco	-	-	-	-			5,093	-	5,093	
Montenegro	-	-	-	-			1,852	-	1,852	
Morocco	-	-	-	-			25,466	25,466	-	
Slovenia	-	-	-	-			36,579	36,579	-	
Spain	-	-	-	-			988,086	988,086	-	
Syrian Arab Republic	112,267	4,767	4,767	121,801			4,167	-	4,167	*
Tunisia	-	-	-	-			8,797	-	8,797	
Türkiye	-	-	-	-			391,252	391,252	-	
TOTAL	972,321	38,134	97,935	1,108,390			5,706,788	3,724,597	1,982,191	-

Year	2018	2019	2020	2021
Collection Rate	97.82%	98.12%	99.33%	98.28%

2022
65.27%

EC Discretionary Contribution										
							Expected contribution for 2022	Received contribution for 2022		Open Receivable for 2022
							EUR	EUR		EUR
European Commission							596,484	596,484		-

Host Country Contribution										
							Expected contribution for 2022	Received contribution for 2022		Open Receivable for 2022
							EUR	EUR		EUR
Greece							344,800	380,120		-

*Unpaid pledges for 2016 and prior years have been reduced in order for the receivable balances reflected on the current table to be in line with Umoja accounts, as reconciled in liaison with UNEP Contributions Unit: by EUR 42 for Algeria, by EUR 9,804 for the State of Libya and by EUR 1,509 for the Syrian Arab Republic.

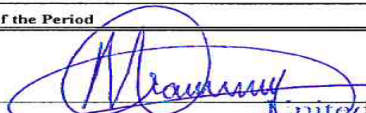
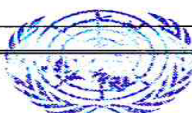
Note: Financial Regulations and Rules of the United Nations: Regulation 3.5. Contributions and advances shall be considered as due and payable in full within 30 days of the receipt of the communication of the Secretary-General referred to in regulation 3.4 or on the first day of the calendar year to which they relate, whichever is later. As of 1 January of the following calendar year, the unpaid balance of such contributions and advances shall be considered to be one year in arrears.

Annex II
Consultancy Reporting

Consultancy costs for the period: 1 January 2022 - 31 August 2022 (in EUR)*		
Component	Description	1 January 2022 - 31 August 2022
C.Unit	Med Trust Fund/EC Discretionary	36,751
	Other funding	388,485
	Sub-total	425,236
MEDPOL	Med Trust Fund/EC Discretionary	66,557
	Other funding	143,412
	Sub-total	209,969
PB/RAC	Med Trust Fund/EC Discretionary	34,223
	Other funding	100,902
	Sub-total	135,125
PAP/RAC	Med Trust Fund/EC Discretionary	169,028
	Other funding	418,061
	Sub-total	587,089
REMPEC	Med Trust Fund/EC Discretionary	58,778
	Other funding	70,543
	Sub-total	129,320
SPA/RAC	Med Trust Fund/EC Discretionary	35,476
	Other funding	439,025
	Sub-total	474,501
SCP/RAC	Med Trust Fund/EC Discretionary	47,813
	Other funding	58,165
	Sub-total	105,978
INFO/RAC	Med Trust Fund/EC Discretionary	0
	Other funding	0
	Sub-total	0
Total	Med Trust Fund/EC Discretionary	448,626
	Other funding	1,618,592
	Grand Total (in EUR)	2,067,218
	Percentage of MTF/EC Discr. over total funding	22%

* For the contracts in USD, the UN Operational Rate of Exchange for one United States Dollar (USD), effective at the end of the respective reporting period, is applied for the conversion of the amounts from USD to EUR. For the contracts in other currencies, the respective UN Operational Rates of Exchange for one United States Dollar (USD), effective at the end of the respective reporting period, are applied for the conversion of the amounts to USD and further conversion to EUR.

Annex III
Certified and audited financial statements for the MTF as of 31 December 2021

	
Trust Fund for the Protection of the Mediterranean Sea Against Pollution (Fund code: 40MEL) I. Final Statement of Financial Performance for the year ended 31 December 2021 (United States Dollars)	
	Total
Revenue	
Assessed Contributions	7,002,193.86
Other Revenue	305,472.90
Investment Revenue	12,328.04
Total Revenue	7,319,994.80
Employee salaries allowances and benefits	1,933,000.26
Non-employee compensation and allowances	250,498.01
Grants and other transfers	4,431,734.86
Supplies and consumables	107.22
Depreciation	2,076.34
Travel	105,636.53
Other operating expenses	710,597.02
Allowance for doubtful debt (AFDA)	40,936.50
Programme support expenses	868,129.99
Foreign Exchange Losses	590,175.08
Total expenses	8,932,891.81
Surplus/(deficit) for the period	(1,612,897.01)
II. Final Statement of Financial Position as at 31 December 2021 (United States Dollars)	
	Total
Current Assets	
Cash and Cash equivalents	6,803,276.35
Assessed contributions receivable	618,469.23
Advance Transfers	653,216.48
Other assets	34,782.50
Total Current Assets	8,109,744.56
Non-Current Assets	
Property plant and equipment	3,240.25
Total Non-Current Assets	3,240.25
Total Assets	8,112,984.81
Current Liabilities	
Accounts payable and accrued liabilities	214,228.06
Advance receipts	3,935.30
Employee benefits liabilities	23,833.03
Total Current Liabilities	241,996.39
Non Current Liabilities	-
Total Non current Liabilities	-
Total Liabilities	241,996.39
Net of Total Assets and Total Liabilities	7,870,988.42
Net Assets:	
Accumulated surpluses/ (deficits) - unrestricted	6,685,385.81
Reserves	1,185,602.61
Total Net Assets	7,870,988.42
III. Final Statement of Changes in Net Assets for the year ended 31 December 2021 (United States Dollars)	
	Total
Net Assets at the Beginning of the Period	9,483,885.43
Surplus/(deficit) for the period	(1,612,897.01)
Total Net Assets at the End of the Period	7,870,988.42
 Miriam Nanyonga Chief, FINANCIAL REPORTING UNIT  United Nations Office at Nairobi ACCOUNTS SECTION BUDGET AND FINANCIAL MANAGEMENT SERVICE UNIT Management Service 07/07/2022	