

Decision 2/COP.1

Financial rules of the Conference of the Parties, its subsidiary bodies and the Convention Secretariat [Amended]

The Conference of the Parties,

Considering the provisions of the Convention, particularly article 22, paragraph 2 (e), which stipulates that the Conference of the Parties shall adopt, at its first session, financial rules for itself and any subsidiary bodies,

Having examined the recommendations of the Intergovernmental Negotiating Committee on the financial rules of the Conference of the Parties, its subsidiary bodies and the Convention Secretariat,

Decides to adopt the financial rules annexed to the present decision.

Annex

FINANCIAL RULES FOR THE CONFERENCE OF THE PARTIES TO THE UNITED NATIONS CONVENTION TO COMBAT DESERTIFICATION IN THOSE COUNTRIES EXPERIENCING SERIOUS DROUGHT AND/OR DESERTIFICATION, PARTICULARLY IN AFRICA, ITS SUBSIDIARY BODIES AND THE CONVENTION SECRETARIAT

Scope

1. The present rules shall govern the financial administration of the Conference of the Parties to the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa, its subsidiary bodies and the Convention Secretariat. In so far as not specifically provided by the present rules, the Financial Regulations and Rules of the United Nations shall apply.

Financial period

2. The financial period shall be a biennium, of which the first calendar year shall be an even-numbered year.

Budget

3. The head of the Convention Secretariat shall prepare the budget estimates for the following biennium in United States dollars showing projected income and expenditures for each year of the biennium concerned. The head of the Convention Secretariat shall dispatch the estimates to all Parties to the Convention at least ninety days before the opening of the session of the Conference of the Parties at which the budget is to be adopted.

4. The Conference of the Parties shall, prior to the commencement of the financial period that the budget covers, consider the budget estimates and adopt by consensus a core budget authorizing expenditures other than those referred to in paragraphs 9 and 10.

5. Adoption of the core budget by the Conference of the Parties shall constitute authority to the head of the Convention Secretariat to incur obligations and make payments for the purposes for which the appropriations were approved and up to the amounts so approved, provided always that, unless specifically authorized by the Conference of the Parties, commitments shall be covered by related income.

6. The head of the Convention Secretariat may make transfers within each of the main appropriation lines of the approved core budget. The head of the Convention Secretariat may also make transfers between such appropriation lines up to limits which the Conference of the Parties may set as appropriate.

Funds

7. A General Fund for the Convention shall be established by the Secretary-General of the United Nations and managed by the head of the Convention Secretariat. Contributions made pursuant to paragraph 12 (a), along with any additional contributions to offset core budget expenditures that are made, pursuant to paragraphs 12 (b) and 12 (c), by the Government hosting the Convention Secretariat and by the United Nations shall be credited to the General Fund. All core budget expenditures made pursuant to paragraph 5 shall be charged to the General Fund.

8. Within the General Fund there shall be maintained a working capital reserve at a level to be determined from time to time by the Conference of the Parties by consensus. The purpose of the working capital reserve shall be to ensure continuity of operations in the event of a temporary shortfall of cash. Drawdowns from the working capital reserve shall be restored from contributions as soon as possible.

9. A Supplementary Fund shall be established by the Secretary-General of the United Nations and managed by the head of the Convention Secretariat. The Supplementary Fund shall receive contributions pursuant to paragraphs 12 (b) and (c), other than those specified in paragraphs 7 and 10, including contributions earmarked, in accordance with paragraph 15, for:

(a) Support to the participation of some representatives of non-governmental organizations from affected developing country Parties, particularly the least developed among them, in sessions of the Conference of the Parties;

(b) Facilitation of assistance to affected developing countries in accordance with article 23, paragraph 2 (c), and article 26, paragraph 7, of the Convention;

(c) Other appropriate purposes consistent with the objectives of the Convention.

10. A Special Fund shall be established by the Secretary-General of the United Nations and managed by the head of the Convention Secretariat. The Special Fund shall receive contributions pursuant to paragraphs 12 (b) and (c) earmarked to support the participation of representatives of developing, and in particular least developed, country Parties affected by desertification and/or drought, particularly those in Africa, in the sessions of the Conference of the Parties and its subsidiary bodies.

11. In the event that the Conference of the Parties decides to terminate a fund established pursuant to the present rules, it shall so advise the Secretary-General of the United Nations at least six months before the date of termination so decided. The Conference of the Parties shall decide, in consultation with the Secretary-General of the United Nations, on the distribution of any uncommitted balances after all liquidation expenses have been met.

Contributions

12. The resources of the Conference of the Parties shall comprise:

~~(a) Contributions made each year by Parties on the basis of an indicative scale adopted by consensus by the Conference of the Parties, and based on such a scale of assessments of the United Nations as may be adopted from time to time by the General Assembly, adjusted so as to ensure that no Party contributes less than 0.01 per cent of the total, that no one contribution exceeds 25 per cent of the total and that no contribution from a least developed country Party exceeds 0.01 per cent of the total;~~

(a) Contributions made each year by Parties on the basis of the indicative scale adopted by consensus by the Conference of the Parties, and based on the most recent scale of assessments of the United Nations as may be adopted by the General Assembly; [amended by decision 10/COP.14]

(b) Other contributions made by Parties in addition to those made pursuant to paragraph (a);

(c) Contributions from States not Parties to the Convention, as well as governmental, intergovernmental and non-governmental organizations, and other sources;

(d) The uncommitted balance of appropriations from previous financial periods attributed to the fund concerned;

(e) Miscellaneous income attributed to the fund concerned.

13. The Conference of the Parties shall, in adopting the indicative scale of contributions referred to in paragraph 12 (a), make adjustments to take account of contributions of Parties which are not members of the United Nations, as well as those of regional economic integration organizations that are Parties.

14. In respect of contributions made pursuant to paragraph 12 (a):

(a) Contributions for each calendar year are expected on or before 1 January of that year;

(b) Each Party shall, as far in advance as possible of the date due for the contribution, inform the head of the Convention Secretariat of the contribution it intends to make and of the projected timing of that contribution.

15. Contributions made pursuant to paragraphs 12 (b) and (c) shall be used in accordance with such terms and conditions, consistent with the objectives of the Convention, as may be agreed between the head of the Convention Secretariat and the contributor. Contributions to the Supplementary Fund referred to in paragraph 9 shall, as appropriate, be placed in sub-accounts.

16. Contributions made pursuant to paragraph 12 (a) from States and regional economic integration organizations that become Parties to the Convention after the beginning of a financial period shall be made pro rata temporis for the balance of that financial period. Consequent adjustments shall be made at the end of each financial period for other Parties.

17. All contributions shall be paid in United States dollars or its equivalent in a convertible currency into a bank account to be designated by the Secretary-General of the United Nations, in consultation with the head of the Convention Secretariat.

18. The head of the Convention Secretariat shall acknowledge promptly all pledges and contributions and shall inform the Parties, once a year, of the status of pledges and payments of contributions.

19. Contributions not immediately required shall be invested at the discretion of the Secretary-General of the United Nations, in consultation with the head of the Convention Secretariat. The resulting income shall be credited to the appropriate fund or funds referred to in paragraphs 7, 9 and 10.

Accounts and audit

20. The accounts and financial management of all funds governed by the present rules shall be subject to the internal and external audit process of the United Nations.

~~21. During the second year of the financial period the United Nations shall provide the Parties with an interim statement of accounts for the first year of the financial period. The United Nations shall also, as soon as practicable, provide to the Parties a final audited statement of accounts for the full financial period.~~

21. The United Nations shall provide the Parties with an audited statement of accounts for each year of the financial period. [amended by decision 10/COP.13]

Administrative support costs

22. The Conference of the Parties, under such terms as may from time to time be mutually agreed upon between it and the United Nations, shall reimburse the United Nations from the funds referred to in paragraphs 7, 9 and 10, as the case may be for the purposes of services rendered, including the administration of the relevant fund by the United Nations, to the Conference of the Parties, its subsidiary bodies and the Convention Secretariat.

Amendments

23. Any amendment to the present rules shall be adopted by the Conference of the Parties by consensus.

