



**United Nations
Environment Programme
Mediterranean Action Plan**

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92nd 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

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Agenda Item 4: 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 financial closure of the 2020-2021 biennium is ongoing, and the final closing balance of the Mediterranean Trust Fund (MTF) has not been finalized. The certified and audited financial statements for the year 2021 will be shared with the Bureau when they become available.

Proposed Recommendation:

(a) The Bureau requests the Secretariat to share the certified and audited financial statements for the year 2021 when they become available.

B. Contributions

2. As of 31 December 2021, the collection rate of the assessed ordinary contributions to the MTF had reached 92.96% for the year 2021 and 99.33% for the year 2020. The comprehensive status of contributions as of 31 December 2021 is presented in Annex I.

3. As of 31 December 2021, four Contracting Parties were in arrears for more than two years, as detailed on the table below. In 2021, the Secretariat sent a number of letters, reminding the Contracting Parties of their outstanding pledges and proposing payment schedules which would enable the clearing, within six years, of all the arrears as of 31 December 2020, thus succeeding in reducing arrears and increasing the collection rate. Specifically, Bosnia and Herzegovina paid its contributions for the years 2018-2020, Tunisia paid its contributions for the years 2019-2020 and Algeria has complied with a six-years payment plan, according to which it paid its entire contribution for the year 2020, together with the first instalment payable on its arrears amounting to EUR 35,596.

Country	Contributions in Arrears	Years
State of Libya	EUR 667,930	2011-2020
Algeria	EUR 177,979	2016-2019
Syrian Arab Republic	EUR 117,034	2011-2020
Lebanon	EUR 47,512	2016, 2019-2020

4. In line with Procedure 4.2.d of the Financial Regulations and Rules and Procedures of the Barcelona Convention, if contributions of any parties have not been received by the 1st July of the relevant year, the Coordinator shall write to those Parties to impress upon them the importance of paying their respective contributions for the year as well as arrears for prior periods, if any, and to remind them of the loss of their voting rights at any meeting of the Contracting Parties pursuant to Rule 42 of the Rules of Procedure of the Barcelona Convention, and shall report to the Bureau and to the Contracting Parties at their next meetings on the consultations with such Parties. In line with Procedure 4.2.e of the Financial Regulations and Rules and Procedures of the Barcelona Convention, the Coordinator has proposed to the Parties whose contributions are in arrears for two or more years, a payment schedule to enable these Parties to clear all outstanding arrears within a maximum of six years and to pay future contributions by their due dates. The Secretariat will continue making efforts with the relevant national authorities, to find a solution to settle all outstanding arrears or to agree on payments plans, considering the specific circumstances of the Contracting Parties in arrears. The Secretariat will also continue informal follow-up action with representatives of the above-mentioned Contracting Parties whenever the opportunity arises. To this aim, another letter by the Coordinator will be sent prior to the 92nd Bureau Meeting to the Contracting Parties in arrears as indicated above, with the view to allowing the Secretariat to provide more updated information on this issue.

5. Considering the significance of the accumulated arrears yet outstanding, amounting to over one million euros, the Secretariat considers that joint letters by the Coordinator with the President of

the Bureau to emphasize the importance of timely payment of the arrears may trigger and gather more support from the respective bodies at country level in resolving this problem and ensuring the timely payment of the arrears.

Proposed Recommendations:

- (b) The Bureau notes with appreciation the contributions received for the years 2020 and 2021 and urges the Contracting Parties which did not pay to do so as soon as possible;**
- (c) The Bureau strongly urges the Contracting Parties to adhere to Procedure 4.2.b of the Financial Regulations and Rules and Procedures of the Barcelona Convention, 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;**
- (d) 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 and to this aim agrees to draft joint letters with the Secretariat emphasizing the importance of timely payment of the arrears.**

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

6. The level of the budget consumption for the biennium 2020-2021 had reached approximately 90% as of 31 December 2021¹. The final budget consumption rate for the biennium 2020-2021 will be available after the UN accounts for the year 2021 are closed and audited.

Proposed Recommendations:

- (e) The Bureau takes note of the indicated budget consumption for the biennium 2020-2021 and requests the Secretariat to take the necessary measures to increase the budget consumption rate in the current biennium 2022-2023.**

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

Adjusted Scale of Assessments for the 2022-2023 biennium

7. The Contracting Parties to the Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean and its Protocols at their 22nd Meeting (Antalya, Turkey, 7-10 December 2021), approved the assessed ordinary contributions apportioned to the Parties of the Barcelona Convention for the 2022-2023 biennium, based on the scale of assessments for the contributions of Member States to the regular budget of the United Nations for the period 2019 to 2021, adopted by the General Assembly at its 73rd Session by its resolution 73/271 of 22 December 2018 (A/RES/73/271), noting that the scale of assessment for the UN Regular Budget for the triennium 2022-2024 was expected to be approved by the General Assembly of the UN in December 2021 and that the new scale of assessment would be applied, when released, to calculate the assessed contributions for 2022-2023 (Decision IG.25/19).

8. Following the adoption of the resolution by the seventy-sixth session of the General Assembly of the United Nations (Resolution 76/238 of 24 December 2021 (A/RES/76/238), the Assessed Ordinary Contributions to MTF for the biennium 2022-2023 have been calculated based on adjusted rates, to align the sharing of the Contributions among the Contracting Parties to the Barcelona Convention to those of the United Nations regular budget. The calculation methodology is using the rates of the scale of assessments for the contributions of Member States to the regular budget of the

¹ This is the budget consumption level for MTF (Assessed Ordinary Contributions and EC Discretionary Contribution).

United Nations for 2022, 2023 and 2024, the total of which amounts to 12.017% of the regular United Nations budget. Each individual United Nations rate is divided by the total (12.017% currently) to derive the corresponding MTF relative assessment rate. The MTF assessment of EU, which does not contribute to the UN regular budget, has been set at 2.5%, so each individual MTF rate as calculated before is multiplied with 97.5% to give the final MTF assessment rate after including the assessed contribution of EU. The comprehensive distribution of MTF Assessed Ordinary Contributions is presented in Annex III.

9. In line with Procedure 4.2.b of the Financial Rules and Procedures for the funds of the Barcelona Convention, the Contracting Parties should be notified of the amount of their contributions for a given year by 15 October of the first year of the biennium and immediately after the COP, in the second year in the biennium. Invoices showing the contributions for a given year and the outstanding amounts for prior years, if any, are being issued and sent to the Parties by UNEP Headquarters. These invoices and their accompanying letters are also being forwarded by the Secretariat to the MAP Focal Points for their attention. The procedure for the issuance of the invoices for the year 2022, was initiated immediately after the adoption by the General Assembly of the Scale of the assessments for the apportionment of the expenses of the United Nations for the years 2022, 2023 and 2024, and it was finalized at the end of February 2022.

Programme of Work (PoW) and Budget 2022-2023

10. The preparation of the Project Document and Legal Instruments for the operationalization of the Programme of Work (PoW) and Budget 2022-2023, adopted with COP 22 Decision IG.25/19 was initiated immediately after COP 22. In line with the previous practice established to promote an integrated implementation of the MAP PoW under the leadership of the Coordinating Unit, a consolidated Project Document was prepared for the entire PoW and Budget 2022-2023, as adopted by COP 22, including also the contribution allocated in the framework of the Bilateral Agreement with the Italian Ministry of Ecological Transition (MiTE) to support the implementation of a number of PoW 2022-2023 activities. In accordance with UNEP Rules and Procedures, Legal Instruments were also prepared for each Regional Activity Centre (RAC), to enable the disbursement of funds, as agreed by COP 22.

11. The entire package of Project Document and Legal Instruments was submitted to UNEP HQ for review and signature by the duly authorized officers, in line with the respective Delegation of Authority, in the first half of February 2022. Upon signature of the Legal Instruments by UNEP HQ and respective counter-signatories from RAC side, they will be processed in Umoja Extension II, for the release of the first installments, which is expected to take place in March 2022. Information on the incurred expenditures for the implementation of the MAP PoW and Budget 2022-2023 will be provided at the next regular Meeting of the Bureau.

Proposed Recommendations:

- (f) The Bureau takes note of the application of the new adjusted scale of assessments for the years 2022-2023;**
- (g) The Bureau appreciates the efforts by the Secretariat to operationalize the PoW and Budget 2022-2023 into Project Documents and Legal Instruments in a timely manner, noting that information on the financial implementation of the first semester of the PoW and Budget 2022-2023 will be provided at its 93rd Meeting.**

II. CONSULTANCY REPORTING

12. During the biennium 2020-2021, the consultancy costs were funded by the MTF/EC Discretionary Contribution at a rate of 40%. 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. During the 2020-2021 biennium, staff onboarding was on freeze for a prolonged period and majority of in-person activities were converted to those online in order to achieve the intended outputs, and therefore, the remote consultancy modality was used more than previous years. The summary of the consultancy costs for the biennium 2020-2021 is presented in Annex II.

III. PERSONNEL MATTERS

13. The recruitments status is summarized below:

P5 Deputy Coordinator (position No. 30600864): the post was advertised under Job Opening 161911 in Inspira with a deadline for applications of 3 December 2021. Recruitment process is in progress.

P5 Senior Programme Officer (MedPol): request for creation of the post and preparation of related job description is expected to start soon.

P3 Programme Management Officer (MedProgramme) (position No: 31032929): the selection is completed and the onboarding process is underway.

P3 Programme Management Officer (EcAp MED III Project) (position No: 30606551): the selection is completed, and the onboarding process is underway.

P3 Legal Officer (position No: 31012355): the post was advertised under Job Opening 163375 in Inspira with a deadline for applications of 21 November 2021. Recruitment process is in progress.

P2 Associate Finance and Budget Officer (MedProgramme) (position No: 31039463): the post was advertised in Inspira with a deadline for applications of 24 August 2021. Interviews were conducted and related documents are under review at HQ for the selection to be finalized.

G5 Programme Management Assistant (EcAp MED III Project and Marine Litter MED II) (position No: 31009278): request for advertisement of the post in Inspira was sent to HQ. To be followed by the job opening to be posted in Inspira.

G4 MedPol/Coordinating Unit Programme Management Assistant: request for creation of the post and preparation of related job description is expected to start soon.

G4 Team Assistant (Administration) (position No: 30600877): request for creation of the post and preparation of related job description is expected to start soon.

Secondment of an Expert from France on a Non-Reimbursable Loan for 2 years: related documents were submitted to the UNEP Headquarters.

Proposed Recommendations:

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

IV. OTHER MATTERS

14. 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”.

15. 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. The preliminary survey for the refurbishment was initiated and a draft floor plan was developed by an interior designer during the fourth quarter of 2021. Since then, a number of consultations have been held among the concerned, and the floor plan has been revised a number of times to reflect the needs of the Secretariat. As soon as the interior design part is completed, a procurement exercise will be launched to select a contractor to be engaged in the actual renovation work. The balance of the host country contribution will be utilized for the refurbishment of the current premises of the Secretariat.

Proposed Recommendation:

- (i) The Bureau takes note with appreciation of the joint efforts made by the Greek Government and the Coordinating Unit with regards to the refurbishment of the premises and requests the Secretariat to accelerate the process with the support of the Greek Government and update the Bureau on the progress made at its next meeting.**

Annex I

Status of Contributions as of 31 December 2021

Status of Assessed Ordinary Contributions apportioned to Parties of the Barcelona Convention as of 31 December 2021

Ordinary Contributions to MTF												
Country	Unpaid Pledges for 2018 and prior years	Unpaid Pledges for 2019	Unpaid Pledges for 2020	Unpaid Pledges as of 31/12/2020		Pledges for 2020	Collections for 2020		Pledges for 2021	Collections for 2021	Unpaid Pledges for 2021	Deferred Income
	EUR	EUR	EUR	EUR		EUR	EUR		EUR	EUR	EUR	EUR
Albania	-	-	-	-		3.467	3.467		3.467	3.467	-	3.467
Algeria	148.829	29.150	-	177.979		59.801	59.801		59.801	-	59.801	*
Bosnia and Herzegovina	-	-	-	-		5.200	5.200		5.200	5.200	-	
Croatia	-	-	-	-		33.367	33.367		33.367	33.367	-	
Cyprus	-	-	-	-		15.600	15.600		15.600	15.600	-	
Egypt	-	-	-	-		80.602	80.602		80.602	-	80.602	
European Union	-	-	-	-		142.670	142.670		142.670	142.670	-	
France	-	-	-	-		1.918.407	1.918.407		1.918.407	1.918.407	-	
Greece	-	-	-	-		158.603	158.603		158.603	158.603	-	
Israel	-	-	-	-		212.338	212.338		212.338	-	212.338	
Italy	-	-	-	-		1.433.064	1.433.064		1.433.064	1.433.064	-	
Lebanon	8.646	18.499	20.367	47.512		20.367	-		20.367	-	20.367	
Libya (State of Libya)	604.662	50.268	13.000	667.930		13.000	-		13.000	-	13.000	*
Malta	-	-	-	-		7.367	7.367		7.367	7.367	-	
Monaco	-	-	-	-		4.767	4.767		4.767	4.767	-	
Montenegro	-	-	-	-		1.733	1.733		1.733	1.733	-	
Morocco	-	-	-	-		23.834	23.834		23.834	23.834	-	
Slovenia	-	-	-	-		32.934	32.934		32.934	32.934	-	
Spain	-	-	-	-		929.953	929.953		929.953	929.953	-	
Syrian Arab Republic	102.615	9.652	4.767	117.034		4.767	-		4.767	-	4.767	*
Tunisia	-	-	-	-		10.834	10.834		10.834	-	10.834	
Turkey	-	-	-	-		594.113	594.113		594.113	594.113	-	
TOTAL	864.752	107.569	38.134	1.010.455		5.706.788	5.668.654		5.706.788	5.305.079	401.709	3.467

Year	2016	2017	2018	2019
Collection Rate	98,46%	97,82%	97,82%	98,12%

2020	99,33%
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2021	92,96%
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EC Discretionary Contribution											
						Expected contribution for 2020	Received contribution for 2020		Expected contribution for 2021	Received contribution for 2021	Open Receivable for 2021
						EUR	EUR		EUR	EUR	EUR
European Commission						596.484	596.484		596.484	596.484	-

Host Country Contribution											
						Expected contribution for 2020	Received contribution for 2020		Expected contribution for 2021	Received contribution for 2021	Open Receivable for 2021
						EUR	EUR		EUR	EUR	EUR
Greece						344.800	354.437		344.800	355.200	-

*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 biennium 2020-2021 (in EUR)*				
Component	Description	Years 2020-2021	Year 2020	Year 2021
C.Unit	Med Trust Fund/EC Discretionary	206.445	114.936	91.509
	Other funding	401.077	238.973	162.104
	Sub-total	607.521	353.908	253.613
MEDPOL	Med Trust Fund/EC Discretionary	182.999	131.813	51.186
	Other funding	157.663	57.405	100.258
	Sub-total	340.662	189.218	151.444
PB/RAC	Med Trust Fund/EC Discretionary	203.831	80.736	123.095
	Other funding	188.716	48.521	140.195
	Sub-total	392.547	129.257	263.290
PAP/RAC	Med Trust Fund/EC Discretionary	306.737	88.770	217.967
	Other funding	544.801	234.465	310.336
	Sub-total	851.538	323.235	528.303
REMPEC	Med Trust Fund/EC Discretionary	415.007	185.627	229.380
	Other funding	109.969	76.898	33.071
	Sub-total	524.976	262.524	262.451
SPA/RAC	Med Trust Fund/EC Discretionary	247.503	96.086	151.417
	Other funding	611.896	201.645	410.251
	Sub-total	859.398	297.731	561.668
SCP/RAC	Med Trust Fund/EC Discretionary	52.874	16.489	36.385
	Other funding	377.300	123.003	254.297
	Sub-total	430.174	139.492	290.681
INFO/RAC	Med Trust Fund/EC Discretionary	0	0	0
	Other funding	0	0	0
	Sub-total	0	0	0
Total	Med Trust Fund/EC Discretionary	1.615.395	714.456	900.939
	Other funding	2.391.420	980.908	1.410.512
	Grand Total (in EUR)	4.006.815	1.695.364	2.311.451
	Percentage of MTF/EC Discr. over total funding	40%	42%	39%

* 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
Assessed Ordinary Contributions apportioned to the Parties of the Barcelona Convention for the
2022–2023 biennium

Assessed Ordinary Contributions apportioned to the Parties of the Barcelona Convention for the 2022-2023 biennium (EUR)¹

Contracting Parties	Proposed Assessed Ordinary Contributions for 2022 (in €)	Proposed Assessed Ordinary Contributions for 2023 (in €)	Proposed Assessed Ordinary Contributions for 2022-2023 (in €)	Final Assessed Ordinary Contributions for 2022 (in €)	Final Assessed Ordinary Contributions for 2023 (in €)	Final Assessed Ordinary Contributions for 2022-2023 (in €)	UN Scale of Assessments (A/RES/76/238) 2022-2024	Adjusted Scale of Assessments without EU A.O.C.* (2022-2024)	Adjusted Scale of Assessments with 2.5% for EU A.O.C.* (2022-2024)
							Percentage	Percentage	Percentage
Albania	3.467	3.467	6.933	3.704	3.704	7.408	0,008	0,067	0,065
Algeria	59.801	59.801	119.603	50.469	50.469	100.938	0,109	0,907	0,884
Bosnia and Herzegovina	5.200	5.200	10.400	5.556	5.556	11.112	0,012	0,100	0,097
Croatia	33.367	33.367	66.735	42.135	42.135	84.270	0,091	0,757	0,738
Cyprus	15.600	15.600	31.201	16.669	16.669	33.337	0,036	0,300	0,292
EU	142.670	142.670	285.339	142.670	142.670	285.339		-	2,500
Egypt	80.602	80.602	161.203	64.360	64.360	128.720	0,139	1,157	1,128
France	1.918.407	1.918.407	3.836.815	1.999.323	1.999.323	3.998.646	4,318	35,932	35,034
Greece	158.603	158.603	317.207	150.482	150.482	300.963	0,325	2,705	2,637
Israel	212.338	212.338	424.676	259.755	259.755	519.509	0,561	4,668	4,552
Italy	1.433.064	1.433.064	2.866.128	1.476.573	1.476.573	2.953.145	3,189	26,537	25,874
Lebanon	20.367	20.367	40.734	16.669	16.669	33.337	0,036	0,300	0,292
Libya (State of Libya)	13.000	13.000	26.001	8.334	8.334	16.669	0,018	0,150	0,146
Malta	7.367	7.367	14.734	8.797	8.797	17.595	0,019	0,158	0,154
Monaco	4.767	4.767	9.534	5.093	5.093	10.186	0,011	0,092	0,089
Montenegro	1.733	1.733	3.467	1.852	1.852	3.704	0,004	0,033	0,032
Morocco	23.834	23.834	47.668	25.466	25.466	50.932	0,055	0,458	0,446
Slovenia	32.934	32.934	65.868	36.579	36.579	73.157	0,079	0,657	0,641
Spain	929.953	929.953	1.859.906	988.086	988.086	1.976.172	2,134	17,758	17,314
Syrian Arab Republic	4.767	4.767	9.534	4.167	4.167	8.334	0,009	0,075	0,073
Tunisia	10.834	10.834	21.667	8.797	8.797	17.595	0,019	0,158	0,154
Turkey	594.113	594.113	1.188.225	391.252	391.252	782.505	0,845	7,032	6,856
TOTAL Assessed Ordinary Contributions (MTF)	5.706.788	5.706.788	11.413.576	5.706.788	5.706.788	11.413.576	12,017	100	100

(1): The "final" Assessed Ordinary Contributions for 2022-2023 are aligned with the current UN assessed rates (2022-2024).