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CONVENTION ON THE CONSERVATION OF EUROPEAN WILDLIFE
AND NATURAL HABITATS

Standing Committee

31st meeting
Strasbourg, 29th November – 2nd December 2011

**FINANCING THE WORK
OF THE BERN CONVENTION**

*Document
prepared by
the Directorate of Culture and Cultural and Natural Heritage*

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The Standing Committee is invited to take note of the information provided on the finance of the Bern Convention and take a decision on its future funding. The Bureau of the Standing Committee suggested the possibility of creating an Advisory Select Group of Experts on the Finance of the Convention aimed at examining the different options and making proposals to the Committee.

INTRODUCTION

Unless other similar Conventions (Ramsar, CMS, CBD, CITES and other) the Bern Convention is not financed by a regular fixed contribution from Parties but has, in the last 30 years, been financed by funds provided from two sources:

- Council of Europe's ordinary budget;
- Voluntary contributions provided by Parties;

A third form of finance is a fixed contribution of 19,000 € provided by the European Union and possible joint projects financed by the European Commission to fund some specific activities of the Convention, the most important of which was a 1.5 M € project to build the Emerald Network in seven states running from 2009 to 2011.

1. TRENDS

Council of Europe's financing of its own biodiversity activities has been decreasing regularly, with two important cuts in 2001 (40 %) and 2005 (38 %) which obliged to cut most awareness activities (and the Naturopa Centre) in 2001 and the support to the Pan-European Biological and Landscape Diversity Strategy in 2005.

Council of Europe's re-centering of its activities in Human Rights and Democracy issues has also meant a reduction of the budget it contributes to the remaining biodiversity activities (all focused in the Bern Convention) for the 2012 and 2013 budgets. Another cut of 27 % will be implemented, leaving the Convention with very meagre resources: 427,300 € per annum covered by the ordinary budget paying for a staff of only two persons (an administrator and one assistant) of which an "operative budget" of only 202,200 € (120,500 € for activities and 81,700 € for "overheads" such as interpretation, translation, printing of documents and travelling).

Thus the cut from 2011 to 2012 of Council of Europe support is of 26.7 % and includes 1 job.

Table 1 provides a summary of Bern Convention support received from Council of Europe since 2008 (in €).

Table 1 – Council of Europe contribution to the budget of the Convention

Years	Bern Convention Budget		Council of Europe contribution	Council of Europe contribution as % of budget spent
	Adopted	Spent		
2013	798,400 €	798,400 €*	401,400 €*	50 % *
2012	787,300 €	787,300 €*	427,300 €	54 % *
2011	847,200 €	815,000 €*	583,300 €	71 %
2010	764,448 €	737,164 €	597,573 €	81 %
2009	821,539 €	769,820 €	603,639 €	78 %
2008	864,560 €	805,275 €	608,039 €	75 %

* : forecast

Table 2 provides a summary of use of Council of Europe contribution (2008 – 2013).

Years	Total amount	Staff	Jobs	Operative budget	Decrease from previous year	Activities	Overheads
2013	401,400 €	199,200 €	2	208,700 €	0 %	127,200 €	81,500 €
2012	427,300 €	225,100 €	2	209,000 €	20 %	127,800 €	81,200 €
2011	583,300 €	322,100 €	3	261,200 €	6 %	180,500 €	80,700 €
2010	597,573 €	318,373 €	3	279,200 €	3 %	198,500 €	80,700 €
2009	603,639 €	316,239 €	3	287,400 €	6 %	198,700 €	88,700 €
2008	608,039 €	300,839 €	3	307,200 €	6 %	199,900 €	107,300 €

2. VOLUNTARY CONTRIBUTIONS

Voluntary contribution have permitted so far to balance Bern Convention budgets. In the decade 2001-2010, voluntary contributions have averaged 159,430 €/year (138,220 € in the first 5 years and 180,660 € from 2006 to 2010).

They are used to finance both activities and staff (typically a second administrative assistant and ½ time of a person managing the website and publications).

In the past years, voluntary contribution have financed from 20 to 30 % of the budget.

Table 3 – Voluntary contributions 2008-2013 (requested and received)

Years	Bern Budget		Voluntary contributions			
	Adopted	Spent	Requested	% of adopted budget	Received	% of budget spent
2013	798,400 €	798,400 €*	397,000 €	50 %	-	-
2012	787,300 €	787,300 €*	360,000 €	46 %	-	-
2011	847,200 €	815,000 €*	263,900 €	31 %	-	-
2010	764,448 €	737,164 €	166,875 €	21 %	222,355 €	30 %
2009	821,539 €	769,820 €	217,900 €	26 %	159,008 €	20 %
2008	864,560 €	805,275 €	256,252 €	29 %	214,608 €	27 %

* forecast

3. CHALLENGES AHEAD FOR 2012-2013 AND BEYOND

Even if the present system of “double funding” of the Convention has worked so far there are doubts whether it will continue to be satisfactory in the coming years, due to a number of reasons:

- To be workable in 2012 and 2013, the system needs to receive a very substantial increase in voluntary contributions (from the 180,000 € average in the period 2006-2010 to no less than 322,100 € in 2012, that is an increase of 78.6 %), this even after a budget reduction of 11.5 % for 2012 and 2013.

This is unlikely to happen in times of government budgetary constraints which affect voluntary contributions.

- It is likely that, after 2013, Council of Europe continues to trim funds allocated to the Bern Convention, as it has been the trend since 1998.

To ensure a long-term financial stability of the Convention, the Secretariat proposes three possible options:

➤ **Option 1**

Maintenance of the present system of voluntary contributions but with drastic cut in Bern Convention activities as from 2013 (or even 2012 if 2011 voluntary contributions are low) to adapt activities to resources.

A possibility to ensure financial stability would be to drastically reduce expenditure in the Convention, which could, for instance, take the following forms:

✓ ***Discontinuation of the European Diploma on Protected Areas***

The European Diploma has simplified its procedures and lengthen to 10 years the period of validity of Diplomas but even having reduced Secretariat work it still needs half-time of an officer and a 1/3 time of an administrative assistant. The deletion of the officer job in the 2012-2013 ordinary budget of the Council of Europe means that unless voluntary contributions are increased, the Secretariat will have no resources to ensure the maintenance of the activity.

✓ ***Discontinuation of some or all of the working groups***

In the last five years a number of working groups have met with varying regularity. The main working groups that meet are listed in appendix 1 to this document.

Another way to make working groups more affordable would be not to cover expenses of the 10 to 15 experts that are paid from the Bern Convention budget.

A matter for further consideration would be to discontinue interpretation of some of the working groups, such as it is done by some working groups organised by the European Commission that have mainly a “technical” character. Sometimes interpretation accounts for 20 % of the cost of a meeting and it is not necessarily justified.

An **advantage** of this option would be that the Convention would become affordable, focusing in implementation by states (and case files).

The **disadvantages** of this option would be numerous. The absence or reduction of working groups would make the Convention’s work less attractive for governments (and for voluntary contributions attached to one or other technical activities). The Convention would also lose its “innovative” edge, most of its policy guidance and much of its activities in monitoring of obligations. It would no longer be possible to monitor most recommendations, produce new ones and the Convention would perhaps enter into an “extinction course” as an international treaty, losing interest and relevance.

Likely co-operation with other international treaties would be jeopardised by lack of common action. The worst effect could perhaps be the discontinuation of some very fruitful activities, like the building of the Emerald Network.

➤ **Option 2**

Elaboration of a Council of Europe “Partial Agreement” on the Convention

The second option could be to develop a separate financial mechanism for the Bern Convention in which Parties would contribute to an agreed budget according to the Council of Europe “contribution scale” (similar to the UN contribution scale, but with some differences peculiar to the Council of Europe finance system).

The system would be simple to implement. After approval by the Committee of Ministers of the Council of Europe, the Convention would create a separate financial mechanism (much as it is done for other Conventions) and each state would be asked to join that mechanism (called “open partial agreement” in Council of Europe terminology).

Once formally joined, each party would have a “compulsory annual contribution” and financial stability of the Convention would be assured as long as parties do not denounce the partial agreement (which they can do at anytime). Appendix 2 has possible compulsory contributions.

The **advantages** of this system are obvious. By decision of its Parties, the Convention would count with a permanent, reliable financial mechanism (like in all other similar conventions, where funds are usually covered by Ministries of Environment of Contracting Parties).

The main **disadvantage** of a partial agreement would be its cost . The regular but diminishing Council of Europe contribution would be discontinued so that Parties would have to cover all expenses themselves. Actually the 427,300 € assignment to the Convention by Council of Europe for 2012-2013 does not include a number of other costs (pensions for the 2 member of staff, office costs, centralised financial administration, costs of other staff involved in the management of the Convention, etc.). This means that the cost of a partial agreement, to cover the same services as the 2011 budget of 847,200 € would probably have to be of around 1,250,000 €

Another risk attached to the elaboration of a Partial Agreement is that some states may choose not to sign it because of its costs and the position of those states could become difficult. That possibility may also increase the contributions for other states, creating again an unfair and very uncomfortable situation.

➤ *Option 3*

Maintenance of the present system of double funding by Council of Europe and voluntary contributions and reinforcement of voluntary contributions by the establishment of a “recommended voluntary” contribution by each Party.

The problem of the present system of voluntary contribution is its unpredictability. With a few exceptions some states may prove very generous one year and much less the next year, depending on the programme of activities, their own financial constraints or other factors.

If the standing Committee agrees to set a voluntary financial target per Party and per year, it may prove easier to get those “agreed contributions” or “recommended contributions” rather than depend on the will of government officials, their involvement in the Convention’s work or other unpredictable factors.

The **advantages** of such system would be that government officials would probably find it easier to earmark funds for the Convention in their budgets (as they do for other Conventions). Another advantage would be to keep the 427,000 € provided by the Council of Europe for Bern Convention activities.

A **disadvantage** could be that some governments may find difficult to agree to such “voluntary” contributions without a legally binding obligation.

Appendix 3 makes some suggestions as to the possible “recommended contributions”.

CONCLUSION

Compared with the budgetary costs of other similar Conventions, finally the sums required for the running of the Bern Convention are relatively modest.

It is noted that governments of Parties, represented at the Committee of Ministers by Ministries of Foreign Affairs, have changed priorities and are progressively turning to Ministries of Environment for the finance of biodiversity activities. It is the choice of Ministries of Environment, represented at the Standing Committee, to decide how the Convention will be funded and to which extent. The Secretariat reaffirms its commitment to do its utmost to help governments implement whatever decision they take on the funding and future of the Convention.

TABLE SUMMARISING THE ADVANTAGES / DISADVANTAGES OF POSSIBLE OPTIONS

Options	Advantages	Disadvantages
<p>1</p> <p>Present system without increase in voluntary contributions</p>	<ul style="list-style-type: none"> ➤ Affordability for 2012 – 2013 ➤ Uncertainty for 2014 onwards ➤ Low cost for States 	<ul style="list-style-type: none"> ➤ Discontinuation of most activities ➤ Loss of “innovative edge” of the Convention ➤ Possible reduction of voluntary contributions linked to specific technical activities ➤ Drastic downsizing of the Convention may lead to its extinction as international instrument ➤ Co-operation with other instrument jeopardised ➤ Long-term budgetary uncertainty
<p>2</p> <p>Compulsory contributions as in other conventions</p>	<ul style="list-style-type: none"> ➤ Long-term affordability ➤ Maintenance of activities ➤ Possibility of future growth if desired 	<ul style="list-style-type: none"> ➤ Relatively high cost for governments ➤ Some States may decide not to join ➤ Council of Europe budgetary support would be lost ➤ Complicated financial situation during transition
<p>3</p> <p>Increasing of voluntary contribution by “recommended contributions”</p>	<ul style="list-style-type: none"> ➤ Possible increase in voluntary contributions ➤ Maintenance of activities ➤ Keeping, for 2012-2013, of Council of Europe support 	<ul style="list-style-type: none"> ➤ Some Parties may not be able to contribute without a legal obligation ➤ Unpredictability of success ➤ Long-term budgetary uncertainty

Appendix 1

MEETINGS OF GROUPS OF EXPERTS
2006 – 2013

Name of the Groups of Experts	Years							
	2006	2007	2008	2009	2010	2011	2012	2013
Protected Areas and Ecological Networks	X	X	X	X	X	X	X	X ?
European Diploma	X	X	X	X	X	X	X	X ?
Invertebrates	X		X					X ?
Amphibians & Reptiles	X							
Invasive Alien Species		X	(1;3)	X	(1;4)	X	(1)	X ?
Plants		X						
Climate Change and Biodiversity		X	X	X	X	X	X	X ?
Island Biodiversity				X	X	X		X ?
Large Carnivores	X				(2)		X	
Marine Turtle Conference (in co-operation with CMS & RAC/SPA)	X		X			X		X ?
Birds							X	
- - - - -								
Illegal Killing of Birds						X		X
Angling and Biodiversity				X	X			
Hunting and Biodiversity		X						
Sturgeon		X						

(1) Advisory Group

(2) LC in Caucasus and LC in Turkey

(3) Water Jacynth Workshop

(4) Ruddy duck Workshop

Appendix 2

Calculation of the scale of contributions to the BERN CONVENTION for 2011-08-31 Application of the procedure laid down in Appendix 1 to Resolution (94) 8									
A	B	C	D	E	F	G	H	I	J
Mem ber States 06.07.2011	Population in millions	Gross Domestic Product (millions US\$)	Rate of contribution according to population	Rate of contribution according to gross Domestic Product	Weighted Average of Columns D and E	Application of the Minimum Rate of contribution	Equalisation of the Rates of contribution of the major contributors	Application of the Maximum Rate of contribution —— Final rates of contribution	Amount payable in €
49 member states					(1)	(2)	(3)	(4)	
Albania	3,161	10 979	0,2589	0,0336	0,0711	0,1200	0,1200	0,1200	1 560,00
Andorra	0,078	3 430	0,0064	0,0105	0,0098	0,1200	0,1200	0,1200	1 560,00
Armenia	3,037	9 166	0,2488	0,0280	0,0648	0,1200	0,1200	0,1200	1 560,00
Austria	8,312	369 028	0,6808	1,1290	1,0543	1,0437	1,0437	1,5697	20 406,10
Azerbaijan	8,560	32 451	0,7012	0,0953	0,1996	0,1976	0,1976	0,2972	3 863,60
Belgium	10,621	453 514	0,8700	1,3875	1,3013	1,2882	1,2882	1,9374	25 186,20
Bosnia & Herzegov.	4,011	15 139	0,3285	0,0463	0,0934	0,1200	0,1200	0,1200	1 560,00
Bulgaria	7,650	40 309	0,6266	0,1233	0,2072	0,2051	0,2051	0,3085	4 010,50
Croatia	4,474	54 500	0,3664	0,1667	0,2000	0,1980	0,1980	0,2978	3 871,40
Cyprus	0,778	25 816	0,0638	0,0790	0,0764	0,1200	0,1200	0,1200	1 560,00
Czech Republic	10,279	177 699	0,8419	0,5437	0,5934	0,5874	0,5874	0,8836	11 486,80
Denmark	4,455	309 061	0,4468	0,9456	0,8624	0,8538	0,8538	1,2840	16 692,00
Estonia	1,340	20 365	0,1097	0,0623	0,0702	0,1200	0,1200	0,1200	1 560,00
Finland	5,288	242 049	0,4331	0,7406	0,6893	0,6824	0,6824	1,0263	13 341,90
France	61,633	2 564 767	5,0484	7,8470	7,3805	7,3061	14,5602	12,0000	156 000,00
Georgia	4,367	10 238	0,3577	0,0313	0,0857	0,1200	0,1200	0,1200	1 560,00
Germany	82,466	3 295 076	6,7548	10,0813	9,5269	9,4309	14,5602	12,0000	156 000,00
Greece	11,187	310 329	0,9163	0,9495	0,9439	0,9344	0,9344	1,4054	18 270,20
Hungary	10,054	135 181	0,823	0,4136	0,4819	0,4771	0,4771	0,7175	9 327,50
Iceland	0,300	17 694	0,0254	0,0541	0,0493	0,1200	0,1200	0,1200	1 560,00
Ireland	4,275	248 832	0,3501	0,7613	0,6528	0,6858	0,6858	1,0314	13 408,20
Italy	58,722	2 085 184	4,8099	6,3797	6,1180	6,0564	14,5602	12,0000	156 000,00
Latvia	2,276	27 086	0,1865	0,0829	0,1001	0,1200	0,1200	0,1200	1 560,00
Liechtenstein	0,035	4 257	0,0029	0,0130	0,0013	0,1200	0,1200	0,1200	1 560,00
Lithuania	3,373	38 474	0,2763	0,1177	0,1441	0,1427	0,1427	0,2146	2 789,80
Luxembourg	0,469	49 950	0,0384	0,1528	0,1338	0,1324	0,1324	0,1991	2 588,30
Malta	0,407	10 148	0,0334	0,0310	0,1314	0,1200	0,1200	0,1200	1 560,00
Moldova	3,753	4 617	0,3074	0,0141	0,0630	0,1200	0,1200	0,1200	1 560,00
Monaco	0,033	3 128	0,0027	0,0096	0,0084	0,1200	0,1200	0,1200	1 560,00
Montenegro	0,615	3 545	0,0503	0,0108	0,0174	0,1200	0,1200	0,1200	1 560,00
Netherlands	16,373	773 097	1,3411	2,3653	2,1946	2,1725	2,1725	3,2674	42 476,20
Norway	4,715	392 164	0,3862	1,1998	1,0642	1,0535	1,0535	1,5845	20 598,50
Poland	38,060	430 376	3,1175	1,3167	1,6169	1,6006	1,6006	2,4073	31 294,90
Portugal	10,603	220 582	0,8685	0,6749	0,7072	0,7000	0,7000	1,0529	13 687,70
Romania	21,659	162 412	1,7741	0,4969	0,7098	0,7026	0,7026	1,0567	13 737,10
Servbia	7,421	40 888	0,6079	0,1251	0,2056	0,2035	0,2035	0,3061	3 979,30
Slovak Republic	5,394	74 970	0,4418	0,2294	0,2648	0,2621	0,2621	0,3942	5 124,60
Slovenia	2,007	46 159	0,1644	0,1412	0,1451	0,1436	0,1436	0,2160	2 808,00
Spain	44,417	1 421 003	3,6382	4,3476	4,2294	4,1867	4,1867	6,2968	81 858,40
Sweden	9,141	441 527	0,7488	1,3509	1,2505	1,2379	1,2379	1,8618	24 203,40
Switzerland	7,550	438 277	0,6185	1,3409	1,2205	1,2082	1,2082	1,8171	23 622,30
FYRO Macedonia	2,040	7 627	0,1671	0,0233	0,0473	0,1200	0,1200	0,1200	1 560,00
Turkey	72,776	596 860	5,9611	1,8261	2,5153	2,4899	2,4899	3,7448	48 682,40
Ukraine	46,268	142 714	3,7899	0,4366	0,9955	0,9855	0,9855	1,4821	19 267,30
United Kingdom	60,991	2 607 532	4,9958	7,9778	7,4808	7,4054	14,5602	12,0000	156 000,00
Burkina Faso	14,727	6 825	1,2063	0,0209	0,2184	0,2162	0,2162	0,3252	4 227,60
European Com;	496,077	14 223 384	40,6338	43,5167	43,0362	42,6024	14,5602	12,0000	156 000,00
Morocco	31,540	75 142	2,5836	0,2299	0,6222	0,6159	0,6159	0,9263	12 041,90
Senegal	12,070	11 318	0,9887	0,0346	0,1936	0,1917	0,1917	0,2883	3 747,90
Tunisia									
	1 220,848	32 684 878,564	100,0000	100,0000	100,0000	100,0000	100,0000	100,0000	1 300 000,00

Notes:

- (1) Rates of contribution below 0,12 % are expressed to four decimal places to facilitate the calculation in Column G of the minimum rate of contribution
- (2) The minimum rate of contribution is the lower of either 0,12 % or 5 times the rate calculated in Column F
- (3) The major contributions are: EUROPEAN COMMUNITY, FRANCE, GERMANY, ITALY, UNITED KINGDOM.
- (4) The maximum rate of contribution is 12,00 %

Appendix 3 – Suggestions for possible “recommended contributions”

Countries	Voluntary Contributions suggested	Received									
		2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Albania	1 200										
Andorra	1 200	1 200	1 200	1 200	1 200	1 200	1 200	1 200	1 200	1 200	600
Armenia	1 200										
Austria	8 000										
Azerbaijan	1 200										
Belgium	15 000	25 000		14 800		10 000	12 375			30 000	49 195
Bosnia & Herz.	1 200										
Bulgaria	5 000	5 000									
Croatia	5 000				1000						
Cyprus	5 000	5 000									3 472
Czech Republic	10 000	8 000		8 000	10 000	5 000		4 017			
Denmark	12 000				4 000				4 026		
Estonia	5 000										
Finland	12 000	7 000	7 000	15 000							
France	60 000			50 000	69 000	2 000			14 960		12 000
Georgia	1 200										
Germany	60 000	38 000	8 000	20 000	20 000						
Greece	10 000										
Hungary	10 000										
Iceland	10 000	3 918	10 000	10 000	16 000						6 000
Ireland	10 000							20 000			
Italy	60 000				43 000				10 000		
Latvia	3 000										
Liechtenstein	3 000										
Lithuania	3 000										
Luxembourg	3 000	308	308	308	308	308	308	308	308	308	3 407
Malta	3 000										752
Moldova	1 200									952	1 000
Monaco	20 000	18 000	18 000	24 000	8 000	8 000	8 000	7 600	7 600	7 622	7 622
Montenegro	1 200										
Netherlands	20 000	5 000								18 151	45 378
Norway	25 000	30 021	21 500		5 000	10 000		9 327	8 233	10 841	
Poland	10 000										
Portugal	10 000									3 000	3 000
Romania	10 000										
Serbia	1 200										
Slovakia	3 000		1 500	1 500	1 500	1 000	2 000				
Slovenia	3 000										
Spain	40 000										
Sweden	15 000								8 109		
Switzerland	60 000	49 000	60 000	60 000	44 381	45 000	44 426	58 502	54 516	69 550	32 550
FYR Macedonia	1 200										
Turkey	20 000										
Ukraine	5 000										
United Kingdom	60 000	16 908	21 500			14 000	14 635				
Burkina Faso	1 200										
Morocco	3 000										
Senegal	1 200										
Tunisia	3 000										
European Union	60 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000
	675 400	222 355	159 008	214 808	233 389	106 508	92 944	110 954	118 952	151 624	174 986