**EU+MS proposal on the Vienna Convention contribution**

We do not favor option 4 and 5 as they would imply a very high increase in 2020 (+116,5% increase for scenario 4 and +83,3% increase for scenario 5) in 2020 but then another decrease in 2021 as this would be a budget without a COP. We favor to divide the budget into 3 equal contributions for 2018, 2019 and 2020.

However, we are not convinced either at this stage with option 4A and option 5A because they would mean having an important raise in 2018 (+38,8% for scenario 4, with a drawdown of 447 862 USD over the triennium and +27,8% for scenario 5 with a drawdown of 647 862 USD), then no increase in 2019 and 2020 but again a new increase for the 2021-2023 triennium as we will not be able to use the reserve anymore (which will have reached a 500 000 USD or 300 000 USD level). So that would mean that to get to the 986 000 USD yearly (average budget level 2018-2020 of the VC trust fund), an increase of at least 17,8% (for scenario 4A) or 28% (for scenario 4B).

We are concerned that having such big increases at once might be risky and would rather encourage a step by step approach with gradual increase of contributions over the triennium so that we reach, in 2020, the 986 000 USD level.

This could be the following:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2017 | 2018 | 2019 | 2020 |
| Average budget (USD) | - | 986 000 | 986 000 | 986 000 |
| Contributions | 603 000 | 733 000 | 863 000 | 986 000 |

This option would mean to drawdown 376 000 USD over be, taking us to a 570 000 USD cash reserve.