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INTERGOVERNMENTAL NEGOTIATING COMMITTEE FOR AN
INTERNATIONAL LEGALLY BINDING INSTRUMENT
FOR IMPLEMENTING INTERNATIONAL ACTION ON
CERTAIN PERSISTENT ORGANIC POLLUTANTS

Sixth session

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Item 4 of the provisional agenda*

ACTIVITIES OF THE SECRETARIAT AND REVIEW OF THE SITUATION AS REGARDS
EXTRABUDGETARY FUNDS

Draft programme of work and budget

Note by the secretariat **

Introduction

1. In its decision 21/4 of February 2001, paragraph 4, the Governing Council of the United Nations Environment Programme (UNEP) “authorizes the participation of the secretariat of the United Nations Environment Programme in an interim secretariat and in a secretariat to the Stockholm Convention, if so decided by the Conference of Plenipotentiaries of the Convention provided that such arrangements are satisfactory to the Executive Director and that costs are met through extrabudgetary resources.
2. In paragraph 6 of decision 21/4, the Governing Council “urges the Executive Director through the interim secretariat of the Convention to assist in the implementation of relevant resolutions of the Conference of Plenipotentiaries with a view to facilitating capacity-building, early entry into force and financing”.
3. In paragraph 7 of that decision, the Governing Council “invites the Executive Director to take actions to facilitate voluntary implementation of the Convention prior to its entry into force if such action is called for by the Conference of Plenipotentiaries”.

* UNEP/POPS/INC.6/1.

** Conference of Plenipotentiaries on the Stockholm Convention, resolution 1, paragraphs 3 and 12.

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4. The Conference of Plenipotentiaries on the Stockholm Convention in its resolution 1, paragraph 3 “invites the Executive Director of the United Nations Environment Programme to convene such further sessions of the Intergovernmental Negotiating Committee, during the period between the date on which the Convention is opened for signature and the date of the opening of the first meeting of the Conference of the Parties, as are necessary to oversee the implementation, during the interim period, of international action to protect human health and the environment from persistent organic pollutants within the scope of the Convention and to prepare for and service the Conference of the Parties until the end of the fiscal year in which the first meeting of the Conference of the Parties takes place” (annex I to UNEP/POPS/CONF/4).

5. In paragraph 12 of resolution 1, the Conference “requests the Executive Director of the United Nations Environment Programme to provide, during the interim period, secretariat services for the operation of the interim activities”.

6. In response to the above, the secretariat has prepared a draft programme of work and budget for the operation of the interim activities called for by the Conference of Plenipotentiaries, which are provided below.

I. PROGRAMME OF WORK AND FUNDING AS OF 2001

A. Programme of work

7. During 2001, the United Nations Environment Programme served as the secretariat for the Committee and other interim activities called for by the Conference of Plenipotentiaries. This work included preparation and conduct of the Conference of Plenipotentiaries and a preparatory meeting to, publication of the Stockholm Convention on Persistent Organic Pollutants, initial preparation of the sixth session of the Committee, establishment of the network of Convention national focal points, provision of assistance and information to countries interested in taking steps to implement the Convention, development of a provisional programme of work for the interim secretariat, and establishment of necessary financial and administrative arrangements for the effective functioning of the secretariat.

B. Funding

8. A summary of the secretariat expenditure and income for 2001 is set out in appendix II. A breakdown of secretariat staff by category and level for the period is provided in appendix I.

9. The United Nations Environment Programme provided the secretariat for the negotiations of the Stockholm Convention. The cost of funding five sessions of the Committee, two sessions of the Criteria Expert Group, the Conference of Plenipotentiaries and other activities to support the negotiation process totalled US\$ 5,932,546. (Not included are staff, premises, equipment, communications and other costs provided by the United Nations Environment Programme). Funding for this was provided, in part, by voluntary contributions to the POPs Club Trust Fund amounting to US\$ 5,114,305. To cover the shortfall, US\$ 970,000 was lent from the United Nations Environment Programme Environment Fund Reserve with the understanding that this would be returned. Of this amount US\$ 151,759 has been repaid. US\$ 818,241 must now be repaid to the Fund Reserve.

II. PROGRAMME OF WORK AND FUNDING AS OF 2002 - A TRANSITIONAL YEAR

A. Programme of work

10. In 2002, the United Nations Environment Programme will continue to serve as the secretariat for the Committee and other interim activities called for by the Conference of Plenipotentiaries. This work includes preparing for and convening the sixth session of the Committee, finalizing the report of the session,

commencing action on any intersessional work requested by the Committee, preparing for and convening a workshop on liability and redress together with its host, the Government of Austria, providing assistance and information to developing countries and countries with economies in transition including helping to strengthen national focal points, planning and beginning preparations for the seventh meeting of the Committee and providing secretariat support for other interim activities requested by the Conference of Plenipotentiaries.

B. Funding

11. A summary of the total expected expenditure for 2002, income received as of 19 April 2002 to cover these expenses and amount owed to the United Nations Environment Programme Environment Fund Reserve appear in appendix III. Data on projected secretariat staffing requirements for the period by category and level is provided in appendix I.

12. The total funding needed to cover 2002 expenditure (US\$ 2,381,187) and repay the Environment Fund Reserve (US\$ 818,241) is US\$ 3,199,428. Pledges and receipts as of 19 April 2002 that can be used to cover these costs amount to US\$ 903,423. The projected deficit is US\$ 2,296,005. The secretariat must receive this funding before the end of 2002 otherwise it will face a very serious financial crisis that would severely restrict its operations and possibly result in delay or cancellation of any intersessional work needed, including the preparation of documentation for the next session of the Committee.

III. PROPOSED PROGRAMME OF WORK, BUDGET AND PRIORITIES FOR 2003 AND 2004

A. Programme of work

13. In accordance with the mandates provided in the resolutions adopted by the Conference of Plenipotentiaries, the interim secretariat will be responsible for:

- (a) Ensuring effective functioning of the Intergovernmental Negotiating Committee, including:
 - (i) Preparing for and convening future sessions of the Committee and meetings of any subsidiary bodies that it may establish, including providing legal, policy and technical support and analysis in all aspects of assessment and management of persistent organic pollutants and completing any intersessional work requested by the Committee;
 - (ii) Developing draft formats for reporting in pursuance of Convention requirements;
 - (iii) Collecting, compiling and generating data needed for the first meeting of the Conference of the Parties including information necessary to review the continued need for DDT in disease vector control, evaluate the effectiveness of the Convention and continue to compile a master list of actions to address persistent organic pollutants;
 - (iv) Providing support on matters relating to: financing of activities by the interim financial mechanism for the Convention; developing guidance to the financial mechanism established under the Convention, as well as decisions on the institutional structure of the mechanism and a process for its evaluation; and collecting information from relevant funding institutions on ways in which they can support Convention implementation;
- (b) Undertaking activities to assist countries in implementing the Convention, including:
 - (i) Supporting the development of guidance or guidelines on how to estimate releases of unintentionally produced persistent organic pollutants, and on best available techniques and best environmental practices for reducing or eliminating releases from new and existing sources of these pollutants;

- (ii) Supporting national focal points for the Convention;
 - (iii) Conducting a feasibility study on the establishment of regional centres to provide technical assistance and technology transfer and support their operation, initially on a pilot study basis;
 - (iv) Supporting training and capacity-building activities to assist developing countries and countries with economies in transition in their efforts to develop or strengthen capacities to implement the Convention;
- (c) Developing and taking initial steps to implement a clearing-house mechanism for information on persistent organic pollutants, including establishing registers and databases to manage submissions by Parties in pursuance of Convention requirements;
- (d) Developing the modalities of the Capacity Assistance Network in collaboration with the Global Environment Facility;
- (e) Coordinating with secretariats of other relevant international bodies, including in the development of guidelines for the environmentally sound management of persistent organic pollutant wastes and other activities that may arise from interim work that is or will be conducted under the Stockholm Convention.

14. The interim secretariat will also be responsible for preparing and servicing the Conference of the Parties until the end of the first fiscal year in which the first meeting of the Conference of the Parties takes place. Depending on when the Convention enters into force, that meeting may take place within the 2003-2004 budget period. The Government of Switzerland has offered to fully fund the first meeting of the Conference of the Parties in a developing country.

15. For the interim secretariat to fulfil its responsibilities described above, it will need resources to cover:

- (a) Staff costs including Professional and General Service category staff of the secretariat, consultants, administrative support and travel on official business;
- (b) Contractual services;
- (c) Meeting costs including conference servicing, participant travel and other costs related to conducting of meetings and workshops;
- (d) Premises and equipment including computer hardware and software, office equipment and supplies, as well as office space rental and maintenance;
- (e) Operational and miscellaneous costs, which include operation and maintenance of equipment (e.g., photocopiers), publication and printing, communications (e.g., telephone and fax), and postage and freight.

B. Budget

16. The proposed budget for 2003 and 2004 is included in appendix IV. A breakdown of the proposed secretariat staff for the period by category and level is provided in appendix I.

17. The estimated expenditure of the interim secretariat of the Convention for the years 2003 and 2004 to implement the programme of work described above is US\$ 3,404,718 in 2003 and US\$ 3,577,713 in 2004. This budget does not include estimated costs for any subsidiary meetings of the Committee (UNEP/POPS/INC.6/21). Given that decisions taken by the Committee at its sixth session may have an

impact on the interim secretariat's work plan described above, the budget for 2003 and 2004 may need to be revised accordingly. For this reason, final adoption of the budget will only be requested towards the end of the session.

18. At the beginning of 2003 support from the United Nation Environment Programme Environment Fund to the interim secretariat of the Stockholm Convention will be discontinued. From then on, the interim secretariat will have to be fully funded through the POPs Club Trust Fund and any other extrabudgetary contributions.

C. Priorities

19. With regard to the priorities within the budget proposed above, the secretariat suggests the following:

- (a) Priority one: Ensure effective functioning of the Committee;
- (b) Priority two: Support activities to assist countries in implementing the Convention;
- (c) Priority three: Develop and operate, on a pilot basis, the clearing-house mechanism for information on persistent organic pollutants;
- (d) Priority four: Support the implementation of the Capacity Assistance Network;
- (e) Priority five: Undertake other activities included in the above programme of work, including coordination with other relevant bodies.

20. To assist the Committee in tracking progress relative to the above priorities, budgeted expenditure by programme area for 2003 and 2004 are provided in appendix V.

IV. POSSIBLE ACTION BY THE COMMITTEE

21. The Committee may wish to take note of the information contained in the present note and consider:

- (a) Approving, with any amendments, the format for reporting and budgeting included in appendices I, II, III, IV and V;
- (b) Strongly encouraging Governments to provide the necessary voluntary contributions to cover the current shortfall in the POPs Club Trust Fund of US\$ 2,296,005 before the end of 2002;
- (c) Commenting or making recommendations on the programme of work of the interim secretariat for the remainder of 2002;
- (d) Commenting or making recommendations on the programme of work of the interim secretariat for 2003 and 2004;
- (e) Approving, with any amendments, the budget for the interim secretariat for the Convention for the years 2003 and 2004 included in appendix IV below;
- (f) Making recommendations on how to mobilize the necessary funds to meet the approved budget.

Appendix I

PROGRAMME STAFF: 2001-2004

Table 1. Programme staff

Staff category and level		2001	2002	2003	2004
A.	Professional category				
	D-1	1.00	1.00	1.00	1.00
	P-5	2.00	2.00	2.00	2.00
	P-4	1.25	1.95	3.50	4.00
	P-3	0.50	0.50	2.00 ¹	3.00 ¹
	P-2	0.50	0.00	1.00	1.00
	Subtotal	5.25	5.45	9.50	11.00
B.	General Service category	3.25	3.25	6.00	6.75
	TOTAL (A+B)	8.50	8.70	15.50	17.75

¹ One fund management post to be funded from overhead charges.

Appendix II

EXPENDITURE AND INCOME: 2001

Table 2 (a). Expenditure by item of expenditure
(in US dollars)

Item of expenditure		
A-1	Staff, Professional category	603,059
A-2	Staff, General Service category	208,678
A-3	Consultants	184,900
A-4	Official travel	90,292
B	Contractual services	75,500
C-1	Conference services	223,397
C-2	Participant travel	407,181
C.3	Other meeting costs	62,983
D	Premises and equipment	61,033
E	Publications, communications and other miscellaneous items	79,631
TOTAL		1,996,654

Table 2 (b). Total expenditure and income
(in US dollars)

Outstanding debt to Environment Fund Reserve		-818,241
Expenditure		
	Total programme expenditure	1,996,654
	Overhead charge	259,565
	TOTAL EXPENDITURE	2,256,219
Income		
	Contributions to the POPs Club Trust Fund	1,698,384
	Contribution from the UNEP Environment Fund	480,473
	Other contributions	77,362
	TOTAL INCOME	2,256,219
	BALANCE	-818,241

Appendix III

2002 EXPECTED EXPENDITURE, INCOME TO DATE, AND BALANCE OWED
TO THE ENVIRONMENT FUND RESERVE

Table 3 (a). Expenditure by item of expenditure
(in US dollars)

Item of expenditure		
A-1	Staff, Professional category	718,530
A-2	Staff, General Service category	197,725
A-3	Consultants	150,000
A-4	Official travel	90,000
B	Contractual services	50,000
C-1	Conference services	400,000
C-2	Participant travel	300,000
C.3	Other meeting costs	100,000
D	Premises and equipment	40,990
E	Publications, communications and other miscellaneous items	60,000
TOTAL		2,107,245

Table 3 (b). Total expenditure, income to date and funds to be repaid to the Environment Fund Reserve
(in US dollars)

Prior year balance		-818,241
Expenditure		
	Total programme expenditure	2,107,245
	Overhead charge	273,942
	TOTAL EXPENDITURE	2,381,187
Income		
	Contributions to the POPs Club Trust Fund	730,728
	Other contributions	172,695
	TOTAL INCOME	903,423
BALANCE		-2,296,005

Appendix IV

PROPOSED BUDGET FOR 2003 AND 2004

Table 4 (a). Expenditure by item of expenditure
(in US dollars)

Item of expenditure		2003	2004
A-1	Staff, Professional category	1,059,600	1,251,132
A-2	Staff, General Service category	431,400	490,725
A-3	Consultants	120,000	85,000
A-4	Official travel	100,000	100,000
B	Contractual services	95,000	57,000
C-1	Conference services	400,000	400,000
C-2	Participant travel	250,000	250,000
C.3	Other meeting costs	350,000	350,000
D	Premises and equipment	107,025	82,261
E	Publications, communications and other miscellaneous	100,000	100,000
TOTAL		3,013,025	3,166,118

Table 4 (b). Total budgeted expenditure
(in US dollars)

Expenditure	2003	2004
Total programme expenditure	3,013,025	3,166,118
Overhead charge	391,693	411,595
TOTAL EXPENDITURE	3,404,718	3,577,713

Appendix V

BUDGETED EXPENDITURE BY PRIORITY AND PROGRAMME AREA FOR 2003 AND 2004

Table 5. Budgeted expenditure by priority and programme
(in US dollars)The figures below are only indicative

Priority	Programme area	2003	2004
1	A. Support to Intergovernmental Negotiating Committee: i. Preparation, document development, conduct and follow-up for sessions of the Committee ii. Reporting format development iii. Collecting, compiling and generating data and other information necessary for required review processes iv. Providing information and analyse to the Committee in matters relating to the Convention's financial mechanisms	1,846,269	1,939,471
2	B. Activities to assist countries in implementing the Convention: i. Guidelines development ii. National focal point support iii. Regional centres for technical assistance iv. Training and capacity-building	829,695	883,341
4	Clearing-house Mechanism	245,676	244,257
5	Capacity Assistance Network	TBD	TBD
6	Other activities within the programme of work, including coordination with other relevant bodies	91,385	99,049
	TOTAL	3,013,025	3,166,118
