

Resources under the Stockholm Convention:

Financial mechanism and resources

Outline

- The financial mechanism under the Convention
 - GEF
 - Other funding resources
- COP guidance to the FM
- Needs assessment

Financial resources and mechanisms (Art. 13)



Paragraph 2:

- Identifies developed country Parties as source to provide new and additional financial resources to meet the agreed full incremental costs of implementing measures which fulfil their obligations;
- Other Parties may also on a voluntary basis and in accordance with their capabilities provide such financial resources;
- Contributions from other sources should also be encouraged.

Implementation of these commitments shall take into account :

- Need for adequacy;
- Predictability;
- Timely flow of funds;
- Importance of burden sharing among the contributing Parties.

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Financial resources and mechanisms (Art. 13)



□ Paragraph 6 establishes:

- A mechanism for the provision of adequate and sustainable financial resources, on a grant or concessional basis, to Parties that are developing countries or countries with economies in transition

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Financial resources and mechanisms (Article 13)



- The **mechanism** is to:
 - Function under the **authority**, as appropriate, of the **COP**
 - Function **under the guidance** of COP
 - be **accountable** to the COP
 - Its operation shall be entrusted to **one or more entities**
 - May include **other entities providing multilateral, regional and bilateral, and technical assistance**
- Contributions to it shall **be additional** to other financial transfers to developing country Parties and Parties with economies in transition

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Interim financial arrangements (Art. 14)



- Designates the GEF, on an interim basis, to be the **principal entity entrusted with the financial mechanism operations**
 - GEF will remain interim until the COP decides on the institutional structure of the permanent financial mechanism
- Function is to be fulfilled through **operational measures related specifically to POPs, taking into account new arrangements for this area may be needed.**
 - GEF established a focal area and operational programme for POPs

Guidance to the financial mechanism

Guidance to the financial mechanism

- COP 1:
 - was mandated to adopt appropriate guidance addressing inter alia, the promotion of multiple source funding approaches, mechanism and arrangements
 - Adopted **decision SC-1/9** on guidance to the financial mechanism
- COP 2:
 - Adopted decision **SC-2/11** on additional guidance on to the financial mechanism
- COP 3:
 - Adopted decision **SC-3/16** on additional guidance on to the financial mechanism

Guidance to financial mechanism: decision SC-1/9



- Eligibility,
- Policy strategy
- Programme priorities (11):
 - NIP, reducing needs for exemptions, capacity building activities (inst.& enforcement), transfer of technologies, etc.
- Determination of funding:
 - provided by COP: i.e. funding needs assessment

Needs assessment

Report on the assessment of funding needs for 2010-2014

- Article 13 of the Convention calls for COP to provide the entity or entities operating the financial mechanism, an assessment of the funding needed to implement the Convention in developing country Parties and Parties with economies in transition
- COP adopted decision SC-1/9: guidance to financial mechanism, incl. determination of funds
- Preliminary assessment: decision SC-3/15 for 2006-10
- Assessment 2010–2014 to be presented to COP-4

Report on the assessment of funding needs for 2010-2014

- **Methodology:**
 - information provided in implementation plans and reports transmitted by Parties and other information from Parties and others including the GEF
 - **The report distinguishes:**
 - activities that are direct obligations under the Convention (referred to as “core”)
 - activities that are not directly related to the implementation

Full resource estimates for the four regions



Summary of Full Resource Estimates for 68 Parties in Four Regions (Million USD)

Region	2004-09	2010-14	2015+	Regional Totals
Africa	836.85	729.11	502.08	2,068.04
Asia and Pacific	2,088.6	3,430.4	676.80	6,195.84
Central and Eastern Europe	292.71	242.38	132.84	667.93
Latin America and the Caribbean	118.28	86.88	22.40	227.56
Period totals =	3,336.4	4,488.7	1,334.1	9,159.37

Discussion of Results



- substantial estimated levels but likely to be underestimated for 2010-2014:
 - slower pace of NIP implementation: significant funds identified in 2004-09 period may shift to 2010-14
 - Parties that have yet to submit their implementation plans (countries with large population)
 - demands for resources might increase with possible new Parties
 - future needs for amending their implementation plans

Possible action by the Conference of the Parties

- To transmit the report to Council of GEF in May 2009 for its consideration during 5th replenishment
- To invite Council to transmit report to Assembly of GEF for consideration at its 4th meeting in 2010
- To request Secretariat:
 - to prepare report to review availability of financial resources additional to GEF
 - To prepare report for 2015-19
 - To provide assistance to Parties to facilitate their assessment of funding used in 2010-14 and funding needs for 2015-19

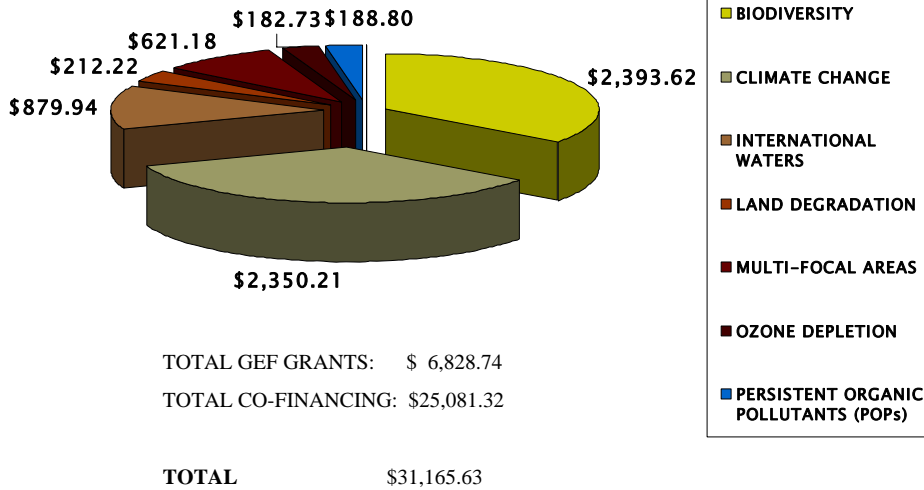
Funding sources

Overview of the GEF

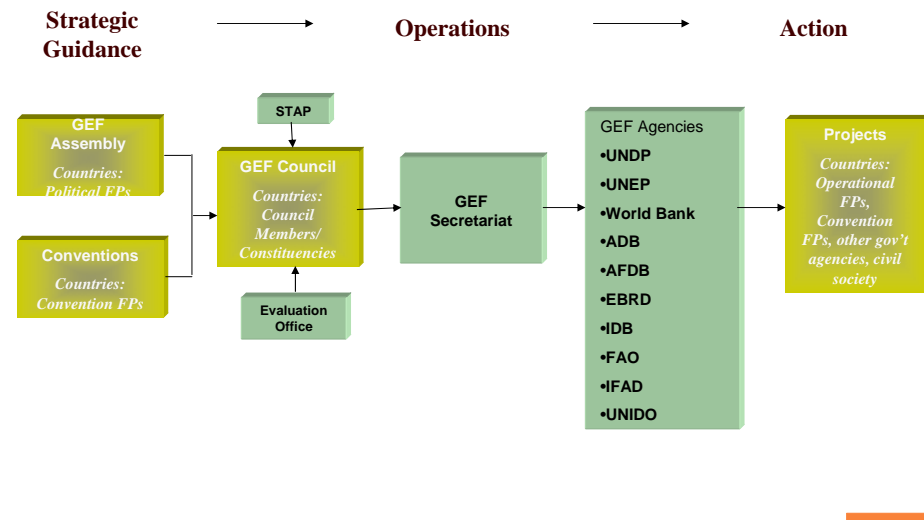
Origin of the GEF

- Mechanism for financing “incremental costs” of new “global environment” actions by developing countries
- Linked to negotiation process and based on philosophy and guidance of Convention on Biological Diversity, U.N. Framework Convention on Climate Change, and Stockholm Convention
- Initially focused on biodiversity, climate change and shared (“international”) water bodies, and ozone layer depletion
- Extended in 2002 to land degradation and POPs

GEF Portfolio as of June 2007 (US\$ millions)



GEF Governance Framework



POPs: Key Issues



- 131 countries have been preparing a NIP, assessing and prioritising POPs issues with grants provided by GEF
- GEF-4: moving from NIP preparation to NIP implementation
- GEF-4 allocation \$282m (incl. fee)
- GEF 5 : negotiations for the replenishment have just started

POPs Strategic Objective and Programs under GEF-4 (2006-10)



To reduce and eliminate production, use and releases of POPs

1. Strengthening capacities for implementation of National Implementation Plans (NIPs)
2. Partnering in investments for NIP implementation
3. Demonstration of feasible, innovative, technologies and best practices for POPs reduction



POPs: GEF-4 Strategic Program 2



Partnering in Investments for NIP Implementation

Resources: approx 45%

e.g. depending on NIP priorities: phase-out and disposal of PCBs / non-POPs alternative products and practices / destruction of pesticides wastes

Outcome: Sustainably reduced POPs production, use and releases - leading to reduced environmental and health risks from POPs

POPs: GEF-4 Strategic Program 3



Partnering in the Demonstration of Feasible, Innovative Technologies and Best Practices for POPs Reduction and Substitution

Resources: approx 15%

e.g. identification of alternative products or practices to DDT, or POPs termiticides / demonstration of destruction technologies / demonstration of BAT-BEP/ targeted research

Outcomes

Effective alternative products, practices or techniques that avoid POPs production/use/release demonstrated / in particular DDT

Other possible sources of funding

Other entities that can provide funding under the Article 13

- **Bilateral donor programmes.**
 - Developed country Parties through their bilateral development agencies
- **Private foundations**
 - are non-profit, non-governmental organisations with independent asset bases and independent boards. They generally make grants for charitable causes to other non-profit organisations, but they also can make grants to government programmes.
- **Corporate foundations**
 - are non-profit, non-governmental legal entities which receive funds from their parent companies.
- **Other entities providing multilateral, regional and bilateral technical assistance**
 - IGOs, NGOs, civil society, research institutions and universities

Multilateral Funding



- Stockholm Convention:
 - GEF, via Executing Agencies: UNDP, UNEP, World Bank, UNIDO, etc.
- UN Organisations via sectorial programmes:
 - IOMC Organisations (Inter-organization Programme for the Sound Management of Chemicals)

Multilateral Funding (con't)



- IOMC member organisations:
 - **FAO**: Technical Cooperation Department - Division of Policy Assistance
 - **UNEP**: e.g. Programmes on mercury and lead, etc.
 - **UNIDO**: cleaner production centres, etc.
 - **UNITAR**: projects on NIP implementation (PCB, GHS, PRTR, etc.)
 - **WHO**

Multilateral Funding (con't)



- Other UN funding :
 - SAICM (Strategic Approach to International Chemicals Management):
 - Quick start programme

Multilateral Funding (con't): SAICM Quick Start Program Overview



- SAICM's Quick Start Programme (QSP) was mandated by the ICCM in February 2006 and launched in April 2006
- QSP aims to support initial enabling activities in developing countries, least developed countries, small island developing States and countries with economies in transition
- QSP consists of a trust fund, as well as bilateral, multilateral and other forms of cooperation

Multilateral Funding (con't):

SAICM QSP

Overview



- Open to contributions until 2011 and can make disbursement until 2013
 - Already \$13.3 million from 19 donors
- Governments are eligible
 - Under exceptional circumstances, NGOs can receive support.
 - IGO cannot apply but can be involved.
- Over the lifetime of the QSP, countries may take part in
 - one individual Government national project,
 - one multi-country Government project and/or
 - one civil society project
- Projects can receive \$50,000 to \$250,000 and be for a maximum of 2 years.

Multilateral Funding (con't)



- Other funding than UN:
 - African Development Bank - AfDB
www.afdb.org
 - European Commission (EC)
<http://europa.eu.int/comm>

Multilateral Funding (con't)



- Directorate Generale for Development of European Commission
<http://europa.eu.int/comm/development>
- Nordic Development Fund
www.ndf.fi
- The OPEC Fund for International Development
www.opecfund.org

Bilateral Funding: Cooperation and Development Agencies



□ Europe:

- Belgium – *Directorate General for Development Cooperation and Belgian Technical Cooperation*

Relevant sectors: Protection and rehabilitation of the natural environment, water management, waste treatment

Partners: East and West Africa (Benin, Burkina, Burundi, Ivory Coast, etc)

http://diplobel.fgov.be/Cooperation/cooperation_EN.htm
www.btcctb.org

- Denmark – DANIDA (foreign affairs) and DANCED (Environment and Energy Ministry)

Relevant sectors: agriculture, water

Partners: Southern Africa

www.u-web.dk

Bilateral Funding: Cooperation and Development Agencies



- *Finland – Department for International Development Cooperation*

Sectors: water and sanitation, dangerous waste

Partners: Africa, in particular East Africa

<http://global.finland.fi/english>

- *France - General Direction for International Cooperation and Development, Groupe de l'Agence française de développement, and French Global Environment Facility (FGEF)*

Sector: water, land degradation, POPs

Partners: West Africa, etc.

www.diplomatie.gouv.fr

www.afd.fr

Bilateral Funding (con't)



- *French Global Environment Facility (FGEF)*

- Public Bilateral Fund, launched in 1994 by French government after Rio Summit
- French GEF
- Focal areas: biodiversity, Climate change, international waters, desertification, land degradation, Persistent organic pollutants, ozone layer

Bilateral Funding (con't)



- *Germany – Federal Ministry for Economic Cooperation and Development (BMZ), KfW (development bank), GTZ (federal agency of technical cooperation)*

Sectors: environmental management, water, waste, chemical safety

Partners: Africa (GTZ), 70 priority partner countries (BMZ)

www.kfw.de
www.gtz.de
www.bmz.de

- *The Netherlands – Min. of Foreign Affairs, Directorate General for International Cooperation*

Sectors: water management, environmental policy

www.minbuza.nl

Bilateral Funding (con't)



- **Other OECD non-European governments:**

Australia - AUSAID

Canada - CIDA

United States - US AID

Japan - JICA

New Zealand

Switzerland – Swiss Department for Cooperation (SDC), Federal Office for the Environment (BAFU)

- **Other governments non-OECD:**

Brazil, China, Libya ...

Private foundations

- ❑ Non-profit, non-governmental organisations with independent asset bases and independent boards
- ❑ Offer grants for charitable causes to other non-profit organisations, but they also can make grants to government programmes
- ❑ in North America, Europe and elsewhere they have the potential to provide substantial funding for much need work on POPs identification, awareness-raising, mitigation and elimination

Governmental Funding

- ❑ Involved ministries
- ❑ Ministries of Finance and Planning
- ❑ Agencies
- ❑ Research Institutes
- ❑ Other governmental organisms

Developing partnerships with the private sector



- Initiatives from individual companies
- Crop life (training)
- Other companies or groups of companies (ICCA)

Other Strategic Partnerships



- International and National Professional and Scientific Associations
- Fondations: Ford, Mérieux
- Scientific NGOs: Inter. Council for Science (ICSU), WWF....
- NGOs: Pesticide Action Network (PAN) Africa, Greenpeace International ...

Conclusions



- **Significant levels of development and philanthropic funding are available:**
 - Multilateral funding;
 - Bilateral donor programmes
 - Private and corporate foundations;
- **Role of Secretariat:**
 - Facilitate identification of available resources;
 - Hub between Parties to match assistance requests and financial support offers;

For the further information
please visit: www.pops.int



The screenshot shows the homepage of the Stockholm Convention on persistent organic pollutants (POPs). At the top left is the logo and text 'Stockholm Convention on persistent organic pollutants (POPs)'. To the right, it displays the date 'May 16, 2008', the user name 'Osmany Pereira (sa)', and a 'Logout' link. Below this is a search bar with a magnifying glass icon and the text 'A A Search'. A horizontal navigation menu contains five items: 'CONVENTION', 'PROGRAMMES', 'COUNTRIES', 'SECRETARIAT', and 'PARTNERS'. The main content area features a large image of green broccoli. At the bottom, there are two sections: 'WHAT'S NEW' and 'HIGHLIGHTS OF THE MONTH'.