



WORLD HEALTH ORGANIZATION

INTERGOVERNMENTAL NEGOTIATING BODY
ON THE WHO FRAMEWORK CONVENTION
ON TOBACCO CONTROL

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Financial arrangements for convention secretariats during the interim period and on a permanent basis: precedents in multilateral environmental agreements

Report by the Secretariat

1. In response to questions raised regarding the interim and permanent financial and institutional arrangements for the WHO framework convention on tobacco control, this document reviews the establishment and financing of the institutional infrastructure in five selected multilateral environmental agreements that could provide guidance in this matter. A summary of the findings is presented in the concluding section.

2. The overview includes both interim and permanent institutional arrangements established in the framework of the multilateral environmental agreements, with the focus on arrangements during the interim period between adoption and entry into force of the convention.¹ During this period, no permanent institutional infrastructure is yet in place, but certain actions must be taken to prepare for the entry into force of the convention and the first meeting of the Conference of the Parties. These actions are usually set out in one or more resolutions adopted by the Conference of Plenipotentiaries when it adopts the convention, and are executed by the interim secretariat, which is normally operated by the same organization that serviced the negotiation of the convention. The functions of the interim secretariat are delineated in either the convention itself or a resolution of the Conference of Plenipotentiaries, and generally include the following:

- convening and servicing the first meeting of the Conference of the Parties, including drafting decisions to be adopted by the first meeting
- convening and servicing any other meetings taking place during the interim period
- collecting and disseminating information on the subject area of the convention, in accordance with its provisions
- preparing the establishment of the permanent secretariat and permanent financial mechanisms.

¹ Under some multilateral environmental agreements, the interim period is extended beyond entry into force until the completion of the first Conference of the Parties.

3. In some multilateral environmental agreements, the mandate of the intergovernmental body that negotiated the convention is extended to guide and oversee the work of the interim secretariat as outlined above. In addition, the following functions may be assigned to the intergovernmental body during the interim period:

- operating interim procedures (if provided for by the convention)
- exercising specific functions of the Conference of the Parties on an interim basis
- conducting negotiations related to the further development of the convention, for example the elaboration of technical guidelines or of a protocol.

4. Where the mandate of the intergovernmental negotiating body is not extended for the interim period, the Conference of Plenipotentiaries may establish a working group that is given a specific task, for example the negotiation of a protocol for adoption by the Conference of the Parties after entry into force of the convention.

5. The following overview is designed to show precedents for different options. Texts that could be useful as models are annexed for ease of reference.

VIENNA CONVENTION FOR THE PROTECTION OF THE OZONE LAYER (Place and date of adoption: Vienna, 22 March 1985; Date of entry into force: 22 September 1988)

Legal basis in the Convention

6. Article 7 of the Convention sets out the following elements:

- the functions of the secretariat (paragraph 1)
- the discharge of the secretariat functions on an interim basis (namely, until the completion of the first ordinary meeting of the Conference of the Parties) by UNEP, and the designation at that first meeting of the permanent secretariat from among the interested and competent international organizations (paragraph 2).

7. The Vienna Convention thus provides a specific legal basis for interim secretariat arrangements, entrusting the relevant functions to UNEP. Any activities that UNEP decided to undertake with regard to the establishment and financing of the interim secretariat were thus undertaken as a result of provisions in the Convention itself.

Establishment of the interim secretariat and interim financial arrangements

8. Resolution No. 1 on Institutional and Financial Arrangements, adopted by the Conference of Plenipotentiaries in March 1985, noted the willingness of UNEP to contribute towards the costs of the interim secretariat from the Environment Fund for its first two to three years of operation, subject to availability of resources, and requested UNEP to make arrangements for the interim secretariat in cooperation with WMO. It also noted the willingness of both UNEP and WMO to serve as secretariat on a permanent basis. Resolution No. 2 requested UNEP to convene a working group to negotiate a protocol on chlorofluorocarbons (the future Montreal Protocol on Substances that Deplete the Ozone

Layer) and a diplomatic conference to adopt it (see Annex 1). Beyond this, there were no specific mandates from the Conference of Plenipotentiaries concerning the interim period. The group established for the protocol negotiations was not mandated to guide and oversee the work of the interim secretariat. Since the Montreal Protocol was adopted in 1987 and the provisions of both the Convention and the Protocol state that the institutional arrangements serve both instruments, the interim secretariat served the Protocol also. In May 1985, the Governing Council of UNEP requested the Executive Director to make arrangements for the operation of the interim secretariat, and called upon States to contribute financially to this effort.¹

9. The mandate to UNEP contained in the Convention was thus elaborated both by the Conference of Plenipotentiaries and by UNEP's governing body. UNEP was authorized to operate, and generate funding for, all secretariat activities during the interim period. The working group that had negotiated the Convention was not continued, nor was a new body entrusted with guiding and overseeing the work of UNEP. Financing for the period up to the first meeting of the Conference of the Parties was provided from UNEP's Environment Fund, with voluntary contributions from signatories and Parties to both the Convention and the Protocol.²

Establishment of the permanent secretariat and permanent financial arrangements

10. In April 1989, the first meeting of the Conference of the Parties to the Vienna Convention formally designated UNEP as the permanent secretariat,³ while acknowledging WMO's role as the organization responsible for scientific matters in relation to the ozone layer. The Conference also decided to establish a United Nations Trust Fund, to be administered by UNEP in accordance with its rules, and adopted terms of reference as well as a formula for contributions.⁴ The Trust Fund covers the expenditures approved by the Conference of the Parties, including the operation of the secretariat. Contributions to the Trust Fund are based on a modified version of the United Nations scale of assessments for the apportionment of the expenses of the United Nations. As the Montreal Protocol had already been adopted at this time, the permanent secretariat and the Trust Fund subsequently serviced the Protocol also, in accordance with the relevant provisions of both instruments. In May 1989, the UNEP Governing Council approved the establishment of the Trust Funds for the Vienna Convention and the Montreal Protocol, subject to the approval of the United Nations Secretary-General.⁵

¹ UNEP Governing Council Decision 13/18, 24 May 1985.

² Report of the Executive Director to the Conference of the Parties, on Financial Implications and Arrangements, including the Adoption of Financial Rules, Document UNEP/OzL.Conv. 1/4, 3 April 1989.

³ Conference of the Parties to the Vienna Convention for the Protection of the Ozone Layer, First meeting, Report, Decision 8.

⁴ Conference of the Parties to the Vienna Convention for the Protection of the Ozone Layer, First meeting, Report, Decision 9, Financial Arrangements, and Annexes III to V. See also the Report of the Executive Director to the Conference of the Parties, on Financial Implications and Arrangements, including the Adoption of Financial Rules, Document UNEP/OzL.Conv. 1/4, 3 April 1989.

⁵ UNEP Governing Council Decision 15/43, 19 May 1989.

BASEL CONVENTION ON THE CONTROL OF TRANSBOUNDARY MOVEMENTS OF HAZARDOUS WASTES AND THEIR DISPOSAL

(Place and date of adoption: Basel, Switzerland, 22 March 1989; Date of entry into force: 5 May 1992)

Legal basis in the Convention

11. Article 16 of the Convention sets out the following elements:

- the functions of the secretariat (paragraph 1)
- the discharge of the secretariat functions on an interim basis by UNEP (paragraph 2)
- the designation of the permanent secretariat from among interested and competent international organizations by the first meeting of the Conference of the Parties; evaluation of the performance of the interim secretariat at that meeting (paragraph 3).

12. Like the Vienna Convention, the Basel Convention thus provided a specific legal basis for interim secretariat activities.

Establishment of the interim secretariat and interim financial arrangements

13. Resolution 6 on Institutional and Financial Arrangements (see Annex 2), adopted by the Conference of Plenipotentiaries in March 1989, noted the willingness of UNEP to contribute towards the costs of the interim secretariat from the Environment Fund for its first two years of operation, subject to availability of resources, and requested UNEP to operate the interim secretariat. This included the implementation of the resolutions of the Conference of Plenipotentiaries, which called for specific action in preparation of the entry into force of the Convention. Resolution 6 also called on Signatories and Parties to the Convention to make voluntary contributions towards the operation of the interim secretariat. In May 1989, in Decision 15/33 (see Annex 3), UNEP's Governing Council requested the Executive Director to assist, within available resources, in the implementation of the Basel Convention and the resolutions of the Conference of Plenipotentiaries. The decision covered the operation of the interim secretariat by UNEP and the provision of resources from the Environment Fund. The Governing Council also called on States to make voluntary contributions. In the same year, the Governing Council provided the legal basis for the establishment of a Trust Fund for the Convention after its entry into force, subject to confirmation by the governments concerned (i.e. the Parties to the Convention) and the United Nations Secretary-General.¹

14. As in the case of the Vienna Convention, the mandate to UNEP was elaborated both by the Conference of Plenipotentiaries and by its Governing Council. UNEP was authorized to operate, and generate funding for, all secretariat activities during the interim period. The mandate of the working group that had negotiated the Basel Convention was not extended, and no new body was established to guide and oversee the work of UNEP, beyond ad hoc groups convened for specific tasks in accordance

¹ UNEP Governing Council Decision 15/43, 19 May 1989.

with the resolutions. Financing for the period up to the first meeting of the Conference of the Parties was provided from UNEP's Environment Fund, with voluntary contributions from States.¹

Establishment of the permanent secretariat and permanent financial arrangements

15. In December 1992, the first meeting of the Conference of the Parties formally designated UNEP as the permanent secretariat, and invited the Secretary-General of the United Nations to establish two trust funds in accordance with the applicable rules of the United Nations: one for the Basel Convention, to cover the ordinary expenditures of the secretariat, and a technical cooperation trust fund to provide technical assistance to developing countries in the implementation of the Convention. The Conference also adopted the terms of reference for the administration of the trust funds, which provide that these be established and administered by UNEP in accordance with its rules.² Contributions to the Basel Convention Trust Fund are based on a modified version of the United Nations scale of assessments, whereas contributions to the technical cooperation trust fund are voluntary.

UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

(Place and date of adoption: New York, 9 May 1992; Date of entry into force: 21 March 1994)

16. The "Climate Convention" presents a special case in that the conduct of the negotiations and the discharge of the functions of both the interim and the permanent secretariat were assigned to a new body established pursuant to a decision of the United Nations General Assembly.³ The Intergovernmental Negotiating Committee for a Framework Convention on Climate Change was charged with both the negotiation and the formal adoption of the convention. A new secretariat was established under the umbrella of the United Nations in order to service the Committee. Two extrabudgetary funds were established by the General Assembly, namely the trust fund for the negotiating process to cover the costs of the negotiations, including secretariat services, and the special voluntary fund to ensure adequate participation of developing countries in the meetings.

Legal basis in the Convention

17. As concerns the secretariat, Article 8 of the Convention sets out the following elements:

- the establishment of the secretariat (paragraph 1)
- the functions of the secretariat (paragraph 2)
- the designation of the permanent secretariat by the Conference of the Parties, at its first meeting, which shall also make arrangements for its functioning (paragraph 3).

¹ Report by the Executive Director of UNEP to the Conference of the Parties on the implementation of the Resolutions of the Conference of Plenipotentiaries, Document UNEP/CHW.1/2, 7 July 1992.

² Conference of the Parties, First meeting, Decision I/7 on Institutional and Financial Arrangements.

³ Resolution 45/212, 21 December 1990.

18. Paragraph 1 of Article 21 provides that the secretariat functions will be carried out on an interim basis (i.e. until the completion of the first session of the Conference of the Parties) by the secretariat established to service the Intergovernmental Negotiating Committee. As in the Basel and Vienna Conventions, the Climate Convention thus provides a legal basis for interim secretariat arrangements.

Establishment of the interim secretariat and interim financial arrangements

19. When the Intergovernmental Negotiating Committee adopted the Convention in May 1992, it also adopted a resolution on interim arrangements.¹ This resolution requested the United Nations Secretary-General to recommend to the United Nations General Assembly, as the body having established the Committee, the provision for further sessions of the Committee until the entry into force of the Convention, in order to prepare for the first session of the Conference of the Parties, and to continue the functions of the secretariat on an interim basis until the designation of the permanent secretariat in accordance with Article 8. It also called on States and organizations to make voluntary contributions to the two funds that had been established for the negotiation process, in order to help to cover the costs of the interim arrangements.

20. Pursuant to the Secretary-General's report, the United Nations General Assembly extended the mandate of the Intergovernmental Negotiating Committee, its secretariat and the two extrabudgetary funds. The scope of the special voluntary fund was extended. The interim secretariat was integrated into the United Nations Department for Policy Coordination and Sustainable Development. The General Assembly assigned three functions to the Committee for the interim period: to prepare for the first session of the Conference of the Parties, to contribute to the effective functioning of the interim arrangements, and to promote a programme of action for the entry into force and implementation of the Convention. The programme of work for the Committee and its budget were subject to approval by the General Assembly on a biennial basis. Before the first session of the Conference of the Parties, which took place in March/April 1995, the Committee met six times. It submitted draft decisions to the Conference for consideration and adoption, including a text on the permanent institutional framework and its financing.

21. The institutional infrastructure of the negotiation process leading to the adoption of the Convention thus continued through the interim period. Financial support continued to be provided through the two extrabudgetary trust funds, which relied on voluntary contributions. Some States provided in-kind support in the form of secondment of staff to the interim secretariat. Additional financial resources were provided during the interim period from the United Nations programme budget, and by UNEP and WMO under bilateral arrangements.²

Establishment of the permanent secretariat and permanent financial arrangements

22. At its eleventh session, the Intergovernmental Negotiating Committee decided to conclude its work. A new institutional infrastructure comprising several subsidiary bodies was set up by the Conference of the Parties at its first session. In accordance with the recommendations of the Committee at its last meeting and those of the United Nations Secretary-General, the Conference decided to link the permanent secretariat institutionally to the United Nations, but not to integrate it

¹ Resolution INC/1992/1, 9 May 1992.

² On the functioning of the interim arrangements, see the reports of the Intergovernmental Negotiating Committee on its sixth (Document A/AC.237/24, 4 January 1993), seventh (Document A/AC.237/31, 27 April 1993), and eighth sessions (Document A/AC.237/41, 20 October 1993).

into a particular department or programme, subject to further review by the Conference of the Parties. The relevant arrangements became effective on 1 January 1996, the interim arrangement having continued through 1995. The Conference decided on Bonn, Germany, as the location for the permanent secretariat, whereas the interim secretariat had been located in Geneva. Pursuant to a request from the Conference of the Parties, the Secretary-General decided to fund the costs of conference servicing by the secretariat from the regular budget of the United Nations, and the Executive Secretary of the permanent secretariat pursued arrangements for financial support of the secretariat from other organizations, as during the interim period.¹ The Conference of the Parties also adopted financial rules for itself, its subsidiary bodies and its permanent secretariat. Pursuant to these rules, two trust funds were established: one, the core budget fund, to contribute to the costs of the negotiations, including the secretariat, and the other to cover participation of developing countries and countries with economies in transition in the meetings. Contributions to the former are based on the scale of assessments adopted by the Conference of the Parties, and contributions to the latter are voluntary.² These funds replaced the equivalent mechanisms established under the interim arrangement.

23. In essence, the permanent arrangements, concerning both the secretariat and financing through trust funds with additional support from other sources, were closely modelled on the interim arrangements. The essential difference is the replacement of the Intergovernmental Negotiating Committee with the permanent subsidiary bodies of the Conference of the Parties.

**ROTTERDAM CONVENTION ON THE PRIOR INFORMED CONSENT
PROCEDURE FOR CERTAIN HAZARDOUS CHEMICALS AND PESTICIDES IN
INTERNATIONAL TRADE
(Place and date of adoption: Rotterdam, 10 September 1998; not in force)**

Legal basis in the Convention

24. Article 19 of the Convention sets out the following elements:

- the establishment of the secretariat (paragraph 1)
- the functions of the secretariat (paragraph 2)
- the assignment of the secretariat functions to UNEP and FAO jointly, subject to arrangements agreed by them and approved by the Conference of Plenipotentiaries (paragraph 3).

25. Contrary to the multilateral environmental agreements discussed above, the Rotterdam Convention provides no explicit legal basis for the establishment and financing of the interim secretariat. The issue is addressed in a resolution adopted by the Conference of Plenipotentiaries, which assigns this function to UNEP and FAO jointly. The resolution also extends the mandate of the Intergovernmental Negotiating Committee, the body that had negotiated the Convention, to include guiding and overseeing the work of the interim secretariat.

¹ Conference Decisions 14/CP.1, 7 April 1995, and 14/CP.2, 19 July 1996.

² Conference Decisions 15/CP.1, 7 April 1995, and 16/CP.2, 19 July 1996.

Establishment of the interim secretariat and interim financial arrangements

26. The resolution on interim arrangements, adopted by the Conference of Plenipotentiaries in September 1998, requests UNEP and FAO to convene the necessary sessions of the Intergovernmental Negotiating Committee during the interim period, to prepare for and service the first meeting of the Conference of the Parties until the end of the fiscal year in which it takes place, and to provide secretariat services to the interim prior informed consent procedure. The Committee is given several tasks in connection with the preparation of the first Conference of the Parties, notably to oversee the interim prior informed consent procedure, and to fulfil the functions of the subsidiary body to be established under the Convention on an interim basis.¹ The resolution also calls on States to make voluntary contributions to the trust fund established by UNEP to support the interim arrangements, and to ensure full participation of developing countries and countries with economies in transition in the work of the Committee. In February 1999, the Governing Council of UNEP endorsed the content of the resolution and authorized UNEP's participation in the operation of the interim secretariat. Since the adoption of the Rotterdam Convention, four more meetings of the Intergovernmental Negotiating Committee have been held, and a further one (the tenth session) is scheduled for November 2003.

27. The operation of the secretariat during the interim period, including the servicing of the Intergovernmental Negotiating Committee meetings, is supported through a trust fund. This fund was established by UNEP in 1995 to provide financial support to the negotiation process on the Convention, and was subsequently extended to cover the interim period.² It is operated by UNEP but access is shared with FAO. States contribute to this fund on a voluntary basis. UNEP (through its Environment Fund) and FAO also make regular contributions.

Establishment of the permanent secretariat and permanent financial arrangements

28. As the Rotterdam Convention has not entered into force, the permanent institutional and financial arrangements are not yet in place. In accordance with its mandate to prepare the entry into force of the Convention and the first meeting of the Conference of the Parties, the Intergovernmental Negotiating Committee is currently in the process of elaborating draft financial rules and provisions governing the functioning of the institutional infrastructure of the Convention, including the permanent secretariat, for consideration and adoption by the Conference of the Parties. A draft has been discussed by the Committee at its ninth session in September/October 2002. In its current form, the draft text provides for the establishment of two types of trust funds: a general trust fund to support the operation of the Convention, and a special trust fund to support the participation of developing countries and countries with economies in transition in meetings within the framework of the Convention. Assessed contributions would be made to the general trust fund, whereas contributions to the special trust fund would be voluntary.³

¹ It should be noted that the Rotterdam Convention is special in that it is the continuation of an already operational voluntary system for management of chemicals. Hence numerous activities are already taking place before the entry into force of the Convention.

² See Note by the Secretariat on Activities of the secretariat in the interim period and review of the situation as regards the trust fund, Intergovernmental Negotiating Committee, sixth session, Document UNEP/FAO/PIC/INC.6/3, 27 May 1999.

³ Note by the Secretariat on Draft financial rules and provisions, Intergovernmental Negotiating Committee, ninth session, Document UNEP/FAO/PIC/INC.9/13, 15 July 2002; Report of the ninth session of the Intergovernmental Negotiating Committee, Document UNEP/FAO/PIC/INC.9/21, 14 November 2002.

STOCKHOLM CONVENTION ON PERSISTENT ORGANIC POLLUTANTS (Place and date of adoption: Stockholm, 22 May 2001; not in force)

Legal basis in the Convention

29. Article 20 of the Convention sets out the following elements:

- the establishment of the secretariat (paragraph 1)
- the functions of the secretariat (paragraph 2)
- the assignment of the secretariat functions to UNEP, unless the Conference of the Parties decides by a three-quarters majority to designate another organization as secretariat (paragraph 3).

30. The approach is the same as under the Rotterdam Convention: the establishment of the interim secretariat is addressed not in the Convention but in resolution 1 of the Conference of Plenipotentiaries on interim arrangements, which also extends the mandate of the Intergovernmental Negotiating Committee, the body that negotiated the Convention, to include guiding and overseeing the work of the interim secretariat.

Establishment of the interim secretariat and interim financial arrangements

31. This resolution on interim arrangements, adopted in May 2001, requested UNEP to convene the necessary meetings of the Intergovernmental Negotiating Committee during the interim period, and to prepare for and service the Conference of the Parties until the end of the fiscal year in which its first session takes place. The mandate of the Committee during the interim period is to oversee the implementation of activities related to persistent organic pollutants (POPs) within the scope of the Convention. The resolution also requests States to make voluntary contributions to the trust fund established by UNEP for this purpose. In February 2001, the Governing Council of UNEP had already authorized UNEP to serve as secretariat, provided that the costs were met through extrabudgetary resources.¹

32. The operation of the interim secretariat for the Stockholm Convention is financed through the POPs Club Trust Fund, which was established in accordance with UNEP rules to cover relevant activities undertaken by UNEP, including the negotiation of the Stockholm Convention. After conclusion of the negotiations and adoption of the Convention, the fund was extended to cover the interim period. The POPs Club is a scheme initiated by UNEP under which governments and other entities can make contributions to activities aimed at reducing the risk posed by persistent organic pollutants, and by doing so are admitted to the Club. For contributions above a certain level, certificates and other tokens of recognition are awarded by UNEP in a public ceremony. The POPs Club constitutes an innovative and thus far successful approach to the generation of funds within the UNEP system. According to UNEP estimates, it generates 50% more revenue than a traditional trust fund that does not have the publicity component.² Unlike the other Conventions for which UNEP serves as interim secretariat, no contribution is made from the Environment Fund, in accordance with the pertinent decision of the Governing Council.

¹ Governing Council Decision 21/4, 9 February 2001.

² Information received from Mr J. Willis, Director of UNEP Chemicals, 19 July 2002.

Establishment of the permanent secretariat and permanent financial arrangements

33. As the Stockholm Convention is not in force, the permanent institutional and financial arrangements have not yet been established. In accordance with its mandate for the interim period, the Intergovernmental Negotiating Committee will submit to the first meeting of the Conference of the Parties, for consideration and adoption, draft financial rules and financial provisions governing the functioning of the permanent secretariat. The Committee is currently considering draft financial rules for the Conference of the Parties, its subsidiary bodies and the Convention secretariat.¹ In its current form, the draft provides for the establishment of three types of trust funds: a general trust fund to support the operation of the Conference of the Parties, its subsidiary bodies and the secretariat; a special trust fund to support the participation of developing countries and countries with economies in transition in meetings within the framework of the Convention; and any other type of fund that might be required. Contributions to the general trust fund would be in accordance with the United Nations scale of assessments, whereas contributions to the special trust fund would be voluntary.

CONCLUSIONS

34. With the exception of the United Nations Framework Convention on Climate Change, the negotiations of the above multilateral environmental agreements have been conducted within the framework of UNEP, which also assumed the secretariat functions on both an interim and permanent basis. The approaches taken under these agreements thus show certain similarities. Two basic models appear:

(a) assignment of the interim secretariat functions to an international organization, which discharges these functions and generates the necessary funding without guidance from an internationally composed body. The work is guided by the rules of the organization. In its capacity as interim secretariat, the organization also prepares for the first meeting of the Conference of the Parties, including proposals for decisions. Ad hoc bodies may be established for specific tasks. This approach was taken by the Vienna and Basel Conventions;

(b) assignment of the interim secretariat functions to an international organization and extension of the mandate of the negotiating body to guide and oversee the work of the interim secretariat. The organization thus discharges the interim secretariat functions, and generates the necessary funds, under the supervision of the negotiating body. This body is also in charge of preparing for the first meeting of the Conference of the Parties, which includes the elaboration of proposals for decisions. This approach was adopted by the Climate Convention and by the Rotterdam and Stockholm Conventions.

35. In all cases, the resolution on interim arrangements, adopted by the body that adopted the Convention (generally a Conference of Plenipotentiaries), laid down the mandate of the interim secretariat and, where applicable, the intergovernmental negotiating body during the interim period.

36. Regarding the financing of the institutional infrastructure, the multilateral environmental agreements discussed follow roughly the same model. For the interim period, one or more trust funds

¹ Report of the sixth session of the Intergovernmental Negotiating Committee, Geneva, 17-21 June 2002, Document UNEP/POPS/INC.6/22, 21 June 2002, p. 22; Note by the Secretariat on Preparation for the Conference of the Parties: Draft financial rules for the Conference of the Parties, its subsidiary bodies and the Convention Secretariat, 29 January 2002 (Document UNEP/POPS/INC.6/15).

are established by the organization assuming the functions of the interim secretariat. In some cases, the trust funds established for the negotiation process are continued through the interim period. Contributions to the interim trust funds are made on a voluntary basis by signatories and parties to the Convention; there is no scale of assessments. In most cases, the organization operating the interim secretariat also contributes financially.

37. After the entry into force of the multilateral environmental agreement, the Conference of the Parties at its first meeting establishes one or more trust funds for financing the permanent infrastructure (i.e. the Conference of the Parties, its subsidiary bodies, and the permanent secretariat), and adopts financial rules and a scale of assessments for contributions. In all the agreements outlined in this report, the permanent financial arrangement features a fund to cover the costs of the infrastructure of the Convention (secretariat, meetings of the Conference of the Parties and subsidiary bodies), to which Parties contribute in accordance with an agreed scale of assessments. Most of the agreements also feature a fund to support participation of developing countries and countries with economies in transition in meetings, to which contributions are made on a voluntary basis, without a scale of assessments.

38. All trust funds operated by UNEP in the framework of a multilateral environmental agreement, whether on an interim or a permanent basis, are established and managed in accordance with the relevant UNEP rules.

39. In terms of innovative funding mechanisms, the POPs Club scheme established by UNEP provides an interesting precedent. It works on the basis of giving donors an opportunity to advertise their support for an activity generally considered beneficial, through their contribution to the related trust fund. This accounts for a stronger motivation to contribute than with traditional trust funds, where public recognition is not provided.

ANNEX 1

**RESOLUTION 2 ON A PROTOCOL CONCERNING
CHLOROFLUOROCARBONS, ADOPTED BY THE
CONFERENCE OF PLENIPOTENTIARIES THAT
ADOPTED THE VIENNA CONVENTION, 22 MARCH 1985**

The Conference,

Noting with appreciation that the Convention for the Protection of the Ozone Layer was opened for signature in Vienna on 22 March 1985,

Bearing in mind decision 8/7B adopted on 29 April 1980 by the Governing Council of the United Nations Environment Programme (UNEP),

Considering that the Convention is an important step to protect the ozone layer from modifications due to human activities,

Noting that article 2 of the Convention establishes an obligation to take appropriate measures to protect human health and the environment against adverse effects resulting or likely to result from human activities which modify or are likely to modify the ozone layer,

Recognizing the possibility that world-wide emissions and use of fully-halogenated chlorofluorocarbons (CFCs) and other chlorine-containing substances can significantly deplete and otherwise modify the ozone layer, leading to potentially adverse effects on human health, crops, marine life, materials and climate, and recognizing at the same time the need to further assess possible modifications and their potentially adverse effects,

Mindful of the precautionary measures for controlling emissions and use of CFCs that have already been taken at national and regional levels, but recognizing that such measures might not be sufficient for protecting the ozone layer,

Determined therefore to continue negotiations on the development of a protocol to control equitably global production, emissions and use of CFCs,

Mindful that special consideration should be given to the particular situation of developing countries,

Mindful also of the relationship between the level of industrialization of a State and its responsibilities for the protection of the ozone layer,

Noting the considerable progress made by the Ad Hoc Working Group of Legal and Technical Experts for the Elaboration of a Global Framework Convention for the Protection of the Ozone Layer to develop a protocol concerning CFCs, but further noting that the Working Group was not in a position to complete its work on the protocol,

1. Pending the entry into force of the Convention, requests the Executive Director of UNEP, on the basis of the work of the Ad Hoc Working Group, to convene a working group to continue work on a

protocol that addresses both short and long term strategies to control equitably global production, emissions and use of CFCs, taking into account the particular situation of developing countries as well as updated scientific and economic research;

2. Urges all interested parties, in order to facilitate work on a protocol, to co-operate in studies leading to a more common understanding of possible scenarios for global production, emissions and use of CFCs and other substances affecting the ozone layer and the costs and effects of various control measures and, to this end, requests such parties to sponsor, under the patronage of UNEP, a workshop on this subject;

3. Requests the working group, in further developing a protocol, to take into account, inter alia, the report of the Co-ordinating Committee on the Ozone Layer on its eighth session as well as the 1985 World Meteorological Organization assessment of the current understanding of the physical and chemical processes which control atmospheric ozone;

4. Authorizes the Executive Director, in consultation with the signatories and pending the entry into force of the Convention, to convene a Diplomatic Conference, if possible in 1987, for the purpose of adopting such a protocol;

5. Appeals to signatories to the Convention and to other interested parties participating in the preparation of a protocol to make available financial means to support activities envisaged under the above paragraphs;

6. Urges all States and regional economic integration organizations, pending entry into force of a protocol, to control their emissions of CFCs, inter alia in aerosols, by any means at their disposal, including controls on production or use, to the maximum extent practicable.

ANNEX 2

**RESOLUTION 6 ON INSTITUTIONAL AND FINANCIAL ARRANGEMENTS,
ADOPTED BY THE CONFERENCE OF PLENIPOTENTIARIES THAT
ADOPTED THE BASEL CONVENTION, 22 MARCH 1989**

The Conference,

Having adopted at Basel on 22 March 1989 the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal,

Aware of the danger to human health and the environment of irregular and illegal exports and disposal of hazardous wastes,

Convinced of the need to intensify international co-operation in order to apply immediately the provisions of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal adopted at Basel on the twenty-second of March 1989,

Recalling that the Secretariat of the Convention constitutes one of the instruments of this international co-operation,

Recalling that under Article 16 of the Convention the United Nations Environment Programme (UNEP) is responsible for carrying out the interim secretariat functions until the completion of the first ordinary meeting of the Conference of the Contracting Parties held pursuant to Article 15 of the Convention,

Recalling further that the arrangements for the Secretariat of the Convention and for its funding are to be decided by the Conference of Contracting Parties at its first meeting,

1. Notes the preliminary budget estimates for the interim secretariat as presented by UNEP;
2. Also notes the willingness of the Executive Director of UNEP to contribute towards the costs of the interim secretariat during its initial two years of operation, subject to the availability of resources in the Environment Fund;
3. Invites all Signatories of the Convention and all Parties to provide the Executive Director on a voluntary basis with such additional funds as are required for the operation of the interim secretariat provided for in Article 16 of the Convention; and
4. Requests the Executive Director of the United Nations Environment Programme to take the steps necessary for the interim secretariat of the Convention to commence its activities as soon as feasible after the adoption of the Convention.

Adopted on 22 March 1989

ANNEX 3

**UNEP GOVERNING COUNCIL DECISION 15/33 ON
PROGRESS IN THE CONTROL OF TRANSBOUNDARY MOVEMENTS OF
HAZARDOUS WASTES, 25 MAY 1989**

The Governing Council,

Taking note of the completion of the work of the Ad Hoc Working Group of Legal and Technical Experts with a Mandate to Prepare a Global Convention on the Control of Transboundary Movements of Hazardous Wastes,⁷⁴

Also taking note with satisfaction of the successful conclusion of the negotiations at the Conference of Plenipotentiaries, held at Basel from 20 to 22 March 1989, and the adoption of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal,⁷⁵

Further noting that the Basel Convention establishes a Secretariat with the mandate, inter alia, to receive and convey information from and to Parties on sources of technical assistance and training, available technical and scientific know-how, sources of advice and expertise, and availability of resources, with a view to assisting them, upon request, in such areas as the handling of the notification system of the Convention, the management of hazardous wastes and other wastes, environmentally sound technologies relating to hazardous wastes and other wastes, such as low- and non-wastes technology, the assessment of disposal capabilities and sites, the monitoring of hazardous wastes and other wastes, and emergency responses,⁷⁶

Welcoming the Declaration of Basel of 22 March 1989 in which thirty-six signatories of the Convention, inter alia, agreed that they would not permit imports or exports of wastes to countries lacking the legal, administrative and technical capacity to manage and dispose of wastes in an environmentally sound manner and emphasized the importance of assisting in developing adequate facilities aimed at the final disposal of wastes in those countries,

1. Requests the Executive Director to assist, within available resources, in the implementation of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal and the resolutions of the Final Act of the Conference of Plenipotentiaries on the Global Convention on the Control of Transboundary Movements of Hazardous Wastes;

2. Calls upon Governments that are in a position to do so to sign and ratify the Convention, which, together with the development and application of appropriate technologies and, where relevant, protocols, would ultimately reduce to a minimum the production as well as transboundary movements of hazardous wastes, so that it enters into force as soon as possible;

⁷⁴ See "Progress in the control of transboundary movements of hazardous wastes: report of the Executive Director" (UNEP/GC.15/9/Add.7), paras. 2-3.

⁷⁵ Ibid., para. 1.

⁷⁶ Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, article 16.

3. Calls upon all Governments to consider voluntary contributions towards the general operating costs of the interim Secretariat to assist in bringing the Convention into force and implementing its provisions;

4. Requests the Executive Director to develop programmes within the framework of the interim Secretariat with a view to assisting developing countries, at their request, in the fields enumerated in the Convention;

5. Invites the Executive Director to submit such programmes to potential donors for financing;

6. Further requests the Executive Director to ensure close co-operation between the International Register of Potentially Toxic Chemicals and the interim Secretariat in order to avoid duplication and make best use of available resources.

12th meeting

25 May 1989

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