
International Conference on Chemicals Management

Fourth session

Geneva, 28 September–2 October 2015

Item 5 (a) of the provisional agenda*

**Implementation towards the achievement of the 2020 goal
of sound chemicals management: overall orientation and
guidance on the 2020 goal**

**Progress report on the Special Programme to support
institutional strengthening at the national level for
implementation of the Basel, Rotterdam and Stockholm
conventions, the Minamata Convention and the Strategic
Approach to International Chemicals Management**

Note by the secretariat

1. The secretariat has the honour to circulate, for the information of participants, a progress report on the Special Programme to support institutional strengthening at the national level to enhance the implementation of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal, the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, the Stockholm Convention on Persistent Organic Pollutants, the Minamata Convention on Mercury and the Strategic Approach to International Chemicals Management, for which terms of reference were adopted at the first session of the United Nations Environment Assembly in June 2014 (see annex).
2. The report, prepared by the United Nations Environment Programme (UNEP), provides a summary of the work carried out by UNEP for the establishment and operationalization of the Special Programme since the adoption of its terms of reference. It also presents the next steps to be followed with a view to its full operationalization and the launch of the first round of project applications under the Special Programme.
3. The report is presented as received by the secretariat, without formal editing.

* SAICM/ICCM.4/1.

Annex

Progress report on the establishment and operationalization of the Special Programme to support institutional strengthening at the national level for implementation of the Basel, Rotterdam and Stockholm conventions, the Minamata Convention and the Strategic Approach to International Chemicals Management

I. Background

1. A consultative process on financing options for chemicals and wastes was launched by the Executive Director of UNEP at the fourth session of the Conference of the Parties to the Stockholm Convention on Persistent Organic Pollutants held in May 2009 with the aim of addressing the increased need for sustainable, predictable, adequate and accessible financing for the chemicals and wastes agenda while also increasing the political priority accorded to the sound management of chemicals and wastes¹. The purpose of the consultations was to analyse the current situation with regard to financing for chemicals and waste management at the national level, including but not limited to the implementation of Party obligations under chemicals-related multilateral environmental agreements, and to devise strategic, synergistic proposals for improving it. The consultations also provided advice to the UNEP Executive Director on options that could be pursued to move forward in this area. In the framework of the consultation process, a number of meetings, bringing together government representatives, intergovernmental organizations, civil society and industry, were held to discuss financing of the sound management of chemicals and wastes.

2. In its report to the 27th session of the UNEP Governing Council held in February 2013² on the consultative process the UNEP Executive Director presented a proposal on an integrated approach to financing the sound management of chemicals and wastes. The report provides that “the philosophy behind the integrated approach to financing the sound management of chemicals and wastes is to address, in a holistic and comprehensive manner, the multiple and multifaceted financing challenges facing Governments at the national and international levels in the implementation of existing and possible future chemicals- and wastes-related conventions and international policy frameworks on chemicals and wastes”. As indicated in the report, “the objective of the integrated approach to financing the sound management of chemicals and wastes is to support efforts at the national and international levels to secure sustainable, predictable, adequate and accessible financing for the sound management of chemicals and wastes”. The report further stipulates that “the integrated approach will support Governments in their efforts to meet their goals and comply with their obligations under chemicals- and wastes-related conventions and efforts to implement international chemical and waste policy frameworks, with due consideration for the differences between the conventions and frameworks in terms of the status of the obligations under each and their membership.”

3. At its 27th session, the UNEP Governing Council, in its Decision 27/12 on Chemicals and waste management, welcomed the integrated approach to address the financing of the sound management of chemicals and wastes and underscored that the three components of an integrated approach, mainstreaming, industry involvement and dedicated external finance, are mutually reinforcing and are all important for the financing of sound management of chemicals and wastes.

4. In its Decision 27/12, the UNEP Governing Council also called for the development of terms of reference for a special programme, funded by voluntary contributions, to support institutional strengthening at the national level for implementation of the Basel, Rotterdam Convention and Stockholm conventions, the Minamata Convention on Mercury³ and the Strategic Approach to International Chemicals Management. It also requested the Executive Director of UNEP to facilitate and support a country-led meeting to further develop such terms of reference.

¹ Further information on the consultative process may be found on the UNEP website at: <http://www.unep.org/delc/Consultativeprocessonfinancing/tabid/6734/>

² Document UNEP/GC.27/7* - Report of the UNEP Executive Director on the Consultative process on financing options for chemicals and wastes: implementation of Governing Council decisions SS.XI/8, 26/7 and SS.XII/4

³ The Minamata Convention was adopted on 10 October 2013 but has not yet entered into force.

5. At its first session held in June 2014, the United Nations Environment Assembly, considered the draft terms of reference developed by the country-led meeting, and adopted, in its resolution 1/5 on Chemicals and Waste, the terms of reference for a Special Programme, to be funded by voluntary contributions, to support institutional strengthening at the national level to enhance the implementation of the Basel, Rotterdam and Stockholm conventions, the Minamata Convention on Mercury and the Strategic Approach to International Chemicals Management.

6. The Special Programme is one of the two elements of dedicated external financing under the integrated approach, with the GEF being the other element.

II. Introduction to the Special Programme

7. The terms of reference for the Special Programme, set out in the appendix to the present report, provides the objective of the Special Programme; the definition of institutional strengthening; expected outcomes of institutional strengthening through the Special Programme; the scope of the Special Programme; information on eligibility for support from the Special Programme; governance arrangements for the Special Programme; the mandate and functions of the Executive Board; the administering organization; operational arrangements for the Special Programme; information on contributions; and information on the duration of the Special Programme.

8. As indicated in its terms of reference, the objective of the Special Programme is to support country-driven institutional strengthening at the national level, in the context of an integrated approach to address the financing of the sound management of chemicals and wastes, taking into account the national development strategies, plans and priorities of each country, to increase sustainable public institutional capacity for the sound management of chemicals and wastes throughout their life cycle.

9. The terms of reference specifies that the Special Programme should avoid duplication and proliferation of funding mechanisms and associated administration, and should fund activities that fall outside the mandate of the Global Environment. It also provides a list of activities which it may fund, which include:

(a) Identifying national institutional capacity, weaknesses, gaps and needs, as well as strengthening the institutional capacity to do so, where required;

(b) Strengthening institutional capacity to plan, develop, undertake, monitor and coordinate the implementation of policies, strategies and national programmes for the sound management of chemicals and wastes;

(c) Strengthening institutional capacity to improve progress reporting and performance evaluation capabilities;

(d) Promoting an enabling environment to foster the ratification of the Basel, Rotterdam and Stockholm conventions and the Minamata Convention;

(e) Enabling the design and operation of institutional structures dedicated to the promotion of the sound management of chemicals and wastes throughout their life cycle;

(f) Strengthening institutional capacity to promote measures to support all aspects of the sound management of chemicals and wastes, including more specific nationally identified thematic areas covered by the Instruments.

10. Support from the Special Programme will be available for developing countries, taking into account the special needs of least developed countries and small island developing States, and for countries with economies in transition, with priority given to those with least capacity.

11. Applicants will be eligible if they are party to any one of the relevant conventions or have demonstrated that they are in the process of preparing for ratification of any one of the conventions.

12. Regarding the timeline for the Special Programme, the terms of reference stipulates that it will be open to receive voluntary contributions and applications for support for seven years from the date it is established. On the basis of a satisfactory review and evaluation, and subject to a recommendation from the Executive Board to the United Nations Environment Assembly, it may then be extended for an additional five year period.

13. Regarding governance and institutional arrangements, the terms of reference for the Special Programme mentions, in paragraph 9, that “an Executive Board will be the decision-making body and oversee the Special Programme with the support of a secretariat”. In addition, it specifies, in paragraph 15, that “UNEP will provide a Special Programme trust fund and a secretariat to deliver administrative support to the Programme, including the allocation of human and other resources”.

III. Progress to date in the operationalization of the Special Programme

1. Establishment of the secretariat of the Special Programme

1. In line with paragraph 15 of the terms of reference of the Special Programme, the Executive Director of UNEP has established a secretariat for the Special Programme, hosted by the Chemicals and Waste Branch of UNEP DTIE, in Geneva.
2. The secretariat of the Special Programme is supervised by the Principal Coordinator for the Special Programme, SAICM secretariat and Interim Secretariat of the Minamata Convention on Mercury, already in function within the Chemicals and Waste Branch of UNEP DTIE.
3. A Programme Officer has also been appointed to lead the process for the operationalization of the Special Programme.
4. Depending on availability of resources from voluntary contributions to the Special Programme, the secretariat may be further extended.

2. Establishment of the Special Programme Trust Fund

5. As per paragraph 15 of the terms of reference of the Special Programme, the Executive Director of UNEP requested the UN Headquarters in New York to establish the Special Programme Trust Fund. It is expected that the Trust Fund is established by ICCM4.

3. Status of financial pledges and contributions received

6. A letter from the Executive Director of UNEP inviting countries in a position to do so to provide financial contributions to the Special Programme was sent to all official government contact points to UNEP on 13 April 2015.
7. As at 30 July 2015, the secretariat of the Special Programme has received the following financial pledges:
 - Euros (EUR) 11 million (~US Dollars 13 million) from the European Commission: Euros (EUR) 1 million through its Directorate-General for the Environment (EUR 504,728 for the Trust Fund and EUR 495,272 for the secretariat of the Special Programme), and Euros (EUR) 10 million for the Trust Fund through its **Directorate-General for International Cooperation and Development**,
 - Swedish Kronor (SEK) 1,500,000 (~US Dollars 180,000) from Sweden for the Trust Fund,
 - Euros (EUR) 200,000 (~US Dollars 235,000) from Finland for the Trust Fund.

4. Establishment of the Executive Board of the Special Programme

8. According to the terms of reference for the Special Programme, the Executive Board will be composed of:
 - (a) Four representatives of recipient countries, reflecting equitable, geographical representation, drawn from the following United Nations regions: Africa, Asia-Pacific, Central and Eastern Europe, and Latin America and the Caribbean. In addition, the Executive Board will have one representative from a least developed country or a small island developing State on a rotational basis;
 - (b) Five donor representatives, which are not also recipient countries.
9. In view of the establishment of the Special Programme Executive Board, an invitation for nomination of Executive Board members, from the UNEP Executive Director, was sent to all official government contact points to UNEP on 13 April 2015.
10. The deadline for nomination of representatives to the Executive Board was initially 30 April 2015. However, by 30 April 2015, only four nominations had been received. Considering the essential role members of the Executive Board will play in making the Special Programme operational, the deadline was extended until 30 May 2015, in order to ensure Governments are given sufficient time to proceed with official nominations.

11. The secretariat of the Special Programme received the following nominations:

(a) Representatives of recipient countries:

- Africa: Egypt and Kenya
- Asia and the Pacific: Iran, Pakistan, and The Philippines
- Central and Eastern Europe: Former Yugoslav Republic of Macedonia
- Latin America and the Caribbean: Argentina and Brazil
- Least Developed Countries and Small Island Developing States: Yemen

12. In line with the terms of reference for the Special Programme, only one representative from each region can serve on the Executive Board. Hence, a consultation process, under the leadership of regional coordinators on chemicals and waste in Geneva and Nairobi, was initiated for each region to nominate its representative.

(b) Donor representatives:

13. Donors who have made or pledged a financial contribution for the Special Programme may wish to consult among themselves to select their five representatives. With only three donors as of 30 July 2015, donor representatives will be the European Union, Finland and Sweden.

14. In the case of a donor that is also eligible as a recipient of Special Programme funding, they should state in their pledge letter whether they would wish to continue to be considered as a possible recipient for financial support, or wish to be considered solely as a donor and therefore eligible for possible consideration as a donor representative on the Executive Board. In accordance with the terms of reference, financial support is not available to a country that holds a seat on the Executive Board as a donor representative.

5. First meeting of the Executive Board of the Special Programme

15. The first meeting of the Executive Board is expected to be held in September or October 2015, subject to the full establishment of the Executive Board.

16. The purpose of the first meeting of the Executive Board will be to consider amongst others:

- Rules of procedure of the Executive Board
- Application procedures and project arrangements
- Project application package
- Criteria for appraisal of project applications by the secretariat
- Criteria for prioritization and approval of projects
- Secretariat workplan and arrangements

V. Next steps and tentative workplan

17. Next steps in the operationalization of the Special Programme, for the period 2015-2016, are reflected in the tentative workplan below.

	Activities	2015		2016			
		Q3	Q4	Q1	Q2	Q3	Q4
1	Organization of the 1 st meeting of the Executive Board						
2	Finalization of the project application package and publication on the Internet						
3	Launch of the first round of applications						
4	Organization of the 2 nd meeting of the Executive Board						
5	Launch of the second round of applications						
6	Organization of the 3 rd meeting of the Executive Board						

Appendix

United Nations Environment Assembly resolution 1/5, on chemicals and waste

Section II of resolution 1/5

II

Integrated approach to financing sound management of chemicals and waste

5. *Welcomes* an integrated approach to address the financing of the sound management of chemicals and wastes, and underscores that the three components of an integrated approach, mainstreaming, industry involvement and dedicated external finance, are mutually reinforcing and are all important for the financing of the sound management of chemicals and waste at all levels;

6. *Also welcomes* the revision of the Instrument made by the Assembly of the Global Environment Facility so as to include a focal area on chemicals and waste, and the increase in resources allocated to chemicals and waste by the sixth replenishment;

7. *Adopts* the terms of reference for a special programme, annexed to the present resolution, to be funded by voluntary contributions, to support institutional strengthening at the national level to enhance the implementation of the Basel, Rotterdam and Stockholm conventions, the Minamata Convention on Mercury and the Strategic Approach to International Chemicals Management;

8. *Requests* the Executive Director, consistent with the terms of reference for the Special Programme, to establish and administer the Special Programme trust fund and to provide a secretariat to deliver administrative support to the Programme;

9. *Requests* the Executive Board of the Special Programme, in the light of the experience of the Programme and the lessons learned by recipient countries, to review the effectiveness of the operational arrangements for the Programme set out in its terms of reference and to provide a report on the review, to be considered by the United Nations Environment Assembly at its third session in 2018, with a view to its making adjustments, if necessary, to the operational arrangements for the Special Programme;

10. *Requests* the Executive Director to submit the terms of reference for the Special Programme to the conferences of the parties of the Basel, Rotterdam and Stockholm conventions, the Intergovernmental Negotiating Committee of the Minamata Convention on Mercury and the Open-ended Working Group of the Strategic Approach to International Chemicals Management for their information;

11. *Encourages* Governments in a position to do so, as well as the private sector, including industry, foundations, other non-governmental organizations and other stakeholders, to mobilize financial resources for the effective establishment and quick start implementation of the Special Programme;

Annex to resolution 1/5

Terms of reference for the Special Programme to support institutional strengthening at the national level for implementation of the Basel, Rotterdam and Stockholm conventions, the Minamata Convention and the Strategic Approach to International Chemicals Management

Recalling decision 27/12 on chemicals and waste management, part VIII, paragraphs 13 and 14 of the First Universal Session of the Governing Council/Global Ministerial Environment Forum of the United Nations Environment Programme (UNEP):

I. Objective of the Special Programme

1. The objective of the Special Programme is to support country-driven institutional strengthening at the national level, in the context of an integrated approach to address the financing of the sound management of chemicals and wastes, taking into account the national development strategies, plans and priorities of each country, to increase sustainable public institutional capacity for the sound management of chemicals and wastes throughout their life cycle. Institutional strengthening under the Special Programme will facilitate and enable the implementation of the Basel, Rotterdam and Stockholm conventions, the Minamata Convention and the Strategic Approach to International Chemicals Management (hereinafter referred to as “the Instruments”).

II. Definition of institutional strengthening

2. For the purposes of the Special Programme, institutional strengthening is defined as enhancing the sustainable institutional capacity of Governments to develop, adopt, monitor and enforce policy, legislation and regulation, as well as to gain access to financial and other resources for effective frameworks for the implementation of the Instruments for the sound management of chemicals and wastes throughout their life cycle.

III. Expected outcomes of institutional strengthening through the Special Programme

3. It is expected that strengthened national institutions would have the capacity to do the following:

- (a) Develop and monitor the implementation of national policies, strategies, programmes and legislation for the sound management of chemicals and wastes;
- (b) Promote the adoption, monitoring and enforcement of legislation and regulatory frameworks for the sound management of chemicals and wastes;
- (c) Promote the mainstreaming of the sound management of chemicals and wastes into national development plans, national budgets, policies, legislation and implementation frameworks at all levels, including addressing gaps and avoiding duplication;
- (d) Work in a multisectoral, effective, efficient, transparent, accountable and sustainable manner in the long term;
- (e) Facilitate multisectoral and multi-stakeholder cooperation and coordination at the national level;
- (f) Promote private sector responsibility, accountability and involvement;
- (g) Promote the effective implementation of the Basel, Rotterdam and Stockholm conventions, the Minamata Convention and the Strategic Approach;
- (h) Promote cooperative and coordinated implementation of the Instruments at the national level.

IV. Scope of the Special Programme

4. The Special Programme should avoid duplication and proliferation of funding mechanisms and associated administration, and should fund activities that fall outside the mandate of the Global Environment Facility.

5. The activities funded under the Special Programme may encompass the following:

- (a) Identifying national institutional capacity, weaknesses, gaps and needs, as well as strengthening the institutional capacity to do so, where required;
- (b) Strengthening institutional capacity to plan, develop, undertake, monitor and coordinate the implementation of policies, strategies and national programmes for the sound management of chemicals and wastes;
- (c) Strengthening institutional capacity to improve progress reporting and performance evaluation capabilities;
- (d) Promoting an enabling environment to foster the ratification of the Basel, Rotterdam and Stockholm conventions and the Minamata Convention;

(e) Enabling the design and operation of institutional structures dedicated to the promotion of the sound management of chemicals and wastes throughout their life cycle;

(f) Strengthening institutional capacity to promote measures to support all aspects of the sound management of chemicals and wastes, including more specific nationally identified thematic areas covered by the Instruments.

V. Eligibility for support from the Special Programme

6. Support from the Special Programme will be available for developing countries, taking into account the special needs of least developed countries and small island developing States, and for countries with economies in transition, with priority given to those with least capacity.

7. Applicants will be eligible if they are party to any one of the relevant conventions or have demonstrated that they are in the process of preparing for ratification of any one of the conventions.

8. Applications will include identification of the associated domestic measures to be taken to ensure that the national institutional capacity supported by the Special Programme is sustainable in the long term.

VI. Governance arrangements for the Special Programme

9. An Executive Board will be the decision-making body and oversee the Special Programme with the support of a secretariat.

10. The Executive Board will reflect a balance between donors and recipients. The term of the representatives will be in a two-year rotation. The Executive Board will be composed of the following:

(a) Four representatives of recipient countries, reflecting equitable, geographical representation, drawn from the following United Nations regions: Africa, Asia-Pacific, Central and Eastern Europe, and Latin America and the Caribbean. In addition, the Executive Board will have one representative from a least developed country or a small island developing State on a rotational basis;

(b) Five donor representatives, which are not also recipient countries.

11. The executive secretaries of the Secretariat of the Basel, Rotterdam and Stockholm conventions and the Minamata Convention, the Coordinator of the Strategic Approach and a representative of the secretariat of the Global Environment Facility, as well as representatives of Governments and regional economic integration organizations, any implementing agencies and one representative from each of the Bureaus of the governing bodies of the Instruments may participate, at their own expense, as observers at the meetings of the Executive Board.

VII. Mandate and functions of the Executive Board

12. The Executive Board will have two co-chairs, one from recipient countries and one from donor countries.

13. The Executive Board will meet yearly and take its decisions by consensus wherever possible. If consensus cannot be reached, the Executive Board will, as a last resort, take its decisions by a two-thirds majority of its members present and voting. The Executive Board will, as required, further develop its rules of procedure at its first meeting.

14. The Executive Board will take operational decisions regarding the functioning of the Special Programme, including the approval of applications for funding, and will endorse procedures for application, assessment, reporting and evaluation. The Executive Board will provide operational guidance on the implementation of the Special Programme and will provide advice on other matters as required.

VIII. Administering organization

15. As the administering organization, UNEP will provide a Special Programme trust fund and a secretariat to deliver administrative support to the Programme, including the allocation of human and other resources.

16. The secretariat will process application proposals for approval by the Executive Board, manage approved allocations and service the Executive Board. The Secretariat will report on its operations to the Executive Board and will be accountable to the Executive Director of UNEP for administrative and financial matters. The secretariat will submit an annual report to the Executive

Board, which will also be sent to the governing bodies of UNEP and of the Instruments for their consideration.

IX. Operational arrangements for the Special Programme

17. The Special Programme will receive applications directly from national Governments. It will be easily accessible, simple and effective, and draw on experience from existing support mechanisms as appropriate.

18. Applications should be outlined within the context of an overall country approach to strengthening institutional capacity. The applications should contain proposed measures and performance targets, and information relating to long-term sustainability.

19. Applications should be submitted to the secretariat. The secretariat will appraise applications for consideration and decision by the Executive Board.

20. Cumulative allocations to a country should be decided by the Executive Board, based on the contributions received and the needs expressed in the applications submitted. Of that total, an amount not exceeding 13 per cent may be retained for administrative purposes.

21. Beneficiary countries will contribute resources equal to the value of at least 25 per cent of the total allocation. The Executive Board may reduce that percentage, commensurate with consideration of the specific national circumstances, capacity constraints, gaps and needs of the applicant.

22. Beneficiary countries shall submit annual reports on progress achieved. A final report and financial audit shall be submitted upon completion of each project, which shall include a full accounting of funds used and an evaluation of outcomes, as well as evidence as to whether the performance targets have been met.

X. Contributions

23. Contributions will be encouraged from all signatories and parties to the conventions and other Governments with the capacity to do so, as well as from the private sector, including industry, foundations, other non-governmental organizations and other stakeholders.

XI. Duration of the Special Programme

24. The Special Programme will be open to receive voluntary contributions and applications for support for seven years from the date it is established. On the basis of a satisfactory review and evaluation, and subject to a recommendation from the Executive Board to the United Nations Environment Assembly, the Special Programme may be eligible for a one-time extension, not to exceed an additional five years. Special Programme funds may be disbursed for a maximum of 10 years from the date the Programme is established, or eight years from the date it is extended, if applicable, at which point the Programme will complete its operations and close. The terms of reference of the above-mentioned review and evaluation are to be decided by the Executive Board.
