Japan’s Comments(Revised)

VIRTUAL WORKING GROUP ON FINANCIAL CONSIDERATIONS
TOPICS: INTEGRATED APPROACH TO FINANCING THE SOUND MANAGEMENT OF CHEMICALS AND WASTE, CAPACITY BUILDING, STRATEGIC PARTNERSHIPS AND FINANCING THE SECRETARIAT

REQUEST ELECTRONIC FEEDBACK 3 ON THE CO-FACILITATORS PROPOSED TEXT AND REMOVAL OF BRACKETS

Co-facilitators: Jonah Davis Ormond, Antigua and Barbuda and Reggie Hernaus, The Netherlands

Mandate: Make proposals that progress work in lead-up to IP4.

Using the compilation text of recommendations from the outcome of IP3 regarding SAICM (SAICM/IP.4/2) and taking into account the written submissions and views presented at the 1st and 2nd virtual meetings of the VWG4 held on 18 November 2020 and 16 December 2020, the co-facilitators have developed proposals for text and the removal of brackets on the sections under the mandate of this VWG for electronic feedback.

The co-facilitators have not suggested proposals for Section B. Private sector involvement. The outcome of IP3 on this section was addressed in the small group, established under the VWG, and which met on 17 December 2020, moderated by ICCA. The small group also addressed in more detail an ICCA proposal for the establishment of a Capacity building Clearinghouse. Notes of the small group meeting will be shared with the VWG well in advance of its 3rd meeting for further consideration.

In your electronic input on the co-facilitators proposal below please identify clearly to which paragraph your comments belong. You are invited to insert your answers or views below each item upon which you wish to provide your input.

The deadline for written submissions is 11 January 2021.

Background documents:

SAICM/IP.4/2 Compilation of recommendations regarding the Strategic Approach and the sound management of chemicals and waste beyond 2020, for consideration by the fifth session of the International Conference on Chemicals Management

SAICM/IP.4/5 Stakeholder input on the proposed draft ‘capacity building principles’ developed at the third meeting of the intersessional process by the co-chairs of the thematic group on financial considerations
**A. CHAPEAU TO SECTION VII ON FINANCIAL CONSIDERATIONS (Page 14)**

Based on the written inputs and views that have been heard during the meetings of the Virtual Working Group on Financial Considerations, the co-facilitators recommend adding a chapeau paragraph to section VII on Financial considerations, as proposed below.

[Adequate, predictable and sustainable financing, technical assistance and technology transfer are essential to achieve the goals and targets of the 2030 Agenda for Sustainable Development responding to the relevant objectives and targets of the Strategic Approach and the sound management of chemicals and waste beyond 2020. The participation of representatives of all involved sectors at national, regional and international levels should be ensured in the integrated approach to financing of chemicals and waste].

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**Alternative proposal (in red)**

[Adequate, predictable and sustainable financing, technical assistance and technology transfer are essential to achieve the goals and targets of the 2030 Agenda for Sustainable Development responding to the relevant objectives and targets of the Strategic Approach and the sound management of chemicals and waste beyond 2020. The participation of representatives of all involved sectors at national, regional and international levels should be ensured in the integrated approach to financing for the sound management of chemicals and waste].

**Rationale or comment**

- Japan supports the co-facilitators' proposal to include a chapeau paragraph in the Section. Japan proposes to add “for the sound management” in the last sentence.

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**B. CLEARINGHOUSE MECHANISM TO PUBLICLY TRACK DEVELOPMENT AID (Page 14)**

Based on the written inputs and views that have been heard during the meetings of the Virtual Working Group on Financial Considerations, the co-facilitators recommend the removal of the brackets on this paragraph. The co-facilitators would like to note that there is also a parallel discussion on the establishment of a Capacity building Clearinghouse and there is the possibility for these two systems to be merged. However, at this point, comments are requested only on the text regarding the Clearinghouse mechanism to track development aid and other possible sources of funding.

[The Clearinghouse mechanism will publicly track development aid and other possible sources of financing for the sound management of chemicals and waste.]

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**C. MAINSTREAMING (Page 15, Section A)**

**Paragraph 6.**  Paragraph 6 contain a very limited set of brackets. Views are requested only on existing language in the remaining brackets, with the aim of recommending clean text.

Governments should implement actions to promote further mainstream the sound management of chemicals and waste in national development plans, domestic budgets and relevant sector policies. For developing countries and countries with economies in transition, the mainstreaming of their national chemicals and waste priorities into the development planning
processes for funding as part of official development assistance [may] [will] [should] increase their access to [significant] funding for national priorities in relation to chemicals and waste.

— [may] [will] [should] increase their access to...

— access to [significant] funding...

**Paragraph 7.** Paragraph 7 is currently in brackets. Based on the discussion at IP-3 and the written inputs and views that have been heard during the meetings of the Virtual Working Group on Financial Considerations, the co-facilitators recommend the removal of the brackets on this entire paragraph. Views are also requested on the existing language in brackets, with the aim of recommending clean text.

[Countries should [strive] [seek] to mainstream the sound management of chemicals and waste into their development aid priorities.] [Governing bodies of international, regional and national development banks are encouraged to also expressly integrate sound management of chemicals and waste activities in the scope of activities they fund.]

— [strive] or [seek]

| Rationale or comment | ☐ Japan has no comments on the preference between [strive] or [seek] in case that this sentence stands. |

**D. DEDICATED EXTERNAL FINANCING (Page 16, Section C)**

**Paragraph 12.** Paragraph 12 is currently in brackets. Based on the discussion at IP-3 and the written inputs and views that have been heard during the meetings of the Virtual Working Group on Financial Considerations, the co-facilitators recommend the removal of the brackets on this paragraph. In addition, views are sought on the existing language in brackets, with an aim of recommending clean text.

[Stakeholders should [secure funds] [further strengthen the component of dedicated external financing], including development assistance aid, from innovative donor sources, which can be facilitated by mainstreaming at the national level.]

— [secure funds] [further strengthen the component of dedicated external financing].

| Alternative proposal in red | [Stakeholders should [seek to secure funds] [further strengthen the component of dedicated external financing], including development assistance aid, from innovative donor sources, which can be facilitated by mainstreaming at the national level.] |

| Rationale or comment | ☐ Japan proposes to delete “[further strengthen the component of dedicated external financing]” since the component of external financing is yet to be confirmed, and add “seek to” since the beyond 2020 instrument should be ensured as a voluntary framework. |
Paragraphs 13 and 14. Paragraphs 13 and 14 are currently in brackets. Based on the discussion at IP-3 and the written inputs and views that have been heard during the meetings of the Virtual Working Group on Financial Considerations, there are divergent views on the establishment of an International Fund. Therefore, the co-facilitators propose to leave these paragraphs in brackets and no further comments are requested at this point.

Paragraph 15. Paragraph 15 is currently in brackets. Based on the discussion at IP-3 and the written inputs and views that have been heard during the meetings of the Virtual Working Group on Financial Considerations, the co-facilitators recommend the removal of the brackets on this paragraph. In addition, views are sought on the existing language in brackets, with an aim of recommending clean text.

[Donors should [continue to] provide dedicated external financing, including, for example, resources to support the Global Environment Facility and other multilateral, regional and bilateral sources of financing, and to support the effective implementation of the Special Programme to support institutional strengthening at the national level for the implementation of the Basel, Rotterdam and Stockholm conventions, the Minamata Convention and the Strategic Approach to International Chemicals and Waste Management.]

Alternative proposal in red

[Donors should [continue to], where possible, provide dedicated external financing, including, for example, resources to support the Global Environment Facility and other multilateral, regional and bilateral sources of financing, and to support the effective implementation of the Special Programme to support institutional strengthening at the national level for the implementation of the Basel, Rotterdam and Stockholm conventions, the Minamata Convention and the Strategic Approach to International Chemicals and Waste Management.]

Rationale or comment

☐ We think that “continue to” implies an established obligation to provide dedicated external financing under SAICM, although any contribution by donors have always been voluntary. To better reflect this nature of the framework, we would like to propose “where possible” as highlighted in red.

Paragraph 16. Paragraph 16 is currently in brackets. This paragraph was not discussed extensively at IP-3. The co-facilitators seek stakeholders’ views on this paragraph.

[All stakeholders recommend to UNEA that the Special Programme should be reformed to adjust to the multi-stakeholder, multi-sectoral nature and scope of the Strategic Approach.]

Alternative proposal in red

[All stakeholders recommend to UNEA that the Special Programme should be reformed to adjust to the multi-stakeholder, multi-sectoral nature and scope of the Strategic Approach.]

Rationale or comment

☐ Recommendation to UNEA may be possible but any formal recognition is dependent on resolution at UNEA. The beyond 2020 instrument could call upon such actions to UNEA but requesting UNEA to reform the Special Programme in the new OPS is out
of its scope. This kind of call should be delivered through the resolution at the International Conference.

E. ESTABLISHMENT OF AND ENGAGEMENT IN MULTISECTORAL PARTNERSHIPS
(Page 16, paragraph 17)

Paragraph 17. Paragraph 17 has a number of brackets. Based on the written inputs and views that have been heard during the meetings of the Virtual Working Group on Financial Considerations, the co-facilitators have proposed the deletion of “issues of concern” and replaced it more generally to “sound management of chemicals and waste”. Views are also requested on the existing language in brackets.

Stakeholders are encouraged to create and implement multi-sectoral [transparent and accountable] partnerships [linked to the 2030 Agenda] to effectively address the sound management of specific chemicals and waste [issues of [international] concern]. Stakeholders are also encouraged to explore funding opportunities by engaging mechanisms in all sectors.

— [transparent and accountable]

— [linked to the 2030 Agenda]

F. FINANCING THE SECRETARIAT (Page 16, paragraphs 18-22)

Paragraphs 18. Paragraphs 18 is currently in brackets. Based on the discussion at IP-3 and the written inputs and views that have been heard during the meetings of the Virtual Working Group on Financial Considerations, the co-facilitators recommend the removal of brackets on this paragraph and substitute [industry] by [all] in the last sentence to encourage contributions from all stakeholders and sectors, as unanimously proposed.

[A core budget for the beyond 2020 instrument is identified covering staff costs for non-seconded staff, office costs and travel costs, for the Secretariat, conference services and meetings. The core budget is financed by voluntary contributions from the government and industry-all stakeholders.]

General view Japan supports the co-facilitator’s proposal.

Paragraphs 18bis. Where possible, possible items with predetermined expenditure codes provided to each item for voluntary and in-kind contribution are identified at the beginning of the budget cycle by an agreement between the respective organization and the Secretariat.
Japan would like to propose paragraph 18bis above.

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<td>□ Independent Evaluation (2006-2015), para 51 mentions that stakeholders demonstrated their commitment through various in-kind contribution. However, currently only financial contribution is acknowledged. Therefore, Japan proposes to make in-kind contribution more visible by suggesting the secretariat to develop a budget with expenditure codes so that stakeholders can specify which item with expenditure codes they intend to provide as their in-kind contribution and it can be easily quantified.</td>
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<td>□ Such visibility of in-kind contribution would also visualize how much in budget can be “saved.”</td>
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<td>□ Independent Evaluation (2006-2015), para 59 points out the lackness of involvement from certain stakeholders such as academia. The visibility of in-kind contribution could facilitate participation of absent stakeholders. For example, academia could provide universities’ facilities to host meetings etc.</td>
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**Paragraphs 19-22.** Paragraphs 19-22 are currently in brackets. Based on the discussion at IP-3 and the written inputs and views that have been heard during the meetings of the Virtual Working Group on Financial Considerations, the co-facilitators seek the stakeholders’ views on the alternative text below which takes into account the proposals made by Canada and Japan to streamline the text and specify the types of contributions rather than category of stakeholders. The indicative reference to the UN scale of assessment is proposed to be left on brackets as there are divergent views on this point. Views on the new proposed paragraphs 19 and 20 are sought.

19. Before the start of each year the Secretariat invites each government stakeholder, via its national focal point, to make a voluntary financial contribution [and provides a figure showing what that contribution would be according to the UN scale of assessment. Countries are encouraged to contribute at least this amount.]

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<td>□ It would not be appropriate to request countries solely to provide financial contributions with specific figures such as the UN scale of assessment under the beyond 2020 instrument which is a voluntary framework with the participation of various stakeholders.</td>
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20. All stakeholders support the work of the Secretariat by voluntarily contributing financial and in-kind resources, as appropriate, including but not limited to:

   a) supporting the work of the Secretariat through voluntary financial contributions.

   b) supporting the work of the Secretariat by contributing in-kind resources, including through secondment as appropriate, and sector related work of the secretariat.
c) supporting the work of the Secretariat through hosting meetings, sector participation at meetings, support for production and dissemination of outputs of the beyond 2020 instrument.

Where possible, the contributions are defined at the beginning of the budget cycle by an agreement between the respective organization and the Secretariat.

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<td>The last paragraph was moved to para 18.</td>
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*Paragraphs 21 and 22 are proposed to be deleted.*