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**Programme of work: resource requirements
and criteria for financial support**

Assessment of criteria for providing financial support for participation in meetings and events

Note by the secretariat

Summary

At its eighteenth session (Geneva, 17–20 April 2012), the Committee on Environmental Policy (CEP) mandated its Bureau to consider criteria for financial support for participating in meeting and events, with a view to assessing whether the current criteria were the most appropriate, and to providing recommendations to CEP at its nineteenth session (ECE/CEP/2012/2, paras. 86, 87 and 92 (cc)).

The secretariat prepared a first draft of the draft recommendations, which were discussed by the CEP Bureau at its meeting on 29 April 2013. The present document takes into consideration the recommendations from the Bureau made at that meeting.

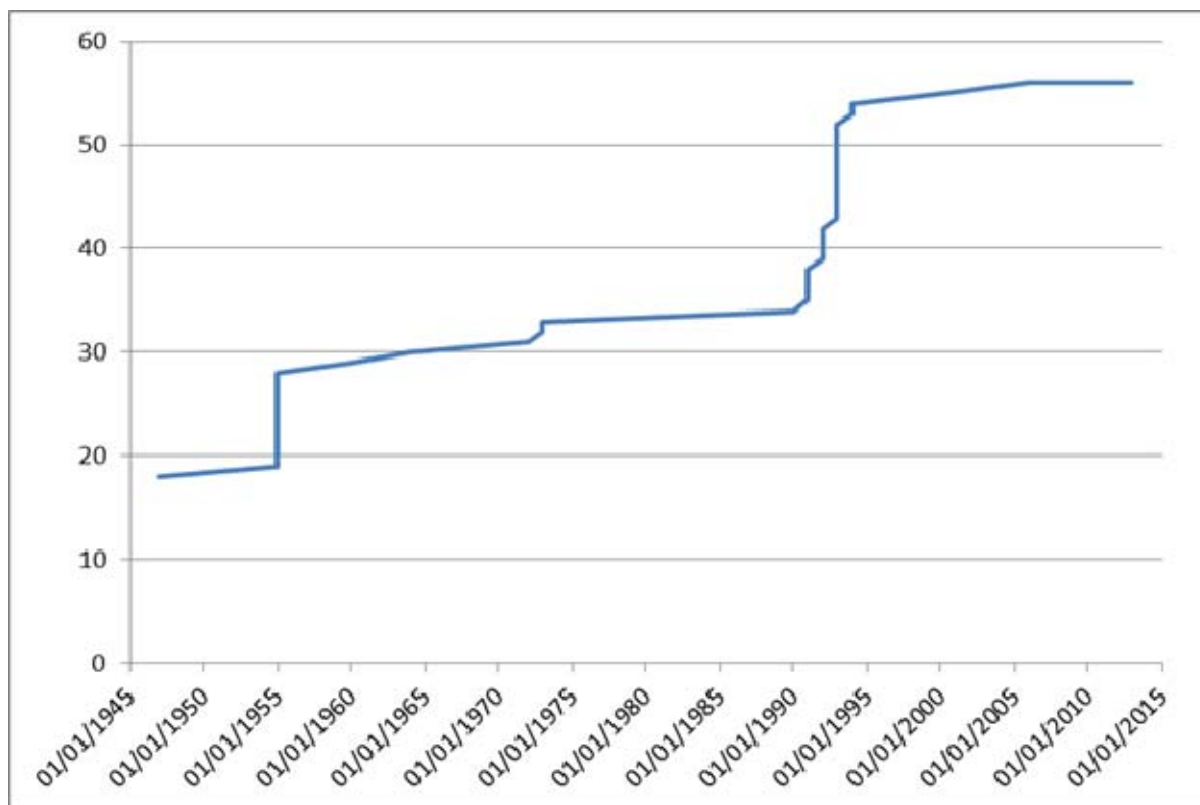
In view of the above mandate, the present note addresses various aspects of the continuing CEP practice to ensure proper representation at meetings and events, with a view to supporting the discussion at the nineteenth session and the consequent decision(s) on criteria for financial support for 2014, which will be presented in information paper No. 9.

I. Background

1. The mechanism for providing financial support to allow representatives of particular stakeholders — in the first place, some member States — to take part in meetings and events has been in place since the mid-1990s.

2. The number of member States of the United Nations Economic Commission for Europe (ECE) increased by more than half during the early 1990s — primarily, but not solely, in the wake of political changes in Europe. This period also saw an increased recognition of the global and/or regional nature of some of the key environmental problems, sparking a significant upsurge in interest in the environment as a whole, and motivating the search for strengthened international mechanisms for environmental cooperation. One of the notable results was the initiation of the “Environment for Europe” process, and the holding of the first Ministerial Conference under its auspices in 1991.

Figure 1
Timeline showing accession of States to ECE



3. The new ECE member States participation in the regional forums was crucial for initiating and maintaining a meaningful dialogue on the present and future priorities of international environmental cooperation. The ECE Committee on Environmental Policy (CEP) started to play important role in these processes. At the same time, many of the new member States faced difficult economic situations due to swift changes occurring in their economic and political systems, and were subsequently termed “countries in transition”.

4. Starting in the mid-1990s, it became clear that, without external support, several member States from these countries in transition were not in a position to ensure

participation of their representatives in international environmental processes under the ECE umbrella and, in particular, in the meetings organized by CEP, including its annual sessions. Therefore, CEP adopted the current system to offer such support.

II. Features of the present system

A. Formal procedure

5. The financial support system is based on the decisions¹ of CEP, which are generally adopted at every annual session. These decisions determine the eligibility of member State representatives to receive financial support to attend ECE meetings or events

B. Scope of application

6. The scope of the CEP decisions on financial support is formally limited to the meetings and events under the authority of CEP and its subordinate bodies (working groups, etc.), as, strictly speaking, only these meetings are formally subject to CEP decisions. ECE multilateral environmental agreements (MEAs), for example, have their own governing bodies entitled to deal with financial issues and therefore are not bound by CEP decisions in principle. Nevertheless, some of these MEAs have, at their own discretion, decided to use the CEP approach, as well as particular CEP financing criteria. These criteria are also used by the Steering Committee on Education for Sustainable Development and meetings under its auspices. Therefore, although formally narrow in scope, CEP decisions on this issue are routinely applied more widely.

C. Period of application

7. The CEP decisions on financing criteria for participation in meetings and events normally indicate only a date of entry into force of the new guidelines/rules/criteria. It is implied that at the next annual session amendment to the criteria will be considered, if necessary. Most criteria adopted are applied for one year or so, but there have been years when CEP took no decision on amended criteria. In such cases, the criteria in force continued to be applied until CEP adopted a new decision on the issue. Starting in 2009, the work programme for the Environment subprogramme has been prepared for biennial cycles (e.g., 2010–2011, 2012–2013) and, at the same time, the criteria for eligibility started to be revised every biennium.

D. Method and amount of support

8. The CEP decisions specify two forms of financial support, ranking eligible countries into two groups: (a) those eligible for full financial support, comprising daily subsistence allowance (DSA) and travel expenses; and (b) those eligible for partial financial support,

¹ The name of the system is not strictly defined. Earlier decisions of the CEP mention “guiding principles for financial assistance to representatives of countries in transition to attend ECE meetings” while the later ones refer to “criteria for country eligibility for financial support”, or simply “the list of countries eligible for financial support”. The wording “countries in transition” has been dropped from decisions since the early 2000s. The substance of the decisions is essentially the same, however, despite these changes of wording.

comprising DSA only. There is no guidance on the practical details of providing this support — i.e., when it should be disbursed (prior to or after the meeting), or in what form (by providing a prepaid ticket or reimbursing for the cost of tickets purchased by the participant), etc. By default, these details are governed by the ECE financial rules in force at the given time.

E. Source of support funds

9. All resources for this kind of support come from so-called extrabudgetary resources, mobilized through the voluntary contributions of member States.

F. Technique of ranking

10. According to the CEP approach, technically, the eligibility of a member State to receive financial support is determined based on their gross domestic product (GDP) per capita (nominal, in United States dollars) for a particular year. By its decision, CEP approves two “threshold” values (again, in United States dollars). Member States with a GDP per capita below the lower threshold receive a full support package (DSA plus travel); member States with a GDP per capita between the two thresholds receive a partial support package (DSA only).

G. Origin of data for ranking parameters

11. The two parameters used in the procedure are:

- (a) Thresholds;
- (b) GDP per capita data.

12. Threshold values are initially suggested by the secretariat, based on the understanding of the balance between the (existing and projected) extrabudgetary financial resources, on the one hand, and the need for financial support, on the other. These initial suggestions are discussed and agreed with the Bureau, and then submitted to CEP for discussion and adoption. Threshold values can be adjusted from time to time. While the overall tendency is towards increasing the thresholds from year to year (along with the cost-of-living, and consequently DSA, values), on one occasion the threshold was actually lowered (see figure 2 below).

13. Usually the source of GDP per capita data is indicated in the relevant text of the decision. Data come from the United Nations Statistics Division.

H. Coverage — country groupings

14. At the end of the twentieth century, the list of countries considered to be potentially eligible included almost all the countries in Central, Eastern and South-Eastern Europe, the Caucasus and Central Asia, as “transition” countries. At the beginning of the twenty-first century, Central European countries were gradually phased out and only countries of Eastern and South-Eastern Europe, the Caucasus and Central Asia remained and the term “transition” disappeared. At present there is no reference in CEP decisions to either the geographic or economic grouping of countries. The only remaining indicator is GDP per capita.

III. Evaluation of the present system

A. Validity of the purpose

15. The present system aims at the increased effectiveness of the work of CEP through the enhanced participation of important stakeholders. In this regard, its purpose is still relevant and the approach, in principle, should be maintained in the near term.

B. Effectiveness

16. Past experience proves that the assistance provided to enable participation in meetings (in its present form) does indeed make a difference. The secretariat is of the view that there is a clear correlation between the eligibility and the participation of representatives of countries in general. In several cases the “disqualification”² of a previously eligible country from the list of countries entitled to support resulted in particular countries ceasing or reducing their participation in the meetings. In some cases, representatives from capitals were replaced by staff from country missions in Geneva, but in others there were no participants from a particular country at all. So the system is effective in achieving its purpose.

C. Efficiency

17. It is not clear if the system could function at less cost; however, some flexible options could be introduced — e.g., instead of rigid scales for calculating the amount of support (according to the United Nations rates for DSA) and providing tickets for travel, a lump-sum could be offered before and paid during the meeting to reduce both the cost of participation and the cost of no-shows (e.g., no cancelled air tickets).

D. Relevance (time gap)

18. One of the problems with the present approach is the timeliness of the GDP data. Official United Nations figures for a given year are made available only two years from the reference date, making it impossible to account for various kinds of economic downturn or rapid growth that might affect a particular country’s GDP and, in turn, its eligibility for support.

E. Fairness

19. Looking at the evolution of thresholds vs. GDP per capita, it is clear that the system is indeed helping those most in need of support, keeping them on the list. The absolute growth of threshold values is also offset by an increase in the cost of living (reflected in a gradual increase of United Nations DSA, in particular for Geneva), so one could argue that — despite the growth of GDP per capita in absolute terms — low-income countries

² Due to their growing GDP in (an otherwise positive development) countries have gradually come closer to or exceeded the per capita GDP threshold. Some of them fail to anticipate the moment when they will no longer be eligible for support, so there is no domestic financing in place when the CEP support is no longer available.

would have still the same problems in financing their own participation because it is becoming more expensive over time.

IV. Draft recommendations

20. General recommendations:

(a) The CEP mechanism for providing financial support for participation in meetings and events has for many years served the purpose that is still valid today — to increase and maintain the efficiency of the work of CEP — and the mechanism should therefore be maintained;

(b) The procedures for the support mechanism could, however, be adjusted so as to eliminate time gaps in statistical information, where critically necessary, in assessing the current situation and to allow for using the financial resources more efficiently.

21. Detailed procedure:

(a) The agenda for regular sessions of CEP shall include the agenda item or sub-item, “Criteria for financial support”. The CEP shall take decision at each regular session on either amending the present criteria, or extending them for another period;

(b) The draft of a relevant decision of the CEP shall be based on the input from the secretariat, in consultation with the Bureau and its Chair, to be prepared and circulated beforehand, and in accordance with the relevant provisions for such documents;

(c) The draft decision shall contain:

(i) The “lower threshold” (for nominal GDP per capita, expressed in United States dollars). Member States with a GDP per capita less than this threshold are entitled to full financial support (DSA plus travel) for participation in the meetings and events to which the CEP decisions are applicable;

(ii) The “upper threshold” (for nominal GDP per capita, expressed in United States dollars). Member States with a GDP per capita less than this threshold but greater than the lower threshold are entitled to a partial support package (DSA only) for the participation in the meetings and events to which the CEP decisions are applicable;

(iii) The list of member States eligible in accordance with the two thresholds. Data for the most recent year for which GDP data is available from the United Nations Statistics Division shall be used as a source. Other sources of data can be possibly suggested by the secretariat or the member State if the United Nations data is more than two years’ old at the moment when the CEP decision is due to be taken; in such cases the credibility of the source must be verified by the secretariat and accepted by the Chair of the Bureau in the usual course of preparation of the draft document for the CEP meeting. All the sources must be clearly indicated in the decision text (possibly in an annex);

(iv) The decision might specify recommendations on the details of the stipend (e.g., how the amount of the “full support” and “partial support” is calculated, or how the support could be provided), subject to their conformity with the ECE financial rules in force;

(d) The two nominal thresholds should be regularly reviewed; while doing so, changes in the cost of living might be taken into consideration, as appropriate, along with any other relevant factors;

(e) At the same time, the current modalities for providing financial support from donor contributions to the eligible CEP delegates is a subject of some concern, and is seen as inflexible and rather expensive. Therefore, to decrease the costs of participation and minimize losses in case of no-shows, it is recommended that the secretariat, while acting in accordance with the decision of CEP, explore the following options and consult with the Bureau to increase the efficiency of the use of available resources in the following ways, where possible and compatible with the ECE financial rules:

(i) Use of a lump-sum offer instead of providing DSA or DSA plus the travel ticket. Eligible delegates will be offered lump sums that will be communicated to them well in advance of a given meeting. The lump sum will be expected to support their expenses related to travel, accommodation, meals, visa and other expenses related to their participation in the meeting. Eligible delegates will have to purchase their own ticket and will receive the lump sum during the meeting;

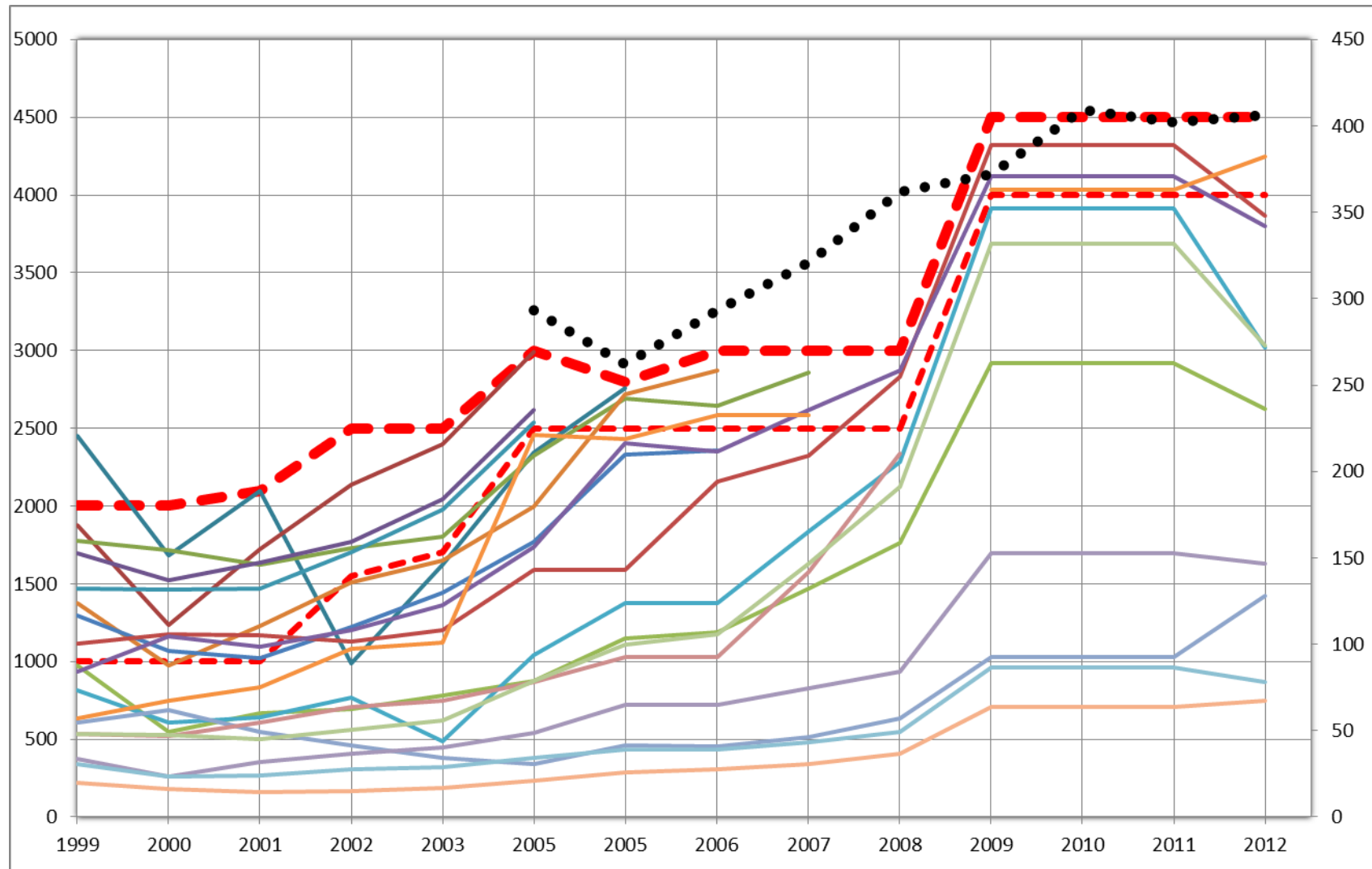
(ii) Alternatively, enhance the use of post factum reimbursement (via a travel claim filed after the meeting) to avoid loss of funds due to no-shows;

(iii) Use of other flexible and cost-efficient options, as appropriate;

(f) A general report on the use of resources on the basis of the CEP decision on “Criteria for financial support” shall be included in the biennial financial reporting.

Figure 2

Yearly evolution of GDP per capita (as listed in CEP decisions) of eligible countries (various lines, primary axis) against two thresholds (red dash, primary axis) related to the evolution of the United Nations DSA for Geneva (black dots, secondary axis)



Note: Values on vertical axis represent United States dollars.

Figure 3

Member States' GDP per capita and their eligibility according to the decisions of 13 consecutive sessions of CEP (1999-2012)

Member States	CEP Session												
	6	7	8	9	10	11	12	13	14	15	16*	17**	18*
Slovenia	☆ 9802	☆ 9886	☆ 9105										
Czech Republic	☆ 5483	☆ 5176	☆ 4942										
Croatia	☆ 4854	☆ 4507	☆ 4509										
Hungary	☆ 4708	☆ 4813	☆ 4130										
Poland	☆ 4074	☆ 3983	☆ 4082										
Slovakia	☆ 3787	☆ 3501	☆ 3556										
Estonia	☆ 3640	☆ 3605	☆ 3505										
Lithuania	☆ 2894	☆ 2892	☆ 3039										
Latvia	☆ 2639	☆ 2767	☆ 3011										
Yugoslavia (1999-2001); Serbia and Montenegro (2002-2005)	☆ 2451	☆ 1680	☆ 2094	☆ 986	☆ 1622	☆ 2345	☆ 2757						
Serbia (from 2006 onwards)								☆ 2794					
Montenegro (from 2006 onwards)								☆ 2794					
Russian Federation	☆ 1876	☆ 1235	☆ 1725	☆ 2140	☆ 2394	☆ 2991							
The former Yugoslav Republic of Macedonia	☆ 1774	☆ 1715	☆ 1623	☆ 1727	☆ 1804	☆ 2327	☆ 2690	☆ 2642	☆ 2855				☆ 4450
Romania	☆ 1698	☆ 1519	☆ 1637	☆ 1772	☆ 2044	☆ 2620							
Bulgaria	☆ 1470	☆ 1462	☆ 1467	☆ 1705	☆ 1976	☆ 2539							
Kazakhstan	☆ 1377	☆ 974	☆ 1228	☆ 1510	☆ 1647	☆ 1994	☆ 2717	☆ 2874					
Belarus	☆ 1296	☆ 1070	☆ 1024	☆ 1220	☆ 1441	☆ 1772	☆ 2330	☆ 2355					☆ 3418
Bosnia and Herzegovina	☆ 1116	☆ 1172	☆ 1166	☆ 1125	☆ 1199	☆ 1591	☆ 1591	☆ 2158	☆ 2322	☆ 2834	☆ 4319	☆ 4319	☆ 3867
Georgia	☆ 973	☆ 546	☆ 666	☆ 695	☆ 782	☆ 877	☆ 1149	☆ 1187	☆ 1470	☆ 1760	☆ 2918	☆ 2918	☆ 2624
Albania	☆ 932	☆ 1160	☆ 1094	☆ 1201	☆ 1360	☆ 1739	☆ 2406	☆ 2350	☆ 2619	☆ 2870	☆ 4120	☆ 4120	☆ 3797
Ukraine	☆ 813	☆ 607	☆ 642	☆ 766	☆ 489	☆ 1041	☆ 1376	☆ 1373	☆ 1836	☆ 2284	☆ 3914	☆ 3914	☆ 3015
Turkmenistan	☆ 634	☆ 746	☆ 837	☆ 1083	☆ 1120	☆ 2457	☆ 2433	☆ 2584	☆ 2584		☆ 4035	☆ 4035	☆ 4249
Uzbekistan	☆ 608	☆ 686	☆ 546	☆ 461	☆ 380	☆ 342	☆ 458	☆ 456	☆ 513	☆ 631	☆ 1026	☆ 1026	☆ 1420
Azerbaijan	☆ 537	☆ 520	☆ 609	☆ 705	☆ 745	☆ 867	☆ 1027	☆ 1026	☆ 1578	☆ 2340			
Armenia	☆ 531	☆ 525	☆ 503	☆ 558	☆ 623	☆ 875	☆ 1106	☆ 1175	☆ 1626	☆ 2122	☆ 3689	☆ 3689	☆ 3031
Republic of Moldova	☆ 374	☆ 261	☆ 353	☆ 407	☆ 448	☆ 542	☆ 720	☆ 721	☆ 831	☆ 936	☆ 1694	☆ 1694	☆ 1630
Kyrgyzstan	☆ 342	☆ 260	☆ 265	☆ 308	☆ 321	☆ 382	☆ 436	☆ 437	☆ 481	☆ 546	☆ 964	☆ 964	☆ 865
Tajikistan	☆ 219	☆ 179	☆ 160	☆ 167	☆ 188	☆ 236	☆ 284	☆ 309	☆ 338	☆ 405	☆ 707	☆ 707	☆ 749
Total countries	27	27	27	18	18	18	15	16	12	10	10	10	12
Countries eligible for financial support	17	18	18	18	18	18	15	16	12	10	10	10	12
Countries eligible for travel expenses + DSA	10	10	9	14	14	15	12	11	9	8	7	7	10
Countries eligible for DSA only	7	8	9	4	4	3	3	5	3	2	3	3	2

Notes: Countries are listed in descending order in terms of GDP per capita. Eligibility for full financing indicated by yellow stars; partial support indicated by half-yellow star; white star indicates that eligibility criteria have not been met.

* Starting in 2009, the criteria for eligibility began to be revised every biennium.

** At the seventeenth session no decision on eligibility criteria was adopted by CEP. Criteria adopted by the sixteenth session of CEP, therefore, remained in force.