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Meeting of the Parties to the Protocol on Pollutant Release and Transfer Registers to the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters

Working Group of the Parties

Third meeting

Geneva, 20 and 21 November 2013

Item 7 (b) (v) of the provisional agenda

**Second session of the Meeting of the Parties to the Protocol:
substantive preparations: financial arrangements under
the Protocol**

Draft decision on financial arrangements under the Protocol

Prepared by the Bureau

Summary

The present document contains proposed draft decision on financial arrangements under the Protocol on Pollutant Release and Transfer Registers to the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention), prepared on the basis of decision I/3 on financial arrangements (ECE/MP.PRTR/2010/2/Add.1),¹ adopted by the Meeting of the Parties at its first session and in accordance with the mandate provided to the Protocol's Bureau by the Working Group of the Parties at its second meeting (Geneva, 20–21 November 2012) (ECE/MP.PRTR/WG.1/2012/2).²

The current draft was prepared on the basis of the note on financial arrangements (PRTR/WG.1/2012/Inf.3) considered by the Working Group at its second meeting, the related decisions of that meeting, as well as in the light of the outcomes of the assessment of the current interim scheme of contributions prepared under the Aarhus Convention

¹ Available from <http://www.unece.org/env/pp/mopp1.html>.

² Available from <http://www.unece.org/index.php?id=28225>.

(ECE/MP.PP/WG.1/2013/9),³ and the experience in developing a similar document under the Aarhus Convention. The Bureau of the Parties to the Protocol considered and further amended the document at its fifth meeting (Madrid, 2–3 July 2013, Madrid).

The Working Group is expected to consider the draft decision contained in the present document with a view to submitting it for the consideration of and adoption by the Meeting of the Parties at its second session, scheduled to be held from 2 to 4 July 2014 in Maastricht, the Netherlands.

³ Available from <http://www.unece.org/env/pp/aarhus/wgp16.html>.

The Meeting of the Parties

Recalling article 17, paragraph 2 (h) of the Protocol on Pollutant Release and Transfer Registers (Protocol on PRTRs) to the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention), which states that the Meeting of the Parties may consider establishing financial arrangements on a consensus basis to facilitate the implementation of the Protocol,

Also recalling decision I/3 of the first session of the Meeting of the Parties to the Protocol, establishing an interim voluntary scheme of contributions to be sustained by contributions from Parties, Signatories and other States having opted to participate in the scheme,

Recognizing the need to:

- (a) Ensure that sufficient resources are available for implementing the Protocol's work programme for 2015–2017;
- (b) Establish a scheme of financial contributions that is transparent and accessible to all Parties, Signatories and other States and organizations wishing to contribute;
- (c) Establish financial arrangements under the Protocol based on the principles of an equitable sharing of the burden, stable and predictable sources of funding, accountability and sound financial management,

Believing also that some organizations and non-State entities, such as charitable foundations, may be interested in contributing financially to the activities under the Protocol's work programme and should be encouraged to do so,

Noting with regret that the amounts contributed under the interim voluntary scheme have fallen short of the estimated costs of implementing the work programme for 2011–2014, and that the financial burden has not been evenly distributed, with a significant number of Parties and Signatories not contributing at all,

Believing that the financial arrangements in place under the Protocol will need to be kept under periodic review by the Meeting of the Parties to ensure that they continue to meet the goals of stability, predictability and an equitable sharing of the burden,

[Option A]

[1. *Decides* to establish a recommendatory scheme of contributions without distributing the burden of covering the costs of the activities among the Parties and Signatories to the Protocol in proportion to the United Nations scale of assessments;]

[Option B]

[1. *Decides* to establish a recommendatory scheme of contributions, distributing the burden of covering the costs of the activities among the Parties and Signatories to the Protocol based on the class to which donors belong. When Parties, Signatories or other interested States and organizations pledge their expected annual or multi-annual financial and in-kind contributions, they indicate to which of the three following classes of donors they belong:

- (a) "Small" donors, expected to contribute between 500 and 5,000 United States dollars;
- (b) "Medium" donors, expected to contribute between 5,000 and 30,000 United States dollars;

(c) “Large” donors, expected to contribute not less than 30 000 United States dollars;]

[Option C⁴]

1. *Decides* to establish a mandatory scheme of contributions aimed at covering the costs of activities under the work programme that are not covered by the United Nations regular budget, based on the following principles:

(a) The burden of covering the costs of the activities shall be distributed among the Parties and Signatories to the Protocol in proportion to the United Nations scale of assessments;

(b) The scale of assessments shall be adjusted so that no Party or Signatory are required to contribute more than 20 per cent of the estimated costs to be covered by the scheme;

(c) Each Party and Signatory shall contribute each year, as a minimum, the amount derived from applying the adjusted scale of assessments referred to in subparagraph (b) above to the total estimated costs of the activities;

2. *Requests* the secretariat to circulate to the Parties and Signatories each year during spring/summer an updated version of the table annexed to this decision and showing the scale of assessment analysis for contributions by Parties to the Protocol for the following calendar year, reflecting any changes to:

(a) The estimated costs of activities for the next calendar year;

(b) The composition of the Parties;

(c) The United Nations scale of assessments, which will take effect for the following calendar year and supersede the previous version;]

[Option D]

1. *Decides*, in accordance with decision [...] on the work programme for 2015–2017, that a hybrid scheme of contributions should be established, consisting of a mandatory part to finance the part of the work programme identified as the core requirements, considered as essential, with the remaining part, additional requirements, to be financed on a recommendatory basis. Failure to submit a financial contribution in accordance with the above scheme will be brought to the attention of the Meeting of the Parties for its consideration;

2. *Requests* the secretariat to circulate to the Parties and Signatories each year during spring/summer an updated version of the table annexed to this decision and showing the scale of assessment analysis for contributions by Parties to the Protocol for the following calendar year, reflecting any changes to

(a) The estimated costs of activities for the next calendar year;

(b) The composition of the Parties;

(c) The United Nations scale of assessments, which will take effect for the following calendar year and supersede the previous version;]

⁴ This is a new Option C and not the Option C originally included in the annex to the note on financial arrangements (PRTR/WG.1/2012/Inf.3) and which was subsequently removed from that document in accordance with the decision of the second meeting of the Working Group of the Parties at its second meeting (Geneva, 20–21 November 2012).

[3.] *Also decides* that the [mandatory] [recommendatory] [hybrid] scheme of contributions[, aimed at covering the costs of activities under the work programme that are not covered by the United Nations regular budget,⁵] shall [additionally⁶] be based on the following principles:

(a) The Parties shall collectively ensure that the costs of the activities of the work programme that are not covered by the United Nations regular budget are covered through an effective scheme of contributions;

(b) No Party or Signatory is expected to contribute less than 500 United States dollars to the Protocol's work programme for a given calendar year;

(c) Contributions shall be made in cash and shall not be earmarked for a particular activity;

(d) Additional contributions may be made in cash or in kind, and may be earmarked for a particular activity;

(e) Contributions in cash shall be made through the United Nations Economic Commission for Europe trust fund for local technical cooperation (Aarhus Convention/Protocol on PRTRs project);

(f) Insofar as possible, and subject to the internal budgetary procedures of the Parties, contributions for a given calendar year should preferably be made by 1 October of the preceding year, so as to secure payment of staff costs for the smooth functioning of the secretariat, as a priority, and the timely and effective implementation of the priority activities of the respective programme of work;

(g) Parties pledge, where possible prior to the adoption of a work programme by the Meeting of the Parties, their expected annual or multi-annual financial and in-kind contributions. Signatories, other interested States and organizations may wish to indicate their expected contributions as well;

[4.] *Requests* Parties, to contribute each year or to make multi-annual contributions towards the costs of activities under the work programme, in accordance with the scheme referred to in paragraph 1;

[5.] *Invites* Signatories, other interested States and public and private entities to contribute, in cash or in kind, towards covering the costs of the work programme;

[6.] *Calls* upon countries with economies in transition to finance to the extent possible their own participation in the activities;

[7.] *Calls upon* international organizations working in countries with economies in transition to support participation of representatives of these countries and non-governmental organizations in the meetings and other activities under the Protocol;

[8.] *Encourages* Parties that have historically contributed generously to maintain their previous levels of contribution;

[9.] *Also encourages* Parties that have so far not contributed, or have contributed [modestly] [significantly less than the amounts stipulated in the annex to this decision],⁷ to increase their contributions during the current and future budget cycles [to the specified levels] [so as to ensure the equitable distribution of the financial responsibility] for

⁵ Only relevant for Options A, B and D.

⁶ Valid for Option C only.

⁷ This alternative can be used only if option C is chosen.

implementation of the work programme, and requests the Bureau to liaise with such Parties where appropriate concerning the achievement of this goal;

[10.] *Requests* the secretariat, in accordance with the financial rules of the United Nations, to allocate in the Convention trust fund by 1 October of each year the sum required for the extension of the contracts of extrabudgetary staff of the secretariat for the upcoming year, as a priority, and also the costs needed for implementation of activities in the first quarter of the upcoming year;

[11.] *Also requests* the secretariat, in accordance with the financial rules of the United Nations, to monitor the expenditure of the funds and to prepare annual reports for review by the Working Group of the Parties in order to ensure that the level of contributions matches the level of funding needed for the implementation of the work programme;

[12.] *Requests* the Working Group of the Parties to consider, in the light of these annual reports, whether changes would be required to the content or time frame of the work programme, in the event that the level of actual and/or pledged contributions does not match the level of funding needed;

[13.] *Further requests* the secretariat to prepare a comprehensive financial report for each session of the Meeting of the Parties, including information on how much Parties and other participating States and organizations have contributed to the budget of the Protocol in cash and in kind, and on how the contributions were spent;

[14.] *Agrees* to review the operation of the scheme of financial arrangements at the third session of the Meeting of the Parties.

Annex^a

Scale of assessment analysis for Parties to the Protocol on Pollutant Release and Transfer Registers

Calculation of amount of contribution based on the United Nations scale of assessment for 2013–2015^a and based on number of Parties as of 1 July 2013

<i>Parties</i>	<i>United Nations scale of assessment, percentage (2013–2015)</i>	<i>Adjusted United Nations scale of assessment, percentage (2013–2015)^b</i>
Albania	0.010	0.031
Austria	0.798	2.473
Belgium	0.998	3.093
Bulgaria	0.047	0.146
Croatia	0.126	0.391
Cyprus	0.047	0.146
Czech Republic	0.386	1.196
Denmark	0.675	2.092
Estonia	0.040	0.124
Finland	0.519	1.609
France	5.593	17.335
Germany	7.141	22.132
Hungary	0.266	0.824
Ireland	0.418	1.296
Israel	0.396	1.227
Latvia	0.047	0.146
Lithuania	0.073	0.226
Luxembourg	0.081	0.251
Netherlands	1.654	5.126
Norway	0.851	2.638
Poland	0.921	2.854
Portugal	0.474	1.469
Romania	0.226	0.700
Serbia	0.040	0.124
Slovakia	0.171	0.530
Slovenia	0.100	0.310
Spain	2.973	9.214
Sweden	0.960	2.975
Switzerland	1.047	3.245
The former Yugoslav	0.008	0.025

^a The annex is only valid if Option C or D are chosen.

*Calculation of amount of contribution based on the United Nations scale
of assessment for 2013–2015^a and based on number of Parties
as of 1 July 2013*

<i>Parties</i>	<i>United Nations scale of assessment, percentage (2013–2015)</i>	<i>Adjusted United Nations scale of assessment, percentage (2013–2015)^b</i>
Republic of Macedonia		
United Kingdom of Great Britain and Northern Ireland	5.179	16.051
European Union ^c	–	–
Total	32.265	100.00

^a See A/RES/67/238, available from <http://www.un.org/en/ga/67/resolutions.shtml>.

^b The percentages from the United Nations scale of assessments have been adjusted for the Protocol on PRTRs by using a multiplier of 3.099, in order to arrive at a total of 100 per cent.

^c A percentage has not been assigned to the European Union (EU), since the EU is not included in the United Nations scale of assessments and therefore it is not possible to calculate the level of its contribution on the same basis as with the other Parties and Signatories (i.e., on the basis of the adapted United Nations scale of assessments). Possible alternative ways of estimating the level of contributions to be made by the EU include: (a) using historical contributions of the EU as the basis of calculation, and deducting this from the total estimated cost requirement prior to applying the United Nations scale of assessments to the other Parties; or (b) assigning a chosen percentage, which is not derived from the United Nations scale of assessments.]
