

Draft decision on financial arrangements under the Aarhus Convention for comments by Parties and stakeholders - v. 16 September 2013

Deadline for comments - 21 October 2013

## Draft decision on financial arrangements under the Aarhus Convention

Prepared by the Bureau ——— **updated on the 21 of October 2013**

[Preliminary EU+MS comments.](#)

[EU+MS reserve their right to elaborate further their position on this document in due course](#)

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### *Summary*

The present document contains draft decision on financial arrangements under 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 IV/7 on financial arrangements (ECE/MP.PP/2011/2/Add1),<sup>1</sup> adopted by the Meeting of the Parties at its fourth session, in the light of the outcomes of the assessment of the current interim scheme of contributions (ECE/MP.PP/WG.1/2013/9),<sup>2</sup> and in line with the comments on Draft elements of possible financial arrangements under the Convention (ECE/MP.PP/WG.1/2013/10)<sup>3</sup> considered by the Working Group at its sixteenth meeting (Geneva, 19-21 June 2013). Major new substantive additions as compared with document ECE/MP.PP/WG.1/2013/10 are indicated in track changes; written comments submitted to the secretariat are included in side comment boxes. The Working Group requested the Bureau to prepare a draft decision on financial arrangements for submission to the seventeenth meeting of the Working Group (March 2013) for consideration, revision and approval and subsequent submission to the Meeting of the Parties for consideration at its fourth session (June/July 2014). The draft decision will be circulated to Parties and stakeholders for comments prior to its finalisation for the seventeenth meeting of the Working Group.

<sup>1</sup> Available from <http://www.unece.org/env/pp/mop4/mop4.doc.html>.

<sup>2</sup> Available from <http://www.unece.org/env/pp/aarhus/wgp16.html>.

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

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*The Meeting of the Parties,*

*Recalling* article 10, paragraph 3, of 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 to the Convention may, as necessary, consider establishing financial arrangements on a consensus basis,

*Also recalling* its decisions I/13, II/6, III/7 and IV/7, through which an interim voluntary scheme of contributions based on a system of shares, open to contributions from Parties, Signatories and other States having opted to participate in it, has been established and maintained,

*Having also considered* the outcomes of the assessment of the current interim scheme of contributions,

*Recognizing* the need to:

(a) Ensure that sufficient resources are available for implementing the Convention'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 Convention based on the principles of an equitable sharing of the burden, stable and predictable sources of funding, accountability and sound financial management,

*Noting* [*with regret*][*with satisfaction*] that the amounts contributed under the interim voluntary scheme [have fallen short of] [met the requirements of]<sup>4</sup> the estimated costs of implementing the work programme 2012–2014, and regretting that the financial burden has not been evenly distributed, with significant numbers of Parties and Signatories not contributing at all,

*Believing* that the financial arrangements in place under the Convention 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,

1. *Establishes* a [[mandatory][recommendatory]] scheme of contributions<sup>5</sup> 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 Parties should 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 the financial scheme;

(b) No Party or Signatory is expected to contribute less than 500<sup>6</sup> United States dollars for the Convention's work programme in its contribution for a given calendar year;

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<sup>4</sup> The paragraph will be amended at a later stage taking into account the report on implementing the work programme for 2012–2014 to be prepared for the seventeenth meeting of the Working Group of the Parties.

<sup>5</sup> To be amended in the light of the agreed option, as provided in the annex.

**Draft decision on financial arrangements under the Aarhus Convention for comments by Parties and stakeholders - v. 16 September 2013**

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(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 project);

(f) If allowed by the domestic budgetary procedures of the Parties, contributions for a given calendar year should be made by 1 October of the preceding year, or where this is not an option, it is recommended that contributions are made in the first six months of the calendar 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;<sup>7</sup>

(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;

2. *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;

3. *Invites* Signatories, other interested States and public entities, as well as and private sector, in accordance with the United Nations guidelines,<sup>8</sup> ~~entities~~ to contribute, in cash or in kind, towards covering the costs of the work programme;

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

5. ~~Urges~~ 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;

6. *Encourages* Parties that have historically contributed generously to maintain, or return to, their previous levels of contribution;

7. *Also encourages* Parties that have so far not contributed, or have contributed [modestly] [significantly less than the amounts stipulated in option B in the annex], 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 implementation of the work programme, and requests the Bureau to liaise with such Parties where appropriate concerning the achievement of this goal;

<sup>6</sup> It was USD 200 in decision IV/7.

<sup>7</sup> Also in line with decision IV/6 on the work programme for 2012–2014.

<sup>8</sup> [Guidelines on Cooperation between the United Nations and the Business Sector, issued 20 November 2009. Available at http://www.un.org/ar/business/pdf/Guidelines\\_on\\_UN\\_Business\\_Cooperation.pdf.](http://www.un.org/ar/business/pdf/Guidelines_on_UN_Business_Cooperation.pdf)

**Comment [MV1]:** In line with the comments by EU to the Assessment of the current interim scheme of contributions

**Comment [e2]:** Comment by EU

**Comment [V3]:** In line with comment from Norway

**Comment [e4]:** Comment by EU

**Draft decision on financial arrangements under the Aarhus Convention for comments by Parties and stakeholders - v. 16 September 2013**

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8. *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 costs needed for implementation of activities in the first quarter of the upcoming year;

9. *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 strive to ensure that the level of contributions matches the level of funding needed for the implementation of the work programme;

10. *Requests* the Working Group of the Parties to consider, in the light of these annual reports, whether changes would be required in 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;

11. *Further requests* the secretariat to prepare a comprehensive report on financial matters 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 Convention in cash and in kind, and how the contributions were spent;

12. *Agrees* to review the operation of the scheme of financial arrangements at its sixth meeting.

## Annex

### Proposed options

#### Option A

1. To continue maintaining a voluntary scheme of contributions without distributing the burden of covering the costs of the activities among the Parties and Signatories to the Convention in proportion to the United Nations scale of assessments.

#### Option B

2. 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 Convention in proportion to the United Nations scale of assessments;

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

(c) Each Party or Signatory shall contribute each year, as a minimum, the amount derived from applying the adjusted scale of assessments referred to in subparagraph (b) of the current option to the total estimated costs of the activities, but each contribution should not be less than stated in paragraph 1 (b) of the draft elements set out in the main document above;

3. The secretariat will circulate to the Parties and Signatories each year during the month of May an updated version of the table for the following calendar year, indicating contributions, and 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 that will take effect for the following calendar year and supersede the previous version.

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**Comment [r5]:** (21 October 2013) We would like to pay attention that proposed options do not reflect the EU and its MS comments at WGP. To recall - „The EU and its MS and Croatia continue to support the current interim financing mechanism (Decision I/13), pending the consideration of proposals to enhance sustainability and predictability of the mechanism. We request further details on the proposed options explored in the report in particular the proposal for a mixed scheme of financial contributions, including indicative assessed contributions, but also including widening the funding base through increasing the financing and contributors' diversity and the evaluation of the proposals for developing innovative criteria for establishing a scale of assessments based on the three pillars of the Convention. The identification of pros and cons of each option would assist Parties' deliberations and we would welcome provision of this additional information by the secretariat.”