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EXECUTIVE BODY FOR THE CONVENTION ON
LONG-RANGE TRANSBOUNDARY AIR POLLUTION

Working Group on Strategies and Review

REPORT ON THE MEETING OF HEADS OF DELEGATION

Introduction

1. The meeting of heads of delegation of the Working Group on Strategies and Review was held in Geneva from 23 to 24 April 2001.
2. The session was attended by representatives of the following Parties to the Convention: Armenia; Austria; Belgium; Bosnia and Herzegovina; Canada; Croatia; Czech Republic; Denmark; Finland; France; Germany; Italy; Latvia; Netherlands; Norway; Poland; Portugal; Russian Federation; Slovakia; Slovenia; Sweden; Switzerland; Turkey; Ukraine; United Kingdom and United States of America.
3. The meeting was chaired by Mr. R. BALLAMAN (Switzerland).

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I. ADOPTION OF THE AGENDA

4. The heads of delegation adopted the agenda of the meeting as set out in EB.AIR/WG.5/67.

II. DRAFT LEGAL INSTRUMENT ON THE FINANCING OF CORE ACTIVITIES

5. The Chairman reminded participants of the request made by the Executive Body at its eighteenth session. The Working Group on Strategies and Review was to negotiate a draft legal instrument, taking into account paragraph 10 of the Gothenburg Ministerial Declaration as well as the draft protocol (EB.AIR/2000/3, annex I), for submission to the Executive Body at its nineteenth session (ECE/EB.AIR/71, para. 42 (a)). The Chairman emphasized that the heads of delegation were not to negotiate, but to clarify the Parties positions and the basic text. The draft protocol text could be taken as the basic text without prejudice to whether the legal instrument would be a separate protocol or would be transformed into an amendment to the EMEP Protocol.

6. The secretariat informed the Meeting about the state of contributions made by Parties under Executive Body decision 2000/3 and the recommendation on the financing of core activities (ECE/EB.AIR/71, annex III). Only six Parties had made contributions for 2001 by 20 April 2001 and five of these were regular contributions to the forest programme that had also been made in previous years.

7. As a result of the deliberations, the Meeting decided to annex a revised protocol text to the report, which is to provide the basis for negotiations at the thirty-third session of the Working Group.

8. The delegation of Italy noted that it continued to reserve its position on the establishment of a mandatory mechanism for the financing of the core activities under the Convention. With respect to the draft protocol text, it pointed out that in view of its experience with the implementation of the EMEP Protocol, Italy would require a more predictable picture of its future financial obligations. The delegation suggested including an annex with the annual mandatory contributions from Parties expressed in absolute monetary terms, instead of the percentage scale of contributions foreseen in the draft text. In addition, it suggested that any amendments to such an annex should require the amendment procedure set out in article 7, paragraph 3, of the draft protocol, which required, under Italian law, the involvement of parliament.

9. The delegation of Germany informed the Meeting that it was not in a position to accept any mandatory financial obligations. It consequently did not accept any percentage figure to be placed next to its name in annex II. Germany would, however, be ready to continue to contribute to the work on a voluntary basis.

10. The delegations of Canada and the United States reiterated that they were only in a position to make voluntary contributions, but that they would try to cooperate with other Parties to the Convention to find an acceptable solution. They drew attention to the extensive research programmes that they were funding nationally, much of which also focused on research into the effects of transboundary air pollution.

11. The delegation of the Russian Federation stressed that it reserved its position with respect to draft annex II until the thirty-third session of the Working Group. It proposed that the scale of contributions should be adopted by the Executive Body together with the annual budget, and stressed that only Parties to the new protocol should be covered by such a scale of contributions.

12. The delegation of the Netherlands proposed that the protocol text should be drafted in such a way as to allow a continuation of the two-track approach linking mandatory and voluntary contributions. Those Parties to the Convention that were able to commit themselves could become Party to the new protocol, while those that were not able to follow this example would commit themselves to making every effort to contribute on a voluntary basis within the framework of an Executive Body decision and recommendation. Decision 2000/3 adopted by the Executive Body at its eighteenth session covered only the period from 2001 to 2003. Such a decision could also cover the interim period until the entry into force of the new protocol. Once the protocol entered into force, the number of Parties paying mandatory contributions would gradually increase, whereas the number of Parties targeted by the decision would decrease. The scale of contributions and the annual budget used for the protocol and the decision should be the same and cover all Parties to the Convention, or at least all Parties within the geographic scope of EMEP.

13. Many heads of delegation expressed sympathy for this approach and agreed to study it further in preparation of the thirty-third session of the Working Group.

14. The delegation of Belgium proposed to amend article 5, paragraph 1, by adding the following sentence: "In order to cover the adopted budget and in addition to the mandatory contributions, voluntary contributions should also, as far as possible, be in accordance with the scale of contributions set out in annex II."

15. Some delegations stressed that the draft should be adjusted to make sure that it did not create obligations other than obligations on its parties. Non-parties to the protocol could not be bound by it, not even morally.

16. The delegation of the United Kingdom expressed its concern that the scale of contributions should not be construed in a way that would penalize those Parties ready to accept a mandatory obligation to contribute to the financing of core activities. The share of mandatory contribution should not automatically increase to cover the shortfall in contributions due to some Parties not being ready to commit themselves.

17. Several delegations referred to the need to define the concept of contributions in kind in order to ensure that such contributions would be useful for the work. Other delegations noted that it was difficult to find an exhaustive definition for contributions in kind and including a limiting definition in the protocol text could seriously reduce the flexibility in operating the programmes. They suggested developing an explanation on the type of acceptable contributions in kind including a list of examples, possibly through an accompanying document, for instance a report by the responsible subsidiary body or an Executive Body decision, which could more easily be amended when the need arose.

18. One delegation also noted the absence of any reference to the possibility of earmarking voluntary contributions. Targeting specific areas of work could make it easier for some Parties to make voluntary contributions to the funding of core activities and therefore some reference allowing earmarking should be added.

19. Another delegation proposed to add a paragraph to the preamble that would make reference to the Aarhus and Gothenburg ministerial declarations, which both stressed the need for a long-term stable financial basis for the core activities under the Convention.

20. The delegation of Switzerland suggested that the Working Group should foresee the possibility of an additional centre to work on the health effect of air pollution under annex I, pending the establishment of the WHO centre in Bonn (Germany).

21. Finally, the Chairman reminded the heads of delegation that the thirty-third session of the Working Group on Strategies was scheduled for 24-27 September 2001, starting on Monday, 24 September at 10 a.m. and finishing on Thursday, 27 September, with the adoption of the report.

Annex**REVISED DRAFT PROTOCOL TEXT****PROTOCOL TO THE 1979 CONVENTION ON LONG-RANGE TRANSBOUNDARY AIR POLLUTION ON LONG-TERM FINANCING OF THE CORE ACTIVITIES UNDER THE CONVENTION**

The Parties,

Noting that the 1979 Convention on Long-range Transboundary Air Pollution and, with one exception, its Protocols do not contain any provision for the long-term financing of core activities,

Recalling that in 1984 the Parties adopted a Protocol to the 1979 Convention to provide for long-term financing of the Cooperative Programme for Monitoring and Evaluation of the Long-range Transmission of Air Pollutants in Europe,

Considering that the efficient operation of the Convention and its Protocols requires there to be predictable long-term financing for all their core activities,

Convinced, therefore, that it is necessary to make appropriate arrangements regarding this matter,

Have agreed as follows:

Article 1Definitions

For the purposes of the present Protocol,

1. "Convention" means the Convention on Long-range Transboundary Air Pollution, which was adopted on 13 November 1979 and entered into force on 16 March 1983;
2. "Executive Body" means the Executive Body for the Convention, constituted under article 10, paragraph 1, of the Convention;
3. "Parties" means, unless the context otherwise requires, the Parties to the present Protocol;
4. "Financial year" means the financial year of the United Nations, and "annual basis" and "annual costs" shall be construed accordingly;

5. “General Trust Fund” means the General Trust Fund for the Financing of the Implementation of the Convention, which has been established by the Secretary-General of the United Nations;
6. “Designated international centres” means the international centres for the coordination of effect-oriented and integrated assessment modelling activities under the Convention that are specified in annex I to the present Protocol;
7. “EMEP” means the Cooperative Programme for Monitoring and Evaluation of the Long-range Transmission of Air Pollutants in Europe;
8. “Costs of core activities” means the costs of the international coordination of health and ecosystem effect-related activities and integrated assessment modelling as required for activities under the Convention covered by the work-plan that is adopted by the Executive Body but excluding costs covered by the EMEP Protocol.

Article 2

Annual budget

An annual budget for the costs of core activities shall be adopted by the Executive Body by consensus in advance of the beginning of the financial year to which it applies and, at the same time, provisional budget totals shall be drawn up for each of the two succeeding financial years.

Article 3

Financing of coordination activities

The financing provided for under the present Protocol shall cover the costs specified in the budget that is adopted in accordance with article 2.

Article 4

Contributions

1. The costs of core activities shall be financed by mandatory contributions [, supplemented by voluntary contributions,] made in cash or in kind on an annual basis by all Parties [to the Convention]. Such contributions shall be used for meeting the annual costs of core activities. [The Executive Body shall decide upon the specific use of such contributions in kind.]
2. Voluntary contributions, including contributions in kind, may be made by any Party or Signatory to the Convention, as well as, subject to approval by the Executive Body on the recommendation of the Working Group on Effects or the EMEP Steering Body, by any other

country, organization or individual wishing to contribute to the costs of core activities. The Executive Body shall decide upon the use of such contributions.

3. All contributions in cash shall be deposited in the General Trust Fund account.

Article 5

Sharing of costs

1. The [mandatory] contributions referred to in article 4, paragraph 1, shall be made in accordance with the scale of contributions set out in annex II to the present Protocol.

2. The Executive Body shall consider the need to amend annex II:

- (a) If the annual budget for the costs of core activities adopted by the Executive Body increases to a level two and a half times that of the annual budget adopted for the year of entry into force of the present Protocol or for the year of the last amendment of annex II, whichever is later; or

- (b) If the Executive Body, on the recommendation of the Working Group on Effects or the Steering Body of EMEP, designates a new or terminates an existing international centre; or

- (c) If the membership of the Convention changes; or

- (d) Six years after the entry into force of the present Protocol, or six years after the last amendment to annex II, whichever is later.

Article 6

Annexes

The annexes to the present Protocol shall form an integral part of the Protocol.

Article 7

Amendments to the Protocol

1. Any Party, or the Executive Body acting in consequence of article 5, paragraph 2, may propose an amendment to the present Protocol.

2. The text of a proposed amendment shall be submitted in writing to the Executive Secretary of the Economic Commission for Europe, who shall communicate it to all Parties. The Executive

Body shall discuss the proposed amendment at its next annual meeting, provided that such proposal has been circulated by the Executive Secretary of the Economic Commission for Europe to the Parties at least ninety days in advance.

3. An amendment to the present Protocol, other than an amendment to its annexes, shall be adopted by consensus of the representatives of the Parties and shall enter into force for the Parties which have accepted it on the ninetieth day after the date on which two thirds of those Parties have deposited with the depositary their instruments of acceptance of the amendment. The amendment shall enter into force for any other Party on the ninetieth day after the date on which that Party deposits its instrument of acceptance of the amendment.

4. An amendment to the annexes to the present Protocol shall be adopted by consensus of the Parties present at a session of the Executive Body and shall become effective for all such Parties on the ninetieth day after the date on which the Executive Secretary of the Economic Commission for Europe notifies those Parties in writing of the adoption of the amendment.

Article 8

Compliance

Compliance by each Party with its obligations under the present Protocol shall be reviewed regularly. The Implementation Committee established by decision 1997/2 of the Executive Body at its fifteenth session shall carry out such reviews and report to the Parties at a session of the Executive Body in accordance with the terms of the annex to that decision, including any amendments thereto.

Article 9

Settlement of disputes

In the event of a dispute between any two or more Parties concerning the interpretation or application of the present Protocol, the Parties concerned shall seek a settlement of the dispute through negotiation or any other peaceful means of their own choice. The parties to the dispute shall inform the Executive Body of their dispute.

Article 10

Signature

The present Protocol shall be open for signature at the United Nations Office at Geneva from [...] until [...] inclusive, then at the Headquarters of the United Nations in New York until [...], by the member States of the Economic Commission for Europe as well as States having consultative status with the Economic Commission for Europe, pursuant to paragraph 8 of Economic and Social Council resolution 36 (IV) of 28 March 1947, and by regional economic integration organizations, constituted by sovereign States members of the Economic Commission for Europe, which have competence in respect of the negotiation, conclusion and application of international agreements in matters covered by the present Protocol, provided that the States and organizations concerned are Parties to the Convention.

Article 11

Ratification, acceptance, approval and accession

1. The present Protocol shall be subject to ratification, acceptance or approval by Signatories.
2. The present Protocol shall be open for accession as from [...] by the States and organizations referred to in article 10.
3. The instruments of ratification, acceptance, approval or accession shall be deposited with the Secretary-General of the United Nations, who will perform the functions of the depositary.

Article 12

Entry into force

1. The present Protocol shall enter into force on the ninetieth day following the date on which:
 - (a) Instruments of ratification, acceptance, approval or accession have been deposited by at least sixteen States and organizations referred to in article 10; [and
 - (b) The aggregate of the percentage rates specified in annex II for such States and organizations exceeds [40] per cent.]
2. For each State and organization referred to in article 10 which ratifies, accepts or approves the present Protocol or accedes thereto after the requirements for entry into force laid down in paragraph 1 above have been met, the Protocol shall enter into force on the ninetieth day after the date of deposit by such State or organization of its instrument of ratification, acceptance, approval or accession.

Article 13

Withdrawal

1. At any time after five years from the date on which the present Protocol has come into force with respect to a Party, that Party may withdraw from it by giving written notification to the depositary. Any such withdrawal shall take effect on the ninetieth day after the date of its receipt by the depositary.
2. Withdrawal shall not affect the financial obligations of the withdrawing Party until the date on which the withdrawal takes effect.

Article 14

Authentic texts

The original of the present Protocol, of which the English, French and Russian texts are equally authentic, shall be deposited with the Secretary-General of the United Nations.

In witness whereof the undersigned, being duly authorized thereto, have signed the present Protocol.

Done at Geneva, this [...] day of [...] two thousand and [...]

Annex I

DESIGNATED INTERNATIONAL CENTRES

Programme Coordination Centre for the International Cooperative Programme on Effects of Air Pollution on Natural Vegetation and Crops:

at the Centre for Ecology and Hydrology, Bangor, Wales, United Kingdom.

Programme Centre for the International Cooperative Programme on Integrated Monitoring of Air Pollution Effects on Ecosystems:

at the Finnish Environment Agency, Helsinki, Finland.

Programme Main Coordinating Centre for the International Cooperative Programme on Assessment and Monitoring of Air Pollution Effects on Forests:

at the Federal Research Centre for Forestry and Forest Products, Hamburg, Germany.

Programme Centre for the International Cooperative Programme on Assessment and Monitoring of Acidification of Rivers and Lakes:

at the Norwegian Institute for Water Research, Oslo, Norway.

Main Research Centre for the International Cooperative Programme on Effects of Air Pollution on Materials, including Historic and Cultural Monuments:

at the Swedish Corrosion Institute, Stockholm, Sweden.

Coordination Center for Effects for the International Cooperative Programme on Modelling and Mapping:

at the National Institute of Public Health and the Environment, Bilthoven, Netherlands.

Centre for Integrated Assessment Modelling for the Task Force on Integrated Assessment Modelling:

at the International Institute for Applied Systems Analysis, Laxenburg, Austria.

Annex II
SCALE OF CONTRIBUTIONS

[To be prepared. The following table is for information only:

Parties to the Convention	UN 2001 assessment rate (%)	"Calculated EMEP share" (%)
Armenia	0.002	0.005
Belarus	0.019	0.044
Bosnia and Herzegovina	0.004	0.009
Bulgaria	0.013	0.030
Canada	2.573	voluntary
Croatia	0.039	0.090
Cyprus	0.038	0.088
Czech Republic	0.189	0.437
Estonia	0.010	0.023
Georgia	0.005	0.012
Hungary	0.121	0.280
Iceland	0.033	0.076
Kazakhstan	0.029	0.067
Kyrgyzstan	0.001	0.002
Latvia	0.010	0.023
Liechtenstein	0.006	0.014
Lithuania	0.017	0.039
Malta	0.015	0.035
Monaco	0.004	0.009
Norway	0.650	1.503
Poland	0.353	0.817
Republic of Moldova	0.002	0.005
Romania	0.059	0.136
Russian Federation	1.200	2.776
Slovakia	0.043	0.099
Slovenia	0.081	0.187
Switzerland	1.274	2.947
The FYR of Macedonia	0.006	0.014
Turkey	0.443	1.025
Ukraine	0.053	0.123
United States	22.000	voluntary
Yugoslavia	0.020	0.046
Austria	0.952	2.202
Belgium	1.136	2.628
Denmark	0.753	1.742
Finland	0.525	1.214
France	6.503	15.042
Germany	9.825	[22.726]
Greece	0.542	1.254
Ireland	0.296	0.685
Italy	5.094	11.783
Luxembourg	0.080	0.185
Netherlands	1.748	4.043
Portugal	0.465	1.076
Spain	2.534	5.861
Sweden	1.033	2.389
United Kingdom	5.568	12.879
European Community		3.33