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Conference of the Parties to the Convention on the Transboundary Effects of Industrial Accidents

Tenth meeting

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Item 8 of the provisional agenda

Financing

Draft decision on fostering implementation of the sustainable financial mechanism under the Convention

Prepared by the Bureau of the Conference of the Parties

Summary

At its ninth meeting (Ljubljana, 28–30 November 2016), the Conference of the Parties to the Convention on the Transboundary Effects of Industrial Accidents requested the Bureau to keep under review the sustainable financial mechanism,¹ adopted by the Conference at its seventh meeting (Stockholm, 14–16 November 2012) (ECE/CP.TEIA/32, para. 92). The Bureau reviewed the mechanism at its thirty-seventh and thirty-eighth meetings and concluded that its implementation was insufficient as not all Parties were meeting their responsibility to secure the necessary resources to implement the workplans and to pledge or indicate, prior to the adoption of a biennial workplan, the level of their annual voluntary financial or in-kind contributions (paragraphs 12 and para. 24 (a)(i) of the sustainable financial mechanism, respectively). This has undermined the predictability and sustainability of financing for implementation of the workplan. The Bureau therefore agreed to prepare a draft decision designed to strengthen implementation of the mechanism and to support Parties' efforts to attract financial and in-kind contributions for implementation of the workplan.

The draft decision contained in the present document, prepared by the Bureau with the support of the secretariat, seeks not to duplicate the provisions of the Convention's sustainable financial mechanism but to set out actions to foster its implementation. The Conference of the Parties is invited to consider and adopt it.

¹ The sustainable financial mechanism is contained in annex 1 to the report of the Conference of the Parties on its seventh meeting (ECE/CP.TEIA/24).



The Conference of the Parties,

Recalling the sustainable financial mechanism adopted at its seventh meeting (ECE/CP.TEIA/24, annex I), paragraph 12 of which establishes that the primary responsibility for securing the necessary resources to implement the Convention's workplan lies with the Parties,

In light of the Bureau's review of implementation of the sustainable financial mechanism, at the request of the Conference of the Parties, at its ninth meeting (Ljubljana, 28–30 November 2016),

Seeking to recall elements of the sustainable financial mechanism and to identify actions designed to strengthen its implementation and to support Parties' efforts to attract financial and in-kind contributions for implementation of the Convention's biennial workplans,

Acknowledging with great appreciation the financial and in-kind contributions made by some Parties in order to support implementation of the Convention's previous workplans,

Recognizing that both core activities — including activities to implement the long-term strategy for the Convention until 2030 — and non-core activities — including the Convention's Assistance and Cooperation Programme² and other assistance activities³ — under the Convention's workplan are financed primarily through extrabudgetary resources,

Noting that during previous intersessional periods, the financial burden has not been evenly distributed with only a few Parties making financial and/or in-kind contributions and others contributing not at all or at a level below their economic strength,

Believing that the financing of activities should be distributed among all Parties and as many signatories and non-Parties as possible,

² As stipulated in the draft long-term strategy for the Convention until 2030 (ECE/CP.TEIA/2018/5), the Assistance Programme will be renamed the Assistance and Cooperation Programme.

³ The biennial workplans of the Convention are structured as follows:
Section I. Core activities, including activities to implement the Long-term Strategy for the Convention (other than assistance activities); Section II. Non-core activities, including assistance activities to support countries in the Caucasus, Central Asia and Eastern and South-Eastern Europe. At its thirty-first meeting (3–4 December 2015), the Bureau established the following differentiation between core and non-core services of the secretariat (CP.TEIA/2015/B.3/Minutes, para. 52):

(a) Core services:

- (i) General programme management, including of human and financial issues;
- (ii) Convening and preparing meetings of the Parties, including servicing of meetings of the Bureau and the subsidiary bodies and substantive input to meetings;
- (iii) Preparation of documents and other deliverables, also including the facilitation of participation (travel, subsistence, etc.);
- (iv) Information, liaison and communication, including with Parties, member States, other UNECE MEAs and committees and relevant international organizations;
- (v) Facilitation of implementation (through implementation guidance, coordination, partnerships, sharing good practice);

(b) Non-core services:

- (i) Capacity development on the ground and technical assistance;
- (ii) Reporting to donors providing funding for assistance activities;
- (iii) Support to the industrial accidents notification system;
- (iv) Awareness-raising in and outreach to other regions;
- (v) Other functions determined by Parties.

Aware of the need to secure funding for the engagement of secretariat staff as a prerequisite for the planning and delivery of activities,

Aware also of the need to facilitate the participation of countries with economies in transition in activities under the Convention in the Economic Commission for Europe (ECE) region, and possibly that of developing and least-developed countries beyond the region that might otherwise be unable to participate,

Decides to enhance its efforts to ensure that the sustainable financial mechanism is implemented and that the Parties provide sufficient extrabudgetary resources to implement the biennial workplans adopted by the Conferences of the Parties and, in that regard:

(a) *Urges* all Parties to contribute to the sustainable funding of activities and to share the financial burden equitably and proportionately;

(b) *Encourages* the Parties to consider making predictable, and preferably multi-year, sustainable funding pledges prior to the adoption of the biennial workplans, at or in advance of the meetings of the Conference of the Parties, in accordance with the sustainable financial mechanism;

(c) *Encourages* Parties that have previously made financial or in-kind⁴ contributions to the Industrial Accidents Convention to continue to do so and to consider increasing them, particularly where the contributions made are at a level below the economic strength of the Party concerned⁵;

(d) *Strongly urges* Parties that have not yet made any financial or in-kind contributions for implementation of the Industrial Accidents Convention to do so;

(e) *Recommends* that not only the Parties' competent authorities, but other relevant authorities, including ministries of foreign affairs and development cooperation agencies, consider making financial contributions for implementation of the Convention⁶;

(f) *Invites* ECE member countries, the European Commission, international organizations and industry to provide their support and encourages the Parties to assist in exploring possibilities for involving different groups of stakeholders and in establishing long-term partnerships with international organizations and programmes, particularly where Parties are able to influence decision-making by these stakeholders,

Requests that Parties and other stakeholders make their contributions to the ECE Local Technical Cooperation Trust Fund under the Convention as early as possible in their budget year and that, to the extent possible, contributions for a given calendar year be made by the end of the preceding year in order to provide greater certainty for future financial and project management,

⁴ In-kind contributions may include the hosting of meetings; organization of meals; financing of travel and accommodation in order to facilitate the participation of countries from Eastern and South-Eastern Europe, the Caucasus and Central Asia; layout and (re)printing of publications; provision of expertise at seminars and workshops; and planning and leadership of in-kind assistance activities under the Convention's workplan.

⁵ According to the Sustainable Financial Mechanism, "All Parties are encouraged to provide resources for the implementation of the workplan activities and they are invited to consider contributions that reflect their economic strength, or higher. [...] Should Parties request advice as to the amount of financial contributions or the nature of possible in-kind contributions, the secretariat will provide such advice" (ECE/CP.TEIA/24, annex I, paras. 14 and 19, respectively).

⁶ Ministries of foreign affairs and development cooperation agencies may be able to provide funding for capacity development under the Convention's Assistance and Cooperation Programme in countries eligible for official development assistance (ODA). The list of eligible countries may be consulted on the website of the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee at <http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/dacelist.htm>.

Recommends that, where this is not an option, contributions be made during the first quarter of the calendar year in order to ensure the coverage of staff costs with a view to the smooth functioning of the secretariat, as a priority, and to the timely and effective implementation of priority activities under the respective workplan,

Encourages the Parties, when deciding on financial contributions, to bear in mind that each payment carries an administrative transaction cost and, to the extent possible, to consider making larger contributions, e.g. by grouping payments or increasing their amount,

Requests the secretariat to use extrabudgetary funding as a priority in order to ensure proper staffing as an essential prerequisite for the implementation of workplan activities and the delivery of both core and non-core activities,

Requests Parties and other ECE member States that host meetings under the Convention, including meetings of its intergovernmental bodies and expert groups, to consider covering not only the costs of hosting the meeting, but those arising from its servicing by the secretariat⁷,

Invites the Parties to provide dedicated financing to support the participation of representatives of countries with economies in transition and of developing and least developed countries that have expressed an interest in the Convention's activities, whether intergovernmental or assistance-related⁸,

Also decides that, subject to the availability of funding for this purpose and in accordance with the budget adopted by the Conference of the Parties, the secretariat shall examine requests for financial assistance from eligible countries, giving priority — in descending order — to Parties; non-Parties in the ECE region; and representatives of developing and least developed countries beyond that region.

⁷ I.e., the costs of travel, accommodation and subsistence of secretariat staff in accordance with the applicable United Nations rules and regulations.

⁸ The decision on guiding principles for financial assistance, adopted at every meeting of the Conference of the Parties, establishes for each biennium the countries eligible, depending on the availability of funds, to receive financial assistance to support the participation of their experts and representatives in activities organized within the framework of the Convention (see ECE/CP.TEIA/2018/8).