



**United Nations
Environment Programme**



UNEP



**Food and Agriculture
Organization of the United
Nations**

Distr.
GENERAL

UNEP/FAO/PIC/INC.6/3
27 May 1999

ORIGINAL: ENGLISH

INTERGOVERNMENTAL NEGOTIATING COMMITTEE FOR AN
INTERNATIONAL LEGALLY BINDING INSTRUMENT FOR
THE APPLICATION OF THE PRIOR INFORMED CONSENT
PROCEDURE FOR CERTAIN HAZARDOUS CHEMICALS AND
PESTICIDES IN INTERNATIONAL TRADE

Sixth session

Rome, 12-16 July 1999

Item 3 of the provisional agenda*

ACTIVITIES OF THE SECRETARIAT IN THE INTERIM PERIOD AND
REVIEW OF THE SITUATION AS REGARDS THE TRUST FUND

Note by the Secretariat

CONTENTS

<u>Chapter</u>	<u>Paragraphs</u>	<u>Page</u>
INTRODUCTION	1-3	3
I. ACTIVITIES OF THE SECRETARIAT IN THE INTERIM PERIOD	4-44	3
A. Operation of the interim PIC procedure	8-14	4
B. Support for the Intergovernmental Negotiating Committee	15-21	5
C. Support for the Interim Chemical Review Committee	22-26	7
D. Facilitation of implementation and ratification	27-32	8

* UNEP/FAO/PIC/INC.6/1/Rev.1.

E.	Relationship with other conventions and organizations	33-35	9
F.	Administrative matters	36-40	9
G.	Secretariat staffing	41-43	10
H.	Summary of financial requirements . . .	44	11
II.	TRUST FUND	45-50	12
A.	Status of pledges and contributions . .	45	12
B.	Status of expenditures and obligations	46	12
C.	Replenishment of the trust fund	47-50	12

Annexes

I.	1999 SECRETARIAT STAFFING SITUATION AS OF MAY 1999		14
II.	TOTAL CONTRIBUTIONS TO THE TRUST FUND AS OF APRIL 1999 . .		15

INTRODUCTION

1. The purpose of the present note is to provide information on activities of the Secretariat during the interim period, together with preliminary cost estimates and information relevant to the operation of the trust fund established by the United Nations Environment Programme (UNEP) to support the interim arrangements and the operation of the Conference of the Parties until the end of the fiscal year in which the first meeting of the Conference of the Parties takes place. It is closely linked to, and should be read in conjunction with, the note by the Secretariat on the work programme for the interim period (UNEP/FAO/PIC/INC.6/2), which is also before the Committee at its sixth session.

2. The Committee may wish to take note of the information presented and:

(a) Make recommendations on the activities of the Secretariat and the proposed allocation of funds; and

(b) Decide on the mobilization of extrabudgetary funds during the interim period.

3. The note comprises two chapters. The first presents a short report and outlines activities that may be undertaken by the Secretariat during the interim period under the guidance of the Committee, together with a financial estimate of such activities. The second presents the current status of the trust fund and considers the need for the mobilization of extrabudgetary funds during the interim period.

I. ACTIVITIES OF THE SECRETARIAT IN THE INTERIM PERIOD

4. The present chapter reports on activities of the Secretariat and seeks the Committee's guidance on future activities during the interim period and the consequent requirements with respect to staffing and the budget.

5. Consistent with the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade and the resolution on interim arrangements adopted by the Conference of Plenipotentiaries (UNEP/FAO/PIC/CONF/5, annex I, resolution 1), the Secretariat established jointly by UNEP and the Food and Agriculture Organization of the United Nations (FAO) will continue to serve as the Secretariat of the Convention during the interim period, as well as after the Convention has entered into force.

6. During the interim period, the Secretariat will continue its work in support of the Intergovernmental Negotiating Committee. In addition, the Secretariat will service the operation of the interim Prior Informed Consent (PIC) procedure, as described in the above-mentioned resolution on interim arrangements, including the definition of PIC regions and the establishment and servicing of an Interim Chemical Review Committee.

/...

7. At this early stage in the interim period, the proposals depend on the guidance of the Committee and on the resources made available by UNEP and FAO, and through the trust fund. They are expected to be adjusted in the light of the Committee's recommendations.

A. Operation of the interim PIC procedure

8. In the resolution on interim arrangements, the Conference of Plenipotentiaries decided that the voluntary PIC procedure would be changed to bring it into line with the procedure established by the Convention. The original PIC procedure with these changes is hereinafter referred to as the "interim PIC procedure". Thus, the activities of the Secretariat in support of the implementation of the interim PIC procedure are expected to be as defined in the relevant articles of the Convention, and based upon the guidance of the Intergovernmental Negotiating Committee.

9. Secretariat work in support of the operation of the interim PIC procedure involves the following procedures:

(a) Compiling and circulating current information on nominations of designated national authorities;

(b) Circulating decision guidance documents and revised decision guidance documents;

(c) Receiving, verifying, compiling and circulating to all States notifications of final regulatory action, proposals for acutely hazardous pesticide formulations and importing country responses submitted by States;

(d) Addressing States with a written request to provide an importing country response, should they not have done so within the specified time period; and

(e) Helping States, where appropriate, to provide an importing country response, should the State be unable to provide a response within the specified time period.

10. The resolution also invited the Intergovernmental Negotiating Committee to establish an Interim Chemical Review Committee and to develop interim PIC regions. Furthermore, the resolution decided on mechanisms for the inclusion of chemicals in the interim PIC procedure. The Secretariat has prepared separate notes on these matters to support the Committee in its deliberations.

11. A State Circular letter from the Director-General of FAO and the Executive Director of UNEP was sent to all States in November 1998. The letter informed States about the adoption of the Rotterdam Convention, urged them to sign and ratify the Convention as soon as possible, and notified them that the PIC procedure had been changed with effect from 11 September 1998. The letter also called on States to submit notifications of regulatory actions and proposals concerning severely hazardous pesticide formulations and informed them that nominations of Designated National Authorities would remain in effect under the interim PIC procedure unless and until the State concerned had notified the Secretariat otherwise. Finally, the letter

/...

appealed to States to make financial contributions to the trust fund and to provide technical assistance.

12. In January 1999, the Secretariat sent a letter to all Designated National Authorities, informing them of the adoption of the Rotterdam Convention and the resolution on interim arrangements.

13. A follow-up letter was sent out to all Designated National Authorities in June 1999 regarding the start-up of the new, interim PIC procedure. In the letter, with reference to paragraphs 9, 10 and 11 of the resolution on interim arrangements, Designated National Authorities were:

(a) Requested to review any importing country responses submitted previously under the original PIC procedure for correctness and completeness and to submit importing country responses for any chemical listed in Annex III, if such responses had not yet been submitted. A new form for the purpose of submitting importing country responses (in accordance with article 10) was included in the letter; and

(b) Requested to review any notification of control actions submitted previously under the original PIC procedure for correctness and completeness and to submit new notifications of final regulatory actions to ban or severely restrict a chemical for each action in effect at that time, if such notifications had not been submitted previously. A new form for the purpose of submitting notifications (in accordance with Article 5 and Annex I) was included in the letter.

14. In the same letter, the Designated National Authorities were informed that a synopsis of all notifications of control actions submitted previously by countries under the original PIC procedure would be communicated to all countries in accordance with Article 5, paragraph 4, of the Convention at a later stage and were invited to consider submitting proposals concerning severely hazardous pesticide formulations in accordance with Article 6 of the Convention. A new form for the purpose of submitting notifications (in accordance with Article 5 and Annex I of the Convention) was included in the letter.

B. Support for the Intergovernmental Negotiating Committee during the interim period

15. In its resolution on interim arrangements, the Conference of Plenipotentiaries invited the Executive Director of UNEP and the Director-General of FAO to convene such further sessions of the Intergovernmental Negotiating Committee during the interim period as were necessary to oversee the operation of the interim PIC procedure and to prepare for and service the Conference of the Parties until the end of the fiscal year in which the first meeting of the Conference of the Parties took place.

16. At its twentieth session, in its decision 20/22 of 4 February 1999, the UNEP Governing Council welcomed the adoption of the Rotterdam Convention and authorized the Executive Director of UNEP to convene, together with the Director-General of FAO, further sessions of the Intergovernmental Negotiating Committee.

/...

17. In planning for its work during the interim period, the Secretariat envisages one session of the Intergovernmental Negotiating Committee each year in the interim period, alternating between Rome and Geneva, with the seventh session tentatively planned to take place in Geneva, in May 2000, subject to the availability of funds.

18. The main tasks of the Intergovernmental Negotiating Committee during the interim period include overseeing the operation of the interim PIC procedure and preparing for the first meeting of the Conference of the Parties. This issue is addressed in greater detail in the note on the work programme of the Intergovernmental Negotiating Committee during the interim period (UNEP/FAO/PIC/INC.6/2).

19. Secretariat work in support of the Committee involves planning for and servicing its sessions, preparing analytical documents to assist discussions on the various agenda items and preparing draft texts as requested by the Committee. This work involves not only the two organizations providing the Secretariat (UNEP and FAO), but also other United Nations programmes and international organizations.

20. The following table presents a preliminary estimate of the costs directly related to convening one 5-day session of the Intergovernmental Negotiating Committee in Rome or Geneva:

Table 1

COST ESTIMATE FOR ONE FIVE-DAY SESSION OF THE INTERGOVERNMENTAL NEGOTIATING COMMITTEE IN ROME OR GENEVA AND ONE BUREAU MEETING	
Conference-servicing, including preparation of meeting documents, translation, reproduction and dispatch, interpretation (six languages, five days, two sessions a day and reporting.	\$483,000
Travel support to 50 participants from developing countries and countries with economies in transition	\$175,000
Bureau meeting	\$20,000
TOTAL	\$678,000

Note. The figures in this and all subsequent estimates include standard United Nations administrative costs.

21. The figures in table 1 are identical to figures presented to the Intergovernmental Negotiating Committee at its fourth session in the background document UNEP/FAO/PIC/INC.4/INF/1. By fully utilizing the facilities in Rome and Geneva, conference-servicing costs might be reduced by approximately \$75,000-\$100,000, thereby freeing up funds that might be used to support further participation from developing countries.

C. Support for the Interim Chemical Review Committee

22. In its resolution on interim arrangements, the Conference of Plenipotentiaries invited the Intergovernmental Negotiating Committee to establish an interim subsidiary body to discharge the functions entrusted to the Chemical Review Committee established under the Convention.

23. The main responsibilities entrusted by the Convention to the Chemical Review Committee are:

(a) To review notifications of final regulatory action and to make recommendations on the inclusion of chemicals;

(b) To review proposals for the inclusion of severely hazardous pesticide formulations and to make recommendations on their inclusion;

(c) To prepare draft decision guidance documents; and

(d) To review new information on listed chemicals and to make recommendations on their removal.

24. In planning for its work, the Secretariat envisages one meeting of the Interim Chemical Review Committee each year in the interim period, alternating between Rome and Geneva, with the first meeting tentatively planned to take place in November/December 1999, subject to the availability of funds.

25. Secretariat work in support of the meetings of the Interim Chemical Review Committee involves planning for and servicing the meetings, preparing analytical documents to assist discussions on the various agenda items, and preparing draft decision guidance documents.

26. Table 2 presents a preliminary estimate of the costs directly related to convening a five-day meeting of the Interim Chemical Review Committee in Rome or Geneva. This estimate is also identical to that presented at the fourth session of the Intergovernmental Negotiating Committee. As the Interim Chemical Review Committee has not yet been established by the Intergovernmental Negotiating Committee and its composition and terms of reference are unknown, the estimate may change accordingly.

Table 2

COST ESTIMATE FOR ONE FIVE-DAY MEETING OF THE INTERIM CHEMICAL REVIEW COMMITTEE IN ROME OR GENEVA	
Conference-servicing, including preparation of meeting documents, translation, reproduction and dispatch, interpretation (three languages) and reporting	\$89,000
Travel support to 10 participants from developing countries and countries with economies in transition	\$35,000
TOTAL	\$124,000

/...

D. Facilitation of implementation and ratification

27. During the Conference of Plenipotentiaries, the group of African countries and several other delegations expressed their concern about the technical and financial assistance necessary for the implementation of the Convention, as well as technical and financial assistance during the interim period, and it was suggested that the next meetings of the Intergovernmental Negotiating Committee could address those questions. In his statement, the President expressed the view that those issues might be more appropriately dealt with by the Intergovernmental Negotiating Committee prior to the entry into force of the Convention and by the Conference of the Parties after the entry into force of the Convention. Some delegates indicated that they would be willing to make financial contributions for the operation of the Secretariat and towards providing technical assistance to promote sustainable chemicals management in the interim period.

28. In its Article 15, the Convention contains an obligation to take appropriate measures to ensure effective implementation of the Convention, while Article 16 states that Parties shall cooperate in promoting the technical assistance necessary for the implementation of the Convention. Article 19 provides that one of the functions of the Secretariat is to facilitate assistance to the Parties in the implementation of the Convention.

29. From 8 to 11 December 1998, the Secretariat convened a regional workshop in Bangkok, hosted by the FAO Regional Office for Asia and the Pacific. The main objectives of the workshop were to help the Designated National Authorities to understand their role and responsibilities in implementing the Convention, thereby helping countries to implement the Convention in an effective way, and to promote the signature and ratification of the Convention. It also served to assist the overall programme through feedback to the Secretariat and to the Intergovernmental Negotiating Committee. The workshop was attended by 28 Designated National Authorities from the region. The Intergovernmental Negotiating Committee may wish to provide guidance to the Secretariat regarding future workshops.

30. The Secretariat has had the text of the Convention printed and distributed, and is planning to produce and distribute additional information material for key stakeholders. Such material could include an introductory guide to the Convention, fact-sheets covering major aspects of the Convention and a newsletter to keep key audiences up-to-date about the activities under the Convention. Finally, the Secretariat gives high priority to other activities related to promoting the signature and ratification of the Convention.

31. Based on the good experience and positive feedback regarding the specialized UNEP and FAO websites that were in operation in recent years under the voluntary PIC procedure and that proved very useful during the negotiations of the Convention, the Secretariat has established an integrated website for the Convention. This will facilitate the dissemination of information in a rapid and cost-effective manner and provide global access to up-to-date information about the Convention. As usual, meeting documents and reports will be made available when they are released. The website may be found at <www.pic.int>.

32. Table 3 gives a preliminary estimate of the costs directly related to the facilitation of implementation and ratification.

Table 3

FACILITATION OF IMPLEMENTATION AND RATIFICATION	
Regional workshops (seven workshops at \$90,000 each)	\$630,000
Printing and distribution of information material	\$35,000
Design and implementation of the website	\$18,000
TOTAL	\$683,000

E. Relationship with other conventions and organizations

33. One of the functions of the Secretariat, as defined in article 19 of the Convention, is to ensure the necessary coordination with the secretariats of other relevant international bodies.

34. Cooperation and coordination with multilateral organizations will be important in carrying out Secretariat responsibilities during the interim period and in supporting sessions of the Intergovernmental Negotiating Committee. In addition, the Secretariat will benefit greatly from the experience of other conventions, and joint projects could be initiated to avoid duplication and increase effectiveness.

35. In May 1999, the Secretariat sent letters to counterpart secretariats in relevant conventions and international bodies, informing them about the adoption of the Rotterdam Convention and about the Convention itself.

F. Administrative matters

36. UNEP and FAO are jointly providing the Secretariat functions for the Convention during the interim period, mainly by operating the interim PIC procedure and by servicing the Intergovernmental Negotiating Committee and its subsidiary bodies. This cooperation is based on the model that was developed and worked so successfully during the operation of the voluntary PIC procedure and the negotiations of the Rotterdam Convention. The UNEP part of the Secretariat is located in Geneva and the FAO part is located in Rome.

37. The trust fund that was established by the Executive Director of UNEP for the negotiation process will continue to function in order to support the interim arrangements and the initial operation of the Conference of the Parties, and to support the participation of developing countries and countries with economies in transition in the further work of the Intergovernmental Negotiating Committee.

38. In order to facilitate the operation of the Secretariat at two separate locations, the Secretariat is developing office routines that are based on the concept of a "paperless office", by fully utilizing the possibilities of modern office technology in order to maximize efficiency and at the same to keep Secretariat staff at a minimum level.

39. The Secretariat is also in the process of updating the database created under the voluntary PIC procedure to meet the new requirements of the interim PIC procedure and the Convention.

40. Table 4 gives a preliminary estimate of the costs directly related to office automation and the establishment of the necessary databases.

Table 4

OFFICE AUTOMATION AND DATABASES	
Analysis of information flow and requirements	\$22,600
Document management and archiving system	\$59,000
Database redesign and implementation	\$50,850
TOTAL	\$132,450

G. Core Secretariat costs

41. The staffing situation of the Secretariat, as of May 1999, is shown in annex I to the present note. It shows that, thanks to the current location of the Secretariat within FAO and UNEP, it is possible to combine the function of Executive Secretary with other responsibilities within UNEP and FAO, thereby reducing the costs to the Convention.

42. The annual core Secretariat costs, including travel on official business, supplies communications and material, are estimated at \$989,000. This amount corresponds with the estimate provided in the background paper on transitional and interim arrangements (UNEP/FAO/PIC/INC.4/INF/1) that was presented to the Intergovernmental Negotiating Committee at its fourth session, and includes the annual contributions by UNEP and FAO amounting to \$140,000 from each organization. Furthermore, the legal offices of UNEP and FAO continue to provide legal support for required actions.

43. Table 5 summarizes presents a summary of the core Secretariat costs.

Table 5

CORE SECRETARIAT COSTS	
Staff costs	\$765,000
Consultants	\$65,000
Travel on official business	\$75,000
General operating expenditures (supplies, materials, communications, etc.)	\$84,000
TOTAL	\$989,000

H. Summary of financial requirements

44. The estimated financial requirements for 1999 by sector of activity are set out in table 6.

Table 6

SUMMARY OF FINANCIAL REQUIREMENTS FOR 1999			
	Original estimate <u>a/</u>	Additional costs	TOTAL
Table 1: One session of the Intergovernmental Negotiating Committee in Rome or Geneva	\$678,000		\$678,000
Table 2: One meeting of the Interim Chemical Review Committee in Rome or Geneva	\$124,000		\$124,000
Table 3: <u>b/</u> Facilitation of implementation and ratification		\$683,000	\$683,000
Table 4: Office automation and databases		\$132,450	\$132,450
Table 5: Core Secretariat costs	\$989,000		\$989,000
TOTAL	\$1,791,000	\$815,450	\$2,606,450

a/ The original estimate is found in the paper on interim and transitional arrangements that was presented to the Intergovernmental Negotiating Committee at its fourth session (UNEP/FAO/PIC/INC.4/INF/1).

b/ The distribution of the workshops and the funding needed in 1999 and 2000 depends on the guidance provided by the Committee.

/...

II. TRUST FUND

A. Status of pledges and contributions

45. A compilation of pledges and contributions to the trust fund, as of April 1999, is shown in annex II to the present note. In addition, Switzerland has made a counterpart contribution of \$100,000.

B. Status of expenditures and commitments

46. As of April 1999, total expenditures and commitments from the trust fund since its establishment in 1995 amounted to \$3,197,506. The expenditures and commitments made in support of the Intergovernmental Negotiating Committee and the Secretariat were as set forth in table 7.

Table 7

STATUS OF EXPENDITURES AND OBLIGATIONS	
Core Secretariat costs <u>a/</u> (Staff cost, consultants, general operating expenditures, travel on official business, communications, etc.)	\$907,744
Conference services for (six) sessions of the Intergovernmental Negotiating Committee and the Conference of Plenipotentiaries	\$1,305,760
Travel of participants to above meetings	\$984,002
TOTAL	\$3,197,506

a/ In addition, the Government of Denmark has, since 1995, seconded a Senior Officer to the Secretariat through a special trust fund. As of April 1999, this support amounted to approximately \$550,000.

C. Replenishment of the trust fund

47. The Conference of Plenipotentiaries, in its resolution on interim arrangements, considered that interim arrangements were necessary to implement the PIC procedure and called upon States and regional economic integration organizations to make financial contributions to support the interim arrangements and the participation of developing countries and countries with economies in transition.

48. Table 8 shows the estimated financial requirements for 1999 and 2000 and the allocation of financial resources available at present.

/...

Table 8

THE FINANCIAL SITUATION FOR 1999 AND 2000 (AS OF MAY 1999)				
	1999		2000	
	Estimated costs	Allocated amount	Estimated costs	Allocated amount
Table 1: One session of the Intergovernmental Negotiating Committee in Rome or Geneva	\$678,000	\$540,140	\$678,000	\$0
Table 2: One meeting of the Interim Chemical Review Committee in Rome or Geneva	\$124,000	\$0	\$124,000	\$0
Table 3: Facilitation of implementation and ratification <u>a/</u>	\$0	\$0	\$683,000	\$0
Table 4: Office automation and databases	\$132,450	\$67,800	\$0	\$0
Table 5: Core Secretariat costs <u>b/</u>	\$989,000	\$601,995	\$989,000	\$280,000
TOTAL	\$1,923,450	\$1,209,935	\$2,474,000	\$280,000

a/ The distribution of the workshops and other activities, and hence the funding needed in 1999 and 2000, depends on the guidance provided by the Intergovernmental Negotiating Committee.

b/ Core Secretariat costs include the contributions by UNEP and FAO to the operation of the Secretariat.

49. After convening the sixth session of the Intergovernmental Negotiating Committee, the trust fund is virtually exhausted, and both UNEP and FAO have covered expenditures beyond the contribution foreseen in the estimate presented in the paper on interim and transitional arrangements (UNEP/FAO/PIC/INC.4/INF/1). Urgent action is therefore needed in order to replenish the trust fund.

50. The Intergovernmental Negotiating Committee may wish to consider urgently matters related to the mobilization of extrabudgetary funds during the interim period and make recommendations thereon.

/...

Annex I

1999 SECRETARIAT STAFFING SITUATION AS OF MAY 1999

	Level	Organization	Work months	Current source of funding
Joint Executive Secretary	D-1	UNEP	3	UNEP
Joint Executive Secretary	D-1	FAO	3	FAO
Senior Environmental Affairs Officer	L-5	UNEP	12	Trust fund
Senior Officer	P-5	FAO	2	FAO
Senior Scientific Affairs Officer	P-5	FAO	8	Trust fund
Scientific Affairs Officer	P-4	UNEP	12	UNEP
Scientific Affairs Officer	P-3	FAO	12	FAO
Legal Assistant	G-5	UNEP	9	UNEP
Secretary	G-4	UNEP	12	Unfunded
Secretary	G-4	FAO	8	Trust fund

Annex II

TOTAL CONTRIBUTIONS TO THE TRUST FUND AS OF APRIL 1999

(All figures unless otherwise noted are in US dollars)

	PLEDGES	CONTRIBUTIONS	RECEIVED
Belgium		140,686	January 1996
Belgium		31,840	June 1996
Denmark		50,000	March 1996
European Community <u>a/</u>		55,418	June 1996
"		55,418	June 1996
"	ECU 755,858	655,963	February 1998
Netherlands	2,200,000 guilders	474,951	July 1998
"		181,347	January 1999
Norway		56,500	August 1997
Sweden		20,000	July 1996
Switzerland		24,197	August 1996
"		200,000	December 1996
"		36,435	January 1997
"		113,500	September 1997
"		19,728	January 1998
"		66,988	June 1998
"		72,806	December 1998
United States of America		900,000	August 1997
"		100,000	June 1998
TOTAL		\$3,255,777	

a/ Of the two contributions of \$55,418, an amount of approximately \$46,000 may have to be paid back to the European Community.
