Progress towards development of a memorandum of understanding between the Conference of the Parties and the Council of the Global Environment Facility

Note by the Secretariat

1. In paragraph 5 of its article 13, the Minamata Convention on Mercury defines a mechanism for the provision of adequate, predictable and timely financial resources. The mechanism is to support developing country parties and parties with economies in transition in implementing their obligations under the Convention. Paragraph 6 of article 13 provides that the mechanism shall include the Global Environment Facility trust fund and a specific international programme to support capacity-building and technical assistance. Paragraph 7 of the article describes the support to be provided by the Global Environment Facility (GEF), providing that GEF shall provide new, predictable, adequate and timely financial resources to meet costs in support of the implementation of the Convention as agreed by the Conference of the Parties. Furthermore, paragraph 8 of article 13 indicates that in providing resources, GEF should take into account the potential mercury reductions of a proposed activity relative to its costs.

2. The development of guidance to be provided by the Conference of the Parties to GEF is discussed in document UNEP(DTIE)/Hg/INC.6/21, while the operation of the financial mechanism, with regard in particular to the specific international programme, is discussed in document UNEP(DTIE)/Hg/INC.6/20.

3. Paragraph 10 of article 13 indicates that, at the first meeting of the Conference of the Parties, the Conference of the Parties and the entities comprising the mechanism shall agree upon arrangements to give effect to the operation of the financial mechanism.

4. In paragraph 2 of its resolution on financial arrangements (UNEP(DTIE)/Hg/CONF/4, annex I), the Conference of Plenipotentiaries decided that the intergovernmental negotiating committee should develop, for consideration by the Conference of the Parties at its first meeting, a draft memorandum of understanding to be agreed between the GEF Council and the Conference of the Parties on arrangements to give effect to the relevant provisions of paragraphs 5 to 8 of article 13.

* UNEP(DTIE)/Hg/INC.6/1.
5. In support of the resolution, the interim secretariat of the Minamata Convention has met with the GEF secretariat on a number of occasions to discuss the elements to be included in a draft memorandum of understanding and to review existing memorandums of understanding that have been agreed upon between the GEF Council and the conferences of the parties to various multilateral environmental agreements. Examples of such memorandums are provided in document UNEP(DTIE)/Hg/INC.6/INF/8.

6. The interim secretariat of the Minamata Convention has also had discussions with the secretariat of the Stockholm Convention on Persistent Organic Pollutants, which has developed a memorandum of understanding. That memorandum is included as one of the examples presented in document UNEP(DTIE)/Hg/INC.6/INF/8.

7. While there are variations in the content of the memorandums currently in existence between GEF and the conferences of the parties to other multilateral environmental agreements, the articles in those agreements cover more or less the same range of issues, namely:

(a) Definitions;
(b) Purpose;
(c) Guidance from the conference of the parties;
(d) Conformity with guidance from the conference of the parties;
(e) Reporting;
(f) Monitoring and evaluation;
(g) Determination of funding requirements;
(h) Reconsideration of funding decisions;
(i) Cooperation between secretariats;
(j) Reciprocal representation;
(k) Amendments;
(l) Interpretation;
(m) Entry into effect;
(n) Withdrawal.

8. The purpose of a memorandum of understanding between GEF and the Conference of the Parties of the Minamata Convention is to give effect to the respective roles and responsibilities of the Conference of the Parties and the GEF Council, clearly defining them with a view to specifying the arrangements for activities under article 13 of the Convention.

9. The GEF Council has recommended amendments to the Instrument for the Establishment of the Restructured Global Environment Facility, one of which is the inclusion of the Minamata Convention on Mercury in the list of multilateral environmental agreements that are eligible for GEF funding. The amendments, which were approved by the GEF Assembly in May 2014, mark the first step towards formal arrangements to be adopted at the first meeting of the Conference of the Parties.

10. The committee may wish to request that the secretariat continue to work, together with the GEF secretariat, on the development of a draft memorandum of understanding between the GEF Council and the Conference of the Parties, building on previous experience with other instruments, in particular the memorandum of understanding for the Stockholm Convention, and present a draft memorandum of understanding to the committee for consideration at its seventh session.