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**United Nations
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**Conference of the Parties to the
Minamata Convention on Mercury
Third meeting**

Geneva, 25–29 November 2019

Item 5 (e) (ii) of the provisional agenda**

**Matters for consideration or action by the
Conference of the Parties: financial mechanism:
Specific International Programme to Support
Capacity-Building and Technical Assistance**

**Overall report on the Specific International Programme to
Support Capacity-Building and Technical Assistance**

Note by the secretariat

I. Introduction

1. In paragraph 5 of article 13, on financial resources and the financial mechanism, the Minamata Convention on Mercury defines a mechanism for the provision of adequate, predictable and timely financial resources to support developing-country parties and parties with economies in transition in implementing their obligations under the Convention. According to the Convention, the mechanism should include the Global Environment Facility Trust Fund and a specific international programme to support capacity-building and technical assistance. The present note sets out the overall report on the second entity of the financial mechanism,¹ namely the Specific International Programme to Support Capacity-Building and Technical Assistance.

2. In decision MC-1/6, on the Specific International Programme, the Conference of the Parties to the Minamata Convention decided that the hosting institution referred to in paragraph 9 of article 13 of the Convention² was to be provided by the United Nations Environment Programme and approved the necessary hosting arrangements, as well as the guidance on the operations and duration of the Specific International Programme and terms of reference of the Programme as set out in the annexes to the decision. The Conference of the Parties also requested the Executive Director of the United Nations Environment Programme to establish a trust fund for the Specific International Programme and to implement the governance arrangements set out in the annexes to the decision.

* Reissued for technical reasons on 1 November 2019.

** UNEP/MC/COP.3/1.

¹ UNEP/MC/COP.3/9 outlines matters relating to the first entity of the financial mechanism, namely the Global Environment Facility Trust Fund.

² Article 13, paragraph 9 reads: “For the purposes of this Convention, the Programme referred to in paragraph 6 (b) will be operated under the guidance of and be accountable to the Conference of the Parties. The Conference of the Parties shall, at its first meeting, decide on the hosting institution for the Programme, which shall be an existing entity, and provide guidance to it, including on its duration. All Parties and other relevant stakeholders are invited to provide financial resources to the Programme, on a voluntary basis.”

3. At its second meeting, the Conference of the Parties agreed to clean text for two sets of bracketed text that remained in decision MC-1/6, agreeing that only parties could apply to the Programme and that the Governing Board of the Specific International Programme was to consist of 10 members from parties.³
4. The present note on the Specific International Programme sets out the overall report of the Programme for all activities and outcomes following the second meeting of the Conference of the Parties and has five sections. Section I is the introduction; section II outlines the work of the Governing Board of the Specific International Programme since the second meeting of the Conference of the Parties; section III gives an overview of the second round of applications to the Specific International Programme; section IV contains information on the status of the Specific Trust Fund and the support provided by the secretariat of the Minamata Convention to the Specific International Programme; and section V sets out suggested action. A draft decision for consideration by the Conference of the Parties is set out in the annex to the note.
5. The note is to be read in conjunction with document UNEP/MC/COP.3/10/Add.1, which has three annexes. The first annex contains the report of the third meeting of the Governing Board,⁴ and the second annex lists the project proposals received, considered and approved during the first round of applications (2018). The Governing Board met from 18 to 20 September 2019 and decided on the projects to be funded in the second round. The outcome of the meeting, outlining the project proposals received, considered and approved during the second round of applications (2019), is presented to the Conference of the Parties as annex III to document UNEP/MC/COP.3/10/Add.1.

II. The work of the Governing Board of the Specific International Programme after the second meeting of the Conference of the Parties

6. Decision MC-1/6 provides for the establishment of a governing board of the Specific International Programme to oversee and implement the guidance of the Conference of the Parties, including decision-making on projects and project management.
7. The Governing Board was established in early 2018. Its inaugural members are:
 - (a) For the African States: Mr. Sam Adu-Kumi (Ghana) and Mr. Abdallah Younous Adoum (Chad)
 - (b) For the Asia-Pacific States: Mr. Prasert Tapaneyangkul (Thailand) and Mr. W. T. B. Dissanayake (Sri Lanka)
 - (c) For the Central and Eastern European States: Mr. Kaupo Heinma (Estonia) and Ms. Anahit Aleksandryan (Armenia)
 - (d) For the Latin American and Caribbean States: Ms. Maria Florencia Grimalt (Argentina) and Mr. Nero Cunha Ferreira (Brazil)
 - (e) For the Western European and other States: Mr. Reginald Hernaus (Netherlands) and Mr. Atle Fretheim (Norway)
8. Furthermore, the Rules of Procedure of the Governing Board provide that the Board is to have two co-chairs, elected from among the members of the Board and reflecting the composition of the Board and the purpose of the Programme. Mr. Adu-Kumi and Mr. Hernaus serve as the Co-Chairs of the Governing Board.
9. The Rules of Procedure of the Specific International Programme provide that the third meeting of the Conference of the Parties is to confirm the membership of the Governing Board for the next term.

³ The clean final text of decision MC-1/6 is reproduced in annex II to document UNEP/MC/COP.2/19.

⁴ The report of the third meeting was adopted electronically *ad referendum* and will be formally adopted at the next meeting of the Board, to be held from 18 to 20 September 2019.

10. The Board held its third meeting in Geneva on 14 and 15 February 2019. The issues dealt with at the meeting are summarized below, and the full report of the meeting is set out in document UNEP/MC/COP.3/10/Add.1.⁵

A. Rules of procedure

11. Following the clearing by the Conference of the Parties, at its second meeting, of the bracketed text in the annexes to decision MC-1/6, the Governing Board finalized paragraph 1 of rule 3 of its rules of procedure to make it clear that members of the Governing Board are to be elected from parties. The rules of procedure of the Board are therefore now finalized.

B. Regular report from the secretariat on the operations of the Specific International Programme

12. The secretariat reported to the Governing Board on the operations of the Programme and the secretariat activities in support of the Programme since the second meeting of the Conference of the Parties, and particularly on progress made to support the implementation of the five projects approved in October 2018 in the first round of applications. The secretariat also reported on efforts it was making to publicize those first projects.

C. Resource mobilization strategy for the Specific International Programme

13. Following extensive deliberations on the elements of a resource mobilization strategy for the Specific International Programme over all three of its meetings, the Governing Board concluded that rather than requesting the secretariat to draft a fully-fledged resource mobilization strategy at this stage, the priority would be to identify two to three tangible areas of effort to support the mobilization of resources through strategic communication. Furthermore, while hoping for contributions from non-traditional donors and other non-traditional funding sources, the Governing Board identified traditional donors as the most important source of funds at present.

D. Review of the financial mechanism of the Minamata Convention on Mercury

14. The Governing Board deliberated on the input the Specific International Programme is to provide for the review of the financial mechanism, as requested by the Conference of the Parties at its second meeting. Following discussions, the Board concluded that given that the Programme had only just been operationalized and had only approved five projects so far, with only one round of applications completed, it was premature to give an assessment of the level of funding, the effectiveness of the Programme and the ability of the Programme to address changing needs. The input for the Specific International Programme is contained in document UNEP/MC/COP.3/11.

E. Consideration of feedback and lessons learned from the first round of applications (2018)

15. At the second meeting of the Conference of the Parties, the Co-Chairs of the Governing Board called on parties to share their feedback on and experiences with the first round of applications, to inform the Board's perspective for the next round. That call for feedback was reiterated in a letter issued by the secretariat on 3 December 2018 requesting feedback by 30 May 2019. Four countries responded to the call.

F. Update and finalization of application guidelines for the second round of applications (2019)

16. Based on the feedback received and lessons learned, and on proposals prepared by the secretariat, the Board finalized the key considerations for the second round, including reducing the complexity of forms, providing additional help to prospective applicants during the submission phase and simplifying the application process. The Board also arrived at a conclusion on (a) criteria for completeness, (b) criteria for eligibility, (c) criteria for coherence and (d) criteria for prioritization in the appraisal of applications. The criteria for prioritization are particularly important in the event that

⁵ The reports of the first and second meetings are available on the Convention website. See <http://www.mercuryconvention.org/Implementation/SpecificInternationalProgramme/tabid/6334/language/en-US/Default.aspx>.

the total funding requested in the application round exceeds the cash available at the time of the meeting at which the Board is to approve project proposals for funding.

III. The second round of applications to the Specific International Programme

17. The second round of applications was launched on 5 March 2019 with a mandatory deadline for submissions of 14 June 2019, allowing 102 days for the preparation of submissions.

18. The announcement of the launch was prominently placed on the Minamata Convention website and remained there for the duration of the submission period. Prospective applicants were able to download the following guidelines and forms:

- (a) Application guidelines for the second round of applications in English, French and Spanish;⁶
- (b) Form A – Project application;
- (c) Form B – Project budget;
- (d) Form C – Letter of transmittal.

19. The launch of the second round of applications was also widely publicized through an email broadcast by the secretariat to, among others, the national focal points for the Minamata Convention and applicants who had not been successful in the first round, as well as through the various regional UNEP officers handling the chemicals agenda. The announcement and specifics with regard to the changes for the second round were explained at the chemicals and waste briefings held in Geneva on 26 February 2019 and 16 April 2019, during the information session at the regional preparatory meetings for the meetings of the conferences of the parties to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal, the Rotterdam on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade and the Stockholm Convention on Persistent Organic Pollutants during the course of March 2019 and at meetings of the Mercury Group of the Inter-Organization Programme for the Sound Management of Chemicals. During the meetings of the conferences of the parties to the Basel, Rotterdam and Stockholm conventions, held from 29 April to 10 May 2019, the secretariat held two clinics each day to assist prospective applicants with their submissions, in addition to a specific information session the day before the meetings, chaired by one of the Co-Chairs. Over the submission period, the secretariat also engaged electronically with many prospective applicants to provide explanations and clarifications in support of their applications.

20. By 14 June 2019, the mandatory deadline set by the Governing Board, 20 parties had submitted their applications.

21. The secretariat acknowledged and screened the applications as they were received. Following that step, staff of the secretariat began appraising the applications. On 30 and 31 July 2019 the secretariat hosted a two-day online task team meeting with representatives from the Global Environment Facility, from the Special Programme to support institutional strengthening at the national level for implementation of the Basel, Rotterdam and Stockholm conventions, the Minamata Convention and the Strategic Approach to International Chemicals Management, and from the Global Mercury Partnership, along with secretariat staff, to further consult on the appraisal of the applications. The secretariat then finalized the appraisals and prepared the related documentation for the next meeting of the Governing Board.

22. The fourth meeting of the Governing Board will be held in Washington, D.C., from 18 to 20 September 2019, and will be hosted by the secretariat of the Global Environment Facility. At the meeting, the Board will decide which projects to approve against the funding available for the second round, based on the appraisals prepared by the secretariat and according to the agreed criteria of prioritization. The secretariat will support the Governing Board in its decision-making and in drafting the final evaluations on both successful and unsuccessful project proposals.⁷

⁶ UNEP/MC/COP.3/INF/3.

⁷ The outcome of the fourth meeting of the Governing Board is presented to the Conference of the Parties at its third meeting as annex III to document UNEP/MC/COP.3/10/Add.1 and in document UNEP/MC/COP.3/10/INF/24.

IV. Status of the Specific Trust Fund and support provided by the secretariat of the Minamata Convention to the Specific International Programme

A. Status of the Specific Trust Fund

23. As at 31 July 2019, pledges to the second round of the Specific International Programme amounted to \$2,414,413. Contributions were pledged by Austria, Denmark, Germany, the Netherlands, Norway, Switzerland, the United Kingdom of Great Britain and Northern Ireland and the United States of America, as set out in the following table.

Contributions and pledges received for 2019, as at 31 July 2019

(United States dollars)

<i>Donor</i>	<i>Total amount pledged/contributed</i>
Austria	34 091
Denmark	30 449
Germany	112 230
Netherlands	27 809
Norway	1 034 792
Switzerland	1 009 082
United Kingdom	65 960
United States	100 000
Total contributions and pledges	2 414 413

24. Contributions to the Specific Trust Fund primarily fund grants for country-led projects as selected and approved by the Governing Board. They must also cover all costs associated with the meetings and work of the Governing Board and the operation of the Specific International Programme, as established in decision MC-1/6.

B. Status of implementation of projects approved in the first round (2018)

25. The Governing Board approved five projects with an overall budget of \$961,663 (\$1,087,000 inclusive of 13 per cent programme support cost) in the first round (2018). The approved projects are:

(a) Argentina: Capacity-building programme for the implementation of the Minamata Convention (\$250,000);

(b) Armenia: Strengthening capacity to promote phasing out of mercury-added products (lamps) in Armenia (\$162,000);

(c) Benin: Improvement of the management framework for mercury-containing products and wastes (\$249,113);

(d) Islamic Republic of Iran: Implementing of the Minamata Convention on Mercury: management in chlor-alkali plants in the petrochemical industry (\$100,000);

(e) Lesotho: Strengthening institutional capacity in the development of a phase-out and phase-down strategy for mercury-added products in Lesotho (\$200,550).

26. The secretariat worked with each Government to finalize implementation matters and prepare legal agreements for signature so that disbursement of funds could begin. As at 9 August 2019, four legal documents had been signed, disbursement had begun for four projects and one legal agreement was in the process of being signed.

27. Two-page project summaries are being finalized for information-sharing and outreach purposes. The summaries will be uploaded to the website of the Minamata Convention and used in donor outreach.

C. Support by the Secretariat to the Specific International Programme

28. The secretariat of the Minamata Convention provides the following services for the Specific International Programme:

- (a) Full secretariat support for the operationalization and ongoing activities of the Governing Board;
- (b) Full secretariat support to the application rounds of the Specific International Programme, which entails launching the round, producing the guidelines, providing outreach and explanations to applicants during the submission process, screening all applications received by the mandatory deadline and preparing appraisals of eligible applications for the Governing Board's decision;
- (c) Full secretariat support for the administration of the Specific Trust Fund, including full Umoja support for grant creation, disbursement and administration;
- (d) Full implementation support for approved projects, which entails programmatic support to finalize project documentation in preparation for the signature of the legal agreements, monitoring of implementation, closure of completed projects and evaluation of completed projects;
- (e) Resource mobilization for the Specific Trust Fund;
- (f) Donor recognition and reporting;
- (g) Communications and outreach for the Specific International Programme.

29. In decision MC-1/6, the Conference of the Parties created one position for the technical assistance and capacity-building activities of the secretariat and the activities of the Specific International Programme, to be covered by the General Trust Fund, while taking into account the fact that the staffing requirements of the Specific International Programme would be reviewed.

30. Through the experience gained from the full operationalization of the Specific International Programme in 2018, a full first round of applications in 2018, the second application period in 2019 and the provision of administrative and programmatic support for the implementation of the approved projects over the course of 2019, the secretariat has learned that additional secretariat staff capacity is required to do full justice to the many services required for the stable operation of the Specific International Programme. As a result, the secretariat is requesting, through the Executive Secretary's budget scenario, the creation of a P-4 (Professional Officer) post separate from the position for technical assistance and capacity-building, to allow stable support for the Programme without compromising the secretariat's ability to deliver on its capacity-building and technical assistance activities under article 14 of the Convention as well as its activities relating to the Global Environment Facility component of the financial mechanism.

V. Suggested action by the Conference of the Parties

31. The rules of procedure of the Governing Board of the Specific International Programme provide that the first members of the Governing Board will serve until the third meeting of the Conference of the Parties. Thereafter, the members are to be nominated every two years by regional groups and their membership is to be confirmed by the Conference of the Parties. No member may serve on the Governing Board for more than two consecutive terms. At its third meeting, the Conference of the Parties is therefore expected to confirm the members for the next term based on the nominations received from the regions.

32. The Conference of the Parties may also decide to support the strengthening of secretariat staff capacity as discussed in paragraph 30 above and presented in the budget-related documents for the meeting.

33. In the light of the information presented above, the Conference of the Parties may wish to adopt a decision along the lines of the draft decision set out in the annex to the present note.

Annex

Draft decision MC-3[--]: Specific International Programme to Support Capacity-Building and Technical Assistance

The Conference of the Parties,

Recalling decision MC-1/6 approving the hosting arrangements for, guidance on the operations and duration of and terms of reference of the Specific International Programme to Support Capacity-Building and Technical Assistance,

Welcoming the rapid progress achieved by the Governing Board to fully operationalize the Programme,

Recognizing with appreciation the contributions made by Austria, Denmark, Germany, the Netherlands, Norway, Switzerland, the United Kingdom of Great Britain and Northern Ireland and the United States of America,

1. *Confirms*, in accordance with paragraph 2 of annex II to decision MC-1/6 stipulating that the members shall be nominated every two years by regional groups and their membership confirmed by the Conference of the Parties, that the following members are to serve on the Governing Board until the fourth meeting of the Conference of the Parties:

From the African States:

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From the Asia-Pacific States:

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From the Central and Eastern European States:

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From the Latin American and Caribbean States:

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From the Western European and other States:

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2. *Supports* the strengthening of staff capacity to provide the secretariat services required for the full implementation of the Programme.