Financial rules for the Conference of the Parties to the Minamata Convention on Mercury, its subsidiary bodies and the secretariat of the Convention

Note by the secretariat

1. By its decision MC-1/10, the Conference of the Parties to the Minamata Convention on Mercury adopted the financial rules for the Conference of the Parties, and any of its subsidiary bodies, as well as financial provisions governing the functioning of the secretariat of the Convention. Some bracketed text remained, however, in paragraph 3 (e) of rule 5 on contributions and in the annex to the financial rules, on the procedure for the allocation of funding from the special trust fund for facilitating the participation of parties in meetings of the Conference of the Parties. Paragraph 2 of the annex remained in brackets in its entirety, and some text in the paragraph was further bracketed. Lastly, there were brackets in paragraph 5 of the annex.

2. At its second meeting, the Conference of the Parties considered the text of paragraph 3 (e) of rule 5 of the financial rules, and of paragraphs 2 and 5 of the annex to the rules, as set forth in decision MC-1/10 (UNEP/MC/COP.2/14). No agreement having been reached on the matter, the Conference of the Parties agreed to defer further consideration of it to its third meeting.

3. Accordingly, the text of paragraph 3 (e) of rule 5 of the financial rules and of paragraphs 2 and 5 of the annex to the financial rules is reproduced in annex I to the present note for ease of reference. The bracketed text remaining in paragraph 3 (e) of rule 5 relates to decision-making by the Conference of the Parties about appropriate measures to take when payment schedules are not jointly decided on or respected, taking into account the specific needs and special circumstances of developing countries, and particularly least developed countries and small island developing States, or alternatively only those of least developed countries and small island developing States. Paragraph 2 of the annex, which remains in brackets in its entirety, refers to the procedure giving attention to least developed countries and small island developing States and to the procedure being guided by established United Nations practice. Paragraph 5 of the annex refers to the preparation by the head of the secretariat of a list of sponsored delegates established in accordance with paragraphs 1 and 2 of the same annex with a view to ensuring adequate geographical representation of eligible regions. The matter of whether priority or special attention should be given to least developed countries and small island developing States remains in brackets.

* UNEP/MC/COP.3/1.
4. A draft decision providing for the adoption of the outstanding text in the financial rules and in the annex to the rules is set out in annex II to the present note.

**Suggested action by the Conference of the Parties**

5. The Conference of the Parties may wish to consider and agree on the outstanding issues pertaining to rule 5 of the financial rules and the annex to the rules with a view to adopting final text.
Annex I

Paragraph 3 of rule 5 of the financial rules; paragraphs 2 and 5 of the annex to the financial rules

Rule 5, paragraph 3

3. In respect of contributions made pursuant to rule 5, paragraph 1 (a):
   (a) Contributions for each calendar year are expected by 1 January of that year and should be paid promptly and in full. Parties should be notified of the amount of their contributions for a given year by 15 October of the previous year;
   (b) Each party shall, as far in advance as possible of the date due for the contribution, inform the head of the secretariat of the contribution it intends to make and of the projected timing of that contribution;
   (c) If the contributions of any parties have not been received by 31 December of the relevant year, the head of the secretariat shall write to those parties to impress upon them the importance of paying their respective outstanding contributions for prior periods and shall report to the Conference of the Parties at its next meeting on the consultations with such parties;
   (d) If the contributions of any party have not been received after two or more years, the head of the secretariat shall jointly decide with any party who has outstanding contributions to develop a payment schedule to permit such party to pay all outstanding contributions within six years, depending on the financial circumstances of the party, and to pay future contributions promptly. The head of the secretariat shall report to the Bureau and to the Conference of the Parties at their next meetings on progress under any such schedule;
   (e) If a payment schedule is not jointly decided or respected, the Conference of the Parties will decide on appropriate measures, taking into account the specific needs and the special circumstances of [developing countries, particularly] least developed countries or small island developing States;
   (f) Given the importance of the full and effective participation of developing country parties, in particular least developed countries and small island developing States, and parties with economies in transition, the head of the secretariat shall remind parties of the need for contributions to the Special Trust Fund at least six months prior to each ordinary meeting of the Conference of the Parties, reflecting on the financial need, and urge parties in a position to do so to ensure that any contributions are paid at least three months before the meeting.

Annex to the financial rules, paragraphs 2 and 5

2. [The procedure should give [priority] [special] attention to least developed countries and small island developing States and thereafter aim at ensuring adequate representation of all eligible parties. It should continue to be guided by established United Nations practice.]

5. Based on the availability of financial resources and the number of requests received, the head of the secretariat shall prepare a list of sponsored delegates. The list shall be established in accordance with paragraphs 1 and 2 above with a view to ensuring adequate geographical representation of eligible regions[. with [priority] [special] attention given to least developed countries and small island developing States].
Draft decision MC-3/[--]: Financial rules

The Conference of the Parties,

Recalling paragraph 4 of article 23 of the Minamata Convention on Mercury,

Having resolved the outstanding issues pertaining to paragraph 3 of rule 5 of the financial rules for the Conference of the Parties to the Minamata Convention on Mercury, its subsidiary bodies and the secretariat of the Convention, and the outstanding issues pertaining to the annex to the financial rules,

Decides to adopt the following text as paragraph 3 (e) of rule 5 of the financial rules, and as paragraphs 2 and 5 of the annex to the financial rules:

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