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UNITED NATIONS
COMPENSATION COMMISSION
GOVERNING COUNCIL

**Decision concerning the fulfilment of the Follow-up Programme for
Environmental Awards taken by the Governing Council of the United
Nations Compensation Commission at its 176th meeting, on 7 April 2011**

The Governing Council,

Recalling decisions 132 (S/AC.26/Dec.132 (2001)), 212 (S/AC.26/Dec.212 (2003)), 234 (S/AC.26/Dec.234 (2004)), 235 (S/AC.26/Dec.235 (2004)) and 248 (S/AC.26/Dec.248 (2005)) of the Governing Council that established a tracking and reporting programme for environmental awards,

Recalling also decision 258 (S/AC.26/Dec.258 (2005)) that established the Follow-up Programme for Environmental Awards (the “Programme”) as a mechanism for monitoring participating Governments’ use of certain of the “F4” award funds for environmental remediation projects (the “Environmental Projects”) in line with Guidelines annexed to that decision, and expenses of which are shared proportionally between the participating Governments,

Affirming that the mandate of the Programme is to ensure that subject award funds are spent in a transparent and appropriate manner on conducting the Environmental Projects and that funded projects remain reasonable activities,

Further affirming that in order to fulfil the mandate of the Programme, it will not be necessary for the monitoring under decision 258 to continue until the physical end of the Environmental Projects, and that the purpose and goals of the Programme can be fulfilled in the near-term,

Having considered the views of the Governments participating in the Programme and the Government of the Republic of Iraq,

1. *Decides* that the mandate of the Programme will be fulfilled upon the participating Governments' establishment of structural systems and controls identified below and the provision of adequate assurances for their maintenance and for the use of the award funds for the successful completion of the projects and a determination to that effect by the Governing Council;
2. *Calls upon* the participating Governments to establish the following systems and controls (the "systems and controls") by the Governing Council's seventy-fourth session or earlier:
 - (a) strong management and administration infrastructure;
 - (b) reasonable project plans and related budgets;
 - (c) accounting and treasury systems and procedures;
 - (d) adequate and coherent audit processes to ensure that appropriate financial controls are in place; and
 - (e) transparent procurement processes;
3. *Directs* the participating Governments to report to the Governing Council through the Secretariat six weeks in advance of each session of the Governing Council, on progress made toward the establishment of the systems and controls, these reports to include:
 - (a) details of participating Governments' action plans and timetables to establish the systems and controls;
 - (b) identification of any impediments to and/or specific weaknesses in existing systems affecting the establishment of the requested systems and controls by the seventy-fourth session;
 - (c) suggestions as to how the Secretariat and Independent Reviewers can assist the participating Government in addressing these issues;
4. *Directs* that the Secretariat and Independent Reviewers review and evaluate the progress reports of the participating Governments and provide an assessment to the Governing Council in respect of issues affecting each participating Government's establishment of the systems and controls;
5. *Directs* the Secretariat to focus its efforts and those of the Independent Reviewers on capacity-building as necessary within the participating Governments with the aim of establishing the requisite systems and controls;
6. *Directs* the participating Governments to provide to the Governing Council, upon establishment of the systems and controls, assurances for their maintenance and for the use of award funds exclusively for the successful completion of the Environmental Projects; noting that such assurances shall be agreed upon by the Council at its seventy-third session in consultation with the participating Governments; and in this connection directs the Secretariat in consultation with the Governing Council to prepare assurances for each participating Government in respect of the maintenance of the systems and controls and for the use of the award funds exclusively for the completion of the Environmental Projects;

7. *Decides* that at its seventy-fourth session, upon receipt of the reports referred to in paragraph 3 above and the provision of assurances for the maintenance of the systems and controls and for the use of award funds for the successful completion of the Environmental Projects, the Governing Council shall assess the adequacy of the systems and controls established to decide whether, in respect of each participating Government, the mandate of the Programme is fulfilled and the Programme can be closed;
8. *Decides* that upon declaring that the Programme mandate is fulfilled, the Governing Council will authorize the Secretariat to arrange for the release of any funds withheld under decisions 258 and 266 (S/AC.26/266 (2009)) along with any accrued interest remaining under decision 268 ((S/AC.26/268 (2009)) to the participating Government;
9. *Directs* the Secretariat and the 258 Working Group to continue as a matter of urgency to pursue the modalities of a viable option to transfer the Programme and any remaining withheld funds to another organization, in a form similar to the current terms of the Programme, which option may become necessary for a participating Government that has not adequately established the systems and controls by 2012 or should a participating Government wish to pursue such a transfer; and to report to the Governing Council on how such a transition could be achieved in a manner that would impose the least delay and additional cost;
10. *Decides* that the Programme shall cease its functions vis-a-vis each participating Government 30 days after the transfer of the funds withheld in United Nations accounts under decisions 258 and 266 and interest accrued thereon to the Special Accounts established under decision 266 by that participating Government;
11. *Directs* the Secretariat, upon pronouncing that the entire Programme mandate is considered fulfilled, to provide each of the participating Governments with a final account on the administrative expenditures of the Secretariat in respect of the Programme as at the date that it ceases its function; and to return to each of the participating Governments any remaining funds in accordance with the proportional budgetary contribution of each Government;
12. *Requests* the Executive Head to present to the Committee on Administrative Matters measures that would be required for an orderly release of the staff of the Programme and for meeting other obligations of the Programme before it is closed;
13. *Decides* to remain seized of the matter.

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