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ECONOMIC COMMISSION FOR EUROPE

**EXECUTIVE BODY FOR THE CONVENTION ON LONG-RANGE
TRANSBOUNDARY AIR POLLUTION**

Steering Body to the Cooperative Programme for Monitoring and Evaluation
of the Long-range Transmission of Air Pollutants in Europe (EMEP)

Thirtieth session
Geneva, 4-6 September 2006
Item 7 of the provisional agenda

FINANCIAL AND BUDGETARY MATTERS

Note by the secretariat

INTRODUCTION

1. This note presents the status of contributions by Parties to the EMEP Protocol. It reports on the use of resources in 2005 and sets out the proposed budget for EMEP for the year 2007. The note also presents the calculated schedule of mandatory contributions for 2007.

**I. STATUS OF THE TRUST FUND, CONTRIBUTIONS IN KIND
AND VOLUNTARY CONTRIBUTIONS**

2. The contributions paid by the Parties to the Convention for the long-term financing of EMEP as of 14 June 2006 are summarized in table 1 below. They include both the mandatory contributions from the Parties to the EMEP Protocol within the geographic scope of EMEP and the voluntary contributions from Canada and the United States as Parties outside the geographic scope of EMEP. On 14 June 2006, the EMEP Protocol had 41 Parties.

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3. Table 1 also includes the mandatory contributions in kind. In 2005 only Belarus contributed in kind to the work of the Task Force on Emission Inventories and Projections. All other Parties have agreed to pay their contributions in cash. The United States made a voluntary contribution of US\$ 25,000 in cash.

4. In addition to the contributions summarized in table 1, voluntary extrabudgetary contributions directly to the centres have been allocated over several years. In the period 1994–2004, the Meteorological Synthesizing Centre – West (MSC-W) received in total the equivalent of US\$ 10,285,268 from Norway, the United Kingdom, or through projects financed by the Nordic Council of Ministers and the European Community. In 2005, MSC-W received extrabudgetary contributions (either directly from its host institution, the Norwegian Meteorological Institute, or through projects financed by the Nordic Council of Ministers and the European Community) that totalled US\$ 665,893. In 2001 and 2002, MSC-W received a contribution in kind from the United Kingdom. Between 1994 and 2004, the Chemical Coordinating Centre (CCC) received in total the equivalent of US\$ 1,524,474 from its host institution, the Norwegian Institute for Air Research (NILU). In 2005, CCC received from NILU the equivalent of US\$ 300,000. In 2001, MSC-E received US\$ 30,000 from the World Meteorological Organization. It also received US\$ 120,000 from the Arctic Monitoring and Assessment Programme (AMAP) in the period 2001–2002, and US\$ 4,400 from the UNECE Working Group on Environmental Monitoring in 2003. In the period between 2004 and 2005, MSC-E received US\$ a total of 82,430 from the European Commission. In 2005, it received US\$ 28,144 from Germany.

5. According to the payment records of the secretariat, the total arrears in cash and in kind by 2005 stood at US\$ 550,161, of which US\$ 210,497 were outstanding payments in cash. By 14 June 2006, Serbia, Slovakia and Poland had paid their contributions for 2005 and 2006 and were clear of arrears. Greece made a payment which was not sufficient to cover its arrears. Italy made a payment which was not sufficient to cover both its arrears and its contribution for 2006. Sweden still has a partial payment outstanding for 2005.

6. The remaining amount of US\$ 316,194 are arrears of Ukraine for 1992, 1993, 1994, 1996, 1997, 1998, 1999, 2000, 2001 to be contributed in-kind. The arrears for 1992–1994 amounting to US\$ 140,989, are to be covered through a project on the development of a national model for environmental impact assessment of heavy metal emissions, approved by the Steering Body in 2001. At its twenty-ninth session the Steering Body invited Ukraine to complete the project as soon as possible, discuss the results with MSC-East and report to the Bureau at its meeting in spring 2006. As of 14 June, the secretariat had received no information on further progress in the implementation of the project.

7. The arrears for the period 1996–2001, equivalent to US\$ 175,205 are to be covered through the project to establish an international benchmark station for EMEP background monitoring approved by the Steering Body at its twenty-eighth session and implemented in close cooperation with CCC. At its twenty-ninth session, the Steering Body recommended that the

location for the EMEP monitoring site initially proposed under the project be changed. By 14 June 2006, the secretariat was informed that the Ukrainian authorities had proceeded with a change of the location as recommended by the Steering Body.

8. To cover its contribution in kind for 2005, Belarus carried out a project on particulate matter emission inventory improvement in the Commonwealth of Independent States (CIS). The Bureau, at its meeting in March 2006, recommended that the EMEP Steering Body approve the contribution by Belarus for 2005 (EB.AIR/GE.1/2006/9, para. 16).

9. In addition, as detailed in table 1 below, payments in cash in 2006 totalling US\$ 839,215 had been received by 14 June 2006. The expected contributions for 2006 from Belgium, Bosnia and Herzegovina, the Czech Republic, Finland, France, Germany, Greece, Ireland, Italy (partly) the Netherlands, Portugal, Romania, Slovenia, Spain, Sweden, Turkey, Ukraine and the United Kingdom in cash to the Trust Fund and a contribution in kind from Belarus are still outstanding.

II. USE OF RESOURCES BY THE EMEP CENTRES IN 2005

10. Table 2 presents a summary of the use of resources by CCC, MSC-E and MSC-W. This overview is based on the detailed information prepared by the centres and presented to the EMEP Bureau.

11. Much of the work of EMEP relies on extrabudgetary contributions. The extrabudgetary resources listed in paragraph 4 above were used to supplement resources provided through mandatory contributions in all areas of work. CCC used extrabudgetary resources to add about 30% to the resources provided by the EMEP Trust Fund. They were mainly used to provide additional resources for acid deposition and photo-oxidants measurements, as well as for work on small particles and POPs measurements. MSC-W used extrabudgetary contributions to cover 46% of its expenditure in 2005. It should be noted that the total operating costs of MSC-W in 2005 were smaller than in previous years, due to a change in reporting routines at the Norwegian Meteorological Institute. In previous years the total operating costs of MSC-W were the ones incurred by the air pollution section of the Norwegian Meteorological Institute as a whole. The in-kind in the 2005 financial statement corresponds only to projects that directly support and contribute to the tasks of MSC-W as specified in the EMEP workplan. Most of the work of the Centre for Integrated Assessment Modelling (CIAM) was financed through non-EMEP sources. MSC-E received funding from the European Commission to contribute to the EC project "Estimation of willingness-to-pay to reduce risks of exposure to heavy metals and cost-benefit analysis for reducing heavy metals occurrence in Europe " (ESPREME).

III. BUDGET AND MANDATORY CONTRIBUTIONS FOR 2006

12. At its twentieth session, the Executive Body decided, based upon the recommendation by the EMEP Steering Body, decided to increase the EMEP budget for the period 2004 to 2006 to

US\$ 2,142,520. It decided to apply the 2004 United Nations scale of assessments as a basis for calculating the EMEP scale of mandatory contributions from 2006 onwards.

13. The EMEP Bureau, at its meeting in March 2006, considered the detailed 2007 budget, adopted the proposal as set out in table 3 below. The Bureau left the overall budget unchanged and did not modify the distribution between the centres. A significant increase is proposed in the budget line for hemispheric modelling.

14. At its twenty-ninth session, the Steering Body agreed to keep the CIAM budget for 2006 at the same level as in 2005 (EB.AIR/GE.1/2005/2, para.64 (e), EB.AIR/GE.1/2003/4, para.59). It is proposed that the budget for 2007 and the provisional budgets for 2008 and 2009 remain at the same level.

15. The schedule of mandatory contributions from Parties for 2007, calculated on the basis of the above budget, is set out in the last column of table 4.

16. The Bureau approved in 2006 a project on further research to improve the inventory of particulate matter emissions in the Commonwealth of Independent States, taking the example of Belarus, to cover the 2007 contribution from Belarus. The project should be conducted in close consultation with the Task Force on Emission Inventories and Projections or one of its panels (EB.AIR/GE.1/2006/9, para. 17).

IV. PROPOSED DECISIONS FOR THE EMEP STEERING BODY

17. The Steering Body may wish to:

(a) Take note of the status of contributions to the financing of EMEP provided in document EB.AIR/GE.1/2006/11 and the additional information provided by the secretariat during the session;

(b) Approve the use of resources by the EMEP centres in 2005 as presented in table 2 of EB.AIR/GE.1/2006/11;

(c) Also approve the 2005 contribution in kind from Belarus;

(d) Agree on the detailed budget for 2007 set out in table 3 of EB.AIR/GE.1/2006/11 and the schedule of mandatory contributions from Parties for 2007 as set out in the last column of table 4 of that document;

(e) Also agree on the proposed budget of CIAM for 2007 as set out in the report of the Task Force on Integrated Assessment Modelling (EB.AIR/GE.1/2003/4, para. 59) and on keeping the proposed budgets for 2008 and 2009 at the same level;

(f) Recommend to the Executive Body to adopt the 2007 budgets; and

(g) Call upon the Parties to the EMEP Protocol to consider making voluntary contributions (in kind or in cash through the trust fund) to ensure that the work, especially the difficult tasks required in 2007 for carrying out the protocol reviews, including the work on integrated assessment modelling, can be accomplished as foreseen in the work plan.

Table 1. Contributions to the financing of EMEP as of 14 June 2006 (in US\$)

Party	EMEP Protocol in force since	Contributions received		Arrears by 2005	Contributions 2006		
		1981–1987	1988–2005		Expected	Received	
			In kind	In cash			
Austria	28/01/1988	46,408		618,446		44,410	44,410
Belarus	28/01/1988		116,745			930 ^{a/}	
Belgium	28/01/1988	64,761		795,837		55,270	
Bosnia and Herzegovina	06/03/1992			3,765		160	
Bulgaria	28/01/1988	3,400 ^{a/}	56,769	4,330		880	880
Canada	28/01/1988	37,798		48,816		Voluntary	
Croatia	08/10/1992			26,981		1,910	1,910
Cyprus	18/02/1992			17,348		2,020	2,020
Czech Republic	01/01/1993			145,242		9,460	
Denmark	28/01/1988	52,500		495,400		37,120	37,120
Estonia	07/03/2002			2,156		620	620
Finland	28/01/1988	140,333		384,571		27,560	
France	28/01/1988	30,000		4,433,579		311,770	
Germany	28/01/1988	416,826		6,445,450		447,860	
Greece	22/09/1988			290,220	28,641	27,400	26,890
Hungary	28/01/1988	2,250 ^{a/}	22,695	93,491		6,520	6,544
Ireland	28/01/1988	9,754		171,344		18,100	
Italy	12/04/1989			2,800,796	181,856	252,570	412,044
Latvia	19/05/1997			8,749		780	780
Liechtenstein	28/01/1988	160		5,669		260	260
Lithuania				829		1240	1240
Luxembourg	28/01/1988	671		44,157		3,980	3,980
Malta	12/06/1997			4,590		720	720
Monaco	25/11/1999			1172		160	160
Netherlands	28/01/1988	159,816		1,181,906		87,380	
Norway	28/01/1988	151,099		502,290		35,110	35,095
Poland	13/12/1988	9,000 ^{a/}	122,337	173,913	18,860	23,840	42,700
Portugal	10/04/1989	7,050		208,741		24,300	
Romania	27/07/2003			5780		3,100	
Russian Federation	28/01/1988		2,434,909	571,087		56,870	56,842
Serbia and Montenegro	27/04/1992			32,735	1,000	980	1,980
Slovakia	28/05/1993			46,420	2,140	2,640	4,780
Slovenia	06/07/1992			37,586		4,240	
Spain	28/01/1988	61,303		1,566,678		130,290	
Sweden	28/01/1988	163,034		838,332	1,548	51,600	
Switzerland	28/01/1988	57,922		880,118		61,890	61,890
Turkey	28/01/1988	16,336		265,093		19,230	
Ukraine	28/01/1988		180,164	23627	316,194 ^{b/}	2,020	
United Kingdom	28/01/1988	227,495		3,428,243		316,790	
United States	28/01/1988	40,000		94,850		Voluntary	25,000
European Community	28/01/1988	74,559		1,080,639		71,370	71,350
Former Czechoslovakia		9,000 ^{a/}	104,405				
Former GDR		16,000 ^{a/}	155,052				
Former USSR		1,593,000 ^{a/}	1,076,522				
Former Yugoslavia		4,056		21,643			
Total, in cash		2,174,651		27,802,619	210,497	2,142,420	839,215
Total, in kind		1,632,650	4,268,648		316,194	930	0
Total (all)	41 Parties	3,394,531	32,071,267		550,161	2,143,350	839,215

Notes:

^{a/} Contribution in kind.^{b/} Arrears for Ukraine contain the equivalent of US\$ 316,194 to be contributed in kind. The EMEP Steering Body has approved two projects equivalent to US\$ 140,989 and US\$ 175,205 to cover Ukraine's arrears for 1992–1994 and 1996–2001.

Table 2. Use of budgeted resources in 2005 (in US\$)

	TOTAL		CCC		MSC-E		MSC-W	
	Budgeted	Reported	Budgeted	Reported	Budgeted	Reported	Budgeted	Reported
I. Funded by the EMEP Trust Fund								
A. Acid deposition and eutrophication								
Modelling ^{a/}	100,000	92,468					100,000	92,468
Measurements ^{b/}	150,000	151,884	150,000	151,884				
B. Photo-oxidants								
Modelling ^{a/}	100,000	98,389					100,000	98,389
Measurements ^{b/}	180,000	182,217	180,000	182,217				
C. Heavy metals								
Modelling ^{a/}	180,000	177,914			180,000	177,914		
Measurements ^{b/}	120,000	111,891	120,000	111,891				
D. Persistent organic pollutants								
Modelling ^{a/}	200,000	198,941			200,000	198,941		
Measurements ^{b/}	150,000	151,232	150,000	151,232				
E. Integrated assessment modelling	105,000	105,000					105,000 ^{d/}	105,000
F. Small particles ^{c/}								
Modelling ^{a/} (unified model)	150,000	151,997					150,000	151,997
Measurements ^{b/}	200,000	202,358	200,000	202,358				
G. Emission database and verification of data								
Database	160,000	174,305					190,000	174,305
Verification and expert estimates	50,000	20,621	20,000	20,621				
H. Cooperation with national programmes	90,000	82,529	30,000	30,089	30,000	31,440	30,000	21,000
I. Smaller scale								***
J. Links to hemispheric scale	145,000	182,328	15,000	15,481	30,000	31,440	100,000	135,407
Subtotal (A–J)	2,080,000	2,084,074	865,000	865,772	440,000	440,000	775,000	778,566
K. Programme support cost (3%)	62,400	62,522						
I. Subtotal (A–K)	2,142,400	2,146,596						
II. Contribution in kind								
Belarus	950	950						
TOTAL (I, II)	2,143,350	2,147,546						

^{a/} “Modelling” includes preparation of input data for model runs (emission data, meteorological data, etc.), model development, model verification and model calculations.

^{b/} “Measurements” includes data monitoring, data storage, quality control and quality assurance.

^{c/} Work on particles at MSC-E is included under the budget line for heavy metals and persistent organic pollutants (C and D).

^{d/} Used for external consultancy by CIAM.

*** Contribution in kind from the United Kingdom.

Table 3. Proposed 2007 EMEP budget covered by mandatory contributions (in US\$)

		TOTAL	CCC	MSC-E	MSC-W
I	Funded by the EMEP Trust Fund				
A.	Acid deposition and eutrophication				
	Modelling (unified Eulerian model) <u>a/</u>	100,000			100,000
	Measurements <u>b/</u>	120,000	120,000		
B.	Photo-oxidants				
	Modelling (unified Eulerian model) <u>a/</u>	100,000			100,000
	Measurements <u>b/</u>	130,000	130,000		
C.	Heavy metals				
	Modelling <u>a/</u>	170,000		170,000	
	Measurements <u>b/</u>	105,000	105,000		
D.	Persistent organic pollutants				
	Modelling <u>a/</u>	160,000		160,000	
	Measurements <u>b/</u>	150,000	150,000		
E.	Integrated assessment modelling	105,000			105,000 *
F.	Small particles <u>d/</u>				
	Modelling (unified Eulerian model) <u>a/</u>	200,000			200,000
	Measurements <u>b/</u>	190,000	190,000		
G.	Emission database and verification of data				
	Database	70,000			70,000
	Verification and reviews	100,000		20,000	80,000
	Expert estimates	10,000	10,000		
H.	Cooperation with national programmes	160,000	100,000 **	30,000	30,000
I.	Smaller scale				***
J.	Links to the hemispheric scale	210,000	60,000	60,000	90,000
	Subtotal (A–J)	2,080,000	865,000	440,000	775,000
K.	Programme support cost (3% of A–J)	62,400			
L	Subtotal (A–K)	2,142,400			
II.	Contribution in kind				
	Belarus in kind	930 <u>e/</u>			
TO TAL (I + II)		2,143,350			

a/ “Modelling” includes: preparation of input data for model runs (emission data, meteorological data, etc.), model development, model verification and model calculations.

b/ “Measurements” includes data monitoring, data storage, quality control and quality assurance.

c/ To be used for external consultancy by CIAM.

d/ Work on particles at MSC-E is included under the budget line for heavy metals and persistent organic pollutants (C and D).

e/ Expected contributions in kind from Belarus to a project on PM emission inventory improvement in the newly independent states (NIS), taking the example of Belarus.

** : Implementation of the monitoring strategy.

*** : Contribution in kind from United Kingdom.

Table 4. EMEP scale of contributions, calculated on the basis of the 2004 UN scale of assessments, and the 2007 schedule of contributions

Parties	UN 2004 assessment rate (%)	"EMEP share" (%)	EMEP scale of contributions (%)	2007 contribution (US\$)
Belarus	0.018	0.0433	0.0434	930
Bosnia and Herzegovina	0.003	0.0072	0.0072	160
Bulgaria	0.017	0.0409	0.0410	880
Canada	2.813	voluntary	voluntary	voluntary
Croatia	0.037	0.0891	0.0892	1,910
Liechtenstein	0.005	0.0120	0.0121	260
Monaco	0.003	0.0072	0.0072	160
Norway	0.679	1.6348	1.6378	35,110
Romania	0.060	0.144	0.1447	3,100
Russian Federation	1.100	2.6484	2.6533	56,870
Serbia	0.019	0.0457	0.0458	980
Switzerland	1.197	2.8820	2.8873	61,890
Turkey	0.372	0.8956	0.8973	19,230
Ukraine	0.039	0.0939	0.0941	2,020
United States	22.000	voluntary	voluntary	voluntary
Austria	0.859	2.0682	2.0720	44,410
Belgium	1.069	2.5738	2.5786	55,270
Cyprus	0.039	0.0939	0.0941	2,020
Czech Republic	0.183	0.4406	0.4414	9,460
Denmark	0.718	1.7287	1.7319	37,120
Estonia	0.012	0.0289	0.0289	620
Finland	0.533	1.2833	1.2857	27,560
France	6.030	14.5182	14.5452	311,750
Germany	8.662	20.8552	20.8939	447,830
Greece	0.530	1.2761	1.2784	27,400
Hungary	0.126	0.3034	0.3039	6,510
Ireland	0.350	0.8427	0.8442	18,100
Italy	4.885	11.7614	11.7833	252,560
Latvia	0.015	0.0361	0.0362	780
Lithuania	0.024	0.058	0.0579	1,240
Luxembourg	0.077	0.1854	0.1857	3,980
Malta	0.014	0.0337	0.0338	720
Netherlands	1.690	4.0689	4.0765	87,370
Poland	0.461	1.1099	1.1120	23,830
Portugal	0.470	1.1316	1.1337	24,300
Slovakia	0.051	0.1228	0.1230	2,640
Slovenia	0.082	0.1974	0.1978	4,240
Spain	2.520	6.0673	6.0786	130,290
Sweden	0.998	2.4028	2.4073	51,600
United Kingdom	6.127	14.7517	14.7791	316,770
European Community		3.3300	3.3362	71,510
Total		99.8146	100.000	2,143,350
Parties to the Convention not Party to the EMEP Protocol:				
Armenia	0.002	0.005	n/a	n/a
Azerbaijan	0.005	0.012	n/a	n/a
Georgia	0.003	0.007	n/a	n/a
Iceland	0.034	0.082	n/a	n/a
Kazakhstan	0.025	0.060	n/a	n/a
Kyrgyzstan	0.001	0.002	n/a	n/a
Republic of Moldova	0.001	0.002	n/a	n/a
The FYR of Macedonia	0.006	0.014	n/a	n/a
Total (excl. Canada and United States)	40.151	100.000		