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MEETING OF THE PARTIES TO THE
CONVENTION ON ACCESS TO INFORMATION,
PUBLIC PARTICIPATION IN DECISION-MAKING AND
ACCESS TO JUSTICE IN ENVIRONMENTAL MATTERS

Working Group of the Parties to the Convention

Seventh meeting
Geneva, 2–4 May 2007
Item 14 of the provisional agenda
Financial report for 2006

**REPORT ON FINANCIAL CONTRIBUTIONS
AND EXPENDITURES IN 2006**

Prepared by the secretariat in consultation with the Bureau*

1. The Parties to the Convention at their second meeting adopted decision II/7 on the work programme for 2006–2008 (ECE/MP.PP/2005/2/Add.11). The Meeting of the Parties also adopted decision II/6 on financial arrangements, in which it requested the secretariat, in accordance with the financial rules of the United Nations, to monitor the expenditure of the funds and to prepare annual reports for review by the Working Group of the Parties in order to ensure that the level of contributions matched the level of funding needed for the implementation of the work programme (ECE/MP.PP/2005/2/Add.10, para. 4).

* This document could not be submitted by the normal deadline, partly because the definitive financial data for 2006 were not available until shortly before the deadline, and partly because of staff changes in the secretariat.

2. At its sixth meeting, the Working Group of the Parties reviewed a paper prepared by the secretariat containing a breakdown of expected expenditure and income and a provisional list of meetings under the work programme for 2006–2008 (ECE/MP.PP/WG.1/2006/9). It agreed that the paper should provide guidance to the secretariat on the use of trust fund resources up until its next meeting (ECE/MP.PP/WG.1/2006/2, para. 67).

3. Pursuant to the request of the Meeting of the Parties and having regard to document ECE/MP.PP/WG.1/2006/9, the secretariat has prepared:

- a) An overview of contributions from Parties and Signatories for the period 1 January – 31 December 2006, with information on contributions made for 2004 and 2005 included for the purpose of comparison (annex I); and
- b) An overview of expenditures made in the period 1 January – 31 December 2006 (annex II).

4. The following paragraphs contain a number of observations concerning the figures contained in the annexes.

5. Whereas the actual income received to the Trust Fund in 2006 is shown in column B, a new column entitled “Adjusted contributions for 2006” has been included (column C). The adjusted contribution column excludes contributions which were received in 2006 but which have been earmarked for use in a calendar year other than 2006, and it includes amounts contributed in a calendar year other than 2006 that have been earmarked for use during 2006.

6. The overall level of contributions made through the Convention’s Trust Fund¹ in 2006 was US\$ 931,850. Interest income and foreign exchange gain brought the total income provided through the Convention’s trust fund to US\$ 986,750. However, a substantial proportion of the contributions received in 2006 were earmarked for use in other calendar years, significantly outweighing amounts contributed in previous years earmarked for use during 2006. Thus the adjusted total is the lower figure of US\$ 766,842. In addition, contributions in kind of US\$ 28,001 were received,² bringing the total of contributions in cash and in kind to US\$ 794,843. While this figure remains somewhat below the estimated core annual requirement and substantially below the estimated overall annual requirement contained in document ECE/MP.PP/WG.1/2006/9 (US\$ 909,650 and US\$ 1,473,746 respectively), it nonetheless represents a significant increase over previous years.

7. The number of Parties and Signatories that made contributions in 2006 was slightly higher than the number for 2005, with eight of these being first-time contributors. However, four Parties that contributed in 2005 did not do so in 2006, and a substantial proportion of the Parties and Signatories – more than 40% – have never contributed to the Trust Fund. Furthermore, among

¹ Strictly speaking, what is referred to here as the Convention’s Trust Fund is a section of the UNECE Trust Fund on Local Technical Cooperation. Use of the Trust Fund for Assistance to Countries in Transition (TFACT) has virtually been phased out, so no contributions were channelled through TFACT in 2006 and it is not envisaged to channel any funds through TFACT in the future.

² These represent in-kind contributions towards the implementation of the work programme of the Convention, not towards the operation of the secretariat.

those that have contributed, the burden of shouldering the costs of the work programme does not appear to be spread equitably among the Parties and Signatories.

8. Leaving aside the in-kind contributions,³ the level of expenditure for the year (around US\$ 637,000) was significantly below the anticipated core requirement (US\$ 909,650) and the level of income (around US\$ 767,000). This expenditure included around US\$ 25,000 from the Trust Fund for Assistance to Countries in Transition (TFACT) that were contributed in previous calendar years for use in connection with the Aarhus Convention.⁴

9. Expenditure in most individual areas of activity fell somewhat below the estimated core requirements, more or less in proportion with the overall discrepancy between the total expenditure and the total estimated core requirements. Certain areas of expenditure call for specific comment:

- Expenditure on capacity-building remains significantly below the estimated core requirement, again reflecting the secretariat's limited direct involvement in capacity-building projects following the decision to give increased priority to its coordination role.
- To optimize the use of staff resources, some extra-budgetary staff time (10% of one project staff position) was allocated to access to justice. (The original intention had been to service this area of activity using regular budget staff time.)
- On the basis of the financial position in September 2006 (see also para. 10 (a) below), the Bureau at its twelfth meeting approved a secretariat proposal to defer commencement of the work on public participation in strategic decision-making, on the grounds that some areas of the work programme needed to be cut back, deferred or spread out in the light of the shortfall in resources and that this had not been one of the more prioritized activities in decision II/7.
- One area of activity, the preparatory work towards developing a long-term strategic plan, was not identified as a separate area of activity in decision II/7 or in document ECE/MP.PP/WG.1/2006/9, and thus funds were not explicitly foreseen in the work programme. This activity has therefore been funded through contributions in kind (from Belgium and Norway).

10. Whereas the estimated core requirements in decision II/7 were based on the supposition of three professional project staff funded through the Trust Fund for the three-year period, this was revised downward in document ECE/MP.PP/WG.1/2006/9 to 2.5 project staff for the first 18 months and 3 project staff for the following 18 months. In practice, for most of 2006 just two professional project staff members were funded through the Trust Fund. Given the surplus of income (even adjusted income) over expenditure, the question might be asked as to why spending was not increased to ensure fuller implementation of the work programme, notably by increasing the number of project staff from 2 to 2.5 as was envisaged in document ECE/MP.PP/WG.1/2006/9. In this regard, it is important to point out three things:

³ As the contributions in kind were towards an activity for which funds had not been foreseen in the work programme, namely the development of a long-term strategic plan, they did not defray the costs identified in the work programme.

⁴ These were used to cover the costs of travel of experts participating in the PRTR Working Group in 2006 (see annex II).

- (a) First, the bulk of the funding arrived during the second half of the year. Only US\$ 126,000 (18%) of the nearly US\$ 712,000 received for activities in 2006 was received during the first half of the year.
- (b) Second, the nature of the scheme of financial arrangements is such that the receipt of funds cannot be predicted with any certainty even when they have been pledged.
- (c) Third, even if there had been more certainty regarding the income expectations, the balance of funds was not sufficient to permit any increase in the number of project staff – in fact, at the relevant point in time during the autumn, it was just sufficient to secure the renewal of the contracts of the existing project staff for a further calendar year. This points to the need to operate with a slightly higher balance of funds, and the surplus achieved during 2006 will help to achieve that.

11. The level of support from the regular budget of the United Nations, which covers some staff costs⁵ as well as the costs of conference services,⁶ has remained more or less constant since the second meeting of the Parties (see ECE/MP.PP/2005/10, para. 28).

⁵ During 2006, the regular budget covered two professional posts (one P-4 and one P-2) and, from October 2006, one half-time secretarial post (G-5). In addition, one secretarial post (initially G-4, upgraded in September 2006 to G-5) has been funded through the programme support costs from the trust funds established by the UNECE Environment, Housing and Land Management Division.

⁶ This includes the costs of meeting room facilities, including interpretation, as well as translation and distribution of official documentation.

Annex I

**CONTRIBUTIONS TOWARDS THE CONVENTION'S WORK
PROGRAMME RECEIVED IN 2006**

Column A: Countries (Parties and Signatories)	Column B: Actual contribution in 2006 (US\$)	Column C: Adjusted actual contribution in 2006 (US\$)	Column D: Contributions for 2005 (US\$)	Column E: Contributions for 2004 (US\$)
Albania				
Armenia				
Austria	26,350.46	13,175.23		11,856.00
Azerbaijan				
Belarus	1,000.00	1,000.00	1,000.00	
Belgium	65,538.00	40,538.00	27,096.00	21,963.00
Bulgaria	5,500.00	5,500.00	5,000.00	
Croatia				
Cyprus				
Czech Republic	10,000.00	10,000.00		
Denmark	41,209.78	20,604.89	20,605.00	39,108.00
Estonia	20,000.00	20,000.00	20,000.00	
Finland	13,157.89	10,000.00	10,000.00	10,000.00
France	170,122.11	106,508.88	72,377.00	73,507.00
Georgia	3,832.16	3,832.16		
Germany	57,009.62	57,009.62	60,476.00	59,420.00
Greece				
Hungary	2,400.00	2,400.00		
Iceland				
Ireland				
Italy	125,391.62	125,391.62	129,702.00	123,370.00
Kazakhstan			315.00	
Kyrgyzstan			990.00	
Latvia	2,000.00	2,000.00	1,200.00	
Liechtenstein				
Lithuania	200.00	200.00		
Luxembourg				
Malta	1,000.00	1,000.00	1,000.00	231.00
Moldova	500.00	500.00		1,000.00
Monaco				
Netherlands			19,992.00	55,054.00
Norway	47,412.68	47,412.68	35,646.00	30,816.00
Poland				
Portugal				
Romania	1,000.00	1,000.00		
Slovakia	956.00	956.00		
Slovenia			8,675.00	1,500.00
Spain	25,641.03	25,641.03	26,420.00	24,876.00
Sweden	101,285.00	19,975.00	19,974.00	19,975.00
Switzerland	16,528.93	16,528.93		
Tajikistan	190.00	190.00	400.00	
The FYR of Macedonia				
Turkmenistan	200.00	200.00		
Ukraine				
United Kingdom	52,173.91	52,173.91	56,497.00	53,500.00
European Community	128,205.13	128,205.13	120,919.00	120,374.00
Public Donation	29.57			
Foundation grant (GIAN) (earmarked 2007)	13,016.95			
Total	931,850.84	711,943.08	638,284.00	646,550.00
<i>Interest income and foreign exchange gain</i>	54,898.66	54,898.66		
	986,749.50	766,841.74		
Contributions in kind:	28,001.08	28,001.08		
Belgium (LTSP)	16,100.00	16,100.00		
Norway (LTSP)	11,901.08	11,901.08		
Total including contributions in kind	1,014,750.58	794,842.82		

Annex II

**EXPENDITURE ON THE CONVENTION'S WORK PROGRAMME FROM
THE UNECE TRUST FUNDS¹ IN 2006**

Activity	Description and Code	Amount	Subtotal	Total	WGP-6 estimates *	
					Core	Overall
I. Compliance mechanism				162,066.39	237,480.00	356,720.00
Staff time	Professional staff (L-3): 0.60 plus secretarial support		94,108.74		132,480.00	216,720.00
Travel, DSA	(committee members, other participants)		63,990.43		70,000.00	80,000.00
Subcontracts	Consultant (translator)	3,967.22	3,967.22		30,000.00	50,000.00
Staff travel	Missions, DSA	0.00	0.00		5,000.00	10,000.00
II. Capacity-building activities				47,054.36	134,360.00	279,800.00
Staff time	Professional staff (L-3): 0.30 plus secretarial support		47,054.36		99,360.00	154,800.00
Travel, DSA	(eligible participants)	0.00	0.00		0.00	5,000.00
Capacity-building activities	Consultant (translator)	0.00	0.00		20,000.00	100,000.00
Materials, studies	Consultant (translator)	0.00	0.00		10,000.00	10,000.00
Staff travel	Missions, DSA	0.00	0.00		5,000.00	10,000.00
III. Awareness raising and promotion of the Convention and the Protocol on PRTRs				33,724.74	63,120.00	117,400.00
Staff time	Professional staff (L-3): 0.20 plus secretarial support		31,369.58		33,120.00	77,400.00
Staff travel	Missions, DSA		2,355.16		30,000.00	40,000.00
IV. Clearinghouse mechanism				57,280.50	96,240.00	127,400.00
Staff time	Professional staff (L-3): 0.30 plus secretarial support		55,282.70		66,240.00	77,400.00
Staff travel	Missions, DSA		1,997.80		0.00	0.00
Subcontracts	Consultant (translator)	0.00	0.00		30,000.00	50,000.00
V. Public participation in international forums				37,096.92	45,000.00	70,000.00
Travel, DSA	(eligible participants)		13,096.92		15,000.00	20,000.00
Subcontracts	Consultant		24,000.00		30,000.00	50,000.00
VI. Pollutant release and transfer registers (PRTRs)				102,378.48	117,240.00	172,400.00
Staff time	Professional staff (L-3): 0.40 plus secretarial support		62,739.16		66,240.00	77,400.00
Travel, DSA	Working Groups (eligible participants)		35,600.04		35,000.00	35,000.00
Travel, DSA	Expert Groups (eligible participants)	0.00	0.00		6,000.00	30,000.00
Staff travel	Missions, DSA		4,039.28		0.00	0.00
Subcontracts	Consultant (translator)	0.00	0.00		10,000.00	30,000.00

¹ The UNECE Trust Fund on Local Technical Cooperation and the UNECE Trust Fund on Assistance to Countries in Transition.

**EXPENDITURE ON THE CONVENTION'S WORK PROGRAMME FROM
THE UNECE TRUST FUNDS IN 2006 (continued)**

Activity	Description and Code	Amount	Subtotal	Total	WGP-6 estimates *	
					Core	Overall
VII. Access to Justice				35,335.47	15,000.00	35,000.00
Staff time	Professional staff (L-3): 0.10 plus secretarial support		15,684.79		0.00	0.00
Travel, DSA	(eligible participants)		19,650.68		15,000.00	25,000.00
Subcontracts	Consultant, collection and examination of case studies	0.00	0.00		0.00	10,000.00
VIII. Electronic information tools				52,984.73	36,560.00	60,480.00
Staff time	Professional staff (L-3): 0.10 plus secretarial support		15,684.79		16,560.00	15,480.00
Staff travel	Missions, DSA		2,430.52		0.00	5,000.00
Travel, DSA	(eligible participants)		19,869.42		15,000.00	25,000.00
Grants (GRID)			15,000.00		0.00	0.00
IX. Genetically modified organisms (GMOs)				0.00	5,000.00	10,000.00
Travel, DSA	(eligible participants)		0.00		0.00	0.00
Subcontracts	Consultant (translator)		0.00		5,000.00	10,000.00
X. Public participation in strategic decision-making				0.00	25,000.00	45,000.00
Travel, DSA	(eligible participants)		0.00		0.00	0.00
Subcontracts	Consultant (translator)		0.00		25,000.00	40,000.00
Staff travel	Missions, DSA		0.00		0.00	5,000.00
XI. Coordination and oversight of intersessional activities				39,052.24	30,000.00	30,000.00
Travel, DSA	Meeting of the Working Group of the Parties (eligible participants)		33,257.25		25,000.00	25,000.00
Travel, DSA	Bureau meetings (eligible participants)		5,794.99		5,000.00	5,000.00
XII. Third ordinary meeting of the Parties				0.00	0.00	0.00
Travel, DSA	(eligible participants)		0.00			
Subcontracts	Consultant (translator)		0.00			
Staff travel	Missions, DSA		0.00			
Adjustment and savings on meetings held in previous years				-3,276.70		
Consultants			-350.00			
Travel, DSA (eligible participants)			-2,223.05			
Travel, DSA (Staff)			-703.65			
(1) Net Total				563,697.13	805,000.00	1,304,200.00
(2) 13% programme support costs of (1)				73,280.63	104,650.00	169,546.00
(3) 15% operating reserve of (1)				84,554.57	120,750.00	195,630.00
(4) GRAND TOTAL (1) + (2) + (3)				721,532.33	1,030,400.00	1,669,376.00
(5) GRAND TOTAL (1) + (2)				636,977.76	909,650.00	1,473,746.00

* The figures in these two columns derive from document ECE/MP.PP/WG.1/2006/9