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MANAGEMENT OF THE ENVIRONMENT FUND

THE ESTABLISHMENT OF A TRUST FUND FOR THE PROTECTION
OF THE MEDITERRANEAN SEA AGAINST POLLUTION

Note by the Executive Director

1. The Intergovernmental Review Meeting of Mediterranean Coastal States and First Meeting of the Contracting Parties to the Convention for the Protection of the Mediterranean Sea against Pollution and its related Protocols, held at Geneva from 5 to 10 February 1979, approved a work programme for the 1979 and 1980 biennium. The report of the meeting (UNEP/IG.14/9) will be made available to delegations. Of particular concern to the Council are paragraphs 67 to 85, and annexes VII, VIII, IX, X, and XI of the report.
2. It will be seen from annex IX of the report that the total cost for the implementation of the work programme amounts to \$6.4 million for the two-year operating period 1979-1980. In order to meet this level of funding, the Mediterranean coastal States and the European Economic Community (EEC) agreed to establish a Regional Trust Fund and to contribute to it \$3.28 million, a sum agreed to on the basis of an established scale. For its part, UNEP has offered to contribute towards the cost of the secretariat and of the programme activities up to a maximum of \$1.6 million (twenty-five per cent of the total costs) for the two-year period. The United Nations organizations and specialized agencies participating in the implementation of the Mediterranean Action Plan have agreed to contribute, in kind or services, up to a target of \$1.6 million for the same period.
3. The Mediterranean coastal States and EEC have decided to entrust the administration of the Mediterranean Trust Fund temporarily to the Executive Director of UNEP, on the understanding that he would utilize all possible means available to him to achieve maximum economy in such administration.

4. The Executive Director accordingly recommends that the Governing Council, in accordance with article V of the general procedures governing the operations of the Fund of the United Nations Environment Programme, formulated pursuant to General Assembly resolution 2997 (XXVII), section III, paragraph 7, and adopted by the Governing Council in decision 2 (I) of 22 June 1973, approve the establishment of a Trust Fund, within the framework of the Environment Fund for the purposes specified by the Intergovernmental meeting on the Mediterranean Action Plan, which are consistent with the policies, aims and activities of the Environment Fund.

5. The Financial Rules of the Fund of the United Nations Environment Programme shall apply to the operations of the Trust Fund. In regard to any matter not specifically covered by these Rules, the relevant provisions of ST/SGB/Financial Rules/1 and ST/SGB/146/Rev.1 shall apply mutatis mutandis. The terms of reference for the administration of the Mediterranean Regional Trust Fund for the Protection of the Mediterranean Sea against Pollution that were adopted by the Mediterranean coastal States and EEC (see annex VIII of UNEP/IG.14/9) shall be followed by the Executive Director in administering the Trust Fund.

6. In accordance with rule 208.2 (d) of the Financial Rules of the Fund of UNEP, a separate account shall be maintained for the Mediterranean Regional Trust Fund.

Suggested Action by the Governing Council

7. The Governing Council may wish to consider taking a decision along the following lines:

"The Governing Council,

"Noting with satisfaction the entry into force of the Convention for the Protection of the Mediterranean Sea against Pollution and its related Protocols,

"Noting further the results of the Intergovernmental Review Meeting of Mediterranean Coastal States and First Meeting of the Contracting Parties to the Barcelona Convention (Geneva, 5 to 10 February 1979) and in particular the adopted work programme and related budget for the biennium 1979-1980,

"Recalling its decision 6/7 B of 24 May 1978, whereby it called upon the Mediterranean coastal States to take increasing financial responsibility for the secretariat costs of the Mediterranean Action Plan,

"Welcoming the contribution of \$3.28 million pledged by the Mediterranean coastal States and the European Economic Community for the Regional Trust Fund to contribute towards the costs of the Mediterranean Action Plan in the biennium 1979-1980,

"Noting also the agreement of the Mediterranean coastal States and the European Economic Community to entrust the Executive Director of the United Nations Environment Programme temporarily with the administration of the Trust Fund,

"1. Approves, under chapter II, article V of the general procedures governing the operations of the Fund of the United Nations Environment Programme, the establishment of the Regional Trust Fund for the Protection of the Mediterranean Sea against Pollution, for a two-year period, within the framework of the Environment Fund;

"2. Agrees with the intention of the Executive Director to assume responsibility for administering the Regional Trust Fund on a temporary basis for the two-year period, and to contribute \$1.6 million from the Environment Fund to support the Mediterranean Action Plan in the biennium 1979-1980;

"3. Decides to review the Trust Fund arrangements at its ninth session in 1981;

"4. Urges the Mediterranean coastal States and the European Economic Community to deposit their pledged contributions in the Trust Fund as soon as possible in order to avoid shortages of funds in 1979."
