

SC-5/22: Needs assessment

The Conference of the Parties

1. *Takes note* of the report by the Secretariat on information regarding the availability of financial resources additional to those provided through the Global Environment Facility and ways and means of mobilizing and channelling those resources in support of the objectives of the Stockholm Convention on Persistent Organic Pollutants over the period 2015–2019;¹
2. *Takes note* of the information provided by developed-country parties, other parties and other sources, including relevant funding institutions and the private sector, on ways in which they can support the Convention;²
3. *Invites*, in accordance with paragraphs 2 and 3 of Article 13 of the Convention, developed-country parties, other parties and other sources, including relevant funding institutions and the private sector, to provide, by 31 December 2011, further information to the Secretariat on ways in which they can support the Convention;
4. *Requests* the Secretariat to prepare a report, on the basis of the information to be provided pursuant to paragraph 3 above, reviewing the availability of financial resources additional to those provided through the Global Environment Facility and ways and means of mobilizing and channelling those resources in support of the objectives of the Convention, as requested by the Conference of Plenipotentiaries on the Stockholm Convention on Persistent Organic Pollutants in its resolution 2, for consideration by the Conference of the Parties at its sixth meeting;
5. *Adopts* the terms of reference for the assessment of the funding needed by developing-country parties and parties with economies in transition to implement the Convention over the period 2015–2019 set forth in annex I to the present decision;
6. *Invites* parties and others to provide the relevant information required to undertake the assessment of funding needs mentioned in the preceding paragraph for consideration by the Conference of the Parties at its sixth meeting;
7. *Decides* to undertake the assessment of funding needs every four years starting at the sixth meeting of the Conference of the Parties as an input of the Conference of the Parties to the negotiations on the replenishment of the Trust Fund of the Global Environment Facility;
8. *Adopts* the format for facilitating parties' assessment of and reporting on the funding used during the period 2010–2014 and their funding needs for 2015–2019, and the guidance relevant for using the format by parties, set forth in annex II to the present decision;
9. *Requests* parties to use the format set forth in table 2 of annex II to the present decision in developing new or amending existing implementation plans and in assessing and reporting on the resources used during the period 2010–2014 and the funding needed for 2015–2019 for the implementation of the Convention as set forth in paragraph 6 of the present decision;
10. *Also requests* parties to include executive summaries, identifying critical substantive and financial issues pertinent to their national implementation plans, in their submissions on funding needs;
11. *Requests* the Secretariat:
 - (a) To make available to all parties the general guidance set forth in Annex III to the present decision, including on such matters as determining baselines and incremental resource estimates, and guidance on matching funds and other sources of voluntary funding;
 - (b) To prepare a summary of key elements contained in the guidance referred to in subparagraph (a) above, with a view to facilitating the assessment of funding needed by developing-country parties and parties with economies in transition to implement the Convention;
 - (c) To develop an information collection form and guidance on how to complete the form to be used by parties when compiling information as an input to the format set forth in table 2 of annex II to the present decision;

1 UNEP/POPS/COP.5/22, annex I.

2 UNEP/POPS/COP.5/INF/18, annex.

(d) To provide assistance to parties, upon request, to facilitate their assessment of the resources they used during the period 2010–2014 and the funding they need to implement the Convention during the period 2015–2019;

12. *Invites* parties, the Global Environment Facility and relevant international and non-governmental organizations to provide information to the Secretariat on their views of and experiences in applying the methodology used to undertake the needs assessment, including information on priority setting in national implementation plans as appropriate, for the continuous improvement of the methodology;

13. *Takes note* of the increasing number of national implementation plans submitted by parties and the obligation of those parties for whom the amendments for the nine newly listed persistent organic pollutants have entered into force to update their national implementation plans;

14. *Requests* that the needs assessment should include updated information for the period 2010–2014, where available, and that any updated information should be used as input to the third review of the financial mechanism;

15. *Underlines* that continuing needs identified in previous assessments of baselines and the agreed full incremental costs of developing-country parties and parties with economies in transition to implement the Convention should be included in the 2015–2019 needs assessment.

Annex I to decision SC-5/22

Terms of reference for the assessment of funding needed by developing-country parties and parties with economies in transition to implement the Convention over the period 2015–2019

A. Objectives

1. The objectives of the work to be carried out under the present terms of reference are:

(a) To enable the Conference of the Parties to provide to the principal entity entrusted with the operation of the financial mechanism referred to in Article 13 of the Convention and to other entities, should they be so entrusted, at periodic intervals, assessments of the total funding, which consists of funding for baseline and agreed full incremental costs, needed by parties eligible for assistance from the financial mechanism to facilitate their effective implementation of the Convention;

(b) To provide the principal entity and any other entities with a framework and modalities for the determination in a predictable and identifiable manner of the funding necessary and available for the implementation of the Convention by parties eligible for assistance from the financial mechanism.

B. Methodology

2. Pursuant to the objectives in paragraph 1 above, the work to be carried out under the present terms of reference will be facilitated and coordinated by the Secretariat with a view to enabling a team of up to three independent experts to undertake, over a period of up to three months, a full assessment of the funding necessary and available for the implementation of the Convention for the period 2015–2019, based, among other things, on the experience with and lessons learned from the methodology and on available data gained from the preliminary assessments of funding needs for the periods 2006–2010³ and 2010–2014,⁴ for consideration by the Conference of the Parties at its sixth meeting.

3. The assessment will include an estimation of baseline and agreed full incremental costs of activities described primarily in national implementation plans and required to implement parties' obligations under the Convention.

4. The methodology for assessing the funding necessary and available for the implementation of the Convention shall be transparent, reliable and replicable.

3 See the terms of reference set forth in the annex to decision SC-2/12.

4 See the terms of reference set forth in the annex to decision SC-3/15.

C. Execution and sources of information

5. In developing the assessment of funding needs, the work will draw primarily upon information provided by parties in the national implementation plans submitted pursuant to Article 7 and reports submitted by parties pursuant to Article 15 of the Convention.

6. Relevant supplementary information, where available, will be drawn from the Secretariat and from:

(a) Parties, which are requested to provide information on funding needs associated with implementation of the Convention using the format and guidance set forth in Annex II of decision SC-5/22 and any other information on their experiences in implementing the Convention;

(b) The Global Environment Facility, which, as the principal entity entrusted with the operation of the financial mechanism on an interim basis, is invited to provide information gathered through its operations relevant to the assistance needs of eligible parties;

(c) Other international financial institutions that provide bilateral or multilateral financial or technical assistance pursuant to paragraph 6 of Article 13 of the Convention, which are invited to provide information on such assistance, including the levels of such assistance;

(d) Intergovernmental organizations, non-governmental organizations and other stakeholders, which are invited to provide information relating to the needs assessment;

(e) Secretariats of other multilateral environmental agreements, which are invited to provide information relevant to modalities for conducting similar needs assessments in connection with their agreements.

D. Scope

7. The assessment of the funding necessary and available for the implementation of the Convention should be comprehensive and primarily directed towards assessing total funding needs, with a view to identifying funding needed for baseline and agreed full incremental costs to enable all parties to fulfil their obligations under the Convention.

E. Process

8. The information identified above should be provided to the Secretariat by 30 September 2012. Any future updating of this information will be decided by the Conference of the Parties.

9. Based on the information that it receives from the Secretariat, the team of experts referred to in paragraph 2 above will prepare a report on the assessment of the funding necessary and available for the implementation of the Convention for the period 2015–2019 and for all needs as identified in paragraph 15 of decision SC-5/22 by developing-country parties and parties with economies in transition and transmit it to the Secretariat.

10. The Secretariat should present the report to the Conference of the Parties at its sixth meeting for its consideration and subsequent action, including for the purpose of informing the replenishment process of the Global Environment Facility.

Annex II to decision SC-5/22

Format to facilitate parties' assessment of and reporting on the funding used during the period 2010–2014 and their funding needs for 2015–2019, and guidance relevant to its use by parties

Introduction

1. At its fourth meeting, the Conference of the Parties to the Stockholm Convention considered a report⁵ prepared by three experts who sought to assess the funding needed by developing-country parties and parties with economies in transition to implement the provisions of the Convention over the period 2010–2014 (hereinafter, the “needs assessment report”). After discussing the matter, the parties adopted decision SC-4/24, in which, among other things, the Secretariat was requested to develop a simple and consistent format that would facilitate parties' assessment of and reporting on the funding used during the period 2010–2014 and the funding needed to implement the Convention during the period 2015–2019, based on the recommendations included in the needs assessment report.

A. Background

2. The needs assessment report was based on a review of the 67 national implementation plans that had been submitted up to December 2008 by parties pursuant to Article 7 and an analysis of the planned activities as well as the associated resources identified in each plan. The implementation plan of each party was assessed to determine the party's proposed actions, the time periods involved and the estimated resources required to implement all the components of the plan for 2004–2009, 2010–2014, 2015 and subsequent years.

3. Several difficulties were encountered in conducting the needs assessment:

(a) Parties did not follow a common approach in developing their plans or in identifying resources associated with planned activities. They tended to use one of the following two general approaches in preparing their implementation plans:

(i) They identified programmes, projects and resource estimates according to the provisions of the Convention (listed in table 1);

Table 1
Stockholm Convention provisions

<i>Article</i>	<i>Provision</i>
3 and 4	Intentionally produced persistent organic pollutants
5	Unintentionally produced persistent organic pollutants
6	Management of stockpiles and wastes
6.1(e)	Contaminated sites
7	Implementation plans
8	Listing of new chemicals in Annexes A, B and C
9	Information exchange
10	Public information, awareness and education
11	Research, development and monitoring
12	Technical assistance
13	Financial assistance
15	Reporting
16	Effectiveness evaluation

(ii) They developed discrete action plans for specific persistent organic pollutant issues⁶ (e.g., pesticide persistent organic pollutants, polychlorinated biphenyls,

⁵ UNEP/POPS/COP.4/27, annex.

⁶ The latter approach was consistent with proposals set out in the Secretariat's guidance for developing a national implementation plan for the Convention.

DDT, unintentionally produced persistent organic pollutants and contaminated sites), which took into account the provisions of the Convention that were relevant to each issue;

- (b) Plans varied considerably in content, detail and duration:
 - (i) Parties proposed to implement activities over periods ranging from 3 to 25 years, with 2004 being the earliest start date and 2031 being the latest completion date;
 - (ii) Plans submitted shortly after the Convention entered into force in May 2004 appeared to be a first step in implementing the Convention, frequently including activities over a period of between three and five years;
 - (iii) Plans submitted more recently tended to be more comprehensive in nature and included a wide range of near-term and long-term activities spanning periods of 20 years or more;

(c) In many cases, the plans did not distinguish between the costs and funding needs that parties identified for activities that were required under the Convention or were necessary for the implementation of the Convention and activities that were not directly related to the implementation of the Convention;

(d) Many plans included several activities under a single broad heading, with only one cost figure assigned for all activities within that heading; in such cases individual costing could not be assessed for the included specific activities or for the five-year periods of interest;

(e) The scope of the plans varied significantly, with some being 300 pages or more in length, and in many cases it was difficult to locate the critical parameters needed to determine the resource estimates associated with planned activities;

(f) Only a few parties separated their total needed resources into baseline and incremental categories.⁷

4. During the conduct of the needs assessment it was observed that, while the level and quality of technical detail in the submitted implementation plans were, in general, quite high, the lack of a simple and consistent format for reporting financial resource requirements resulted in a wide variety of methodologies being used by parties to determine estimated costs for the activities described in their plans. The result was a wide range of cost estimates among different countries for what appeared to be somewhat similar activities, even in cases in which the countries had comparable levels of population and industrial development. Furthermore, most of the plans did not show the resources that would be required for the periods of interest (2010–2014 and 2015–2019), which correspond to the Global Environment Facility replenishment periods.

5. The needs assessment report recommended that:

(a) A simple and consistent financial data reporting format should be developed as soon as possible to guide parties in developing resource estimates in their implementation plans;

(b) Guidance should be adopted to assist parties in developing resource demands for each specified activity in implementation plans;

(c) Guidance should be developed for use by parties in determining baseline and incremental resource estimates;

(d) Given the length and complexity of implementation plans, each plan should include an executive summary containing critical substantive and financial information in an agreed format that would enable future needs assessments to be based on comparable data from all parties.

While the present proposal responds directly to the recommendation in paragraph 5 (a) above, it may also be useful in responding to the recommendations in paragraphs 5 (b)–(d).

⁷ The term “baseline” refers to the resources that were identified as available at the national level for implementation of the plan; the term “incremental” refers to the resources that would be requested from other sources (e.g., the Global Environment Facility) for the implementation of the plan.

Table 2
Proposed format for reporting funding needs associated with implementation of the Convention

Article	Nature of provision		Resources used in 2010–2014 (United States dollars)			Resources needed for 2015–2019 (United States dollars)			Grand total
			Baseline	Incremental	Total	Baseline	Incremental	Total	
3 and 4	Intentionally produced persistent organic pollutants	Pesticides	Annex A						
			Annex B						
		Industrial chemicals	Annex A						
			Annex B						
5	Unintentionally produced persistent organic pollutants	Annex C							
6	Stockpiles and wastes								
6.1 (e)	Contaminated sites								
7	Implementation plans								
8	Listing of new chemicals in Annexes A, B and C								
9	Information exchange								
10	Public information, awareness and education								
11	Research, development and monitoring								
12	Technical assistance								
13	Financial assistance								
15	Reporting								
16	Effectiveness evaluation								
	Total								

6. Table 2 includes a detailed list of the operative provisions of the Convention, which closely corresponds to the approach used by parties in submitting their reports under Article 15. If each party were to provide resource information in this format for each provision for the periods 2010–2014 and 2015–2019, it would link the resources needed to the results reported by each Party for each provision of the Convention.

7. Furthermore, the information from individual parties could then be compiled to provide totals for all parties and the availability of both individual and overall resource requirements in this format would inform planning and decision-making by the Conference of the Parties and the Convention's financial mechanism.

8. As described in paragraph 3 (a) above, most parties followed one of two basic approaches in preparing their implementation plans, i.e., they included:

(a) Programmes, projects and resource estimates aligned with the provisions of the Convention; or

(b) Discrete action plans for specific persistent organic pollutant issues, each of which included resource estimates and took into account relevant provisions of the Convention.

9. Slightly different methods could be used by parties to identify their resource requirements in the format of table 2, depending on which of the two basic approaches described in paragraph 3 (a) were used in developing their implementation plans.

10. Table 3 lists all the persistent organic pollutants controlled under the Convention, highlighting in boldface the nine persistent organic pollutants that were added at the fourth meeting of the Conference of the Parties. It is organized as follows:

(a) The intentionally produced persistent organic pollutants controlled under the Convention are categorized as "pesticides" and "industrial chemicals" and the persistent organic pollutants within each group are further separated based on whether they are intended for elimination (Annex A) or restriction (Annex B). Many parties have developed plans that reflect that they have different legislation and programmes for pesticides and industrial chemicals and that they have proposed separate activities to meet Convention obligations for each group;

(b) For the unintentionally produced persistent organic pollutants, most parties identified measures and resource requirements for dioxins and furans.

Table 3
Persistent organic pollutants listed in Annexes A, B and C

Article	Nature of provision			
3 and 4	Intentionally produced persistent organic pollutants	Pesticides	Annex A	Aldrin
				Alpha hexachlorocyclohexane*
				Beta hexachlorocyclohexane*
				Chlordane
				Chlordecone*
				Dieldrin
				Endrin
				Heptachlor
				Hexachlorobenzene
				Lindane*
				Mirex
				Pentachlorobenzene*
		Toxaphene		
		Annex B	DDT	
		Industrial chemicals	Annex A	Hexabromobiphenyl *
Hexabromodiphenyl ether and heptabromodiphenyl ether*				
Hexachlorobenzene				
Pentachlorobenzene*				
Polychlorinated biphenyls				
Tetrabromodiphenyl ether and pentabromodiphenyl ether*				
Annex B	PFOS, its salts and PFOF*			
5	Unintentionally produced persistent organic pollutants	Annex C	Dioxins	
			Furans	
			Hexachlorobenzene	
			Pentachlorobenzene*	
			Polychlorinated biphenyls	
* As amended at the fourth meeting by decisions of the Conference of the Parties, which entered into force for some parties on 26 August 2010.				

11. All current implementation plans were developed to implement the measures included in the Convention upon its entry into force on 17 May 2004. Thus, the resources associated with current implementation plans are insufficient for the activities that will be needed to implement the new measures that entered into force, for some parties, on 26 August 2010 for the nine newly listed persistent organic pollutants. Such new measures have generated new obligations on parties for which these amendments have entered into force and will probably result in the preparation of modified or updated implementation plans and in the identification of new resources needed to implement such new measures. As these parties need to develop plans for implementing provisions for these nine persistent organic pollutants, there is an opportunity to identify the resource requirements in a common and systematic format during the development of these plans.

B. Approach A: implementation plans that align with Convention provisions

12. Each party that has developed an implementation plan that is aligned with the provisions of the Convention would need to determine the baseline and incremental costs for each respective provision for the two five-year periods of interest.

13. For Articles 3–6, this analysis should be straightforward, regardless of whether a party's plan has identified the resources needed to implement measures for a specific intentionally produced persistent organic pollutant (e.g., aldrin or DDT) or for a group of persistent organic pollutants (e.g., all the pesticides listed in Annex A or all the persistent organic pollutants listed in Annex C).

C. Approach B: implementation plans that deal with specific persistent organic pollutants issues

14. For those parties that have developed implementation plans that include discrete action plans for discrete specific persistent organic pollutant issues, the use of the proposed format would require parties:

- (a) To identify the baseline and incremental costs for each issue for each of the two five-year periods of interest;
- (b) To determine the baseline and incremental costs for each respective provision for the two five-year periods of interest.

15. For example, a party could allocate resources for action plans:

- (a) To eliminate the use and releases of polychlorinated biphenyls under:
 - (i) Article 3, if the emphasis of the plan is on regulatory and administrative measures to eliminate polychlorinated biphenyls;
 - (ii) Article 6, if the emphasis of the plan is on the phase-out and destruction of polychlorinated biphenyls or the identification of contaminated sites; or
 - (iii) Articles 3 and 6, if both types of measures will be involved;
- (b) To deal with all aspects of persistent organic pollutant pesticides under:
 - (i) Article 3, if the emphasis of the plan is on regulatory and administrative measures to restrict or eliminate the pesticides;
 - (ii) Article 6, if the emphasis of the plan is on the disposal of obsolete stocks of pesticides or the identification of contaminated sites; or
 - (iii) Articles 3 and 6, if both types of measures will be involved;
- (c) To deal with all aspects of measures for unintentionally produced persistent organic pollutants under:
 - (i) Article 5, if the emphasis of the plan is on regulatory and administrative measures to restrict or eliminate releases to the environment;
 - (ii) Article 6, if the emphasis of the plan is on the identification of contaminated sites; or
 - (iii) Articles 5 and 6, if both types of measures will be involved.

Annex III to decision SC-5/22

List of guidance documents pertaining to the assessment of funding needs

- Step-by-step companion guide to the review and updating of the national implementation plans – 2011, April 2011
- Draft guidance on calculation of action plan costs, including incremental costs and action plans for specific persistent organic pollutants, as adopted by decision SC-4/9
- Guidance for developing a national implementation plan for the Stockholm Convention, as adopted by decision SC-1/12
- Draft guidance on socio-economic assessment for national implementation plan development and implementation under the Stockholm Convention, as noted in decision SC-4/9