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**Conference of the Parties of the Stockholm
Convention on Persistent Organic Pollutants
Second meeting**

Geneva, 1–5 May 2006

Item 5 (h) of the provisional agenda*

**Matters for consideration or action by the Conference of the Parties:
financial resources**

**Terms of reference for work on modalities on the needs
assessment****

Note by the Secretariat

1. Paragraph 6 of Article 13 of the Stockholm Convention establishes a financial mechanism for the provision of adequate and sustainable financial resources to developing country Parties and Parties with economies in transition on a grant or concessional basis to assist in their implementation of the Convention.
2. In pertinent part, paragraph 7 of Article 13 indicates that the Conference shall adopt at its first meeting appropriate guidance to be provided to the financial mechanism. Subparagraph (d) of paragraph 7 provides that the guidance is to include, among other things, “modalities for the determination in a predictable and identifiable manner of the amount of funding necessary and available for the implementation of [the] Convention[.]”.
3. At its first meeting, the Conference of the Parties in its decision SC-1/9 adopted the guidance to the financial mechanism contemplated by paragraph 7 of Article 13. That guidance is set out in the annex to the decision.. Paragraph 4 of the guidance states:

“In accordance with paragraph 7 (d) of Article 13, the Conference of the Parties will regularly provide the entity or entities entrusted with the operations of the financial mechanism pursuant to paragraph 6 of Article 13 of the Convention assessments of the funding needed to ensure effective implementation of the Convention.”
4. At its first meeting, the Conference in its decision SC-1/17 requested the Secretariat to develop draft terms of reference for work on modalities on the needs assessment for Parties that are developing countries

* UNEP/POPS/COP.2/1.

** Stockholm Convention, Article 13, paragraphs 7 (d) and 7 (e); Report of the Conference of the Parties on the work of its first meeting (UNEP/POPS/COP.1/31), annex I, decision SC-1/17.

or countries with economies in transition to implement the provisions of the Convention over the period 2006–2010 for consideration by the Conference of the Parties at its second meeting.

5. In response to the above request, the Secretariat developed the draft terms of reference set out the annex to the present note.

Possible action by the Conference of the Parties

6. The Conference may wish to adopt, with any amendments, the draft terms of reference set out in the annex to the present note for work on modalities on the needs assessment for Parties that are developing countries or countries with economies in transition to implement the provisions of the Convention over the period 2006–2010.

Annex

Draft terms of reference for work on modalities on the needs assessment for Parties that are developing countries or countries with economies in transition to implement the provisions of the Convention over the Period 2006–2010

Objectives

1. The objectives of the work to be carried out under the present terms of reference are, first, to provide a framework for determining the needs of Parties that are developing countries or countries with economies in transition with respect to implementing the provisions of the Convention and, second, to enable the Conference of the Parties to provide at regular intervals assessments of the funding needed to ensure the effective implementation of the Convention to the entity or entities entrusted with the operations of the financial mechanism pursuant to paragraph 6 of Article 13 of the Convention.

Sources of information

2. The work will draw upon existing sources of information in the Secretariat, Parties, entities of the financial mechanism, other international financial institutions, intergovernmental and nongovernmental organizations and secretariats of other multilateral environmental agreements.

3. Specifically, information will be sought as follows:

(a) The Secretariat:

(i) Will compile and analyse the needs identified in the implementation plans submitted by Parties pursuant to paragraph (b) of Article 7 of the Convention; and

(ii) Will review reports submitted by Parties pursuant to Article 15 of the Convention to identify potential needs relating to the implementation of the Convention;

(b) The Global Environment Facility, as the principal entity entrusted with the operations of the financial mechanism on an interim basis, is invited to provide information gathered through its operations relevant to assistance needs in 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 are invited to provide information on such assistance, including the levels of such assistance;

(d) Intergovernmental and nongovernmental organizations are invited to provide information relating to the needs assessment;

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

(f) Parties are invited to provide any other information on their experiences in implementing the Convention;

(g) Observers are invited to provide information relevant to the needs assessment.

Process for completing the work

4. The information identified above should be provided to the Secretariat by 31 December 2006. The timing of any future updating of this information will be decided by the Conference of the Parties.

5. Based on the information it receives, the Secretariat will provide an assessment of the needs of Parties that are developing countries or countries with economies in transition for consideration by the Conference of the Parties, initially at its third meeting.