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**Twentieth Meeting of the Parties to the  
Montreal Protocol on Substances  
that Deplete the Ozone Layer**  
Doha, 16–20 November 2008  
Item 5 of the provisional agenda\*  
**Other matters**

**Request by the Parties to the Rotterdam Convention to explore  
ways of making more effective use of existing sources of relevant  
global funding to support implementation of the Convention**

**Note by the Secretariat**

1. The Secretariat wishes to bring to the attention of the Parties a request by the Conference of the Parties to the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade contained in decision RC-3/5 on the financial mechanism. In that decision, the Parties to the Rotterdam Convention requested its secretariat to consult the Parties to the Montreal Protocol to identify areas within its mandate that could support the implementation of appropriate and relevant objectives of the Rotterdam Convention, such as foundational chemical management, and to report on the results of its efforts. In late 2007, the Rotterdam Convention Secretariat transmitted this decision to the Ozone Secretariat, the secretariats of the Stockholm and Basel conventions, the Strategic Approach to International Chemicals Management, the Global Environment Facility and the Executive Committee of the Multilateral Fund. The full text of the decision is contained in the annex to the present note. After discussing this issue at its meeting in April 2008, the Executive Committee of the Multilateral Fund agreed to request the Fund secretariat to respond in the following terms:

**Possible areas of collaboration between the Multilateral Fund of the  
Montreal Protocol and the Rotterdam Convention**

1. To achieve its overarching objective of regulating the flow across national borders of the chemicals covered by the Convention, the Rotterdam Convention on the Prior Informed Consent Procedure expects each of its signatory countries to establish and in some cases strengthen its national capacity to control the movement of such chemicals to and from its territory. As shown

\* UNEP/OzL.Conv.8/1-UNEP/OzL.Pro.20/1.

in section C of UNEP/FAO/RC/COP.3/13 “Study of Possible Options for Lasting and Sustainable Financial Mechanisms”, a document issued at COP 3 of the Convention, this national capacity includes, among other things, the following activities:

- (a) Designating national authorities for managing the regulation of the listed chemicals;
- (b) Providing the needed resources to such authorities to collect, register and report data internationally on such chemicals;
- (c) Enacting or amending laws to regulate or ban the import or export of the listed chemicals;
- (d) Harmonizing customs codes and labelling of listed chemicals and their shipment;
- (e) Training of customs officers to enable them to determine whether export notification and information requirements are met; and
- (f) Educating the public on chemicals handling, accident management and safer alternatives.

2. The Multilateral Fund, in implementing its mandate to assist developing countries in complying with the ozone-depleting substances (ODS) control schedules of the Montreal Protocol, has funded since 1991 activities similar to those listed in the preceding paragraph. Such activities have contributed towards phasing out the consumption and production of ODS in well over 140 countries under the Fund’s institutional strengthening programme.

3. This programme has resulted in:

- (a) The creation of a national ozone unit (NOU) in each country which owns and oversees the national programme of phasing out ODS consumption and production according to the Montreal Protocol;
- (b) Enacting import and export licensing systems to regulate the movement of ODS across national borders;
- (c) Collecting and reporting ODS consumption and production data to the Ozone and Multilateral Fund Secretariats; and
- (d) Training customs officers and harmonizing customs codes for ODS.

4. The capacities so created and strengthened have been instrumental in achieving the success of the Montreal Protocol to-date in developing countries. It should be noted however that these capacities have been funded in line with Article 10 of the Montreal Protocol and created to achieve the objectives of this Treaty.

5. In view of the similarities between the activities that are implemented to control the chemicals regulate under each of the two conventions, and taking into account the success of the Montreal Protocol in achieving its goals to date, it would seem logical to suggest that the Rotterdam Convention could consider adopting similar implementation mechanisms of the Multilateral Fund. In particular, the concept of setting up national ozone units could be used as a model to deliver the goals of the Rotterdam Convention.

6. If this is considered acceptable, the relevant actions could take place at a national level where the national ozone office could share, with the designated national authorities for the Rotterdam Convention, the experience and lessons learned in data collection and reporting, drafting and enacting import/export licensing systems, activities related to harmonization of customs, and training of customs officers, among other things.

7. However, it is difficult to consider at the moment any collaboration beyond this proposal between the Multilateral Fund and the Rotterdam Convention because the Multilateral Fund has a well defined mandate from the Meeting of the Parties to the Montreal Protocol, and the Rotterdam Convention is not part of that mandate. Any further collaboration would require careful examination of the legal, administrative and financial implications of so doing at an appropriate level, such as the Conference of the Parties to the Rotterdam Convention and the Meeting of the Parties to the Montreal Protocol.

2. As this is the first meeting of the Parties that has been held since the request of the Rotterdam secretariat was received, the Parties may wish to consider it as contained in decision RC-3/5. In the view of the Ozone Secretariat, the response that has already been approved by the Executive Committee and communicated by Multilateral Fund secretariat covers a range of issues that should be considered in any response that the Parties might send. Accordingly, it is possible that no further substantive response is necessary. Any input from the Parties on this matter is welcomed, however.

## Annex

### RC-3/5: Financial mechanism

*The Conference of the Parties,*

*Recognizing* the need for lasting and sustainable financial support for sound chemicals management including implementation of the Rotterdam Convention,

Building on existing strategies for the mobilization of resources to support the implementation of multilateral environmental agreements and approaches dealing with the sound management of chemicals,

*Supporting* the implementation of the Bali Strategic Plan for Technology Support and Capacity-building and other ongoing activities in this regard,

*Recognizing* that sizeable development assistance flows to build foundational capacities in sound chemicals management should be available to developing countries and countries with economies in transition that intend to mainstream sound chemicals management objectives into their national development plans and assistance requests, but that challenging obstacles exist that prevent those countries from accessing those funds in their efforts to achieve sound chemicals management,

*Highlighting* the importance of strengthening linkages and coordinating resource mobilization strategies of other multilateral chemicals agreements, approaches and processes, including the Stockholm Convention on Persistent Organic Pollutants, the Montreal Protocol on Substances that Deplete the Ozone Layer to the Vienna Convention on the Protection of the Ozone Layer, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, the Strategic Approach to International Chemicals Management, including its Quick Start Programme, and the Chemicals Branch of United Nations Environment Programme's Division of Technology, Industry and Economics,

*Welcoming* work undertaken by the United Nations Environment Programme in identifying modalities for mainstreaming chemicals management issues into national development strategies, including poverty reduction strategy plans,

*Welcoming* the secretariat's study of possible options for lasting and sustainable financial mechanisms,<sup>1</sup> specifically its identification of the difference between foundational chemicals management capacities, upon which the ability to regulate chemicals effectively is based, and activities required to implement the specific provisions of the Convention,

*Acknowledging* that the needs for foundational capacities may be most effectively addressed within the broader frameworks of the international chemicals and wastes agreements cluster and overarching sustainable development strategies such as those set out in the Millennium Development Goals and the Monterrey Consensus of the International Conference on Financing for Development,

*Acknowledging* also that a strategic, multifaceted approach to securing lasting and sustainable financial resources is required for the effective implementation of the Convention and should explore and take advantage of all reasonably available opportunities and utilize existing institutions and processes whenever it is feasible to do so,

1. *Invites* developing country Parties and Parties with economies in transition:

(a) To incorporate sound chemicals management into national development plans such as poverty reduction strategy plans in order to promote mainstreaming as part of multilateral and bilateral financing;

(b) To include capacity-building and technology transfer for the implementation of the Convention, including their maintenance, in the regional implementation of the Bali Strategic Plan;

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1 UNEP/FAO/RC/COP.3/13.

2. *Recommends* individual developing countries and countries with economies in transition which are Party to both the Stockholm Convention and the Rotterdam Convention:

(a) To use their national implementation plans under the Stockholm Convention as a basis for defining gaps in their chemicals management infrastructure for implementation of the Rotterdam Convention, noting that the Rotterdam Convention secretariat, in conjunction with the United Nations Institute for Training and Research, is field testing supplementary guidance to assist countries in doing so;

(b) To propose to the Global Environment Facility projects within its mandate that may contribute to implementation of the Stockholm Convention and contribute indirectly to the implementation of the Rotterdam Convention by building foundational chemicals management capacity;

3. *Recommends* that individual developing country Parties and Parties with economies in transition:

(a) Propose projects under the Strategic Approach to International Chemicals Management's Quick Start Programme that will build foundational capacities in sound chemicals management necessary for their adequate implementation of the Rotterdam Convention;

(b) Propose projects under the Quick Start Programme that will support activities directed at enabling the implementation of sound chemicals management objectives by mainstreaming them into national development strategies, noting that this type of enabling activity is among the strategic priorities of the Quick Start Programme;

(c) Request the secretariat to facilitate the identification of donors that will provide them with technical support to assist them in integrating sound chemicals management objectives into their national development assistance requests, noting that the provision of such technical support is among the financial considerations included in subparagraph 19 (c) (i) of the Strategic Approach to International Chemicals Management's Overarching Policy Strategy;

4. *Requests* individual developed country (donor) Parties and the Governments of other countries, in support of the above actions by developing countries and countries with economies in transition, to communicate to the secretariat of the Strategic Approach to International Chemicals Management, individual developing country Parties and individual Parties with economies in transition their willingness to provide the technical support referred to in the Overarching Policy Strategy;

5. *Requests* the secretariat to consult with the Basel Convention secretariat, the Stockholm Convention secretariat, the Strategic Approach secretariat and other appropriate entities to help identify ways in which the secretariat might, as part of a multi-faceted strategy for securing financial resources, assist Rotterdam Convention developing country Parties and Parties with economies in transition in their efforts to integrate sound chemicals management objectives into their national development assistance requests;

6. *Invites* Parties to provide information on which to base an assessment of the cost of implementing the specific requirements of the Convention in developing countries and in countries with economies in transition;

7. *Encourages* donors to continue contributing generously to the Convention's Voluntary Special Trust Fund;

8. *Requests* the secretariat, in a facilitative role, to work closely with relevant implementing, executing, and finance agencies (including among others the World Bank, the United Nations Development Programme, the United Nations Environment Programme and the United Nations Industrial Development Organization) and the Global Environment Facility to enhance their understanding of and support for the aims and objectives of the present decision;

9. *Requests* the secretariat to continue to consult with the secretariats of the Stockholm Convention, the Basel Convention and the Strategic Approach to International Chemicals Management to explore ways to make more effective use of and build upon existing sources of relevant global funding by inviting the Global Environment Facility and the Multilateral Fund Executive Committee, within their mandates, and the Parties to the Montreal Protocol to identify those areas that can support implementation of appropriate and relevant objectives of the Convention such as foundational chemical management, and to report on the results of its efforts;

10. *Invites* Parties, for the longer term, to consider the need for the Global Environment Facility to broaden its programming activities, including the possibility of a chemicals-related focal area, with a view to targeted and sustainable funding of priority needs within recipient countries for the implementation of those objectives of the Convention that relate to the incremental costs of achieving global environmental benefits;

11. *Requests* the secretariat as part of its activities in the context of paragraphs 8 and 9 to continue exploring as appropriate possibilities for new sources of funding to support the implementation of the Rotterdam Convention.

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