
Economic Commission for Europe

Meeting of the Parties to the Convention
on Environmental Impact Assessment
in a Transboundary Context

Meeting of the Parties to the Convention
on Environmental Impact Assessment in
a Transboundary Context serving as the
Meeting of the Parties to the Protocol on
Strategic Environmental Assessment

First biannual financial report in period between fifth and sixth sessions of the Meeting of the Parties: period to 31 December 2011

Note by the secretariat

Summary

The Meeting of the Parties to the Convention on Environmental Impact Assessment in a Transboundary Context requested the Convention secretariat, in accordance with the financial rules of the United Nations, to monitor the expenditure of the Convention's funds and to prepare a report for the next session of the Meeting of the Parties, based on the information contained in biannual reports. This report covers the period from after the fifth session of the Meeting of the Parties, in June 2011, to the end of December 2011.

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I. Introduction

1. This report sets out income, in-kind contributions and expenditure in the reporting period, as well as the balance in the Convention's trust fund at the end of the period. It also identifies any savings and overspend. The report addresses work under the Convention, including under its Protocol on Strategic Environmental Assessment. Details of income and expenditure are provided in the annex to this report.

II. Pledges and fund-raising

2. The pledges made at the fifth session of the Meeting of the Parties were insufficient to cover the core budget.¹ The Parties were therefore also invited to come forward with further contributions, and the Meeting of the Parties: (a) encouraged Parties that had up till then not pledged anything to make contributions during the current and future budget cycles; and (b) Parties that had up till then only committed limited funds or in-kind contributions to raise their contributions during the current and future budget cycles.

3. Some Parties made unpledged contributions in the reporting period. No country was in arrears in payment of its pledged contribution.

III. Income and expenditure

4. Table 1 summarizes the income and expenditure in United States dollars. (Financial contributions to the Convention's trust fund are listed in tables A.1 and A.2, in annex.)

5. Some activities under the workplan² were assigned priorities 1 or 2 in the core budget; other activities, whether or not explicitly listed in the workplan, have been assigned priority 3. Pledged and non-earmarked contributions are only to be used to fund core budget activities with priority 1 or 2.

6. Some countries imposed conditions on their contributions, notably by earmarking them for priority-2 activities and especially to support participation in meetings by representatives of countries with economies in transition (CITs). Switzerland made funds available for technical advice to Uzbekistan, as foreseen in the workplan but not expected to be covered by the core budget (therefore assigned priority 3). Sweden and Switzerland provided funds for activities not listed in the workplan but implied in the declaration by the first session of the Meeting of the Parties to the Convention serving as the Meeting of the Parties to the Protocol; these activities have also been assigned priority 3. Switzerland made a contribution to cover practical costs of a side-event to the "Environment for Europe" Ministerial Conference, held in Astana in September 2011, whereas Sweden's contribution is intended to enable the secretariat to support the ratification of the Convention by the Russian Federation.

7. One priority-2 activity was not completed within the previous intersessional period and was therefore carried forward, together with its budgeted funds: a subregional cooperation workshop for the Mediterranean Sea.

¹ Meeting of the Parties to the Convention decision V/10 (ECE/MP.EIA/15).

² Meeting of the Parties to the Convention decision V/9 (ECE/MP.EIA/SEA/2).

8. The income, together with the funds for the carried-over activity, totalled \$352,789. Outstanding pledged contributions total \$374,970.

Table 1
Income and expenditure

(in United States dollars)

	<i>Amount by priority</i>			
	<i>1</i>	<i>2</i>	<i>3</i>	<i>Total</i>
(a) Contributions made to the trust fund, with non-earmarked contributions being allocated first to priority 1 activities (from tables A.1 and A.2)	216 932	54 664	58 593	330 189
(b) Funds for carried-over activities (see para. 7)	0	22 600	0	22 600
(c) Total income to the trust fund in the period ((a)+(b))	216 932	77 264	58 593	352 789
(d) Expenditure from the trust fund for budgeted priority 1 and 2 workplan activities (from tables A.3, A.5 and A.6) and unbudgeted priority 3 activities (from table A.4)	93 104	20 296	4 950	118 351
(e) 13% United Nations programme support costs	12 104	2 639	644	15 386
(f) Trust fund balance: income less expenditure in the period ((c)-(d)-(e))	111 724	54 329	53 000	219 052
(g) In-kind contributions made, valued according to the budgeted activity cost, or estimated for priority-3 activities (from table A.7)	0	0	37 000	37 000
(h) Outstanding pledged contributions (derived from table A.1)	374 970	0	0	374 970

9. The secretariat spent from the trust fund in accordance with the budget (table A.3, with further details in tables A.5 and A.6). The funds were spent on a priority-1 external expert to provide secretariat support and on four priority-2 activities in the following areas:

- (a) Two sessions of the Implementation Committee;
- (b) A meeting of the Chairs of the Bureaus of the ECE Conventions and of the Committee on Environmental Policy (as no fourth meeting of Bureau);
- (c) Secretariat travel in relation to the workplan;
- (d) The promotion of contacts with countries outside the region.

10. In addition, further to the earmarked contributions by Sweden and Switzerland, the secretariat spent from the trust fund on the side-event to the "Environment for Europe" Ministerial Conference and on supporting the ratification of the Convention by the Russian Federation.

11. The expenditure totalled \$118,351, to which was added 13 per cent United Nations programme support costs of \$15,386, leaving a balance in the trust fund of \$219,052.

12. Parties, other States and organizations also undertook three priority-3 workplan activities in the following areas by providing in-kind contributions (table A.7):

(a) Financial support of a speaker at the side-event to the "Environment for Europe" Ministerial Conference;

(b) A subregional cooperation meeting in Poland for the countries of the Baltic Sea area;

(c) A four-day workshop to strengthen capacity for the development of EIA and SEA systems in Uzbekistan, with sharing of experiences from other countries in the implementation of the Espoo Convention and in particular its Protocol.

13. These activities, funded by in-kind contributions, have been valued at \$37,000 in total.

IV. Overspending and savings

14. There has been no overspend or savings to date.

15. Table 2 presents the budgetary requirements for the period between the fifth and sixth sessions of the Meeting of the Parties, identifying how much of the budget has been fulfilled by expenditure and in-kind contributions and taking into account savings and overspend. Table 2 refers to priority-1 and -2 activities as only these had a budgetary allocation.

Table 2

Budgetary requirements

(in United States dollars)

	<i>Amount by priority</i>			<i>Total</i>
	<i>1</i>	<i>2</i>	<i>3</i>	
(a) Budget for period between the fourth and fifth sessions of the Meeting of the Parties (ECE/MP.EIA/10, decision IV/8), plus for carried-over activities (from table A.8)	470 000	685 000		1 155 000
(b) Expenditure from the trust fund (from table 1, row (d))	93 104	20 296		113 401
(c) In-kind contributions made (from table 1, row (g))	0	0		0
(d) Savings against budget for workplan activities (from table A.8)	0	0		0
(e) Overspend against budget for workplan activities (from table A.8)	0	0		0
(f) Outstanding budgetary requirements ((a)-(b)-(c)-(d)+(e))	376 896	664 704		1 041 599
(g) 13 per cent United Nations programme support costs	48 996	86 411		135 408
Total outstanding requirements ((f)+(g))	425 892	751 115		1 177 007

V. Outstanding requirements and operating reserve

16. Table 2 also presents the outstanding budgetary requirements at the end of the period, totalling \$1,177,007 for priority-1 and -2 activities. These requirements may be contrasted with the available funds for such activities, totalling \$166,053, and the outstanding pledged contributions of \$374,970. **A substantial shortfall is therefore anticipated.**

17. An operating reserve of \$411,925 was created by carrying forward unspent funds from the two periods between the third and fourth, and the fourth and fifth sessions of the Meeting of the Parties, as decided by the Meeting of the Parties at the respective sessions. The operating reserve provided contingency funding to ensure continued operations under the Convention in the event of unanticipated problems, for example delayed receipt of contributions.

Annex

Details of the financial report (overleaf)

Table A.1

Income to the Convention's trust fund

(in United States dollars)

<i>Party^a</i>	<i>Description of pledge in ECE/MP.EIA/15, annex, plus additional contributions^b</i>	<i>Pledge</i>	<i>Amount received</i>
Albania	(None)	0	0
Armenia	(None)	0	0
Austria	Six shares per year for three years, for both instruments.	18,000	5,997
Azerbaijan	(None)	0	0
Belarus	(None)	0	0
Belgium	Unpledged contribution of €15,000 from Flanders Region (Belgium) in 2011.	0	19,000
Bosnia and Herzegovina	(None)	0	0
Bulgaria	US\$ 5,000 for the Convention and US\$ 3,000 for the Protocol in the period up to the next Meeting of the Parties, to be paid in 2012.	8,000	0
Canada	(None)	0	0
Croatia	Three shares per year.	9,000	0
Cyprus	Unpledged but regular contribution of €6,000 in 2011.	0	8,208
Czech Republic	US\$ 5,000 per year until the next Meeting of the Parties, depending upon the availability of funds in the national budget.	15,000	5,000
Denmark	(None)	0	0
Estonia	(None)	0	0
Finland	An associate expert will be funded for one year with an option for a second year. (US\$ 2,153 carried over.)	0	2,153
France	€10,000 per year, subject to availability in the budget.	42,000	14,306
Germany	A minimum of 30 shares for the period to the next session of the Meeting of the Parties to the Convention and the next session of the Meeting of the Parties to the Convention serving as the Meeting of the Parties to the Protocol. This sum will be divided into at least two payments and will be earmarked. Any payment depends on the availability of funds in the national budget that will have to be adopted by the Parliament for each year.	30,000	15,000
Greece	(None)	0	0
Hungary	US\$ 4,000 per year contribution for the period to the next Meeting of the Parties (in years 2011, 2012, 2013 and 2014).	16,000	4,000
Ireland	Unpledged but regular contribution of €10,000 in 2011.	0	13,680
Italy	(None)	0	0
Kazakhstan	(None)	0	0
Kyrgyzstan	(None)	0	0
Latvia	(None)	0	0
Liechtenstein	(None)	0	0
Lithuania	(None)	0	0
Luxembourg	(None)	0	0
Malta	(None)	0	0
Montenegro	(None)	0	0
Netherlands	€48,000 for the intersessional period between the fifth and sixth sessions of the Meeting of the Parties.	67,200	68,670

<i>Party^a</i>	<i>Description of pledge in ECE/MP.EIA/15, annex, plus additional contributions^b</i>	<i>Pledge</i>	<i>Amount received</i>
Norway	10-15 shares per year for the period to the next session of the Meeting of the Parties to the Convention and the next session of the Meeting of the Parties to the Convention serving as the Meeting of the Parties to the Protocol (12.5 shares per year indicated in pledge column). Any payment depends on the availability of funds in the national budget that will have to be adopted by the Parliament for each year. In addition, an unpledged contribution in 2011 of NOK 100,000 (US\$ 17,014) to support travel by government and NGOs representatives of CITs. Similar contribution at end of 2011 for 2012, comprising both pledged and unpledged elements.	37,500	86,112
Poland	Five shares per year for the period to the next Meeting of the Parties (in years 2012, 2013 and 2014).	15,000	0
Portugal	(None)	0	0
Republic of Moldova	(None)	0	0
Romania	(None) Unpledged contribution of US\$ 415 resulting from interest on trust fund for inquiry commission (2004-2006).	0	415
Serbia	US\$ 1,000 in 2012.	1,000	0
Slovakia	€2,000.	2,800	2,861
Slovenia	Three shares per year for three years for both the Convention and the Protocol.	9,000	3,000
Spain	(None)	0	0
Sweden	20 shares, in kind, primarily for Baltic cooperation for both instruments, subject to the approval of the national budget. An unpledged contribution at end of 2011 for secretariat support of the ratification of the Convention and accession to the Protocol by the Russian Federation.	0	28,469
Switzerland	Likely US\$ 20,000 (20 shares) per year to the next meeting of the Parties. An unpledged contribution of CHF 25,000 (US\$ 28,474) in 2011 intended to support capacity-development activities in Central Asia and Azerbaijan, and an unpledged contribution of CHF 1,557 in 2011 to cover the costs of practical arrangements for a side-event during the "Environment for Europe" Ministerial Conference, held in Astana, 21-23 September 2011 (actual costs were US\$ 1,650).	60,000	52,903
The former Yugoslav Republic of Macedonia	(None)	0	0
Ukraine	US\$ 6,000 (six shares) in total for the period to the next meeting of the Parties. Unpledged contribution of US\$ 415 resulting from interest on trust fund for inquiry commission (2004-2006).	6,000	415
United Kingdom of Great Britain and Northern Ireland	(None)	0	0
European Union	€50,000 per year (but see paragraph 2 of decision V/10 on the budget, financial arrangements and financial assistance).	210,000	0
Total		546,500	330,189

^a All Parties to the Convention are listed, whether or not contributing to the trust fund.

^b Exchange rates for pledges, at 23 June 2011: US\$ 1.40 per €

^c Shares are US\$ 1,000 in value.

Table A.2
Income to the Convention's trust fund by date

(in United States dollars)

<i>Date</i>	<i>Party</i>	<i>Amount received in original currency</i>	<i>Income</i>
2011			
3 May	Czech Republic	USD 5 000	5,000
27 May	Netherlands	USD 68 669.53	68,670
27 May	Hungary	USD 4 000	4,000
14 July	Finland	EUR 5 000, less USD 5 000 *	2,153
14 July	France	EUR 10 000	14,306
19 July	Slovakia	EUR 2 000	2,861
30 August	Slovenia	USD 3 000	3,000
30 September	Switzerland	CHF 45,000	51,253
31 October	Austria	EUR 4 373.50	5,997
18 November	Ireland	EUR 10 000	13,680
28 November	Cyprus	EUR 6 000	8,208
12 December	Norway	USD 17 014.22	17,014
15 December	Switzerland	CHF 1 557	1,650
16 December	Norway	USD 16 444.28	16,448
16 December	Belgium (Flanders Region)	EUR 15 000	19,000
29 December	Sweden	USD 28 469.31	28,469
27 December	Norway	USD 52 649.47	52,649
December?	Romania		415
December?	Ukraine		415
December?	Germany		15,000
Total			330,189

Table A.3

Expenditure from the Convention's trust fund on budgeted activities

(in United States dollars)

<i>Index</i>	<i>Activity</i>	<i>Priority</i>	<i>Sub-activity</i>	<i>Type of expenditure</i>	<i>Expenditure^a</i>
1	Sixth session of the Meeting of the Parties to the Convention and the second session of the Meeting of the Parties to the Convention serving as the Meeting of the Parties to the Protocol, Ukraine	2		Participation of countries with economies in transition (CITs) Participation of non-governmental organizations Invited speakers Participation of non-UNECE countries	- - - -
Total for activity					-
2.1	Meetings of the Working Group on Environmental Impact Assessment and Strategic Environmental Assessment, Geneva	2	First meeting, ... April 2012	Participation of CITs Participation of non-governmental organizations Participation of non-UNECE countries	- - -
2.2			Second meeting, spring 2013	Participation of CITs Participation of non-governmental organizations Participation of non-UNECE countries	- - -
2.3			Third meeting, autumn 2013	Participation of CITs Participation of non-governmental organizations Participation of non-UNECE countries	- - -
Total for activity					-
3.1	Bureau meetings (free standing)	2	First meeting, 31 January – 1 February 2012	Participation of CITs (Bureau members)	-
3.2			Second meeting,		-
3.3			Third meeting,		-
3.4			Meeting of the Chairs of the Bureaus of the ECE Conventions and of the Committee on Environmental Policy (as no fourth meeting of Bureau)		1,224
Total for activity					1,224
4.1	Meetings of the Implementation Committee	2	Twenty-second session, 5-7 September 2011	Participation of CITs (Committee members)	6,794
4.2			Twenty-third session, 5-7 December 2011		3,998
4.3			Twenty-fourth session, 20-23 March 2012		-
4.4			Twenty-fifth session, September 2012		-
4.5			Twenty-sixth session, November 2012		-
4.6			Twenty-seventh session, 2013		-
4.7			Twenty-eighth session, 2013		-
4.8			Twenty-ninth session, 2014		-
Total for activity					10,792
5	Informal translations of informal papers for meetings listed above	2			-
Total for activity					-

<i>Index</i>	<i>Activity</i>	<i>Priority</i>	<i>Sub-activity</i>	<i>Type of expenditure</i>	<i>Expenditure^a</i>
6	Promotion of contacts with countries outside the ECE region (with reporting of results to Working Group)	2		Secretariat and Chair's travel and DSA (detailed in Table A.5)	3,100
Total for activity					3,100
7.1	External expert to provide secretariat support for the implementation of the Convention and the Protocol	1	July–December 2011	Extrabudgetary post	<i>93,104</i>
7.2			2012	Extrabudgetary post	-
7.3			2013	Extrabudgetary post	-
7.4			January–June 2014	Extrabudgetary post	-
Total for activity					93,104
8.1	Further secretariat support	2	Consultants	Public participation in strategic decision-making; addressing possible inconsistency with State ecological expertise?	-
8.2			Promotional materials	(None)	-
8.3			Secretariat travel in relation to the workplan	Secretariat travel and DSA (detailed in Table A.6)	5,180
Total for activity					5,180
9.1	Compliance with and implementation of Convention	2	Informal translations of submissions		-
9.2		1	Drafting of review of implementation		-
9.3		2	Country-specific performance reviews:		-
9.3.1					-
9.3.2					-
9.3.3					-
Total for activity					-
10.1	Exchange of good practices	2	Joint workshop with Aarhus?		-
10.2					-
10.3					-
10.4					-
Total for activity					-
11	Subregional cooperation: workshop for the Mediterranean Sea area	2			-
Total for activity					-
Total for all activities					113,401

^a Expenditure in italics is estimated

Table A.4

Expenditure from the Convention's trust fund on unbudgeted activities

(in United States dollars)

<i>Index</i>	<i>Activity</i>	<i>Priority</i>	<i>Justification</i>	<i>Type of expenditure</i>	<i>Expenditure^a</i>
1	Side-event during the "Environment for Europe" Ministerial Conference, Astana, 21-23 September 2011	3	Geneva Declaration, para. 19; willingness of Switzerland to provide funds	Practical arrangements: interpretation and refreshments	<i>1,650</i>
				Participation of non-governmental organizations	<i>1,800</i>
2	Secretariat support of the ratification of the Convention and accession to the Protocol by the Russian Federation	3	Cavtat Declaration, para. 17; Geneva Declaration, para. 17; willingness of Sweden to provide funds	Meeting with representatives of the Ministry of Natural Resources and Environment, and of the Russian Government Institute of Legislation and Comparative Law Studies, to discuss implementation of the Espoo Convention by the Russian Federation, Moscow, 29 November 2011	<i>1,500</i>
Total for all activities					4,950

^a Expenditure in italics is estimated

Table A.5

Promotion of contacts with countries outside the UNECE region: travel and subsistence allowances

(in United States dollars)

<i>Index</i>	<i>Purpose of travel</i>	<i>Expenditure^a</i>
11.1	International Association for Impact Assessment Special Conference on Strategic Environmental Assessment Prague, 21-23 September 2011 (2 persons, but one paid for from budget line for associate expert)	<i>3,000</i>
11.2	Korea Environment Institute International Conference 2011, Seoul, 17-18 November 2011 (most costs covered by the organizer)	<i>100</i>
	Activity total	3,100

^a Expenditure in italics is estimated

Table A.6

Secretariat travel in relation to the workplan: travel and subsistence allowances

(in United States dollars)

<i>Index</i>	<i>Purpose of travel</i>	<i>Expenditure^a</i>
10.3.1	Side-event on the importance of impact assessment in planning related to greening the economy and in sustainable water management, during the "Environment for Europe" Ministerial Conference, Astana, 21-23 September 2011	3,200
10.3.2	Meeting with officials of Swiss Ministry of Foreign Affairs and Federal Office for the Environment regarding capacity-development, Bern, 17 October 2011 (2 persons)	480
10.3.3	Presentatin on the role of UNECE Water and Espoo Conventions, within an International High Level Conference "Strengthening transboundary water cooperation in Central Asia: the role of international water law and the UNECE Water Convention and the Workshop on the Protocol on Water and Health", Almaty (Kazakhstan), 25-27 October 2011 (costs covered by Water Convention-related project)	-
10.3.4	Fifth seminar on cooperation on the Espoo Convention in the Baltic Sea subregion, Sopot (Poland), 27-28 October 2011	1,500
10.3.5	Training workshop for strengthening capacities in Uzbekistan for understanding and implementing the Convention, and in particular the Convention's Protocol on Strategic Environmental Assessment, Tashkent, 9-12 November 2011 (costs covered by Water Convention-related project)	-
Activity total		5,180

^a Expenditure in italics is estimated

Table A.7

In-kind contributions made

(in United States dollars)

<i>Activity</i>	<i>Priority</i>	<i>Sub-activity</i>	<i>Date</i>	<i>Source</i>	<i>Value^a</i>	<i>Notes</i>
Promotional	3	Side-event during the "Environment for Europe" Ministerial Conference, Astana	21-23 September 2011	Switzerland	2,000	Financial support for speaker
Subregional cooperation and capacity-building	3	Fifth seminar on cooperation on the Espoo Convention in the Baltic Sea subregion, Sopot (Poland)	27-28 October 2011	Poland, together with Sweden, Germany and Estonia	20,000	
Promoting ratification and application of the Protocol	3	Workshop to strengthen capacity for the development of EIA and SEA systems in Uzbekistan, with sharing of experiences from other countries in the implementation of the Espoo Convention and in particular its Protocol, Tashkent	9-12 November 2011	German International Cooperation Agency, GIZ, and UNDP Uzbekistan	15,000	Trainer fees and travel covered by GIZ, local costs by UNDP
Total					37,000	

^a Value is that indicated in the current budget (decision V/10) for priority 1 and 2 activities, but is purely indicative for priority 3 activities.

Table A.8
Budget, after decision V/10
(in United States dollars)

<i>Index</i>	<i>Activity</i>	<i>Priority</i>	<i>Sub-activity</i>	<i>Budget</i>	<i>Savings</i>	<i>Overspend</i>	<i>Explanation / Justification</i>
Organizational activities							
1	Sixth session of the Meeting of the Parties to the Convention and the second session of the Meeting of the Parties to the Convention serving as the Meeting of the Parties to the Protocol	2	-	90,000	0	0	
2	Meetings of the Working Group on Environmental Impact Assessment and Strategic Environmental Assessment, Geneva	2	-	120,000	0	0	
3	Meetings of the Bureau (free-standing)	2	-	20,000	0	0	
4	Meetings of the Implementation Committee	2	-	40,000	0	0	
5	Informal translations of informal papers for meetings listed above	2	-	65,000	0	0	
6	Promotion of contacts with countries outside the UNECE region	2	-	25,000	0	0	
7	External expert to provide secretariat support for the implementation of the Convention and the Protocol (including coordination of capacity-development, development and maintenance of website, modification of questionnaire, drafting of review of implementation and of other documents)	1	-	450,000	0	0	
8.1	Further secretariat support for the implementation of the Convention and the Protocol	2	Consultants	60,000	0	0	
8.2		2	Promotional materials	30,000	0	0	
8.3		2	Secretariat travel in relation to the workplan	90,000	0	0	
Substantive activities							
9.1	Compliance with and implementation of the Convention and the Protocol	2	Informal translations of submissions	10,000	0	0	
9.2		1	Drafting of review of implementation	20,000	0	0	
9.3		2	Country-specific performance reviews	75,000	0	0	

<i>Index</i>	<i>Activity</i>	<i>Priority</i>	<i>Sub-activity</i>	<i>Budget</i>	<i>Savings</i>	<i>Overspend</i>	<i>Explanation / Justification</i>
10	Exchange of good practices	2	Workshops or half-day seminars	40,000	0	0	
	Carried forward activities						
11	Subregional cooperation	2	Workshop for Mediterranean Sea area	20,000	0	0	
	Total			1,155,000	-	-	