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Ad Hoc Open-ended Working Group on Mercury

Second meeting

Nairobi, Kenya

6–10 October 2008

Item 3 of the provisional agenda*

**Review and assessment of options for enhanced voluntary measures
and new or existing international legal instruments**

**Information on funding currently available for addressing mercury
through international funding arrangements**

Background

1. The Governing Council of the United Nations Environment Programme (UNEP), in its decision 24/3 IV on chemicals management, established “an ad hoc open-ended working group of Governments, regional economic integration organizations and stakeholder representatives to review and assess options for enhanced voluntary measures and new or existing international legal instruments” for addressing the global challenges presented by mercury.
2. The Ad Hoc Open-ended Working Group on Mercury, at its first meeting, requested the Secretariat to undertake work in preparation for the second meeting of the Working Group. In particular it requested the Secretariat to present information with respect to a number of subjects.
3. Among other things the Secretariat was requested to provide information on funding currently available through the Global Environment Facility (GEF), the Strategic Approach to International Chemicals Management (SAICM) and other funding arrangements for responding to the challenges posed by mercury, and specifically to increase knowledge on areas such as mercury inventories, human and environmental exposure, environmental monitoring and social and economic impacts.
4. The Secretariat called for information from the secretariats of GEF, the World Bank and SAICM. The SAICM Secretariat has provided information on possible interim funding under SAICM and the Secretariat has summarized information on funding from GEF and others from available sources of information.

* UNEP(DTIE)/Hg/OEWG.2/1.

I. Funding currently available to increase knowledge in areas such as inventories, human and environmental exposure, environmental monitoring and social and economic impacts

A. SAICM

5. Initial capacity-building activities for the implementation of SAICM objectives are supported by the SAICM Quick Start Programme. The strategic priorities defined by the International Conference on Chemicals Management, the body that adopted SAICM, highlight that the Quick Start Programme should mobilize resources for national priority initial enabling activities in keeping with the work areas set out in the strategic objectives of section IV of the Overarching Policy Strategy, in particular:

(a) Development or updating of national chemical profiles and the identification of capacity needs for sound chemicals management;

(b) Development and strengthening of national chemicals management institutions, plans, programmes and activities to implement the Strategic Approach, building upon work conducted to implement international chemicals-related agreements and initiatives;

(c) Undertaking analysis, interagency coordination and public participation activities directed at enabling the implementation of the Strategic Approach by integrating – i.e., mainstreaming – the sound management of chemicals in national strategies and thereby informing development assistance cooperation priorities.

6. Activities aimed at developing mercury inventories and other activities focused on the integration of mercury-related activities within national strategies could therefore be funded in the short term through the Quick Start Programme. The development of sound management approaches to managing mercury within the context of national strategies could also be funded under the Quick Start Programme.

7. It should be noted, however, that the Quick Start Programme is intended to be time-limited: the deadline for submitting project proposals is 30 November 2011 and the cutoff date for disbursing funds under the programme is 30 November 2013. Further, while both Governments and representatives of civil society may submit applications, countries are limited to participation in one national project and one multi-country or civil society project over the life of the Quick Start Programme, with the exception that a Government that has received funding for a small (\$100,000) project may be eligible for an additional project. As 51 government projects have been approved in the first four rounds of the Quick Start Programme, there are a relatively limited number of developing countries and countries with economies in transition who would still qualify for assistance from the Trust Fund.

B. Global Environment Fund

8. As indicated in the document on financial considerations (UNEP(DTIE)/Hg/OEWG.2/3), funding is formally available through a number of relevant GEF windows, including the international waters focal areas and the sound chemicals management cross-cutting issue area, which supports integrated projects in the focal areas of biodiversity, climate change, international waters and land degradation.

9. Limited activity has been undertaken under the international waters focal area, however, as there has been very limited funding available. The sound chemicals management cross-cutting area requires projects to be directly related to the achievement of global environmental benefits in a particular project in one of the six focal areas. While projects designed to reduce greenhouse gas emissions from coal combustion will have a co-benefit of reducing mercury emissions, there are limited other applications of the funding available under this cross-cutting area to activities directly addressing mercury.

10. Further, the use of GEF funding to address knowledge building may be problematic, particularly in terms of addressing the requirement to achieve global environment benefits. Unlike the process of developing national implementation plans under the Stockholm Convention, the development of national inventories is arguably less directly linked with global benefits; the approval of such projects may therefore be difficult.

C. World Bank

11. Development projects with an environmental impact can be funded through the World Bank. Projects related to mercury emissions would fall within the group of projects in the pollution management and environmental health area. Environmental projects funded to date in 2008 include clean-up of oil-polluted land, solid waste management projects, a flue gas desulphurization project and a number of water supply and sewage management projects. For all of these projects, control of mercury emissions could be included within the scope of the project during the design phase.

12. Cooperative and cross-cutting projects to address a range of pollution issues and their possible solutions may be eligible to access World Bank funding, depending on the specific activities proposed. It is unlikely that such funding could be used directly to efforts to increase knowledge. Activities such as building inventories, conducting environmental monitoring and learning about human and environmental exposures or social and economic impacts would only be eligible for funding as part of a project which demonstrated a direct environmental impact.

II. Suggested action

13. The meeting participants may wish to take the above elements into account when considering interim sources of funding.
