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Items 4 (c) and 6 of the provisional agenda\*

**Policy issues: international environmental governance**

**Budget and programme of work for the biennium**

**2014-2015 and the Environment Fund and other**

**budgetary matters**

**Relationship between the United Nations Environment  
Programme and multilateral environmental agreements**

**Report by the Executive Director**

*Summary*

The present report highlights the relationship between the United Nations Environment Programme (UNEP) and multilateral environmental agreements, with a view to further strengthening the cooperation and coordination between UNEP and those agreements, bearing in mind the outcomes of the United Nations Conference on Sustainable Development (Rio+20). It contains a summary of the institutional linkage between UNEP and the relevant multilateral environmental agreements and updates on the handling of the issues of the accountability and financial and administrative arrangements, in response to decisions 26/9 and SS.XII/2 of the Governing Council.

\* UNEP/GC.27/1.

## I. Overview of the relationship between the United Nations Environment Programme and the multilateral environmental agreements

1. The institutional architecture for international environmental governance consists of a complex web of the structures of multilateral processes, multilateral agreements and consultative mechanisms that address environmental and environment-related matters. These structures should be observed against the backdrop of the institutional frameworks for sustainable development. Among such structures, the United Nations Environment Programme (UNEP) serves as the leading global environmental authority that sets the global environmental agenda, promotes the coherent implementation of the environmental dimension of sustainable development within the United Nations system and serves as an authoritative advocate for the global environment, and its role is to be further strengthened.<sup>1</sup>

2. At the same time, there is wide recognition of the significant contribution made by the multilateral environmental agreements to sustainable development.<sup>2</sup> Multilateral environmental agreements are governed by their respective parties, including through their governing bodies, such as conferences of the parties, and operated in accordance with the provisions of those agreements and the decisions of those bodies. They are independent international legal entities, and are legally distinct from the organizations of the United Nations system.

3. As highlighted in the fifth report of the Global Environment Outlook series (GEO-5) and also in the compilation of internationally agreed environmental objectives and goals submitted to the Governing Council/Global Ministerial Environment Forum at its twelfth special session, a large number of such objectives and goals have been identified by the multilateral processes within the United Nations system, including the main organs of the United Nations and United Nations summits and conferences, by multilateral environmental agreements and by other intergovernmental processes. Since those objectives and goals are closely interrelated, while recognizing the autonomy of multilateral environmental agreements, there is a growing need for improved policy coherence and enhanced cooperation and coordination among those agreements, and also between those agreements and the United Nations system, as underscored in the Rio+20 outcome document.

4. A strengthened UNEP, in implementing paragraph 88 of the Rio+20 outcome document, should, among other things, enhance its voice and its ability to fulfil its coordination mandate within the United Nations system by strengthening its engagement in key United Nations coordination bodies, empowering it to lead efforts to formulate United Nations system-wide strategies on the environment. In carrying out this coordination mandate, and also building upon its existing mandate, UNEP should further strengthen its actions to enhance cooperation and coordination between the United Nations system and the relevant multilateral environmental agreements, and promote cooperation and coordination among those agreements.

5. Also in pursuance of paragraph 88 of the Rio+20 outcome document, UNEP is to promote a strong science-policy interface, building on existing international instruments, assessments, panels and information networks; to disseminate and share evidence-based environmental information, and raise public awareness on critical, as well as emerging, environmental issues; and to provide capacity-building and support to countries and facilitate access to technology. Strengthened actions by UNEP in those areas would provide a sound basis for it to enhance its cooperation with the relevant multilateral environmental agreements, and also to enhance collaboration between the United Nations system and those agreements, and cooperation and coordination among those agreements.

6. With regard to capacity-building, it should be recalled that the Bali Strategic Plan for Technology Support and Capacity-building sets out as its objectives, among others, to strengthen the capacity of the Governments of developing countries, and also of countries with economies in transition, at all levels to comply with international agreements and implement their obligations at the national level and to achieve their environmental goals, targets and objectives, as well as environment-related internationally agreed development goals; to provide a framework for capacity-building to ensure the effective participation of developing countries, and also countries with economies in transition, in negotiations concerning multilateral environmental agreements; and to

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<sup>1</sup> The Nairobi Declaration on the Role and Mandate of the United Nations Environment Programme, the Programme for the Further Implementation of Agenda 21, paragraph 88 of the Rio+20 outcome document, "The future we want," endorsed by the General Assembly by its resolution 66/288 of 27 July 2012.

<sup>2</sup> "The future we want," para. 89.

strengthen cooperation among UNEP, multilateral environmental agreement secretariats, taking into account their autonomous decision-making processes, and other bodies engaged in environmental capacity-building. As such, the further implementation of the Bali Strategic Plan will provide a platform for UNEP and the relevant multilateral environmental agreements to cooperate and coordinate activities related to capacity-building and technology support in the areas of common interest.

7. The Governing Council may wish to keep under review the relationships between UNEP and multilateral environmental agreements, with a view to seeking coherence of policies and enhancing cooperation and coordination between the Governing Council and the governing bodies of the respective agreements, as appropriate, thereby supporting efforts by the Member States to implement the relevant internationally agreed environmental objectives and goals and strengthening further international environmental governance.

## **II. Programmatic cooperation between the United Nations Environment Programme and multilateral environmental agreements**

8. The UNEP secretariat, through its programme of work, collaborates with the secretariats of the relevant multilateral environmental agreements in a broad range of issues, with a view to enhancing synergies in the respective areas of programme activities. The current UNEP medium-term strategy for 2010–2013 and the programmes of work for the bienniums 2010–2011 and 2012–2013 have included, under the environmental governance subprogramme, the promotion of policy coherence between the United Nations system and multilateral environmental agreements, and the provision of support for the implementation of multilateral environmental agreements, as main programme activity areas for UNEP. In addition, provision is made for programmatic collaboration with the selected multilateral environmental agreements in the specific thematic areas, such as climate change, biodiversity and chemicals and wastes, in the other subprogrammes as well. Such programmatic collaboration is expected to continue under the proposed UNEP medium-term strategy for 2014–2017 and through the proposed programme of work for 2014–2015.

9. As part of institutional support by UNEP for the implementation of multilateral environmental agreements and for promoting programmatic cooperation and synergies among them and between UNEP and those agreements, UNEP programme officers, designated as regional focal points for multilateral environmental agreements in the chemicals and wastes cluster and the biodiversity cluster, have been posted in UNEP regional offices.<sup>3</sup> UNEP has also been coordinating the development of a common Internet-based information portal for multilateral environmental agreements, entitled “InforMEA”,<sup>4</sup> in close collaboration with the secretariats of a number of multilateral environmental agreements. In addition, substantive legal services have been continuously provided for the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal, the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade and the Stockholm Convention on Persistent Organic Pollutants.

10. Recent highlights of such programmatic collaboration also include: facilitating consultative processes on financing chemicals; support to developing countries to develop national legislation designed to enhance synergetic national implementation of conventions in the field of chemicals; capacity-building activities to promote the entry into force of the ban amendment to the Basel Convention; capacity-building assistance to developing countries and countries with economies in transition to promote compliance with and enforcement of the selected multilateral environmental agreements, including training workshops for prosecutors and customs officials; information exchange, at an international conference convened by the International Criminal Police Organization (INTERPOL) and UNEP, on experiences and initiatives to combat illegal traffic and environmental crime in contravention of the obligations under the relevant multilateral environmental agreements; regional training workshops to support negotiators from developing countries to prepare for meetings of the conferences of parties to the selected multilateral environmental agreements, such as the United Nations Framework Convention on Climate Change and the United Nations Convention to Combat Desertification; capacity-building workshops to promote the integration of the relevant elements of the programmes of work of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the Convention on the Conservation of Migratory Species of Wild Animals

<sup>3</sup> Currently funded from extrabudgetary resources.

<sup>4</sup> <http://www.informe.org>.

into national biodiversity strategies and action plans under the Convention on Biological Diversity for enhancing synergies in national implementation of those conventions.

11. Further details of programmatic collaboration between UNEP and the relevant multilateral environmental agreements will be made available to the Governing Council in a separate information document.<sup>5</sup>

### III. Institutional linkages between the United Nations Environment Programme and selected multilateral environmental agreements

12. A number of multilateral environmental agreements concluded since the 1970s have each established the institutional arrangements composed of the respective agreement's governing body (such as the conference of the parties and its subsidiary bodies) and its secretariat to carry out the functions for the operation of the agreement, as stipulated in its provisions. Against this backdrop, the Executive Director has been entrusted to provide the secretariat functions for the selected global environmental conventions, as specified in the provisions of those conventions or, pursuant to the relevant provisions of such conventions, as mandated by the decisions of the respective conferences of the parties. These arrangements are approved by UNEP through its Governing Council, which entrusts the Executive Director to carry out such functions.<sup>6</sup> Conventions enjoying such arrangements include the following:

(a) CITES. Paragraph 1 of article XII of the Convention states that, upon entry into force of the Convention, a secretariat shall be provided by the Executive Director of UNEP. The Governing Council, in section VIII of decision 1(I) of 22 June 1973, authorized the Executive Director to provide secretariat services for the Convention in accordance with its article XII. The secretariat is located in Geneva;

(b) Convention on the Conservation of Migratory Species of Wild Animals. Paragraph 2 of article IX of the Convention states that, upon entry into force of the Convention, the secretariat shall be provided by the Executive Director of UNEP. In its decision 12/14 of 28 May 1984, the Governing Council authorized the Executive Director to provide secretariat services for the implementation of the Convention in accordance with its article IX. This secretariat serves also as the secretariat for the Agreement on the Conservation of African-Eurasian Migratory Waterbirds and the Agreement on the Conservation of Populations of European Bats and, on an interim basis, for the Agreement on the Conservation of Small Cetaceans of the Baltic, North East Atlantic, Irish and North Seas, and provides the interim secretariat for the Agreement on the Conservation of Gorillas and their Habitats. The secretariat is located in Bonn, Germany;

(c) Convention on Biological Diversity. In paragraph 1 of article 24, the Convention established its secretariat, which also performs functions for its protocols. Accordingly, the secretariat performs functions also for the Cartagena Protocol on Biosafety, the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization, and the Nagoya-Kuala Lumpur Supplementary Protocol on Liability and Redress to the Cartagena Protocol on Biosafety. In accordance with article 24 of the Convention, the Conference of the Parties, at its first meeting in November/December 1994, decided to designate UNEP to carry out the functions of the secretariat while ensuring its autonomy to discharge the secretariat functions. In its decision 18/36 of 26 May 1995, the Governing Council welcomed the designation of UNEP to carry out the functions of the secretariat of this Convention and noted that UNEP ensured the latter's autonomy to discharge the secretariat functions. The secretariat is located in Montreal, Canada;

(d) Vienna Convention for the Protection of the Ozone Layer and Montreal Protocol for Substances that Deplete the Ozone Layer. In paragraph 1 of article 7, the Convention set out the functions of the secretariat of the Convention and its protocol. In accordance with paragraph 2 of article 7, the Conference of the Parties, at its first meeting, held in April 1989, decided to designate UNEP as the secretariat of the Convention, which also performs functions for the Protocol. In paragraph 4 of its decision 15/35 of 25 May 1989, the Governing Council welcomed with satisfaction, among other things, the designation of UNEP as the secretariat of the Vienna Convention and the Montreal Protocol. The secretariat is located in Nairobi;<sup>7</sup>

<sup>5</sup> UNEP/GC.27/INF/20.

<sup>6</sup> General Assembly resolution 2997 (XXVII), part II, para. 2.

<sup>7</sup> The Convention secretariat is also known as the Ozone Secretariat. UNEP also acts as the secretariat for the Multilateral Fund of the Montreal Protocol, which is separate from the Ozone Secretariat and located in Montreal.

(e) Basel Convention. In paragraph 1 of article 16, the Convention set out the functions of the secretariat. The secretariat is also to perform functions for the Basel Protocol on Liability and Compensation for Damage Resulting from Transboundary Movements of Hazardous Wastes and their Disposal. In accordance with paragraph 3 of article 16, the Conference of the Parties, at its first meeting in December 1992, decided to request UNEP to carry out the functions of the Basel Convention secretariat, and further requested the Executive Director of UNEP to establish the secretariat in accordance with the structure contained in the budget and to locate it in Geneva;

(f) Rotterdam Convention. By paragraph 1 of its article 19, the Convention establishes its secretariat and, in paragraph 3 of article 19, provides that the secretariat functions for the Convention shall be performed jointly by the Executive Director of UNEP and the Director-General of the Food and Agriculture Organization of the United Nations (FAO), subject to such arrangements as shall be agreed between them and approved by the Conference of the Parties. By its decision SS.V/5 of 22 May 1998, the Governing Council authorized the UNEP secretariat to participate in the secretariat of the Convention. The secretariat is co-located in Geneva and Rome;

(g) Stockholm Convention. By paragraph 1 of its article 20, the Convention establishes its secretariat and, in paragraph 3 of article 20, provides that the secretariat functions for the Convention shall be performed by the Executive Director of UNEP. By its decision 21/4 of 9 February 2001, the Governing Council authorized the participation of the UNEP secretariat in the secretariat to the Convention. The secretariat is located in Geneva.

13. The secretariat established by each of those conventions is an integral part of the institutional structure of the convention concerned, and its functions are defined by the relevant provisions of the convention and further determined by its parties through decisions of the conference of the parties or other governing bodies of the convention. Those conventions are independent international legal entities, which are not subsidiary bodies of any organs of the United Nations, and each operates with its own autonomy and is governed pursuant to the provisions of the convention and its parties through the governing bodies concerned. In this context, the functions of those convention secretariats have to respond to the requirements of the conventions and their respective governing bodies. Within the institutional structure of each convention, the convention secretariat, in carrying out its functions for the convention, is accountable to the parties to the convention and its governing bodies. The structure of the convention secretariat is normally determined through the budget approved by its governing bodies. The funds for the operation of the convention, including financial resources for the functioning of the convention secretariat, are to be borne by the parties to the convention.

14. As indicated above, those conventions set out provisions to entrust the Executive Director to provide the convention secretariat or to perform secretariat functions, or their conferences of the parties, pursuant to the relevant provisions of the convention, decided to designate UNEP as the entity providing secretariat functions. In consenting to such requests from the conventions and their conferences of the parties, the Governing Council authorized the Executive Director to provide the secretariat functions in question. On the basis of such mutual consent between the conventions and their respective conferences of the parties on one side and the Governing Council on the other, as shown in reciprocal decisions of those bodies, the Executive Director provides the secretariat or secretariat functions of the respective conventions. Such institutional arrangements should be satisfactory to both parties.

15. While each convention defines the functions of its secretariat, and its governing body (such as the conference of the parties) determines the structure of the convention secretariat through its budget, the Executive Director is responsible for the implementation of those definitions and determinations and making necessary arrangements for the provision of the convention secretariats or secretariat functions within the institutional structure of the UNEP secretariat. For that purpose, the Executive Director has established dedicated organizational units, each of which enjoys functional autonomy with a work programme and budget approved by the governing bodies of the respective convention which is separate from the work programme and budget of the UNEP secretariat. While those institutional arrangements reflect the decisions of the governing bodies of the respective conventions concerning the structure of the secretariat and budget, they still form an integral part of the institutional structure of the UNEP secretariat.

16. Each of those organizational units is composed of UNEP staff members, and is headed by a senior official who is a UNEP staff member. As the executive head of the UNEP secretariat, the Executive Director has the responsibility to manage those UNEP staff members and those staff members are each accountable to the Executive Director in the performance of their duties as international civil servants of the United Nations appointed within the UNEP secretariat. The functions, grade and number of those staff are based on the structure of the convention secretariat

determined by the respective governing bodies through the approved budget. The appointment of their staff is governed by the relevant regulations and rules of the United Nations as applicable to UNEP. Overall, since the UNEP secretariat is an integral part of the United Nations Secretariat,<sup>8</sup> any institutional arrangements for the Executive Director to provide the secretariat or secretariat functions for the relevant conventions have to be in line with the principles, rules and procedures of the United Nations, and in compliance with the administrative and financial regulations and rules of the United Nations as applied to UNEP.

17. As the convention secretariats are each required to carry out the functions expected by the provisions of the respective conventions or by their governing bodies, those organizational units, functioning as the secretariat of the respective conventions, need to operate autonomously, while remaining within the institutional structure of the UNEP secretariat. In view of the need to ensure this operational autonomy of the convention secretariat, the Executive Director has delegated authority to the head of each convention secretariat to manage certain matters within the convention secretariat.

18. As observed in decisions of the conferences of the parties and their subsidiary bodies to some of those conventions, those governing bodies call directly on the head of the respective convention secretariats to take certain actions (instead of calling on the secretariat, as is the case with some other conventions), thereby holding those heads of convention secretariats directly accountable to the respective governing bodies for taking such actions. In general, bearing in mind the requirements set out in the conventions or laid down by their governing bodies, the head of the convention secretariat is considered accountable to the respective governing body in carrying out the secretariat functions of the convention. At the same time, the Executive Director is ultimately accountable to the respective conventions and their governing bodies for ensuring the effective functioning of the convention secretariats.

19. It may be noted that the conferences of the parties to the Basel, Rotterdam and Stockholm conventions, in their concurrent decisions on enhancing cooperation and coordination among these conventions adopted at their simultaneous extraordinary meetings held in Bali, Indonesia, in February 2010,<sup>9</sup> decided to establish joint managerial functions and joint services of the secretariats of those conventions. Consequently, the Executive Secretary of these three conventions has been appointed to undertake such joint managerial functions, which is subject to the joint functioning of the Rotterdam Convention secretariat with FAO, while work continues on the arrangements for the provision of joint services. This arrangement will be reviewed by the conferences of the parties to those conventions at their meetings to be held in May 2013.

20. In addition to the above-mentioned global conventions, the UNEP secretariat provides the secretariats or secretariat functions for the following regional seas conventions, through the UNEP regional coordination units for the action plans of the respective regional seas conventions and programmes:

(a) Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean (Barcelona Convention). By article 13 of the Convention, the Contracting Parties designated UNEP as responsible for carrying out the secretariat functions, which are provided through the UNEP Mediterranean Action Plan Coordination Unit in Athens;

(b) Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region (Cartagena Convention). By article 15 of the Convention, the Contracting Parties designated UNEP as responsible for carrying out the secretariat functions, which are provided through the UNEP Regional Coordinating Unit for the Caribbean Environment Programme in Kingston;

(c) Amended Nairobi Convention for the Protection, Management and Development of the Marine and Coastal Environment of the Western Indian Ocean. By article 17 of the Convention, the Contracting Parties designated UNEP as the secretariat of the Convention and its secretariat functions are carried out through the Division of Environmental Policy Implementation serving as the Regional Coordination Unit in Nairobi, while the Regional Coordination Unit in Mahé, Seychelles, exercises intergovernmental liaison functions;

(d) Convention for Cooperation in the Protection and Development of the Marine and Coastal Environment of the West and Central African Region (Abidjan Convention). By article 16 of

<sup>8</sup> ST/SGB/1997/5, sect. 3.

<sup>9</sup> The omnibus decision adopted by, respectively, the Conference of the Parties to the Basel Convention (decision BC.Ex-1/1) the Conference of the Parties to the Rotterdam Convention (decision RC.Ex-1/1) and the Conference of the Parties to the Stockholm Convention (decision SC.Ex-1/1).

the Convention, the Contracting Parties designated UNEP as the secretariat of the Convention, and its secretariat functions are carried out through the UNEP Regional Coordinating Unit in Abidjan.

21. Furthermore, UNEP, through its Regional Office for Europe in Geneva, serves on an interim basis as the secretariat of the following subregional conventions, following formal requests by their respective Conference of Parties:

- (a) Framework Convention for the Protection of the Marine Environment of the Caspian Sea (Tehran Convention);
- (b) Framework Convention on the Protection and Sustainable Development of the Carpathians (Carpathian Convention).

#### **IV. Accountability and administrative and financial arrangements**

22. The following paragraphs describe progress to date on accountability and administrative and financial arrangements relating to the multilateral environmental agreements for which the Executive Director provides the secretariats or secretariat functions, in response to paragraph 18 of decision 26/9 and decision SS.XII/2 of the Governing Council.

23. The UNEP secretariat has undertaken a preliminary internal review and analysis of the decisions of the governing bodies of the relevant multilateral environmental agreements, with a view to ensuring that they conform fully with prevailing United Nations regulations and rules applicable to UNEP. The UNEP secretariat is addressing the matter, in consultation with the secretariats and governing bodies of those agreements, as appropriate, suggesting and taking corrective steps and measures where necessary.

24. With a view to ensuring clarity regarding the overarching administrative authority of the Executive Director and the distribution of administrative roles and responsibilities of UNEP and the multilateral environmental agreement secretariats and their staff and enhanced accountability for the efficient and effective delivery of services, the Executive Director delegated authority on administrative and financial matters to the Secretary-General of CITES, the Executive Secretary of the Basel Convention and the Stockholm Convention and the co-Executive Secretary of the Rotterdam Convention. In 2012, a similar delegation of authority was signed by the Executive Secretary of the Convention on the Conservation of Migratory Species of Wild Animals<sup>10</sup> and the Executive Secretary of the Convention on Biological Diversity.<sup>11</sup>

25. The UNEP secretariat has revised the administrative arrangements between the Executive Director and the secretariat of the Convention on Biological Diversity, which were signed during the tenth meeting of the Conference of the Parties to the Convention in October 2010 and endorsed by the Conference of the Parties in its decision X/45, on administration of the Convention and budget for the programme of work for the biennium 2011–2012. During the sixth meeting of the Bureau to the tenth meeting of the Conference of Parties, held in July 2012, the Bureau agreed that an interpretative statement between the UNEP secretariat and the Convention secretariat should be made in order to clarify the provisions of the revised administrative arrangements to confirm that the appointment of the Executive Secretary would be in accordance with the United Nations rules and regulations, and the relevant provisions of that arrangements would apply, *mutatis mutandis*, to the extension of the term of appointment of the Executive Secretary.

26. Following signature of the memorandum of understanding between the Executive Director and the Standing Committee of CITES, a review was conducted by the internal auditors of the secretariat of the Basel Convention, who suggested that a memorandum of understanding should also be concluded with representatives of the parties to the Basel Convention. The parties to the Barcelona Convention also requested, through the secretariat of the Convention, that a comparable agreement should be signed with that Convention. A proposal for a similar arrangement was put forward to the secretariat of the Convention on Migratory Species in November 2012.

27. The UNEP secretariat is conducting a preliminary review and holding discussions with heads of the relevant multilateral environment agreements to review options for appropriate arrangements for

<sup>10</sup> Dated 3 August 2012, including delegations of authority to the executive secretaries of the Agreement on the Conservation of African-Eurasian Migratory Waterbirds and the Agreement on the Conservation of Populations of European Bats, to the Executive Secretary of the Convention on the Conservation of Migratory Species of Wild Animals as the interim Executive Secretary of the Agreement on the Conservation of Gorillas and their Habitats (Gorilla Agreement), and to the Acting Executive Secretary of the Agreement on the Conservation of Small Cetaceans of the Baltic, North East Atlantic, Irish and North Seas.

<sup>11</sup> Dated 24 September 2012.

all convention secretariats for which the Executive Director provides the secretariat or performs secretariat functions, including secretariats of regional conventions which are relatively small or have relatively limited budgets or administrative requirements. A special session on this topic, chaired by the Deputy Executive Director, was held with the heads of the secretariats of a number of the relevant multilateral environmental agreements, namely, the secretariats of the Basel Convention, the Rotterdam Convention, together with FAO, and the Stockholm Convention; the Vienna Convention and the Montreal Protocol; the Multilateral Fund for the Implementation of the Montreal Protocol; the Convention on Biological Diversity; the Tehran Convention; and the Carpathian Convention. The heads of the secretariats of the Basel, Stockholm and Vienna conventions and of the Convention on Migratory Species are currently reviewing draft memorandums of understanding with the UNEP secretariat.

28. The Board of Auditors confirmed the appropriateness of the current procedure whereby the financial statements of the multilateral environmental agreements form part of the UNEP financial statements, under the United Nations System Accounting Standards.

29. The funds for the operation of the multilateral environmental agreements for which the Executive Director provides the secretariat or performs secretariat functions are held in trust funds. The establishment of such trust funds, in response to requests by the governing bodies of the relevant agreements, is subject to approval by the Governing Council of UNEP and all such trust funds are established in accordance with article V of the General Procedures Governing the Operations of the Fund of UNEP, and are therefore governed by the financial rules of UNEP, last revised in 1997. The Executive Director will request the Governing Council, at its twenty-seventh session, to approve amendments to the UNEP financial rules, so as to ensure consistency with the International Public Sector Accounting Standards (IPSAS).

30. The General Assembly has confirmed that the Secretariat will adopt IPSAS fully, starting from the accounting period which ends in 2014, a deadline that applies also to the UNEP secretariat. Preparation for this transition will encompass incorporation in the financial statements of UNEP of the financial statements of the multilateral environmental agreements for which it provides the secretariat or performs secretariat functions, in a manner analogous to the practices of other United Nations programmes and funds, and a decision as to whether or not the current practice of not including the Montreal Protocol, agreed with the Board of Auditors in 1992, should continue under IPSAS.

31. Simultaneously, the UNEP secretariat and the United Nations Office at Nairobi have been consulting closely with a view to reaching a more clearly defined division of labour and responsibilities between the UNEP secretariat and the United Nations Office at Nairobi in administrative and financial matters, including in the context of the provision of services to multilateral environmental agreement secretariats. This process was facilitated by a high-level mission of the Department of Management of the United Nations Secretariat in April 2012. While these processes are continuing, the UNEP secretariat has taken action to deal with the main recommendations directly addressed to it by the Office of Internal Oversight Services.

32. Meanwhile the UNEP secretariat intends to intensify its efforts in the following areas:

- (a) Concluding memorandums of understanding with the appropriate bodies of the relevant multilateral environmental agreements, wherever appropriate;
- (b) Systematically issuing delegations of authority to the heads of the secretariats of the relevant multilateral environmental agreements;
- (c) Closely coordinating with the Board of Auditors;
- (d) Seeking further synergies between the UNEP programme of work and the programmes of the multilateral environmental agreements for which the Executive Director provides the secretariat or performs secretariat functions.

33. Significant progress has been made on issues of accountability and clarity in the financial and administrative arrangements between UNEP and the multilateral environmental agreements for which the Executive Director provides the secretariat or performs secretariat functions. The UNEP secretariat will continue its efforts to enhance further its relationship with those agreements in cooperation and consultation with their governing bodies and other relevant bodies, as appropriate.

34. Meanwhile, the processes to formulate the UNEP draft medium-term strategy for 2014–2017 and the draft strategic framework and programme of work for 2014–2015 have provided opportunities for the UNEP secretariat and the multilateral environmental agreements secretariats to work more closely together on programme and budget planning matters. In particular, resources for the funding of UNEP activities and outputs in support of the implementation of multilateral environmental

agreements, alongside synergies and collaborative arrangements between the UNEP secretariat and the multilateral environmental agreements secretariats, especially at the level of regional offices, figure prominently in the UNEP budget priorities for the biennium 2014–2015.

35. Further information on this matter, including inputs and comments from the relevant multilateral environmental agreements secretariats and other bodies identified in Governing Council decisions 26/9 and SS.XII/2, will be submitted to the Governing Council in a separate information document.<sup>12</sup>

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<sup>12</sup> UNEP/GC.27/INF/20.