



**United Nations
Environment Programme**

**Food and Agriculture Organization
of the United Nations**

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**Rotterdam Convention on the Prior Informed
Consent Procedure for Certain Hazardous
Chemicals and Pesticides in International Trade
Conference of the Parties
Second meeting**

Rome, 26–30 September 2005

Item 6 (f) of the provisional agenda*

**Issues arising out of the first meeting of the Conference
of the Parties: secretariat arrangements**

Secretariat arrangements

Note by the secretariat

The secretariat has the honour to submit, in the annex to the present note, the following documents for the information of the Conference of the Parties:

- (a) Annex I: Letter from the President of the Conference of the Parties to the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade to the President of the fifty-ninth session of the United Nations General Assembly;
- (b) Annex II: Letter from the secretariat to the Secretary General of the World Customs Organization;
- (c) Annex III: Letter from the secretariat to the Chair of the Committee on Trade and Environment in special session of the World Trade Organization, and reply;
- (d) Annex IV: Report by the Chair of the Committee on Trade and Environment in special session to the Trade Negotiations Committee of the World Trade Organization;
- (e) Annex V: Letter from the secretariat to donors regarding the transfer of the unused balance of the Trust Fund in Support of the Preparation and Negotiation of an International Legally Binding Instrument for the Application of the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, and replies;

* UNEP/FAO/RC/COP.2/1.

(f) Annex VI: Letter from the secretariat to the secretariat of the Stockholm Convention on Persistent Organic Pollutants on possible arrangements for a joint head of secretariats of the Rotterdam and Stockholm conventions, and reply.

Annex I

Letter from the President of the Conference of the Parties to the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade to the President of the fifty-ninth session of the United Nations General Assembly



Secretariat of the Rotterdam Convention on the
Prior Informed Consent Procedure
for Certain Hazardous Chemicals and Pesticides in International Trade



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Geneva, 6 April 2005

Excellency,

I am writing to you in my capacity as President of the Conference of the Parties to the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade.

The Conference of the Parties to the Rotterdam Convention held its first meeting in Geneva from 20-24 September 2004. It was a highly successful meeting that not only increased the number of chemicals covered by the Convention from 27 to 41, but also adopted its rules of procedure, financial rules, established a scientific subsidiary body, etc.

Following discussions on the financial rules in a contact group, the chair of that group informed the Conference that compelling concerns had been expressed by some Parties about the effect of the application of the criteria set out in rule 12 (a) of the draft financial rules. The group had suggested that the Conference request the President to write to the chair of the competent United Nations body dealing with the scale of assessments to reflect those concerns. (Rule 12 (a) specifies that the indicative scale of assessment for the Convention shall be based on that of the United Nations, as adjusted.)

Following adoption of the budget and an indicative scale of assessment, the concerns were expressed in plenary as follows:

"The representative of one developing country regretted that the scale had not been further adjusted and that the developing countries had been forced to make significant compromises in order to enable consensus on the issue. She pointed out that the Conference of the Parties was a sovereign body, which could establish its own scale of assessment, and that use of the current scale would deter other developing countries from joining the Convention, while those that already had would be forced to sacrifice implementation projects in order to meet assessed contributions. That, she said, ran counter to the stated aim of the Convention to assist developing countries in protecting human health and the environment. A number of other developing countries expressed support for her statement.

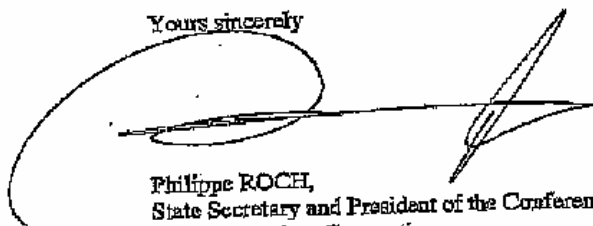
H.E. Mr. Jean PING
President of the 59th session of the UN General Assembly
United Nations,
New York,
NY, 10017

Secretariat of the Rotterdam Convention

The representative of Argentina also expressed support for that statement and made reference to the difficult economic situation of his country. He pointed out that Argentina, although a developing country, contributed more to the Convention's budget than some developed countries. He also said that his Government reserved the right to seek a revision to the indicative scale of assessments adopted by the Conference of the Parties at its current meeting and a reduction of the percentage assigned in the scale to Argentina."

I am given to understand that the Committee on Contributions may be the competent United Nations body dealing with the scale of assessment, and therefore kindly ask you to convey these concerns to that body. I attach the report of the First Meeting of the Conference of the Parties for your information, and both I and the secretariat of the Rotterdam Convention are ready to provide any further information that you and the Committee may need.

Yours sincerely



Philippe ROCH,
State Secretary and President of the Conference of the Parties
to the Rotterdam Convention

CC: Secretariat of the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade

Annex II

Letter from the secretariat to the Secretary General of the World Customs Organization



*Secretariat of the Rotterdam Convention on the
Prior Informed Consent Procedure
for Certain Hazardous Chemicals and Pesticides in International Trade*



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E-mail: pic@unep.ch

Geneva/Rome, 17 December 2004

Subject: Specific HS codes to the chemicals listed in Annex II of the Rotterdam Convention.

Dear Sir,

I have the honor to refer to the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade.

Paragraph 1 of its Article 13 provides that the Conference of the Parties shall encourage the World Customs Organization to assign specific Harmonized System customs codes to the individual chemicals or groups of chemicals listed in Annex III, as appropriate, and that each Party shall require that, whenever a code has been assigned to such a chemical, the shipping document for that chemical bears the code when exported.

At its first meeting, that took place from 20-24 September 2005 in Geneva, the Conference of the Parties, in its decision RC-1/8, welcomed the cooperation between the secretariat of the Rotterdam Convention and the World Customs Organization, and encouraged the World Customs Organization to assign specific Harmonized System customs codes to the individual chemicals or groups of chemicals listed in Annex III, as appropriate. Decision RC-1/8 is attached.

By this letter I convey the encouragement of the Conference to the World Customs Organization and, at the same time, thank you for the excellent cooperation and the assistance received during the interim period between the adoption and the entry into force of the Rotterdam Convention.

The contact in the Secretariat for the work related to assigning HS Code numbers to the chemicals listed in Annex III is: Ms. Sheila Logan, Scientific Affairs Officer, tel: +41 22 9178511, email: slogan@chemicals.unep.ch

Yours sincerely

Niek Van Der Graaff
Executive Secretary

The Secretary General
World Customs Organization
30 Rue du Marché
B-1210 Bruxelles, Belgique

Annex III

Letter from the secretariat to the Chair of the Committee on Trade and Environment in special session of the World Trade Organization, and reply



*Secretariat of the Rotterdam Convention on the
Prior Informed Consent Procedure
for Certain Hazardous Chemicals and Pesticides in International Trade*



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Geneva/Rome, 17 December 2004

Subject: Observer status in the Committee on Trade and Environment in Special Session.

Excellency,

I have the honor to refer to the first meeting of the Conference of the Parties to the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, that took place from 20-24 September 2005 in Geneva.

At this meeting, the Conference, in its decision RC-1/15, requested the secretariat to seek observer status in the Committee on Trade and Environment in Special Session of the World Trade Organization. The full text of decision RC-1/15 is attached.

The purpose of this letter is therefore, as requested by the Conference, to formally seek observer status in the Committee on Trade and Environment in Special Session.

The secretariat of the Rotterdam Convention is at your disposal with any further information that you may request. The contact person is: Mr. Erik Larsson, tel. 022 9178177, email: elarsson@unep.ch.

I hope to receive a positive response soon.

Yours sincerely,

Niek Van Der Graaff
Executive Secretary

H.E. Dr. Toufiq Ali
Chairperson
Committee on Trade and Environment Special Session
Trade and Environment Division
World Trade Organization
Rue de Lausanne 154
1211 Geneva

Copy to:

Ms. Vesile Kulaçoglu
Director
Trade and Environment Division
World Trade Organization
Rue de Lausanne 154
1211 Geneva

Mr. Elussein Abaza, UNEP ETB

Attachment:

RC-1/15: Cooperation with the World Trade Organization

The Conference of the Parties,

Noting that the United Nations Environment Programme and the World Trade Organization have developed an informal institutional dialogue over several years, a process that started under the General Agreement on Tariffs and Trade and continued until 1994, before the existence of the World Trade Organization,

Noting the note by the secretariat concerning cooperation with the World Trade Organization,

Noting also that informal dialogue has been taking place more recently between multilateral environmental agreements, including between the interim secretariat of the Rotterdam Convention and the World Trade Organization, to enhance synergies in particular in relation to trade and environment,

Mindful of the need to strengthen cooperation between the Convention and the World Trade Organization within their respective mandates,

1. *Welcomes the enhanced cooperation between the secretariat of the Convention and the World Trade Organization;*
2. *Requests the secretariat:*
 - (a) *To seek observer status in the Committee on Trade and Environment in Special Session of the World Trade Organization and inform Parties when the request has been submitted and when it has been granted;*
 - (b) *To report to the Conference of the Parties on any meetings of the World Trade Organization that it attends, any substantive contacts that it has with the secretariat of the World Trade Organization and any general or factual information provided to or any other information requested by the secretariat of the World Trade Organization or any other body of the World Trade Organization;*
 - (c) *To ensure that at all times it does not provide an interpretation of the provisions of the Convention;*
 - (d) *To monitor developments in the Committee on Trade and Environment in Special Session and report on such developments to the Conference of the Parties;*
 - (e) *To reflect on ways of enhancing information flows on matters of common interest with the World Trade Organization;*
3. *Encourages Governments to apprise their representatives on the Committee on Trade and Environment in Special Session of the present decision.*



WORLD TRADE ORGANIZATION
 ORGANISATION MONDIALE DU COMMERCE
 ORGANIZACIÓN MUNDIAL DEL COMERCIO

Direct lines: (+41 22) 739 5875
 Direct fax: (+41 22) 739 5620
 Email: doaa.abdelmotaal@wto.org

Mr. Niek Van der Graaf
 Executive Secretary
 Secretariat for the Rotterdam Convention
 Plant Production and Protection Division
 Food and Agriculture Organization
 of the United Nations (FAO)
 Viale delle Terme di Caracalla
 00100 Rome

Reference: 086/100 05-317

17 JAN 2005

Dear Mr. Van Der Graaff,

Thank you for your letter, dated 17 December 2004, in which you inform the WTO of the decision taken at the first meeting of the Conference of the Parties to the Rotterdam Convention to request observer status in the WTO Committee on Trade and Environment (CTE) in Special Session. I am pleased to inform you that the CTE in Special Session had already agreed to invite the Rotterdam Convention to its meetings, on a meeting-by-meeting basis, as of October 2004.

I would like to seize this opportunity, therefore, to invite the Rotterdam Convention to attend the next meeting of the Committee, which will take place on 24-25 February 2005.

I would be grateful if you could confirm your participation, or that of another representative, to the WTO Secretariat at your earliest convenience (Ms. Doaa Abdel Motaal, Trade and Environment Division, tel. (+41 22) 739 5875, Fax: (+41 22) 739 5620). The WTO Secretariat will be keeping the Rotterdam Convention informed, by electronic mail, of any developments that may be relevant to the preparation of this meeting.

Yours sincerely,

Toufik Ali
 Ambassador
 Chairperson, Committee on Trade and Environment Special Session

Written by	Typed by	Approved by	Before - After despatch to be seen by
DAM	JG	VK	

Centre William Rappard Rue de Lausanne 154 Case postale CH - 1211 Genève 21
 Téléphone: (+41 22) 739 51 11 Fax: (+41 22) 731 42 06
 Internet: <http://www.wto.org>

Annex IV

Report by the Chair of the Committee on Trade and Environment in special session to the Trade Negotiations Committee of the World Trade Organization

WORLD TRADE ORGANIZATION

TN/TE/11
14 March 2005

(05-0000)

Committee on Trade and Environment
Special Session

REPORT BY THE CHAIRPERSON OF THE SPECIAL SESSION OF THE COMMITTEE ON TRADE AND ENVIRONMENT TO THE TRADE NEGOTIATIONS COMMITTEE

1. The eleventh meeting of the Committee on Trade and Environment in Special Session (CTESS) was held on 24-25 February 2005.

I STATUS OF WORK

2. Under Paragraph 31(i) of the mandate, delegations continued to share their national experiences in the negotiation and implementation of multilateral environmental agreements (MEAs). Canada, in particular, presented its inter-departmental coordination and consultation mechanisms that were designed to ensure a harmonious MEA-WTO relationship. It was of the view that the following criteria had to guide MEA negotiators: (1) MEAs had to be open to all countries; (2) they had to reflect broad-based support; (3) their trade measures had to be drafted with precision; (4) they had to treat non-parties on the same basis as parties, if the non-parties complied with their provisions; and (5) they had to explicitly consider WTO principles. A number of delegations welcomed the national experience-sharing exercise, and the general aim of preventing conflict between the WTO and MEAs. Delegations were encouraged to share their national experiences in writing whenever possible, so that a fruitful exchange could take place.

3. Under Paragraph 31(ii) of the mandate, a number of delegations suggested that the ideas developed by the CTESS on how to further MEA-WTO Secretariat cooperation and information exchange (contained in document TN/TE/7), be explored in greater detail. Made available to delegations at this meeting was an update of a WTO Secretariat Note on existing forms of cooperation and information exchange (TN/TE/S/2). Certain criteria for the granting of observer status were also debated.

4. Under Paragraph 31(iii) of the mandate, new submissions were tabled by New Zealand, Korea and the European Communities (EC). The New Zealand submission called for a practical approach to the negotiations, in which Members could "define [environmental goods] by doing," and suggested that certain reference points guide the identification of environmental products. It expressed a preference for the adoption of a "single consensus list" of environmental goods, but stated that a dual-list approach could be considered in the event that agreement on one list could not be obtained. Furthermore, the paper suggested the concept of a "living list," which would allow an agreed list to be updated for technological progress.

5. The EC submission called for the use of certain "guiding principles" in the identification of environmental goods, and proposed that environmental goods include: (1) goods used in pollution control and resource management, and (2) goods that have a high environmental performance or low environmental impact. Under each of these categories, a list of examples was provided. The paper also commented on the modalities for the negotiations, calling on all Members, except the least developed, to agree to "deeper tariff cuts" in this area of the negotiations.

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TN/TE/11

v Page 2

6. The Korean submission presented Korea's initial list of environmental goods, which was created on the basis of criteria viewed by Korea as practical, and which "could be broadly accepted and applied by WTO Members." It was understood that there could be additions to this list.

7. In the discussion on Paragraph 31(iii), several developing country Members emphasized the need for balance in the negotiations between developed and developing country interests. In particular, they urged that the issues of special and differential treatment, of technical assistance, and of transfer of technology be considered. Furthermore, discussion was held on some of the factors on which the identification of environmental goods could be based. Some developing country Members indicated that they would also be submitting lists of environmental goods.

II. FUTURE WORK

8. In keeping with the directions provided at the TNC meeting of February 2005, an informal meeting on delegations' expectations for the Hong Kong Ministerial Conference was convened. While it was clear that all parts of the Paragraph 31 mandate were important and required delegations' serious attention, Paragraph 31(iii) emerged as the most likely candidate for tangible progress by the Hong Kong Ministerial Conference. There was a general view that, as a potential outcome for the Conference, delegations could prepare a list of environmental goods. In that regard, I have encouraged them to continue submitting their ideas, as well as their lists of goods, for Members' consideration.

Annex V

Letter from the secretariat to donors regarding the transfer of the unused balance of the Trust Fund in Support of the Preparation and Negotiation of an International Legally Binding Instrument for the Application of the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, and replies



*Secretariat of the Rotterdam Convention on the
Prior Informed Consent Procedure
for Certain Hazardous Chemicals and Pesticides in International Trade*



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E-mail: pic@unep.ch

Geneva, 18 November 2004

Subject: Transfer of unused balance from the Trust Fund in support of the Preparation and Negotiation of an International Legally Binding Instrument for the Application of the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade to the Trust Funds established pursuant to paragraph 1 of decision RC-1/17

Excellency,

I have the honor to refer to the Trust Fund in support of the preparation and negotiation of an International Legally Binding Instrument for the Application of the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, established by the Executive Director of the United Nations Environment Programme (UNEP) in 1995. Paragraph 12 of its Terms of Reference reads as follows:

"Should the funds paid into the Trust Fund, including the investment income credited to the Trust Fund in accordance with paragraph 7 above, exceed the amount spent by UNEP or other parties concerned on activities financed from the Trust Fund, the surplus amount, after settlement of all outstanding obligations and after presentation of the final statement of account, shall be dealt with as agreed between UNEP and the Contributors by exchange of letters, or, if agreement is not reached, the surplus amount shall be returned to the Contributors on a *pro rata* basis as determined by UNEP."

I also have the honor to refer to decision RC-1/17 on Financing and Budget for the biennium 2005-2006 adopted by the Conference of the Parties to the Rotterdam Convention at its first Meeting, held in Geneva from 20-24 September 2004.

In paragraph 1 of that decision, the Conference invited the Executive Director of UNEP to establish on an interim basis for the period 2005-2006:

- (a) A general trust fund for the operational budget;
- (b) A voluntary special trust fund.

.../2

In paragraph 6 of the same decision, the Conference invited the UNEP and the contributors to the trust fund established for the interim phase of the Convention to transfer the unused balance of that fund to one of the trust funds referred to in paragraph 1 above, and requested the head(s) of the Convention secretariat to account for the funds thus transferred.

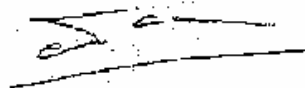
With this letter, I kindly seek your agreement to transfer the unused balance to one of the trust funds referred to in paragraph 1 of decision RC-1/17. If you agree to this transfer, I would ask you to indicate to which of the two trust funds you want it transferred.

Please send your reply to the Secretariat at the following address by 31 December 2004:

Rotterdam Convention Secretariat
UNEP
11-13, Chemin des Anémones
CH-1219 Châtelaine
Switzerland

Fax: (+41 22) 797 3460

Yours sincerely,



Niek Van der Graaff
Executive Secretary

Copy to:
Rotterdam Convention Secretariat, Rome
UNON BFMS, Nairobi
C.Cameron, UNEP Chemicals



Foreign Affairs Affaires étrangères
Canada Canada

January 12, 2005

125 Sussex Drive
Ottawa, Ontario
K1A 0G2

Niek Van der Graaff
Executive Secretary
Rotterdam Convention Secretariat
UNEP
11-13, Chemin des Anémones
CH-1219 Châtelaine
Switzerland

ESR-0005

Dear Mr. Van der Graaff:

Thank you for your letter sent to the attention of the Honourable Sergio Marchi, Ambassador, Permanent Representative to Canada's Permanent Mission in Geneva, Switzerland, on 18 November 2004. Since the letter was sent, the Honourable Sergio Marchi's term as ambassador has concluded and has since been replaced by H.E. Don G. Stephenson. Nevertheless, we are in receipt of your letter and apologize for the delay in replying to your request to transfer the unused balance of the Interim Convention Secretariat to one of the two trust funds referred to in paragraph 1 of decision RC-1/17.

We have reviewed the information presented in your letter. We can advise that we do not wish to have any funds returned to the Government of Canada. Rather, we suggest that any unused Canadian contributions be allocated towards the working capital reserve for 2005-2006 for the purpose of increasing its level to 15 per cent of the estimated expenditures of the operational budget, including programme support costs, for the year 2006. Should other donor countries have made similar requests and if the working capital reserve exceeds 15 per cent we would request that Canada's share of the unused contributions be directed towards the voluntary special trust fund. We would further request that any unused Canadian contributions transferred to the voluntary trust fund not be earmarked. We would want to provide maximum flexibility for the Secretariat to use the funds as deemed appropriate by the Parties.

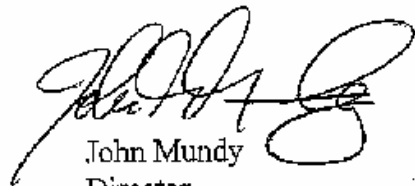
Canada

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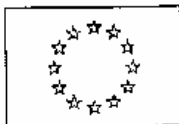
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I trust that this is to your satisfaction.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Mundy', written in a cursive style.

John Mundy
Director
Environment and Sustainable
Development Relations Division



EUROPEAN COMMISSION
DIRECTORATE-GENERAL
ENVIRONMENT
Directorate E - International affairs
ENV.E.2 - Environmental Agreements and Trade

Brussels, 4th March 2005
DG Env/JH/CBG D(2004) 4662

Mr. Niek Van der Graaff
Executive Secretary
Rotterdam Convention Secretariat
UNEP
11-13, Chemin des Anémones
CH - 1219 Châtelaine
Switzerland

Subject: Transfer of unused balance from the Trust Fund in support of the preparation and negotiation of a legally binding instrument to the Trust Funds established pursuant to paragraph 1 of decision RC-1/17.

Dear Mr Van der Graaff

Thank you for your letter of 18 November to Mr Sørensen. You will wish to know that he has recently been replaced as Director for International Affairs, by Mrs Soledad Blanco.

Given the European Community's prominent role in the framing of Decision RC-1/17, the Commission would very much like to follow the invitation in paragraph 6 of that Decision and agree that the remaining balance of our contribution to the trust fund for the interim phase should be used for the Convention.

It is our understanding of paragraph 13 of Decision RC-1/17, that if the contributors respond positively to paragraph 6, the COP as a whole has decided that such contributions should be paid into the general trust fund for the operational budget of the Convention to boost the amount available as working capital reserve. Only once the Working Capital Reserve (WCR) has increased to 15% through these reassigned contributions, or through contributions from non-Parties under paragraph 14, does the possibility arise of using any balance to augment the special voluntary trust fund.

We assume that the unspent balance will be divided between all donors on a pro-rata basis and that all donors will be informed of their share. We would also be grateful for your assessment of whether contributions under paragraphs 13 and 14 are likely to bring the WCR to 15% of the agreed budget for Activities and Administrative Overheads.

Yours sincerely,

Julio Garcia Burgués



Federal Ministry for the
Environment, Nature Conservation
and Nuclear Safety

Bundesministerium für Umwelt, Naturschutz und Reaktorsicherheit, Postfach 12 06 29, 53175 Bonn

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Geschäftszeichen (bei Antwort bitte angeben)

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✉ E-Mail jens.kuellmer@bmu.bund.de

Bonn, 21. Jan. 2005

Transfer of unused balance from the Trust Fund in support of the Preparation and Negotiation of an International Legally Binding Instrument for the Application of the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade to the Trust Funds established pursuant to paragraph 1 of decision RC-1/17

Subject: Your letter of November, 18th 2004

Sirs,

Germany would like that the unused balance from the Trust Fund is to be used in an voluntary special trust fund as mentioned in your letter of November, 18th 2004.

Best regards

Prof. Dr. Schlottmann



IT'S OUR FUTURE.

Zustell- und Lieferanschrift
Heinrich-von-Stephan-Str. 1, 53175 Bonn

Haltestelle Benkasteler Straße





DET KONGELIGE
MILJØVERNDEPARTEMENT

Rotterdam Convention Secretariat
UNEP
11-13 Chemin des Anémones
CH 1219 Châtelaine
Switzerland

Deres ref

Vår ref
200500076-/HHE

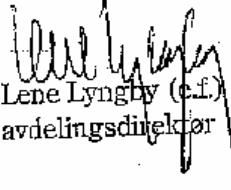
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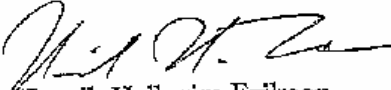
Rotterdam Convention - Transfer of unused funds

We refer to your letter of 18 November 2004 seeking guidance on the transfer of the unused balance of the trust fund for the interim phase of the Rotterdam Convention to the one of the trust funds established at COP 1.

Regarding this question, Norway wants the unused balance to be transferred to the general trust fund for the operational budget.

Med hilsen


Lene Lyngby (c.f.)
avdelingsdirektør


Henrik Hallgrim Eriksen
seniorrådgiver

Kopi:
Permanent mission of the Kingdom of Norway
Av de Budé 35
1211 Geneva, Switzerland

UNEP Chemicals	
Date Received :	31.1.05
File no / name :	RC
For action :	JR EL
Co :	u

Postadresse Postboks 8073 Dep 0030 Oslo	Kontoradresse Myntgt. 2 postnotat@mil.dep.no www.miljo.no	Telefon 22 24 90 90 Org no. 972 417 882	Avdeling for forureningsaker Telefax 22 24 95 60	Saksbehandler Henrik Hallgrim Eriksen 22245839
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REGERINGSKANSLIET

Dnr M2005/2841/KK

25 April 2005

Ministry of Sustainable Development*Division for ecomanagement and chemicals**Monica Törnlund**Telephone +46 8 405 2022**E-mail monica.tornlund@sustainable.ministry.se*Rotterdam Convention Secretariat
UNEP
11 – 13, Chemin des Anémones
CH – 1219 Chatelaine
Switzerland**Transfer of unused balance from the Trust Fund for the Rotterdam
Convention**

Dear Mr Van der Graaf,

Thank you for your letter of 18 November regarding the unused balance from the Trust Fund for the Rotterdam Convention. Sweden would like to follow paragraph 6 of Decision RC-1/17 and agree that the remaining balance of our contribution is transferred to the general trust fund for the operational budget of the Rotterdam Convention.

Yours sincerely,

Nina Crommier
Director



BUWAL Bundesamt für Umwelt, Wald und Landschaft
OFEPF Office fédéral de l'environnement, des forêts et du paysage
UFAPP Ufficio federale dell'ambiente, delle foreste e del paesaggio
SAEFL Swiss Agency for the Environment, Forests and Landscape

The Director

CH-3003 Berne, May 12, 2005

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Internet: http://www.environment-switzerland.ch

Mr. Niek van der Graaff
Executive Secretary to the
Rotterdam Convention Secretariat
11-13 Chemin des Anémones
1219 Châtelaine
Switzerland

Your reference:

FAX: 022 797 34 60

Your letter dated: 18 November 2004.

Our reference: PhR / E194-0767

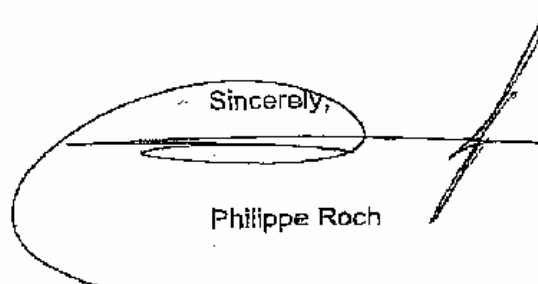
Subject: Transfer of Switzerland's part of the unused balance from the PIC INC Trust Fund to the Trust Funds established pursuant to paragraph 1 of decision RC-1/17

Dear Mr Van der Graaff

In response to your letter dated 18 November 2004 concerning the transfer of the unused balance of Switzerland's 2004 contributions towards the PIC INC process contained in the Interim Trust fund of the Rotterdam Convention, I would like to inform you, that Switzerland decided to transfer this money to the voluntary special trust fund of the PIC Convention as described in decision RC-1/17 article 1 paragraph b.

According to our information, the unused Swiss contributions amount to USD 500'792.80 (34% out of the balance of USD 1'447'378). Thus, Switzerland would like to earmark this amount under the voluntary special trust fund for special purposes still to be determined between the Secretariat and Switzerland at a later stage.

I would like to take this opportunity to thank the Rotterdam Convention Secretariat for the successful work accomplished, and I am looking forward to continuing our successful co-operation.

Sincerely,

Philippe Roch

Cc: - Rome office of the PIC Secretariat.
- SAEFL: PHR, NB, Ka, pfr, MRB, LGE

0_21/2004-0002/22E4/03/18/E/194-0767

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Website www.defra.gov.uk



Mr Niek Van der Graaff
 Executive Secretary
 Rotterdam Convention Secretariat
 UNEP
 11-13 Chemin des Anemones
 CH-1219 Chatelaine
 Switzerland

Date 14 March 2005

Dear Mr Van der Graaff

Transfer of unused balance from the trust fund in support of the preparation and negotiation of an international legally binding instrument for the application of the prior informed consent procedure for certain hazardous chemicals and pesticides in international trade to the trust funds established pursuant to paragraph 1 of decision RC-1/17

Thank you for your letter of 18 November about the transfer of the unused balance of the trust fund established for the interim phase of the Convention to one of the trust funds established in Paragraph 1 of Decision RC-1/17.

The UK would very much like to follow the invitation in Paragraph 6 of the same Decision and agree that the remaining balance of our contribution to the trust fund for the interim phase should be used for the Convention.

It is our understanding of paragraph 13 of the same Decision, that if the contributors respond positively to paragraph 6, the COP as a whole has decided that such contributions should be put into the general trust fund for the operational budget of the Convention to boost the amount available as working capital reserve. Only once the WCR has increased to 15% through these reassigned contributions, or through contributions from non-Parties under paragraph 14, does the possibility arise of using any balance to augment the special voluntary trust fund.

Jane Stratford

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Email jane.stratford@defra.gsi.gov.uk





THE PERMANENT REPRESENTATIVE
OF THE
UNITED STATES OF AMERICA
TO THE
UNITED NATIONS AND OTHER INTERNATIONAL ORGANIZATIONS
IN GENEVA

December 16, 2004

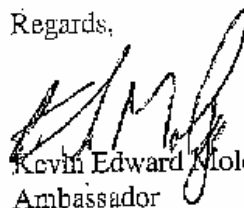
Dear Mr. Van der Graaf,

Thank you for your letter of 18 November 2004 regarding the unused balance from the Trust Fund of the Preparation and Negotiation of an International Legally Binding Instrument for the Application of the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade.

I am pleased to inform you that the United States Government agrees to the transfer of the aforementioned unused balance to the Trust Funds established pursuant to paragraph 1 of decision RC-1/17 on the Financing and Budget for the biennium 2005-2006 adopted by the Conference of the Parties (COP) to the Rotterdam Convention at its first meeting in Geneva from 20-24 September 2004.

Please allocate the portion of the unused balance associated with past U.S. voluntary contributions to one or both of the trust funds in a manner that will promote the financial stability of the Rotterdam Convention and facilitate accomplishment of the work plan handed down by the COP.

Regards,


Kevin Edward Moley
Ambassador

Mr. Niek Van der Graaf,
Executive Secretary,
Secretariat of the Rotterdam Convention on the Prior Informed Consent Procedure
for Certain Hazardous Chemicals and Pesticides in International Trade,
Geneva.

Annex VI

Letter from the secretariat to the secretariat of the Stockholm Convention on Persistent Organic Pollutants on possible arrangements for a joint head of secretariats of the Rotterdam and Stockholm conventions, and reply



*Secretariat of the Rotterdam Convention on the
Prior Informed Consent Procedure
for Certain Hazardous Chemicals and Pesticides in International Trade*



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Geneva/Rome, 17 December 2004

Subject: Possible arrangements for a joint head of the secretariats of the Rotterdam and Stockholm Conventions.

Dear Sir/Madam,

I have the pleasure to refer to the first meeting of the Conference of the Parties to the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, that took place from 20-24 September 2005 in Geneva.

At this meeting, the Conference, in paragraph nine of its decision RC-1/17, invited the Conference of the Parties to the Stockholm Convention on Persistent Organic Pollutants at its first meeting to consider, if feasible and appropriate, co-financing in 2006 the position of a joint head of the secretariats of both the Stockholm and Rotterdam conventions at the level of D-1. The text of decision RC-1/17 is attached to this letter.

By the present letter I kindly request the secretariat to the Stockholm Convention on Persistent Organic Pollutants to make this invitation available to the first meeting of the Parties to the Stockholm Convention. Please do not hesitate to contact me if you need any further information.

Yours sincerely,

Nick Van Der Graaff
Executive Secretary

Stockholm Convention Secretariat
UNEP
11-13 Chemin des Anémones
1219 Châtelaîne
Switzerland

Copy to: ORD, UNEP

Attachment**RC-1/17: Financing and budget for the biennium 2005–2006**

The Conference of the Parties,

Recalling paragraph 4 of article 18 of the Convention,

1. *Invites* the Executive Director of the United Nations Environment Programme to establish on an interim basis for the period 2005-2006:
 - (a) A general trust fund for the operational budget;
 - (b) A voluntary special trust fund;
2. *Approves* the operational budget of 3,667,041 United States dollars for 2005 and an indicative operational budget of 3,542,159 United States dollars for 2006 for the purposes set out in table 1 of the present decision;
3. *Decides* that the indicative figure for 2006 will be reconsidered at the second meeting of the Conference of the Parties on the basis of recommendations made by the head(s) of the Convention secretariat;
4. Welcomes the annual contribution of 1.2 million euros pledged by the host Governments of the Convention secretariat to offset planned expenditures;
5. *Adopts* the indicative scale of assessments for the apportionment of expenses for 2005 and provisionally for 2006 as contained in table 2 of the present decision, and authorizes the head(s) of the Convention secretariat, in keeping with the financial rules, to adjust the scale to include all Parties for which the Convention enters into force before 1 January 2005 for 2005, and before 1 January 2006 for 2006;
6. *Invites* the United Nations Environment Programme and the contributors to the trust fund established for the interim phase of the Convention to transfer the unused balance of that fund to one of the trust funds referred to in paragraph 1 above, and requests the head(s) of the Convention secretariat to account for the funds thus transferred;
7. *Invites* the governing bodies of the United Nations Environment Programme and the Food and Agriculture Organization of the United Nations to continue their financial support for the operation of the Convention and its secretariat in 2005 and 2006;
8. *Approves* the staffing table of the Convention secretariat for the operational budget for 2005 and indicative staffing table for 2006 as contained in table 3 of the present decision;
9. *Invites* the Conference of the Parties to the Stockholm Convention on Persistent Organic Pollutants at its first meeting to consider, if feasible and appropriate, co-financing in 2006 the position of a joint head of the secretariats of both the Stockholm and Rotterdam conventions at the level of D-1;
10. *Authorizes* the head(s) of the Convention secretariat to make transfers of up to 20 per cent of one main appropriation line of the approved budget to other main appropriation lines;
11. *Authorizes* the head(s) of the Convention secretariat to make commitments up to the level of the approved operational budget, drawing on available cash resources;
12. *Decides* to set the minimum working capital reserve for 2005–2006 at a level of 8.3 per cent of the estimated expenditure of the operational budget, including programme support costs;
13. *Decides further* that designated contributions from the surplus of the General Trust Fund for the interim phase of the Convention should, and any contributions from non-Parties in accordance with paragraph 14, shall, be added to the working capital reserve for 2005–2006 for the purpose of increasing its level to 15 per cent of the estimated expenditure of the operational budget, including programme support costs, for the year 2006;
14. *Decides* that a non-party to the Convention may contribute to the General Trust Fund in 2005–2006 for the purpose of augmenting the working capital reserve;

15. *Takes note* of the funding estimates for activities under the Convention to be financed from the voluntary special trust fund included in table 4 of the present decision; and urges Parties and invites non-parties as well as other sources to contribute to this fund;

16. *Decides* that, on an exceptional basis and subject to available resources, funding for participation from the voluntary special trust fund may be made available to developing countries, in particular least developed countries, and to countries with economies in transition which provide a clear commitment towards becoming parties to the Convention. Evidence of such political commitment may, among other things, take the form of a written assurance to the head(s) of the Convention secretariat that the country intends to become a party to the Convention;

17. *Invites* Parties to note that contributions to the operational budget for a calendar year are expected on 1 January of that year, and urges Parties in a position to do so to pay their contributions promptly and in full, and in this regard requests that Parties be notified of the amount of their contributions for a given year by 15 October of the previous year;

18. *Invites* Parties to notify the head(s) of the Convention secretariat of all contributions that they make to the operational budget at the time such payments are made;

19. *Requests* the head(s) of the Convention secretariat to publish a list of assessed contributions received on the web site of the Convention and to keep this list up to date;

20. *Requests* the head(s) of the Convention secretariat to report on the secretariat's activities, income and budget for 2005 and 2006, to prepare a budget for the biennium 2007–2008 and to make recommendations on the future trusteeship of the Convention trust funds to the Conference of the Parties at its third meeting;

21. *Notes* the need to facilitate priority-setting by providing Parties with timely information on the financial consequences of different options, taking into account paragraph 18, and, to this end, requests the head(s) of the Convention secretariat to include in the proposed operational budget for the biennium 2007–2008 three alternatives based on:

- (a) His or her assessment of the required rate of growth of the operational budget;
- (b) Maintaining the operational budget at the 2005–2006 level in nominal terms;
- (c) Increasing the operational budget at the 2005–2006 level by 10 per cent in nominal terms;

22. *Requests* the head(s) of the Convention secretariat to provide the Parties with an indication of the staffing and financial implications of recommendations that have been forwarded to the Conference of the Parties at its future meetings;

23. *Requests* the head(s) of the Convention secretariat, in the light of the decision on the location of the secretariat and the experience of other international agreements and institutions, and within available resources, to undertake a study of the advantages and disadvantages of using the euro, the Swiss franc or the United States dollar as the currency of the accounts and budget of the Convention for consideration by the Conference of the Parties at its third meeting.



United Nations Environment Programme

برنامج الأمم المتحدة للبيئة · 联合国环境规划署
 PROGRAMME DES NATIONS UNIES POUR L'ENVIRONNEMENT · PROGRAMA DE LAS NACIONES UNIDAS PARA EL MEDIO AMBIENTE
 ПРОГРАММА ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ ПО ОКРУЖАЮЩЕЙ СРЕДЕ

Secretariat of the Stockholm Convention
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19 May 2005

Subject: Possible arrangements for a joint head of the secretariats of the Stockholm and Rotterdam Conventions

Dear Mr. Van der Graaff,

As requested in your letter of 17 December 2004, the invitation of the Conference of the Parties of the Rotterdam Convention in paragraph 9 of its decision RC-1/17 inviting the Conference of the Parties of the Stockholm Convention, at its first meeting to consider, if feasible and appropriate, co-financing in 2006 the position of a joint head of secretariats of both the Rotterdam and Stockholm conventions at the D-1 level was made available to the first meeting of the Conference of the Parties of the Stockholm Convention in document UNEP/POPS/COP.1/INF/2.

At the first meeting of the Conference of the Parties of the Stockholm Convention held from 2 to 6 May 2005, I stated that the invitation for a joint head of the secretariats applies only to the Secretariat of the Stockholm Convention and to the UNEP part of the Secretariat of the Rotterdam Convention.

The Conference of the Parties of the Stockholm Convention accepted the invitation referred to above. Paragraph 7 of its decision SC-1/4 states that the Conference of the Parties,

Accepts the invitation of the first meeting of the Conference of the Parties of the Rotterdam Convention to co-finance in 2006 the position of a joint head of the Secretariats of both the Stockholm Convention and the Rotterdam Convention at the level of D-1 and *invites* the second meeting of the Conference of the Parties of the Rotterdam Convention to consider continuing the arrangement in 2007 and beyond;

Taking this acceptance into account, the staffing table of the Convention secretariat contained in decision SC-1/4 provides for 0.75 workyears in 2006 and in 2007 for a D-1 level post to be filled by a head of the Secretariat. The budget decision will be made available in annex 1 of the report of Conference of the Parties of the Stockholm Convention on Persistent Organic Pollutants on the work of its first meeting, UNEP/POPS/COP.1/31, which is currently being finalized.

This is to request that the secretariat of the Rotterdam Convention convey the above information to Conference of the Parties of the Rotterdam Convention for consideration at its second meeting and draw to its attention the invitation for it to consider continuing the arrangement to co-finance the position of a joint head of the secretariats of the Rotterdam and Stockholm conventions in 2007 and beyond.

Your Sincerely,

John A. Buccini
 Acting Executive Secretary

Niek Van der Graaff
 Executive Secretary, Rotterdam Convention
 Food and Agriculture Organization of the United Nations
 Viale dell Terme di Caracalla, 00100 Rome, Italy