

Strategic Approach to International Chemicals Management



**Business plan
for the SAICM Quick Start Programme**

**Adopted by the Quick Start Programme Executive Board in
May 2007**

**Updated in July 2008, March 2010, September 2011,
March 2013, and May 2014**

Table of contents

1. Executive summary.
2. Introduction.
3. Strategic action plan.
 - 3.1 Introduction
 - 3.2 Phased fund-raising targets for the Trust Fund and broader QSP
 - 3.3 Fund-raising strategy and targets for the Trust Fund and broader QSP
 - 3.4 Outreach and equitable delivery strategies and targets for the Trust Fund and broader QSP
 - 3.5 Performance indicators
 - 3.6 Budgeting for resources to enable the SAICM secretariat to support the QSP
 - 3.7 Reporting and monitoring of implementation of the
 - 3.8 Completion of the QSP business plan

Annex

- A1. Background.
 - A1.1 Introduction
 - A1.2 Origins of the QSP
 - A1.3 Main elements of the QSP
 - A1.4 QSP objective and strategic priorities
 - A1.5 QSP stakeholders

1. Executive summary

1.1 The present business plan for the Quick Start Programme (QSP) was adopted by the QSP Executive Board in May 2007 and updated in July 2008, April 2009, March 2010, September 2011 and March 2013. The business plan is now revised to include realistic and achievable targets proposed by the SAICM secretariat following the decision of the third session of International Conference on Chemicals Management to extend the QSP Trust Fund until 2015. The business plan sets out a resource mobilization strategy to help ensure the sustainability of the QSP, including through the replenishment of its trust fund on a steady and equitable basis by as broad a donor group as possible. The plan also stipulates performance indicators to guide the effective delivery of the QSP. The business plan is a living document and working tool which will be regularly updated and reconsidered at future Executive Board meetings.

1.2 By its resolution III/1, the International Conference on Chemicals Management acknowledged that long-term financing of the Strategic Approach should be based on the concept of an integrated approach that, as reflected in the outcome document of the consultative process on financing options for chemicals and wastes led by UNEP Executive Director, includes mainstreaming, industry involvement and external financing, all of which need further clarification in order to become operational.

1.3 The strategic action plan of the business plan outlines a strategy to provide sustainable resources for the QSP and to ensure its effective performance. The total fundraising target has been set at US\$40,396,540 at the end of the QSP. Furthermore, the Board agreed to pursue fund-raising strategies and targets designed to broaden its donor base and ensure the long term sustainability of the QSP Trust Fund. Additional strategies and targets are highlighted for outreach and adequate allocation of support. As part of the fundraising strategy, the secretariat will seek the further involvement in the QSP of all potential sources of support, including through the development assistance cooperation, the private sector, Global Environment Facility, the Multilateral Fund for the Implementation of the Montreal Protocol and national Governments. The secretariat will provide the Board with reports and data relating to performance indicators, including for the securing of funding, allocation of assistance for and implementation of projects on an annual basis. The resources needed by the secretariat to operate the QSP and its Trust Fund are estimated at \$529,234 per annum, which includes staffing and consultants costs as well as annual meetings of the Executive Board.

1.4 Taking into account that the QSP Trust Fund will be open for contributions until ICCM4¹, QSP stakeholders are invited to reflect on the completion of the QSP and the long term strategy for chemicals management. A reporting and monitoring schedule provides for the business plan to be considered and updated by the QSP Executive Board at its annual meetings from 2008 to 2016 and for the Board to report to the second, third and fourth sessions of the ICCM, in 2009, 2012 and 2015 respectively.

1.5 Taking into account the provisions of resolution I/4 of the first session of the International Conference on Chemicals Management (ICCM), the plan provides, in the annex to this document, an overview of the institutional and governance mechanisms of the QSP and its Trust Fund, including its objectives and three strategic priorities. The QSP is also described as a market, with stakeholders forming its demand and supply sides.

1.6 The QSP and its Trust Fund were not intended by the ICCM to be a comprehensive financial mechanism to support the implementation of SAICM. Its main purpose is to “support initial enabling capacity-building and implementation activities” and the Trust Fund’s role is to provide “seed money”. The assessment of demand for QSP assistance will, over time, be a key factor in setting targets for the mobilization of resources.

2. Introduction

¹ In accordance with the SAICM Overarching Policy Strategy, the fourth session of the Conference should be held in 2015.

2.1 The Strategic Approach to International Chemicals Management (SAICM) is a voluntary global policy framework for efforts to achieve the Johannesburg Plan of Implementation goal that, by 2020, chemicals are produced and used in ways that minimize significant adverse impacts on human health and the environment. SAICM represents a renewed international focus on the cross-cutting issue of chemical safety. It recognizes, on the one hand, the vital contribution of chemicals to the global economy and modern societies, and, on the other hand, their potential to undermine sustainable development if not soundly managed.

2.2 The development of SAICM was initiated by the Governing Council of the United Nations Environment Programme (UNEP) in 2002 and endorsed by Heads of State in Johannesburg in 2002 and New York in 2005. SAICM was adopted by the International Conference on Chemicals Management (ICCM) in Dubai on 6 February 2006, after a three-year consultative process involving stakeholders from Governments, non-governmental organizations and intergovernmental organizations representing diverse sectors with an interest in chemical safety, including agriculture, development, environment, health, industry and labour.

2.3 SAICM comprises the Dubai Declaration on International Chemicals Management (political commitment), the Overarching Policy Strategy (scope, needs, objectives, principles, finance and institutional arrangements) and the Global Plan of Action (suggested activities and targets). The ICCM adopted the Dubai Declaration and Overarching Policy Strategy and recommended the use and further development of the Global Plan of Action as a working tool and guidance document.

2.4 Implementation of SAICM is the collective responsibility of individual stakeholders. The Overarching Policy Strategy foreshadows the possibility of commencing with an enabling phase to build necessary capacity, as appropriate, with relevant stakeholder participation, a national SAICM implementation plan, taking into consideration existing elements such as legislation, national profiles, action plans, stakeholder initiatives and gaps, priorities, needs and circumstances. The Overarching Policy Strategy furthermore acknowledges that the extent to which developing countries, particularly least developed countries and small island developing States, and countries with economies in transition can make progress towards reaching the 2020 goal for the sound management of chemicals depends, in part, on the availability of financial resources provided by the private sector and bilateral, multilateral and global agencies or donors.

2.5 Initial SAICM implementation activities in developing countries are being supported by a “Quick Start Programme” (QSP) comprising a UNEP-administered trust fund and multilateral, bilateral and other forms of cooperation. The Trust Fund will provide seed money to support the objective and strategic priorities of the programme. It is open for contributions until the fourth session of the International Conference on Chemicals Management². By its resolution III/1 on financial and technical resources for the implementation of the Strategic Approach, the third session of the International Conference on Chemicals Management held on 17-21 September 2012 in Nairobi decided, inter alia, to extend the term for contributions to the Quick Start Programme Trust Fund until the fourth session of the Conference, and that funds committed to projects before the closure of the Quick Start Programme Trust Fund may be disbursed until all approved projects in the portfolio are completed. While only one of several avenues of financial support envisaged in the SAICM Overarching Policy Strategy, the QSP is clearly the subject of high expectations as the only new and specifically SAICM-related financial mechanism available to developing and transition economy countries. Such expectations will have been reinforced by decisions of the Conferences of the Parties to international agreements on chemicals and hazardous wastes encouraging Governments to look to the SAICM QSP for support in implementing the Conventions³. The Board examined the mid-term review of the Quick Start Programme and presented their conclusions and recommendations to the third session of the International Conference on Chemicals Management. The perceived success of SAICM itself will be closely, though not exclusively,

² In accordance with the SAICM Overarching Policy Strategy, the fourth session of the Conference is expected to be held in 2015.

³ See section A1.5.3 below.

linked to the sustainability, financing and accountability of the QSP of which the Trust Fund is a core element.

2.6 Through the decision to extend the duration of the QSP, donors have committed to replenish the Trust Fund to ensure the continuation of projects.

2.7 As the QSP will cease to accept contributions at the fourth session of the ICCM, the financial requirements for SAICM implementation must be considered within the longer term funding strategy currently being discussed under the integrated approach to financing chemicals and waste with a greater focus on work up to 2020 and beyond.

2.8 In order to ensure adequate and sustainable funding for this important preliminary support mechanism for SAICM implementation, the secretariat proposes to revise the present QSP business plan in consultation with stakeholders. The business plan is a working document which sets out a strategic action plan to secure appropriate resources and ensure that the programme performs effectively. It also provides information on the background, current status and financial context of the QSP. In keeping with its status as a living document, the business plan was updated in July 2008, April 2009, March 2010, September 2011, March 2013 and May 2014, and will be further reviewed at future Board meetings, as appropriate.

3. **Strategic action plan**

3.1 Introduction

3.1.1 Taking account of the objective and current status of the QSP and the financial context in which it operates, the present section of the business plan sets out a strategic action plan to secure adequate and sustainable resources for the QSP and to ensure its effective performance. It establishes phased fund-raising targets, sets out a fund-raising strategy, performance indicators, secretariat resource needs and a reporting and monitoring schedule, and notes the timeframe for completion of the QSP.

3.2 Phased fund-raising targets for the Trust Fund and broader QSP

3.2.1 The life-span of the QSP can be broken down into phases as set out in Table A below. These phases, corresponding to the ICCM intersessional periods, calendar years and QSP Trust Fund application rounds, are referred to in the various fundraising and assistance targets below.

Table A. Phases during the life-span of the QSP

ICCM sessions	Calendar years	Trust Fund rounds (open and closing dates)
Phase 1: between ICCM1 and ICCM2: February 2006 to May 2009	2006 <i>Start-up phase in readiness for the opening of the Trust Fund on 1 December 2006.</i>	Round 1: 01 May 2006 - 18 August 2006
	2007	Round 2: 01 November 2006 - 16 April 2007
		Round 3: 01 June 2007 - 14 September 2007
	2008	Round 4: 01 November 2007 - 07 March 2008
		Round 5: 01 May 2008 - 29 August 2008
Phase 2: between ICCM2 and ICCM3: May 2009 to September 2012	2009 <i>Projects approved in round 1 of the Trust Fund due for completion in early 2009, just before ICCM2.</i>	Round 6: 01 November 2008 - 27 February 2009
		Round 7: 01 May 2009 - 31 August 2009
	2010	Round 8: 01 November 2009 - 14 February 2010
		Round 9: 01 April 2010 - 27 August 2010
	2011	Round 10: 01 November 2010 - 11 February 2011
		Round 11: 01 May 2011 - 26 August 2011
Phase 3: between ICCM3 and ICCM4: September 2012 until 2015.	2012	Round 12: 01 December 2011 - 29 February 2012
	2013	Round 13: 01 October 2012 - 28 June 2013
	2014	Round 14: period for applications 15 May 2014 – 15 September 2014
	2015	Round 15: (to be decided)

3.2.2 Overall fundraising target range for the QSP Trust Fund

The fundraising target for the Trust Fund is to achieve, including through the progressive broadening of the donor base, an average annual growth in a range between 5 and 10% over the 2006 achievement of approximately \$6 million. Fund raising aimed to achieve funding at the higher end of this range. For 2012, an adjusted target of \$4,000,000 was provided by the Executive Board, due to the change in duration of the Trust Fund and the disparity between the initial targets and received contributions. Established annual targets:

Table B. Trust Fund targets and contributions⁴

Year	Funding target range 2006-2015	Total pledges received	Total amount deposited	Difference amount deposited from the lower end of the target
2006	\$ 6,000,000	\$ 5,909,473	\$ 1,747,132	-\$ 4,252,868
2007	\$ 6,300,000 - \$ 6,600,000	\$ 7,678,533	\$ 8,593,551	\$ 2,293,551
2008	\$ 6,615,000 - \$ 7,260,000	\$ 5,264,281	\$ 8,511,604	\$ 1,896,604
2009	\$ 6,945,750 - \$ 7,986,000	\$ 4,609,190	\$ 4,417,858	-\$ 2,527,892
2010	\$7,293,038 - \$ 8,784,600	\$ 4,337,681	\$ 4,465,541	-\$ 2,827,497
2011	\$ 7,657,689 - \$ 9,663,060	\$ 4,859,315	\$ 3,880,841	-\$ 3,776,848
2012	\$ 4,000,000	\$ 1,421,692	\$ 1,257,991	-\$ 2,742,010
Total	\$ 44,811,477	\$ 34,080,121	\$ 32,874,518	-\$ 11,936,959
Revised targets (2013-2015)				
	(total received prior to 2013) \$ 32,874,518			
2013	\$ 2,386,050	\$ 1,848,265	\$ 1,848,265	-\$ 537,785
2014/ 2015	\$ 3,700,000	\$ 854,000	0	-\$ 3,700,000
Total	\$ 38,960,568	\$ 36,782,386	\$ 34,722,783	-\$ 4,237,785

As per the decision of the International Conference on Chemicals Management at its third session held in September 2012, the period for contributions to the QSP has been extended until the fourth session of the Conference in 2015. The Executive Board (at its 9th meeting) adopted the funding targets for the period 2014 /2015 of US\$3.7 million, as the value for the pre-approved projects from the 13th round of applications.

3.3 Fund-raising strategies and targets for the Trust Fund and broader QSP

3.3.1 In order to meet the above targets for funding and other contributions, and in an effort to address the needs expressed by SAICM stakeholders⁵, it will be necessary to attract greater resources from a broader group of donors. This will require an enhanced commitment on the part of potential donors and the SAICM secretariat.

3.3.2 The present fundraising effort comprises an annual official letter from the Executive Director of UNEP in his capacity of being responsible for the SAICM secretariat and the QSP Trust Fund, supplemented by regular funding updates for and liaison with donors by the secretariat. Taking into account the needs and demands identified in sections A3.3 and A3.4 of the present document, elements of a strategy for reaching more funding decision-makers and presenting a more compelling case include:

- a) As assistance under the QSP begins to deliver results, the SAICM secretariat will publicize positive outcomes with a view to encouraging further donor support for the QSP.
- b) The SAICM secretariat will further publicize the contributions made by donors to the QSP, using media such as the SAICM newsletter and web site, and continue to use the framework for official recognition and awards to be considered by the QSP Executive Board for possible recommendation to the ICCM at its fourth session.

⁴ Contributions (i.e. funds deposited) are used instead of donor pledges due to time lags between pledges and actual contributions. In some instances, pledges have not resulted in actual contributions, with approximately \$210,000 in unpaid pledges during the time of the QSP Trust Fund.

⁵ See in particular section A3.3 and A3.4: Demand for QSP and QSP trust fund assistance.

- c) Active SAICM stakeholders will collaborate to ensure that official calls for support to the QSP are adopted by all relevant forums such as the ICCM, governing bodies of intergovernmental bodies and funding mechanisms with a role in promoting the sound management of chemicals, bearing in mind the provisions of paragraph 19 of the SAICM Overarching Policy Strategy.
- d) The SAICM secretariat, supported as appropriate by relevant SAICM stakeholders, will research potential funding sources, develop information and presentation materials and make targeted approaches to potential new donors, such as non-contributing Governments of OECD member countries, newly industrialized countries and major chemical manufacturing countries, the private sector and charitable foundations.
- e) QSP stakeholders will seek to ensure that QSP support be used as seed money with the aim of leveraging additional resources.

3.3.3 The following targets will be pursued:

- a) By ICCM4, the existing 24 Government donors⁶ to the QSP Trust Fund should be joined by at least 5 other Governments and 5 non-governmental donors, such as industry and foundations. The SAICM secretariat proposes that the Executive Board maintains this target, but takes into account the fact that Government donors reached 24 in 2010 and no new donors have contributed since.
- b) By ICCM4 in 2015, when contributions to the QSP Trust Fund are due to end, there should be fairer burden sharing among donors.
- c) QSP seed money will be used to leverage additional resources with an annual target of at least 30 per cent over and above the Trust Fund's own income, for example by facilitating projects that are supported in partnership with other funding sources.

3.4 Outreach and equitable delivery strategies and targets for the Trust Fund and broader QSP

3.4.1 In order to meet the overall objective of the QSP, taking into account the needs and demands identified in sections A3.3 and A3.4 of the present document, the SAICM secretariat and SAICM stakeholders will further publicize the existence of the QSP and its Trust Fund and provide the necessary assistance for interested stakeholders. The following strategies will be pursued:

- a) The SAICM secretariat, supported as appropriate by relevant SAICM stakeholders, will increase the involvement of regions under-represented in the QSP, taking into consideration the particular needs of Least Developed Countries and Small Island Developing States by encouraging applications from such regions.
- b) The SAICM secretariat, supported as appropriate by relevant SAICM stakeholders, will increase the involvement of all relevant sectors in the QSP, including in projects submitted and approved for Trust Fund support by encouraging applications from under-represented sectors.

⁶ The initial 15 Government donors to the trust fund in 2006 included 11 OECD countries. A further 19 OECD member countries did not contribute. In addition to the 12 OECD country donors, one of the eight member States of the European Union which are not OECD members contributed to the trust in 2006 fund. Four of the 16 newly industrialized countries contributed to the trust fund. Four of the 145 countries on the OECD list of aid recipient contributed to the trust fund in 2006-2010. As of December 2012, 24 Government donors had donated to the QSP Trust Fund, with no new Government donors since 2010.

- c) The SAICM secretariat will support the Trust Fund application process by responding to all information requests and by providing advisory functions for the development of project proposals.
- d) Civil society networks applying to the Trust Fund will receive adequate support from the SAICM secretariat.

3.4.2 The following targets will be pursued:

- a) Subject to the availability of complete and eligible project proposals and the need, in the long term, to maintain an overall geographical and sectoral balance and provide assistance as a matter of priority to Least Developed Countries and Small Island Developing States, the Trust Fund Implementation Committee will aim to disburse 100 per cent of available funds⁷ in each funding round, with the provision that, should any residue nevertheless be accumulated, this will be disbursed progressively in the final rounds up to ICCM4, after the Trust Fund closes for contributions.
- b) Subject to the submission of complete and eligible project proposals that meet the “exceptional circumstances” criteria, the Trust Fund Implementation Committee should aim to approve projects for civil society networks valued at up to 20 per cent of the funds available in each application round, as agreed at the eighth meeting of the executive Board.
- c) Subject to the submission of complete and eligible project proposals by the countries concerned, the Trust Fund Implementation Committee should aim, eventually, to approve at least one project for at least 75 per cent (57) of the 76 Least Developed Countries and Small Island Developing States.
- d) Subject to the submission of complete and eligible project proposals by the countries concerned, the Trust Fund Implementation Committee should aim, eventually, to approve at least one project for 65 per cent (95) of the 145 developing and transition economy countries on the OECD DAC list of aid recipients.
- e) Subject to the submission of complete and eligible project proposals by the countries and organisations concerned, the Trust Fund Implementation Committee should aim, to approve projects from at least four different sectors in each applications round for example from the agriculture, development, environment, health, industry, labour and transport sectors.

3.5 Performance indicators

3.5.1 In order for the Board to monitor the effectiveness of the Quick Start Programme, the secretariat will provide annual reports including data relating to the following performance indicators:

3.5.2 *Securing funding*

- a) Quantitative fundraising and contribution targets are achieved or exceeded.
- b) The donor base is sustained and broadened in accordance with the above fund-raising targets.
- c) Pledges by donors are paid promptly.
- d) The fund-raising target, above, for additional resources to leveraged using QSP seed money is achieved or exceeded.

3.5.3 *Provision of project assistance*

⁷ That is to say, funds actually paid into the trust fund account (and not just pledged).

- a) The SAICM secretariat meets all requests for assistance in the initiation of project proposals.
- b) Geographical and sectoral balance is maintained among approved projects.
- c) Assistance is provided to Least Developed Countries and Small Island Developing States in accordance with the above targets.
- d) Approved QSP projects, collectively, address all three of the QSP strategic priorities to a reasonably even extent.

3.5.4 Administration

- a) The work of the Executive Board and the Trust Fund Implementation Committee is efficiently serviced by the SAICM secretariat, e.g. through the timely preparation of all necessary documentation and follow-up to decisions, and the timely completion of logistical arrangements.
- b) Invoices are promptly dispatched by UNEP administration to facilitate payment of pledges.

3.5.5 Project implementation

- a) The SAICM secretariat in conjunction with UNEP administration promptly concludes implementation agreements with project proponents and executing agencies following the approval of project proposals by the Trust Fund Implementation Committee.
- b) Project funds are disbursed in a timely fashion by UNEP administration in accordance with agreed schedules and appropriate verifications.
- c) Agreed project activities are effectively implemented and reporting obligations are fulfilled by project implementers.
- d) Timely, adequate and high quality reporting on project implementation is provided for the QSP Executive Board by the Trust Fund Implementation Committee, project executing agencies, SAICM secretariat and UNEP administration.

3.6 Budgeting for resources to enable the SAICM secretariat to support the QSP

3.6.1 Supporting the operation of the QSP has significant resource implications for the SAICM secretariat. The secretariat's QSP-related functions, including assisting stakeholders in the initiation of project proposals, screening Trust Fund project proposals for completeness and eligibility, facilitating meetings of the QSP Trust Fund Implementation Committee (TFIC) and QSP Executive Board, providing administrative support to the QSP Trust Fund, facilitating reporting on QSP implementation to the Executive Board and the ICCM and undertaking additional monitoring for projects not supported by an executing agency, are performed by two consultants in cooperation with the coordinator of the secretariat. Recruitment of a P3 QSP Officer is expected to be completed by May 2013 and the recruitment of a professional staff (P-2) member approved by the Conference at its second session in 2009 is now ongoing following a grant by the Swedish Government received in December 2012.

3.6.2 The position of the QSP professional officer corresponds to the P-3 professional post included in the indicative secretariat staff structure agreed in ICCM resolution I/1. In addition to the salary costs of the P-3 and P-2 posts, other QSP support costs for which the secretariat needs to budget include travel by up to eight developing country participants to the annual

meeting of the QSP Executive Board, translation of guidance materials and partial salary costs for the secretariat coordinator and the secretary, and staff travel.

3.6.3 The European Commission generously agreed to provide 150,000 Euros in 2006, 600,000 Euros in 2008, 304,286 Euros in 2010 and 40,000 Euros in 2012 to cover, among other, the secretariat's QSP support cost, not including the partial salary costs of the coordinator and secretariat which are covered from other sources. The Government of Sweden also provided a grant for SKK 4,231,954, covering the costs of some secretariat staff (including a P-2), the development of an electronic database and the evaluation of the Programme in 2015.

3.6.4 The programme support costs of UNEP as trustee of the QSP Trust Fund are also covered separately by charging a 5% fee for projects funded under the Trust Fund and 13% for secretariat costs⁸. As per the latest indicative budget approved by the Conference at its third meeting in 2012 (resolution III/5), the total funding required to support the QSP for the triennium 2013-2015 amounts to \$1,529,234, required to sustain the secretariat's QSP support services. The secretariat has secured funds for a total of \$1,053,348 for the same period, leaving a balance of \$475,886 still to be raised.

3.7 Reporting and monitoring of implementation of the business plan

3.7.1 The QSP Executive Board will monitor progress in implementing the business plan at its annual meetings from 2008 to 2016⁹. The Board will make periodic adjustments to the business plan, including fundraising targets, in the light of progress, and will provide guidance to the secretariat as required. Strategies may require revisiting in the event that targets are not being fulfilled.

3.7.2 The Board will report to the ICCM at its second, third and fourth sessions, in 2009, 2012 and 2015, on implementation of the QSP and on the operation of the Trust Fund. The ICCM may wish to provide further guidance in the light of such reporting, bearing in mind its function of evaluating the performance of the financing of SAICM.

3.7.3 The Board will ensure that reporting on the QSP will contribute to the wider reporting to the ICCM on SAICM implementation as a whole. The ICCM may wish to ensure that the global reporting mechanism is compatible with reporting on the QSP.

3.8 Completion of the QSP

3.8.1 The QSP Trust Fund has a life-time of nine years, from 1 December 2006 to 2015.¹⁰ The third session of the International Conference on Chemicals Management, held from 17 to 21 September 2012, decided that the Trust Fund will be open for contributions until its fourth session, proposed to be in 2015, following recommendations of the Executive Board based on their evaluation carried out between 2011 and 2012.

3.8.2 It should be noted that for complete and final termination of the QSP Trust Fund bank account, the ICCM will need to instruct UNEP with six months' notice. This should be conducted once all projects have completed their activities, reports have been received and committed funds have been disbursed. It is expected that this decision will be taken at the fifth meeting of the International Conference in Chemicals Management that is scheduled for 2020.

⁸ The indicative staffing table approved at the third session of the Conference in 2012 stipulates a 13% PSC fee. The fee for the indicative budget for 2010-2012 was 6%.

⁹ This date may be revised in the future as projects supported under the Trust Fund are completed.

¹⁰ ICCM resolution I/4 provides in its Appendix II (terms of reference of the trust fund) that the trust fund will be open to receive voluntary contributions for five years from the date it is established by the Executive Director of UNEP and that funds may be disbursed for a maximum of seven years from that date. At its third session, the ICCM adopted resolution III/1, extending the period for which the Trust Fund will be open to receive contributions until 2015, and disbursement of funds until all project activities have been completed.

However, the Executive Board at its 9th meeting indicated that ICCM4 may be able to take a decision on defining a specific closing date for all projects of the QSP (e.g. end of 2018).

Annex

A1. Background

A1.1 Introduction

A1.1.1 The present section of the business plan describes the origins of the QSP, its main elements and guiding principles, objective and strategic priorities, and the QSP stakeholders.

A1.2 Origins of the QSP

A1.2.1 “Financial considerations” were a key negotiating issue during the SAICM development process. A study on this subject was prepared to assist discussion at the third session of the Preparatory Committee on the Development of SAICM in Vienna in September 2005.¹¹ While the principle that developing countries and transition economies would need financial assistance in order to implement SAICM was generally accepted, there were varying viewpoints as to how such resources should be mobilized and delivered. Ultimately, a multi-faceted approach to financial considerations was agreed in paragraph 19 of the SAICM Overarching Policy Strategy. It provides that “financial arrangements for SAICM include, among other things:

- a) actions at the national or sub-national levels to support financing of SAICM objectives;
- b) enhancing industry partnerships and financial and technical participation in the implementation of SAICM objectives;
- c) integration of SAICM objectives into multilateral and bilateral development assistance cooperation;
- d) making more effective use of and building upon existing sources of relevant global funding, including by inviting the Global Environment Facility and the Montreal Protocol on Substances that Deplete the Ozone Layer and its Multilateral Fund for the Implementation of the Montreal Protocol within their mandates to consider whether and how they might support implementation of appropriate and relevant SAICM objectives and to report;
- e) supporting initial capacity-building activities for the implementation of SAICM objectives by establishing a programme to be called the Quick Start Programme. The Quick Start Programme will contain a voluntary, time-limited trust fund and may include multilateral, bilateral and other forms of cooperation;
- f) inviting Governments and other stakeholders to provide resources to enable the SAICM secretariat to fulfil [its] tasks”

A1.2.2 Arrangements for the QSP were further elaborated by the ICCM in its resolution I/4, which sets out the objective and strategic priorities of the QSP, together with governance and administrative arrangements and terms of reference for the Trust Fund, as described below.

A1.3 Main elements of the QSP

A1.3.1 In its resolution I/4, the ICCM called for the QSP to include a UNEP trust fund and multilateral, bilateral and other forms of cooperation. It invited Governments in a position to do so, regional economic integration organizations, intergovernmental organizations, the private sector, including industry, foundations, non-governmental organizations and other stakeholders, to contribute to the QSP.

A1.3.2 Appendix II of ICCM resolution I/4 contains the terms of reference of the Trust Fund. The Trust Fund is administered by UNEP and the SAICM secretariat provides administrative support to it. The terms of reference provide that the trust fund would have been open to receive voluntary contributions for five years from the date established by the Executive Director of UNEP and may disburse funds for a maximum of seven years from that date.¹² The trust fund was officially established

¹¹ Document SAICM/PREPCOM.3/INF/28. Available on the SAICM web site: www.saicm.org

¹² The existence of the broader QSP was not time-limited by the ICCM. The QSP Executive Board or the ICCM at its next session may take this matter into consideration and provide guidance.

on 1 December 2006. At its third session, the International Conference on Chemicals Management adopted resolution III/1 amending the period to receive voluntary contributions until its fourth session in 2015, and disbursement of funds would continue until all projects have been completed.

A1.3.3 With regard to the QSP “multilateral, bilateral and other forms of cooperation”, i.e. those contributions apart from financial donations to the Trust Fund, the QSP Executive Board (see below), decided at its first meeting that declarations of such support, either or financial or in-kind, would be reviewed by the Board members to determine if such contributions qualified as contributions to the QSP according to the objective of the programme set out in ICCM resolution I/4.

A1.3.4 ICCM resolution I/4 established two main oversight bodies for the QSP and the Trust Fund:

a) The QSP Executive Board consists of two government representatives of each of the United Nations regions elected by the ICCM and all the bilateral and multilateral donors, and other contributors to the programme. The Board meets once a year to review progress under the programme on the basis of reports from the Trust Fund Implementation Committee and programme participants, as well as other relevant information provided to them on implementation of the programme. The Board also provides operational guidance on the implementation of the strategic priorities of the programme and advises on other relevant matters as required. The Board will report to the ICCM at its second, third and fourth sessions on the implementation of the QSP. Prior to each meeting of the Board, a committee comprising the regional representatives and Trust Fund donors may request a separate meeting and will ask the secretariat to organise an appropriate time allocation during the Executive Board meeting.. That committee reviews reports from the Trust Fund Implementation Committee on project execution and from UNEP on the financial resources and administration of the Trust Fund. It provides guidance and takes decisions thereon.

b) The QSP Trust Fund Implementation Committee consists of representatives of participating organizations of the Inter-Organization Programme for the Sound Management of Chemicals (IOMC)¹³. The Committee meets once a year to review and appraise project proposals seeking funding through the Trust Fund. This meeting will be arranged only if there are funds available in the Trust Fund and the timing will be decided by the meeting of the Executive Board. The Committee also makes recommendations on the Trust Fund application procedures and project management to the Executive Board. The Committee reports to the Executive Board’s sub committee comprising regional representatives and donors to the Trust Fund.

A1.4 QSP objective and strategic priorities

A1.4.1 ICCM resolution I/4 provides that “building upon the outcomes of the International Conference on Chemicals Management and the Bali Strategic Plan for Technology Support and Capacity-building, the objective of the QSP is to support activities to enable initial capacity-building and implementation in developing countries, least developed countries, small island developing States and countries with economies in transition consistent with their national priorities for the implementation of the SAICM objectives as set out in section IV of the Overarching Policy Strategy.”

A1.4.2 The QSP strategic priorities defined by the resolution 1/4 highlight that “the QSP should mobilize resources for national priority initial enabling activities¹⁴ in keeping with the work areas set out in the strategic objectives of section IV of the Overarching Policy Strategy, in particular:

¹³ The participating organizations of IOMC are the Food and Agriculture Organization of the United Nations (FAO), the International Labour Organization (ILO), the Organisation for Economic Cooperation and Development (OECD), United Nations Development Programme (UNDP) and United Nations Environment Programme (UNEP), the United Nations Industrial Development Organization (UNIDO), the United Nations Institute for Training and Research (UNITAR), the World Bank and the World Health Organization (WHO).

¹⁴ A definition of “enabling activities” was not included in ICCM resolution I/4. A number of stakeholders raised the issue at the EU-JUSSCANNZ meeting on SAICM held in Barcelona from 20 to 22 November 2006. At its second meeting, the QSP Executive Board agreed that although the guidance provided by the QSP objective and strategic priorities set out in ICCM resolution I/4 was adequate for the time being, it would be appropriate to keep the matter under review.

- 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.”

A1.4.3 The objective of the QSP Trust Fund is to “provide seed money to support the objective and strategic priorities of the programme.”

A1.4.4 ICCM resolution I/4 also stipulated that, in its overall approach, the QSP “will take fully into account the characteristics of the SAICM process and its institutional arrangements. It will build upon the Bali Strategic Plan for Technology Support and Capacity-building and facilitate environmentally sound chemicals management. The QSP should help to identify and pave the way for activities that can be assisted by the private sector, including industry, and other non-governmental organizations and through bilateral and multilateral cooperation, for example technical assistance and the sharing of knowledge and experience. The programme will seek to enhance synergies with processes initiated under relevant chemicals and wastes multilateral environmental agreements. While aimed primarily at the country level, the QSP should allow for, and encourage, regional and global approaches.”

A1.5 QSP stakeholders

A1.5.1 The stakeholders involved in the QSP form its “client base”. Amongst the stakeholders, a broad distinction can be made between contributors to and recipients of assistance. Contributors to the QSP, including Trust Fund donors as well as other financial and in-kind contributors, form the “supply” side of the QSP “market”. They include, potentially, Governments, regional economic integration organizations, intergovernmental organizations and the private sector, including industry, foundations, and non-governmental organizations. Potential recipients of QSP assistance, i.e. Governments of developing and transition economy countries and civil society networks, are the “demand” side of the QSP market. Least Developed Countries (LDCs) and Small Island Developing States (SIDS) are designated priority clients.

A1.5.2 The ICCM in its resolution I/1 on implementation arrangements “commended SAICM to the attention of the governing bodies of relevant intergovernmental organizations and encouraged them to endorse or otherwise appropriately acknowledge the SAICM with a view to incorporating its objectives into their programmes of work within their mandates and to report thereon to the ICCM.” In 2006, the governing bodies of FAO, ILO, UNEP and UNITAR, endorsed SAICM, while the World Health Assembly formally noted it. Intergovernmental organizations may be involved in the QSP as providers of technical assistance in the development and execution of Trust Fund projects, or as contributors or channels for contributions to the non- Trust Fund QSP. All IOMC member organizations have been associated with Trust Fund projects approved in the first 12 application rounds with the exception of ILO and the World Bank. Several organizations have declared activities related to the QSP objective as contributions to the non- Trust Fund QSP. Some organizations have provided in-kind resources for the development of QSP Trust Fund applications or for the execution of projects. Conversely, some organizations have received QSP contributions directly from donor Governments in order to undertake projects for the benefit of developing and transition economy countries.

A1.5.3 The QSP has been identified by the Conferences of the Parties of certain international chemicals and hazardous waste conventions as a possible source of assistance in the implementation of their respective conventions. In its decision RC-3/5, the Conference of the Parties to the Rotterdam Convention¹⁵ recommended that individual developing country Parties and Parties with economies in transition propose projects under the QSP that will build foundational capacities in sound chemicals management necessary for their adequate implementation of the Rotterdam Convention or propose

¹⁵ Decision RC-3/5 of the Conference of the Parties of the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade at its third meeting held in Geneva from 9 to 13 October 2006.

projects under the QSP that will support activities directed at enabling the implementation of sound chemicals management objectives by mainstreaming them into national development strategies, noting that this type of enabling activity is among the strategic priorities of the QSP. In its decision VIII/34, the Conference of the Parties to the Basel Convention¹⁶ recommended that individual developing country Parties and Parties with economies in transition propose projects to the QSP that relate to chemical wastes and wastes consisting of, containing or contaminated with persistent organic pollutants. As of December 2012, the QSP portfolio included 26 projects directed at implementation of the Basel, Rotterdam and/ or Stockholm conventions, for a total of \$5,999,743.

¹⁶ Decision VIII/34 of the Conference of the Parties to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal at its eight meeting held in Nairobi from 27 November to 1 December 2006.