

Annex to the Summary of the Chair for the Fifth Annual Subcommittee Meeting:
Comments in writing provided by member States

**Comments on the Chair's Summary to for the 5th Annual Subcommittee provided in writing from
European Union**

As informed in the closing session of the annual Subcommittee, the EU and its Member States would like to add the following two elements in that document:

- In paragraph 7, after words "... policy-making organs," add: "stakeholders engagement".
- In paragraph 9 l, after words "... especially with regard to existing and potential new initiatives" add: "to improve the guidance by Member States for strategic initiatives, which require substantial resources from UN Environment Programme or could generate significant political interest".

**Comments on the Chair's Summary to for the 5th Annual Subcommittee provided in writing from
New Zealand**

As signalled in the room this afternoon, New Zealand has a proposal regarding para 13(a) of the Chair's summary. The version of 13(a) which was circulated to all delegations by email at 1.16pm was acceptable for us. However, the version handed out in the room in hard copy around 2.30pm contained a new version that is factually inaccurate in that it suggests long-standing cooperation between UNEP and the governance structure for the Antarctic region. As such, we propose reverting to the version as circulated at 1.16pm and adding the element of cooperation at the end of that subpara to be clear that it applies to the Arctic Council, and not the governance structure for Antarctica. 13(a) would read as follows:

13(a) consult further with member states on any proposed engagement regarding the Arctic and Antarctic, recognising the existing governance structures for those regions and the longstanding cooperation between UN Environment and the Arctic Council.

Comments on the Chair's Summary to for the 5th Annual Subcommittee provided in writing from Norway

1. With respect to paragraph 9(b) on the need to assess the Global Environment Outlook, while we recall delegations discussing the need for an independent, external evaluation, the language as is, is in our view therefore misleading. Firstly, it would be our understanding that such a mandate for comprehensive, external evaluation cannot be given at such a meeting. Secondly, given that UN Environment has its own evaluation office, we would not want to create the impression that this is what was requested.

We remain therefore of the view that the following language is a better reflection of the discussion on this point:

9(b)The need for an independent evaluation of the work on the Global Environmental Outlook for consideration by member States before the initiation of the next cycle;

2. With respect to paragraph 31 (a), Norway believes the language proposed by New Zealand is a better reflection of the discussions. That language, kindly shared with us, is as follows:

13(a) consult further with member states on any proposed engagement regarding the Arctic and Antarctic, recognising the existing governance structures for those regions and the longstanding cooperation between UN Environment and the Arctic Council.

STATEMENT by Switzerland at the closing the 5th Annual Subcommittee

Thank you Madam Chair

We appreciated the exchange between the Secretariat and among Member States on the various issues under Agenda Item 3 and 4 throughout this week. The Annual Subcommittee is a crucial moment in the governance cycle of the work of this organization.

When we started the POW/B process earlier this year, the Secretariat presented Member States with three options A, B and C for different levels of the budget envelope.

In several sessions of the CPR subcommittee, Member States have provided feedback on these options.

But at no point did the CPR take a decision to pursue only one of the three options.

Yet, the draft POW/B in front of us for this meeting does only present option C in detail, which is somewhat surprising given the lack of clear guidance by the CPR. The proposed allocation of financial and human resources is entirely and exclusively based on option C.

Throughout this week, we have made some progress in the deliberations of the budget, but the question which level of realism is indeed realistic, has not been clearly answered.

Still, it is possible to draw some conclusions from the work of the Annual Subcommittee. Let me make an attempt to do so:

During this week we have not heard delegations demanding an Environment fund budget exceeding 200 million dollars.

We have heard delegations advocating for a strong Environment Fund, but demanded further information about the strategy for actually raising the funds required to sustain an ambitious budget level.

Finally, we have heard several delegations expressing a preference for an Environment Fund budget that should be based more closely on recent levels and trends.

In addition, there was an almost unanimous call for the financial prioritization of subprogrammes that execute core mandates of UNEP, such as the policy-science interface and environmental governance. This would mean for the secretariat to take paragraph 26 (a) of the Draft POW/B into consideration already at the budgeting stage.

There were also calls from various delegations that expressed concern over the proposed growth in resources for Executive direction and management as well as for the Executive Office in particular.

So Member States provided clear guidance on three elements:

- 1) An overall budget for the Environment Fund somewhere between option B and C
- 2) Prioritization of core mandates
- 3) Limitation of the resources available for executive direction and management.

My delegation has the clear expectation that these three guiding principles stemming from the Annual Subcommittee will be substantially reflected in the next iteration of the draft POW/B.

On **partnerships** we thank the Secretariat for the information we have received during the week and the readiness to take on board requests to clarify the basis for entering into partnerships as well as to strengthen due diligence. ***We think it is important that the notion of due diligence is not omitted from paragraph 9 (g), which was still contained in the first draft of the Chair's summary.***

However, we question the fact that the activities pertaining to partnerships are addressed in two sections of the programme of work and consequently uses resources under two different parts of the budget. In our view, providing guidance on partnerships has little to do with **Policymaking Organs**. The resources set aside for Policymaking organs should be used for the work of the CPR and UNEA. We would argue that secretariat-wide services that help subprogrammes to initiate and execute partnerships is a corporate service and should be treated as such when it comes to the programme of work and budget.

This meeting noted with concern that the subprogrammes of Environment under Review and Environmental governance, both speaking to the key core mandate of UNEP, are facing decreases in human and financial resources in the proposed new PoW/B. **GEO-6** as a flagship project of UNEP has faced substantive and financial challenges over the years that were due to failures at project management level and due to overarching decisions on the process. We want to reiterate that there is a necessity to conduct a thorough and independent evaluation of all past processes before tabling any next steps towards work of a prospective future GEO process at UNEA-4. The already conducted evaluation on the GEO 6 process done by the UNEP Evaluation Office does not satisfy that request. ***We therefore think that paragraph 12 (b) does not fully reflect the discussions and the expectations of my delegation.***

Thank you, Madam Chair

USA Submission for the Annex to the Chair's Summary of the Fifth Annual Subcommittee

Paragraph 9 d)

- The point about indicators is not accurately stated. What we and other MS intended to point out is that UNEP should be sure it is measuring actions that it helped bring about; not actions that may have been prompted by something outside UNEP's control.

Paragraph 10 chapeau. Grammatical mistake to be corrected:

“...Member States expressed concern over declining contributions of un-earmarked funding to the Environment Fund. Member states ~~and~~ shared diverse views...”

Paragraph 10 f) Two distinct issues are included and should be separated. The request for information about overall staffing is different from questions about the Executive Direction and Management resources. Therefore it should read:

- *Share complete information on the proposed number of staff positions across the different budget components and sub-programmes.*
- *Reconsider the planned increase of staffing and other resources, including with regard to Executive Direction and Management.*

Paragraph 13 a)

- We do not support UNEP taking on new initiatives related to the Arctic or Antarctic. Existing scientific and environmental structures are best suited to address Arctic and Antarctic issues. UNEP's resources would be best spent addressing the critical needs of developing countries, rather than duplicating existing work.

Paragraph 16 b)

- It was our understanding that the reference to CCAC would be deleted. Perceived differences of opinion were clarified over the course of the meeting.

General Comments:

- UNEP's budget must be grounded in reality. We support an Environment Fund budget that is based on recent levels and trends. Resources should be prioritized around mutually-agreed existing mandates.
- We do not support expanding the executive office budget. Given the cuts proposed to other subprogrammes we believe an increase in executive office budget is inappropriate. Limited resources should be dedicated to delivery UNEP's core mandates.
- We support maintaining Environment Under Review funding levels and ask that resources be reallocated from other subprogrammes and the executive office. Unanimous agreement on this.
- We remain deeply concerned about the lack of details available for UNEP's South-South cooperation work despite assurances of transparency. In particular we do not support allocating regular budget or Environment Fund resources to activities which specifically support BRI or China-Africa Environmental Cooperation Center. We do not believe that such activities fall within UNEP's mandate. We also reiterate our strong concern about the lack of information, transparency, and member state consultation to date on this issue.