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Intergovernmental Review Meeting of
Mediterranean coastal States on the
Mediterranean Action Plan,

Barcelona, 11 - 13 February 1980

FINANCIAL REPORT ON THE IMPLEMENTATION OF THE MEDITERRANEAN ACTION
PLAN AND ON THE
MEDITERRANEAN TRUST FUND IN 1979

GE.79-4963

Establishment of the Trust Fund

1. This report is issued in compliance with Resolution 2 of the Intergovernmental Review Meeting of Mediterranean coastal States and First Meeting of the Contracting Parties to the Convention for the Protection of the Mediterranean sea against pollution, which requests the Executive Director to convene a short intergovernmental meeting "to review the progress of the Mediterranean Action Plan including its budgetary implications" (UNEP/IG.14/9). This report also complies with the requirement contained in paragraph 22 of the Terms of Reference for the administration of the Mediterranean Trust Fund.
2. The Governing Council of UNEP, at its seventh session, noting the agreement of the Mediterranean coastal States and the European Economic Community to entrust the Executive Director of UNFP with the administration of the Trust Fund, approved, under Chapter II, Article V of the General Procedures Governing the Operations of the Fund of UNFP, the establishment of the Regional Trust Fund for the Protection of the Mediterranean Sea against Pollution, for a two-year period, within the framework of the Environment Fund (Decision 7/14, D.) (See annex I). The Council also approved Decision 7/8 on the future level of the UNFP contribution to programme expenditure and to strengthening of the co-ordination unit (annex II).
3. After consultations between the Executive Director and the Controller of the United Nations, the latter formally established the Regional Trust Fund on 24 July 1979.
4. The same authorities and prerogatives which the Executive Director now enjoys in the administration of the Environment Fund are delegated to him in respect of the administration of the Trust Fund. The principles and policies as well as the fundamental control measures set forth for general trust funds as envisaged in ST/SGB/146/Rev.1 (the Secretary-General's Bulletin on the Establishment and Management of Trust Funds) and such future revisions and addenda as may be issued shall apply to the Mediterranean Trust Fund. No financial implications for the Regular Budget of the United Nations or other administrative implications will arise.
5. A bank account for UNFP Trust Funds (no. 015-002756, Chemical Bank, UN Branch, New York) was opened on 11 September 1979.
6. On 20 September 1979, the Deputy Executive Director addressed a cable to all Mediterranean coastal States and the European Economic Community to inform them of the establishment of the Trust Fund and of the number of the bank account into which contributions are to be deposited.

Status of contributions to the Trust Fund

7. Prior to that date, a number of Governments had sent to UNEP voluntary contributions towards the Blue Plan, in accordance with the agreement reached at the Intergovernmental Meeting on the Blue Plan held at Split in February 1977 (UNEP/IG.5/7). Such funds, amounting to \$220,102.55 in 1977 and 1978, could not be utilized by UNEP before the Trust Fund was established. Since the Blue Plan now forms an integral part of the Mediterranean Action Plan, the above funds have been credited to the Regional Trust Fund and shown for the countries concerned, as part of their pledged contributions.
8. Contributions for 1979-1980 received as of 31 October 1979, including those referred to in paragraph 7 above, amount to \$524,256.84 and represent 16 per cent of the contributions expected for the biennium. Details of payments are contained in annex III. Based on indications received from several Governments, it is estimated that an additional \$850,000 may be paid into the Trust Fund by 31 December 1979.

Commitments for the Mediterranean Action Plan

9. Faced with the situation described in paragraph 8 above, and not wishing to interrupt or slow down the pace of the Mediterranean Action Plan, the Executive Director authorized the Fund of UNEP temporarily to increase its contribution to the Action Plan beyond the figure of \$1,640,000 contained in Decision 7/14, D.2. The statement of the Deputy Executive Director to the Governing Council (UNEP/GC.7/19, Annex II) contains the very precise understandings upon which UNEP would operate during 1979-1980, which are briefly re-stated below:
 - (i) Any commitments by UNEP which exceed the average of \$800,000 per year were to be regarded as "advances" to be reduced as the Trust Fund was established and contributions were received.
 - (ii) With regard to programme expenses, funds would be allocated to maintain critical components, where stoppage would have meant loss of considerable investment.
 - (iii) With regard to administrative expenses, no additional staffing of the Mediterranean Co-ordinating Unit would be required beyond one P-2 data processor, and the Executive Director generally, would keep administrative costs to a minimum.
10. At the time of the Governing Council's seventh session, UNEP's commitments totalled some \$1,118,500. By 31 October 1979, UNEP's commitments reached \$1,949,051; Trust Fund commitments were \$500,000 and contributions from UN organization mostly in kind, were \$771,247.

11. By the end of 1979, and subject to the payment of contributions, UNFP's commitments should be reduced to approximately \$1.7 million, and to \$1.6 million in early 1980. UNFP will, thus, have made its full contribution to the Mediterranean Action Plan for 1979-1980. The extension of ongoing activities and the approval of new ones will entirely depend on the availability of resources from the Trust Fund.
12. The Executive Director, therefore, appeals to Governments to make their contributions available at the earliest possible date and to inform him of their plans in this regard so as to facilitate proper planning of activities which are dependent on receipt of contributions. At the First Meeting of Contracting Parties one delegation proposed that the Executive Director of UNFP should call upon all Governments that could afford to do so to contribute voluntarily to the Trust Fund sums greater than those they had already pledged. The same delegation said that its Government would immediately give serious consideration to contributing additional funds. The Executive Director, recalling that certain activities had to be held in abeyance for lack of resources, calls upon all Governments which are in a position to do so, to contribute additional sums to the Trust Fund. Voluntary contributions from other States not referred to in Article 24 of the Barcelona Convention as well as from other non-governmental sources will be welcome as the possibility is provided for them in paragraph 5 and 10 of the Terms of Reference.
13. A comprehensive status of commitments as of 31 October 1979 against the approved budget appears in Annex IV. The summary shows that the ratio between Trust Fund, UNFP and UN Agencies, which should be 50:25:25 for the biennium now stands at 16:60:24.

1979 unaudited accounts

14. The unaudited accounts, reflecting income and expenditures in 1979 will be available only after 31 March 1980 and will be then circulated to the Governments of Mediterranean coastal States and the EFC.

1980 portion of the 1979-1980 budget

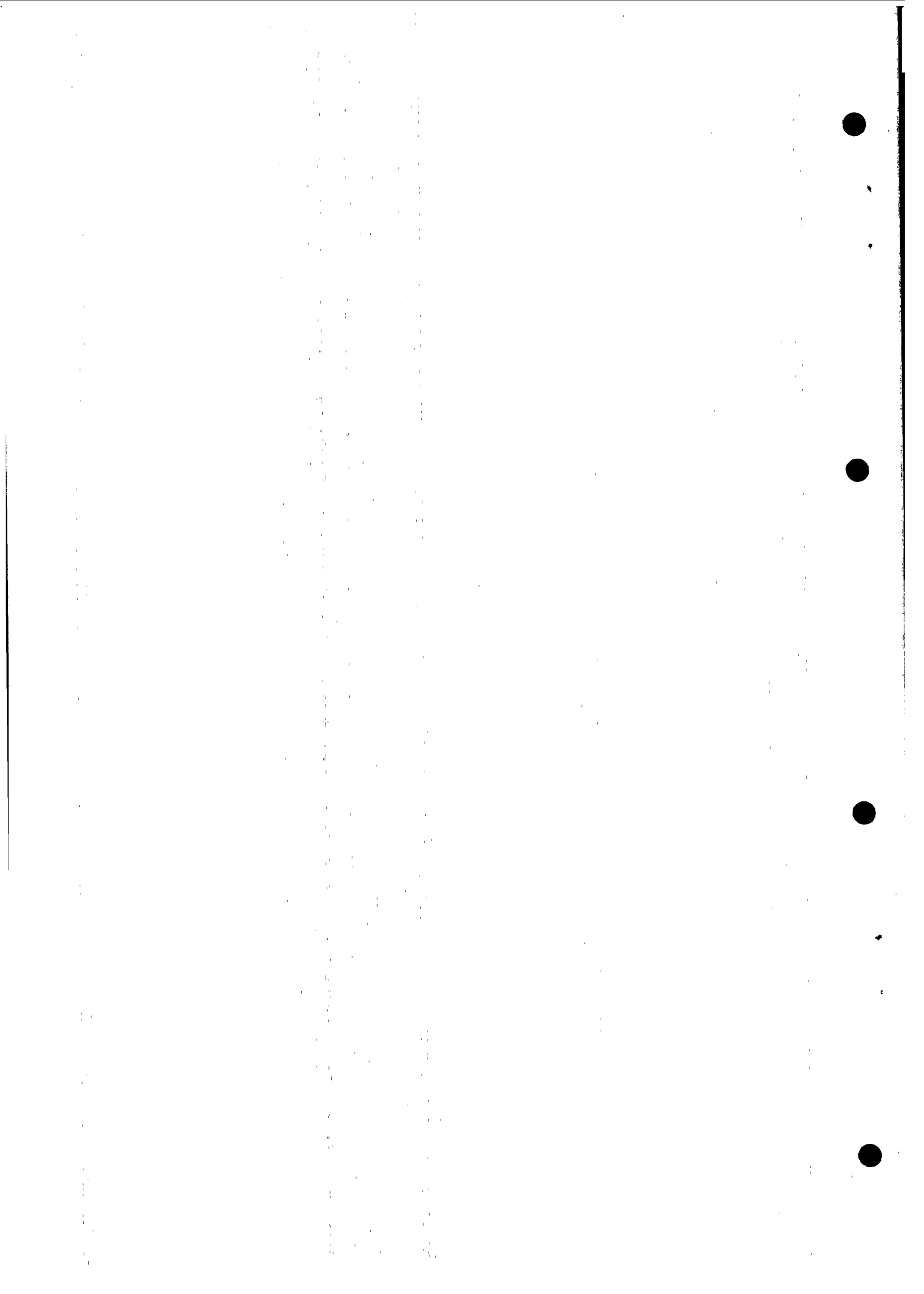
15. The late establishment of the Trust Fund and of the corresponding bank account, resulting in only 16 per cent of 1979 resources being received by October, mean that 1979 cannot be considered a normal year. The biennium is being treated as a single financial period, in accordance with paragraph 13 of the Terms of Reference. The difference between the 1979-1980 budget and expenditures recorded for 1979 will constitute the budget for 1980.

1981-1982 budget and programme of work

16. The continuation of the Trust Fund arrangements beyond 1980, together with the 1981-1982 budget, will be on the Agenda of the Second Inter-governmental Meeting tentatively scheduled to be convened in February 1981. Since the present budget extends only to 31 December 1980, and in order to bridge the gap, it is proposed to extend the 1980 budget, on a pro rata basis, to cover the first quarter of 1981 pending approval of the 1981-1982 budget in February 1981.
17. The Contracting Parties may wish to consider, at their second meeting, holding their third meeting in September 1982, rather than February 1983 so as to approve the 1983-1984 budget before the biennium, rather than after the biennium has begun, as at present.

Up-dating of information

18. Latest information on contributions and commitments as of January 1980 will be made available to the meeting in Barcelona.



ANNEX I

"Decision 7/14 D. Establishment of a Trust Fund for the Protection of the Mediterranean Sea against Pollution

The Governing Council

Noting with satisfaction the entry into force of the Convention for the Protection of the Mediterranean Sea against Pollution and its related protocols,

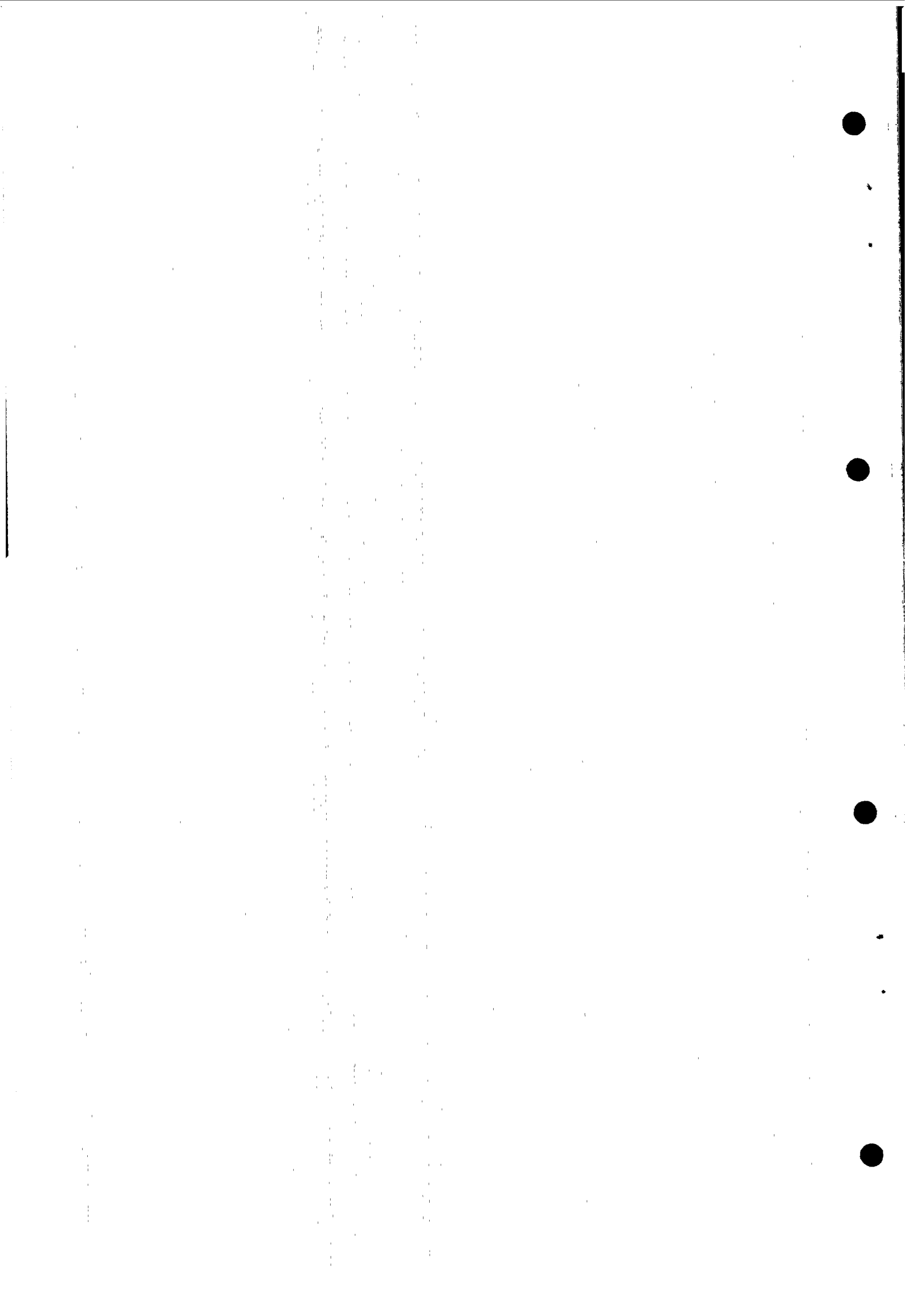
Noting further the results of the Intergovernmental Review Meeting of Mediterranean coastal States and First Meeting of the Contracting Parties to the Barcelona Convention (Geneva, 5 to 10 February 1979) and in particular the adopted work programme and related budget for the biennium 1979-1980,

Recalling its decision 6/7 B of 24 May 1978, whereby it called upon the Mediterranean coastal States to take increasing financial responsibility for the secretariat costs of the Mediterranean Action Plan,

Welcoming the contribution of \$3.28 million pledged by the Mediterranean coastal States and the European Economic Community for the Regional Trust Fund to contribute towards the costs of the Mediterranean Action Plan in the biennium 1979-1980,

Noting also the agreement of the Mediterranean coastal States and the European Economic Community to entrust the Executive Director of the United Nations Environment Programme temporarily with the administration of the Trust Fund,

1. Approves, under chapter 11, article V of the general procedures governing the operations of the Fund of the United Nations Environment Programme, the establishment of the Regional Trust Fund for the Protection of the Mediterranean Sea against Pollution, for a two-year period, within the framework of the Environment Fund;
2. Agrees with the intention of the Executive Director to assume responsibility for administering the Regional Fund on a temporary basis for the two-year period, and to contribute \$1.64 million from the Environment Fund to support the Mediterranean Action Plan in the biennium 1979-1980;
3. Decides to review the Trust Fund arrangements at its ninth session in 1981."



ANNEX II

"Decision 7/8. Regional seas: Mediterranean action plan

The Governing Council,

Considering the importance of the Mediterranean Action Plan for the protection of the environment and the rational management of the resources of the region,

Considering further that the experience gained in the Mediterranean and the activities to be carried out under the Mediterranean Action Plan will be very useful in the establishment of projects for other regional seas,

Recalling its decision 6/7 B of 24 May 1978,

Noting resolution 1 adopted by the Intergovernmental Review Meeting of Mediterranean coastal States held at Geneva in February 1979,

Mindful of the efforts made by the coastal States to implement the Mediterranean Action Plan,

Considering its decision 7/14 D of 3 May 1979 relating to the establishment of a Regional Trust Fund for the Protection of the Mediterranean Sea against Pollution,

1. Requests the Executive Director to maintain, for the biennium 1980-1981, the commitment of the United Nations Environment Programme to the Mediterranean Action Plan and to consider, as part of the next medium-term plan, continuing the Programme's participation in programme expenditures, subject to availability of resources;
2. Invites the Executive Director to strengthen the Mediterranean Action Plan's existing Co-ordination Unit in order to ensure the continuity of the Programme and establish the necessary co-ordination between the regional seas programme activity centre and this Co-ordination Unit."

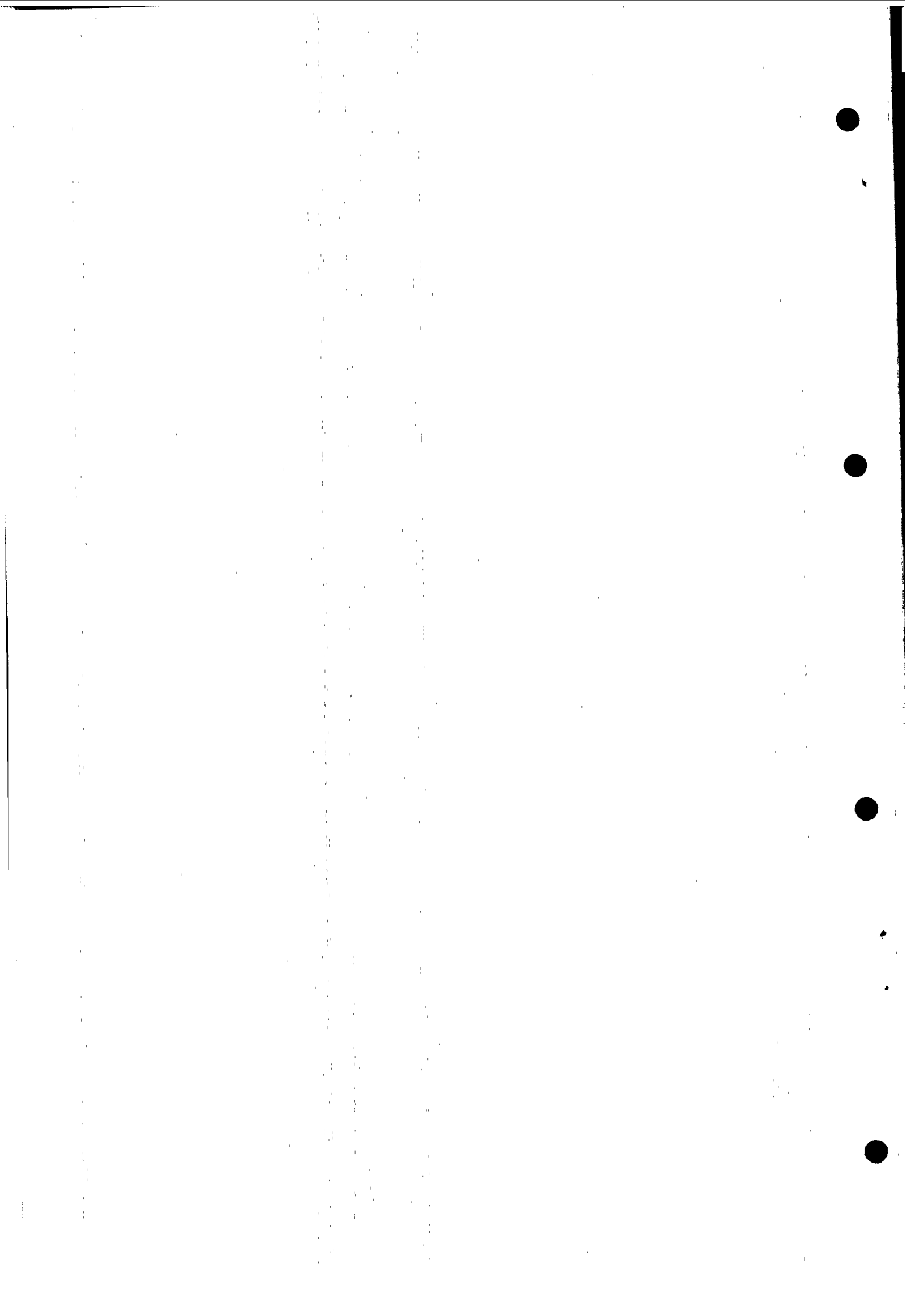


REGIONAL TRUST FUND
FOR THE PROTECTION OF THE MEDITERRANEAN SEA AGAINST POLLUTION
(in US dollars)

Status as at 31 OCTOBER 1979

Country	1979-1980 Pledged Contribution ^{1/}	Contributions paid (date of payment)	Contributions outstanding
Albania	2,690	-	2,690
Algeria	26,920	-	26,920
Cyprus	2,690	-	2,690
Egypt	21,530	-	21,530
France	1,564,050	61,224.49 (11.11.77) 132,653.06 (16. 1.78) 68,493.15 (25. 5.79) 152,941.17 (11. 9.79)	
		415,311.87	1,148,738.13
Greece	94,220	11,500 (4. 7.78) 82,720 (28. 9.79)	
		94,220	-
Israel	61,910	-	61,910
Italy	744,610	-	744,610
Lebanon	8,070	-	8,070
Libya	43,070	10,350 (12.12.77)	32,720
Malta	2,690	1,192 (24.11.77)	1,498
Monaco	2,690	-	2,690
Morocco	13,460	3,075 (31.10.78) 108 (28.11.78)	
		3,183	10,277
Spain	412,200	-	412,200
Syria	5,380	-	5,380
Tunisia	5,380	-	5,380
Turkey	80,760	-	80,760
Yugoslavia	107,680	-	107,680
	3,200,000	524,256.87	2,675,743.13
E.E.C.	80,000	-	80,000
TOTAL	3,280,000	524,256.87	2,755,743.13

^{1/} UNEP/IG.14/9, Annex VIII.



MEDITERRANEAN ACTION PLAN

1979-1980

Approved Budget and Present Commitments

as at 31 October 1979

	Approved for Biennium UNEP + Trust Fund, ^{1/} US Dollars	1 9 7 9			1 9 8 0			Remarks
		UNEP	Trust Fund	UN Organizations	UNEP	Trust Fund	UN Organizations	
<u>The Mediterranean Action Plan</u>								
<u>SECTION I</u>								
<u>Chapter 1: Co-ordinating Costs</u>	1,030,000							
- FP/0503-75-01 (739)/Rev.12 Implementation of the Action Plan (Internal)		464,729	191,108	-	-	194,706	31 March 1980	
<u>Chapter 2: Meeting Costs</u> ^{2/}	386,200	-	-	-	-	-		
<u>Sub-Total - Chapters 1 and 2</u> Co-ordinating and Meeting Costs		464,729	191,108	-	-	194,706		
<u>1/ UNEP/IG.14/9 Annex (XI)</u>								
<u>2/ \$112,000 included in FP/0503-75-01/Rev.12 above for meetings</u>								

Approved for Biennium UNEP + Trust Fund US Dollars	1 9 7 9			1 9 8 0			Remarks Project Expires
	UNEP	Trust Fund	UN Organizations	UNEP	Trust Fund	UN Organizations	
<p>Chapter 3: Baseline Studies, Monitoring and Research relevant to the pollution of the Mediterranean sea (Med. Pol. I-VIII):</p> <p>- FP/0503-75-07 (880)/Rev.6 Levels and Effects of Pollutants (FAO) (Med.Pol. II-V)</p> <p>- FP/0503-76-03 (1029)/Rev.5 Baseline Studies (IOC/WMO)(Med.Pol.I).</p> <p>- FP/0503-76-04 (1028)/Rev.5 Coastal Transport of Pollution (IOC) (Med. Pol. VI)</p> <p>- FP/0503-76-05 (1131)/Rev.5 Coastal Water Quality Control (WHO) (Med. Pol. VII)</p> <p>Sub-Total - Chapter 3</p>	420,670	-	42,313	66,780	-	42,313	March 1980
	73,728	-	21,400	1,400	-	21,400	March 1980
	76,323	-	10,000	1,000	-	10,000	March 1980
	137,175	-	35,400	12,324	-	35,400	March 1980
	707,896	-	109,113	81,504	-	109,113	March 1980

	Approved for Biennium UNEP + Trust Fund US Dollars	1 9 7 9			1 9 8 0			Remarks
		UNEP	Trust Fund	UN Organizations	UNEP	Trust Fund	UN Organizations	
<p><u>Chapter 4: Riverborne Pollution and Sedimentation</u> (Med. Pol. IX):</p> <p><u>Chapter 5: Pollutants from land-based sources (Med. Pol. X):</u> - FP/0503-76-01 (729)/Rev.2 Pollutants from Land-Based Sources (ECE/FAO/IAEA/UNESCO/WEO/UNIDO)</p> <p><u>Chapter 6: Intercalibration of analytical techniques and maintenance services (Med. Pol. XI):</u> - FP/0503-75-04 (979)/Rev.6 Intercalibration and Maintenance (IAEA/IOC)</p> <p><u>Chapter 7: Air-borne Pollution</u> (Med. Pol. XII):</p>	106,000	-	-	-	-	-	Project Expires	
	17,000	19,456	-	-	-	-	April 1979	
	154,000	196,872 ^{1/}	8,500	14,000	-	8,500	March 1980	
	-	-	-	-	-	-		

^{1/} of which \$56,560 in non-convertible currency.

	Approved for Biennium UNEP + Trust Fund US Dollars	1 9 7 9			1 9 8 0			Remarks Project Expires
		UNEP	Trust Fund	UN Organizations	UNEP	Trust Fund	UN Organizations	
<p><u>Chapter 8:</u> Modelling (Med. Pol. XIII):</p> <p><u>Chapter 9:</u> Regional Oil Combating Centre</p> <p>- FP/0503-76-06 (1098)/Rev.4 Regional Oil Combating Centre, Malta (IMCO)</p> <p>(\$135,000 in kind from Malta 1976-1979)</p> <p><u>Chapter 10:</u> Environmental Quality Criteria</p>	<p>-</p> <p>672,100</p>	<p>-</p> <p>210,646</p>	<p>-</p> <p>-</p>	<p>-</p> <p>69,000</p>	<p>-</p> <p>-</p>	<p>-</p> <p>-</p>	<p>March 1980</p>	
<p><u>SUB-TOTAL SECTION I:</u></p>	<p>3,146,300</p>	<p>1,599,599</p>	<p>191,108</p>	<p>164,504</p>	<p>194,706</p>	<p>117,613</p>		

	Approved for Biennium UNEP + Trust Fund US Dollars	1 9 7 9			1 9 8 0			Remarks Project Expires
		UNEP	Trust Fund	UN Organizations	UNEP	Trust Fund	UN Organizations	
SECTION II								
Chapter 1: Blue Plan	1,040,000							
- FP/0503-79-03 (204) The Blue Plan Preparatory Phase (Internal)		46,049	67,951	-	-	-	-	December 1979
Chapter 2: Marine Living Resources:	30,000							
- FP/0503-78-02 (2006)/Rev.2 UNEP/UNDP Cooperative Project (UNDP)		89,199	-	84,921	49,700	-	70,200	30 September 1980
- Preparatory assistance for a Regional Mediterranean Aquaculture Development project RER/78/004/A/Q1/12	30,000	-	-	-	-	-	-	
Chapter 3: Fresh-Water Resources:								
Chapter 4: Renewable Sources of Energy	20,500							
- Preparatory assistance for Mediterranean co-operative network of renewable sources of energy. RER/79/020/01/31 RAB/79/021/01/31		-	-	127,900	-	-	-	
		-	-	131,500	-	-	-	
		-	-	-	-	-	114,500	

1/ Project contributes to activities foreseen under the Priority Actions Programme (PAP) and approved under Chapter 2 to 7 below.

2/ Exact figure for 1979 will be provided by Mr. Booth after checking with FAO.

	Approved for Biennium UNEP + Trust Fund, US Dollars	1 9 7 9			1 9 8 0			Remarks Project Expires
		UNEP	Trust Fund	UN Organizations	UNEP	Trust Fund	UN Organizations	
<u>Chapter 5: Human Settlements</u>	119,500							
<u>Chapter 6: Soil Protection</u>	119,500							
<u>Chapter 7: Tourism</u>								
<u>Chapter 8: Specially Protected Areas</u>	95,500							
- ME/0503-79-01 (2076) Marine Parks and Wetlands		-	46,235	7,000	-	-	-	December 1979
<u>SUB-TOTAL SECTION II:</u>	1,574,500	135,248	114,186	351,321	49,700	184,700		
<u>TOTAL - SECTIONS I + II</u>	4,720,800	1,734,847	305,294	468,934	214,204	302,313		
Programme Support Costs	-	-	-	-	-	-		
<u>GRAND TOTAL:</u>	<u>4,720,800</u>							

Summary of Commitments
as at 31 October 1979

	1979	%	1980	%	1979-1980	%	Contributions expected for 1979-1980	%
Fund of UNEP	1,734,847	70	214,204	30	1,949,051	60	1,640,000	25
Med Trust Fund	305,294	12	194,706	27	500,000	16	3,280,000	50
UN Agencies	468,934	18	302,313	43	771,247	24	1,600,000	25
		<u>100</u>		<u>100</u>		<u>100</u>		<u>100</u>