

First Intergovernmental Meeting of the Plan of Action of the Convention for Cooperation in the Protection and Sustainable Development of the Marine and Coastal Environment of the Northeast Pacific Guatemala, 19 to 22 February 2002

I INTRODUCTION

1. The first Intergovernmental Meeting of the Plan of Action for the Protection and Sustainable Development of the Marine and Coastal Environment of the Northeast Pacific was held in the Westin Camino Real Hotel, Guatemala City, from 19 to 22 February 2002. The Meeting was held one day after the signing of the Antigua Convention and the Plan of Action in La Antigua Guatemala, on 18 February 2002.

II. ORGANIZATIONAL MATTERS

A. Opening of the meeting

2. Mr. Rodolfo Tejeda, Director of International Cooperation, Ministry of Environment and Natural Resources of Guatemala, formally opened the Meeting at 9.30 a.m. on Tuesday, 19 February 2002, and welcomed the participants.

B. Attendance

3. The session was attended by representatives from the following countries: Colombia, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua and Panama. Representatives of Canada and of the United States of America participated as observers.

4. Representatives of the following international and intergovernmental organizations also participated: Division of Ocean Affairs and the Law of the Sea, Office of Legal Affairs, Secretariat of the United Nations; UNEP Coordination Unit of the Global Programme of Action (GPA) for the Protection of the Marine Environment from Land-based Activities; UNEP Regional Office for Latin America and the Caribbean (ROLAC); Secretariat of the Cartagena Convention for the Protection and Development of the Environment of the Wider Caribbean; Central American Commission on Maritime Transport (COCATRAM).

C. Election of officers

5. The following delegates were elected to the Bureau:

Chair: Mr. Rodolfo Tejeda (Guatemala)

Vice-Chair: Ms. Jenny Asch (Costa Rica)

Rapporteur: Ms. Liza I. Gonzalez (Nicaragua)

D. Approval of the agenda

6. The Meeting adopted the following agenda, based on the provisional programme set out in document UNEP(DEC)/NEP/IG.1/1:

1. Opening of the First Intergovernmental Meeting

2. Organization of the meeting

- a. Election of the officers of the meeting
- b. Adoption of the agenda
- c. Organization of work

3. Presentation of the credentials of the delegates

4. Report of the Conference of Plenipotentiaries for the Signing of the Convention on Cooperation for the Protection and Sustainable Development of the Marine and Coastal Zones of the Northeast Pacific

- a. Signing of the Convention
- b. Adoption of the Plan of Action and its Annex I: Programme of Work of the Plan of Action for the Protection and Sustainable Development of the Coastal and Marine Environment of the Northeast Pacific 2001-2006

5. Operationalization of the Plan of Action: the Role of International Organizations

- a. The International Maritime Organization (IMO)
- b. The Intergovernmental Oceanographic Commission (IOC) of the United Nations Educational, Scientific and Cultural Organization (UNESCO)
- c. The Pan-American Health Organization (PAHO/WHO)
- d. The Food and Agriculture Organization of the United Nations (FAO)
- e. The Economic Commission for Latin America and the Caribbean (ECLAC)
- f. The United Nations Environment Programme (UNEP)
- g. Regional Organizations

6. Project Proposal for the Protection of the Marine Environment and Public Health in the Framework of the Sustainable Development of the Northeast Pacific: Priorities for Action for 2002-2005

7. Institutional Arrangements

- a. Establishment of the secretariat for the Plan of Action
- b. Procedures for the selection of the geographical location of the secretariat
- c. Support from international organizations

8. Financial Arrangements

- a. Establishment of a trust fund
- b. Establishment of trusts
- c. Support from UNEP for 2002-2003

9. Other matters

10. Adoption of the report of the meeting.

11. Closure of the meeting

E. Organization of work

7. Introducing the item, Mr. Jorge Illueca, Assistant Executive Director, UNEP Division of Environmental Conventions, explained that, under the Regional Seas Programmes, the role of the intergovernmental meetings was broader in scope than was traditionally the case under other agreements. All interested parties, including those that had not yet signed the Convention, were invited to participate in the activities under the Plan of Action, and he cited the example of the Cartagena Convention for the Protection and Development of the Environment of the Wider Caribbean Region, which had 21 Parties, but 32 participants in its Plan of Action. The Plan of Action was a "soft law" instrument to develop the ability of countries to enforce the agreement itself and to strengthen the components of sustainable use and management of the marine environment.

8. He briefly outlined the provisional programme of work for dealing with the items for consideration by the current Meeting, and stressed that there would need to be follow-up of many of the elements under discussion. In that connection, he recalled that UNEP had already earmarked US\$ 120,000 in support of the activities under the Convention for the period 2002-2003, with US\$90,000 for the Intergovernmental

Meetings and US\$30,000 for consultancies. It would thus be possible to hold a second meeting in the last quarter of 2002, at a time and place to be decided by participants.

III. PRESENTATION OF THE CREDENTIALS OF THE DELEGATES

9. Checking of the credentials was entrusted to Ms Ivonne Higuero of UNEP, who reported that she had examined the credentials of the participants, and that all of them met the necessary requirements.

IV. REPORT OF THE CONFERENCE OF PLENIPOTENTIARIES FOR THE SIGNING OF THE CONVENTION ON COOPERATION FOR THE PROTECTION AND SUSTAINABLE DEVELOPMENT OF THE MARINE AND COASTAL ZONES OF THE NORTHEAST PACIFIC

(a) SIGNING OF THE CONVENTION

(b) ADOPTION OF THE PLAN OF ACTION AND ITS ANNEX I: PROGRAMME OF WORK OF THE PLAN OF ACTION FOR THE PROTECTION AND SUSTAINABLE DEVELOPMENT OF THE COASTAL AND MARINE ENVIRONMENT OF THE NORTHEAST PACIFIC 2001-2006

10. Mr. Illueca congratulated the countries that had signed the Convention, and expressed particular thanks to the Government of Guatemala for such a special ceremony. The Meeting took note of the report of the Conference of Plenipotentiaries of the Convention on Cooperation for the Protection and Sustainable Development of the Marine and Coastal Zones of the Northeast Pacific, contained in document UNEP(DEC)/NEP/Plenipot./5.

V. OPERATIONALIZATION OF THE PLAN OF ACTION: THE ROLE OF INTERNATIONAL ORGANIZATIONS

(a) THE INTERNATIONAL MARITIME ORGANIZATION (IMO)

11. Mr. Illueca, noting that IMO was the only international organization that cooperated with UNEP in all of its Regional Seas Programmes, underlined the importance of IMO in helping governments to implement specific components of the Plan of Action, particularly with regard to oil spills and hazardous substances. IMO could and did assist in strengthening country capacities to respond to oil spills and in the formulation of national and regional contingency plans. He suggested, as a first

activity with IMO, the convening of a workshop in order to formulate a joint work plan in its areas of competence.

12. A message from IMO was reported to the Meeting, apologizing for the fact that a representative of the organization had been unable to attend and stressing that IMO was willing to work together with all countries in the region to assist them to make progress in those areas within its sphere of competence.

13. During the discussion, attention was drawn to the need for countries to formulate their contingency plans and to elaborate response mechanisms to deal with oil spills and environmental pollutants, such as chemicals and solid wastes. It was noted that, even where such plans existed, countries often lacked capacities to implement them and, in that connection, the need for capacity-building was underlined. The importance of countries' preparing national reports on their current capacity to manage and combat spills of oil and hazardous materials was emphasized, in order to permit them to clearly identify needs and to request and channel the support of international organizations. In that regard, UNEP and IMO could provide assistance.

14. The Meeting was informed that Regional Activity Centres covering specific fields had already been set up under other Regional Seas Programmes, and UNEP and IMO could assist in the development of such a centre to help countries of the Northeast Pacific region to respond to oil spills. In addition, it was noted that countries should consider the possibility of using funds from the private sector to assist them in dealing with oil spills. In that regard, reference was made to the International Oil Pollution Compensation Funds (IOPC), of which very few of the countries present were members, despite the fact that membership entailed no financial obligations. The fund was replenished by oil companies. It was recalled that a Regional Activity Centre for marine pollution dealing with oil spills had already been set up in Curacao, under the Cartagena Convention, in cooperation with IMO, and with support from the US Coast Guard and the Government of the Netherlands. That centre helped to provide training in oil spill management and assistance in the prevention of such incidents. Since seven of the countries at the current Meeting were members of the Cartagena Convention, it was suggested that it would be valuable to make the Curacao centre into a headquarters for matters of oil pollution concerning both the Northeast Pacific Convention and the Cartagena Convention.

15. Mr. Illueca stressed that it was necessary for countries to designate their focal points for the Plan of Action and the organizations which would be responsible for specific aspects of the Plan.

(b) THE INTERGOVERNMENTAL OCEANOGRAPHIC COMMISSION (IOC) OF THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION (UNESCO)

16. Introducing the item, Mr. Illueca pointed to the important role already played by IOC in other Regional Seas Programmes, particularly in the Mediterranean and the Wider Caribbean, with respect to environmental monitoring and scientific assessment. It was also noted that IOC could be instrumental in providing support to carry out concrete activities that came under the Plan of Action and for which countries lacked capacities and resources., particularly in monitoring and assessment. Possible areas of activity included provision of expertise and guidance, training, and participation in the activities of the Global Oceans Observation System (GOOS) at the regional level.

17. It was observed that, since a number of countries lacked the expertise to handle the highly scientific data that resulted from marine monitoring activities, IOC could play an important role in capacity-building through the training of the necessary specialists in environmental data interpretation and management. Countries had to make known to IOC their priorities. In addition, they could also provide data to IOC on areas within its remit, such as data on extreme climate events of the region.

18. The Meeting agreed to authorize Mr. Nelson Andrade Colmenares, Coordinator of the Regional Coordinating Unit of the Cartagena Convention, to speak on behalf of the Intergovernmental Meeting of the Plan of Action at the forthcoming meeting of the IOC in Veracruz, Mexico, which he would be attending, and to raise the issue of possible areas of cooperation with IOC.

(c) THE PAN-AMERICAN HEALTH ORGANIZATION (PAHO/WHO)

19. Mr. Illueca reported that, following the Second Meeting of High-Level Government-Designated Experts for the Proposed Northeast Pacific Regional Seas Programme, the UNEP Division of Environmental Conventions (DEC) and the Coordinating Unit of the GPA had agreed to investigate the possibility of a joint activity with PAHO on the subject of domestic wastes in the areas covered by the Plans of Action of the Northeast Pacific, Southeast Pacific and Wider Caribbean. Although the reports on the issue were not yet finalized, he said that PAHO could be an important partner, in collaboration with GPA, in assisting countries on issues of pollution from domestic wastewaters.

(d) THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS (FAO)

20. Mr. Illueca stressed that one very important component of the Plan of Action concerned the ecosystems management of fisheries within the context of sustainable development, which was closely linked to the issues of poverty relief and food security. A joint initiative between UNEP and FAO had sought to promote activities bringing together the Regional Seas Programmes and regional fishery bodies, but the subject was very complicated. The Governing Council of UNEP, in its decision 21/28, had approved the activity, with the inclusion of IOC. Guidelines on the ecosystems management of fisheries were expected to be finalized by the end of 2002, and were expected to be followed by a pilot project in several countries of the wider Caribbean and Northeast Pacific regions. Citing the example of the Helsinki Convention and its cooperation with the International Baltic Sea Fishery Commission (IBSFC) as a rare example of good cooperation, he underlined the importance of cooperation with IOC, FAO and UNEP in the assessment and management of the fisheries in the countries of the region.

21. During the discussion, it was noted that FAO could play an important role in the development of environmentally sound aquaculture. It could also assist in establishing the basic structures to prevent further deterioration and disruption of the catch areas. There were also other and broader ways of looking at the ecosystem management of fisheries, particularly taking into account downstream socioeconomic factors. It was stressed that countries could not plan fisheries development or management on the basis of outdated or inefficient fisheries legislation and technologies, lack of national knowledge and data on marine biodiversity and resources, lack of capacities and training for research, and inability to assess and control the problems of coastal degradation and illegal fishing. It was thus considered necessary to deal with the question of ecosystem management of fisheries in a much more integrated way, using partnerships with FAO and others to enhance countries' capacities at both the national and subregional levels.

22. The Government of Mexico offered to make available to participants its " Fisheries National Charter", that contained all rules regarding the management of fisheries, including marine and coastal natural prorotected areas.

(e) THE ECONOMIC COMMISSION FOR LATIN AMERICA AND THE CARIBBEAN (ECLAC)

23. Mr. Illueca reported that, under a commitment given by the division of environment and sustainable development of ECLAC, the countries of the region would receive support for development of economic instruments in support of environmental management. The issue of financial resources would also be addressed under item 8 of the agenda of the current Meeting. UNEP would be contacting ECLAC to arrange a meeting to prepare a joint work programme, which would be

presented to a future Intergovernmental Meeting of the Plan of Action. In response to one intervention, he said that UNEP would raise with ECLAC the fact that countries sought assistance in the identification and examination of indicators in the marine environment.

(f) THE UNITED NATIONS ENVIRONMENT PROGRAMME (UNEP)

24. Mr. Illueca recalled that UNEP had already committed US\$120,000 to support the process under the Convention for 2002-2003, with US\$90,000 for meetings and US\$30,00 to contract consultants, mainly related to resource mobilization. He said that discussions on the provision of further support from UNEP were ongoing, and noted the possibility of projects and activities involving the other divisions of UNEP.

25. It was also recalled that the Governing Council at its twenty-first meeting had requested the Regional Seas Programmes of the Northeast Pacific, the Southeast Pacific and the Wider Caribbean to work together on programmes of common interest. It was suggested that a working group be set up with the Action Plan for the Wider Caribbean to identify possible areas of cooperation.

26. The observer from the UNEP GPA Coordination Office commended the signing of the Antigua Convention as the tangible implementation of the Global Programme of Action for the Protection of the Marine Environment from Land-based Activities (GPA). Similarly, the signing of the Convention contributed to the commitments made at the First Intergovernmental Review of the GPA, held in Montreal, Canada, from 26-30 November 2001, which were articulated in the Montreal Declaration.

27. The GPA Coordination Office, with the support of donors, was currently assisting a number of countries to develop national programmes of action as a contribution to the GPA. The Coordination Office would support similar efforts in the Northeast Pacific to develop regionally integrated national programmes of action.

28. It was observed that there were a number of activities under the GPA in support of the Latin American and Caribbean region, particularly with regard to the preparation of relevant publications, such as "Municipal Wastewater as Land-Based Sources of Pollution in the Marine and Coastal Environment of the Latin American and Caribbean region", and concerning the organization of workshops on municipal wastewater, where recommendations were developed for wastewater management in the region. A work programme was being revised by the GPA to develop relevant actions which would include some areas in the Latin American and Caribbean region.

29. In answer to a question, it was explained that the GPA was willing to develop a short- or medium-term programme in the Northeast Pacific region, addressing a

number of pollutant source categories such as sewage, oil, persistent organic pollutants, and litter. The GPA Coordination Office was focusing on municipal wastewater, physical alteration and destruction of habitats and, if resources were made available, nutrients. With respect to municipal wastewater, the pollutant source category was being addressed by setting standards or preparing guiding principles, where the next step would be pilot demonstration projects. The same process would be followed with regard to the physical destruction of habitats, whereby the GPA would develop guidelines and would follow up in the same way.

30. It was recalled that delegates had, in general, been pleased with the results of the intergovernmental review of the GPA. The Intergovernmental Review Meeting had been followed by a meeting on environmental governance, which included discussion on oceans and coastal areas. The Government of Canada was taking the recommendations from those meetings and would focus its efforts on municipal wastewater and the physical alteration and destruction of habitats and develop a national strategy to address their coastal area problems.

31. Mr. Andrade Colmenares reported on the experiences of the Caribbean Action Plan with the GPA. Major achievements had been the development of a Protocol for the Protection of the Marine Environment from Land-Based Sources of Pollution, in collaboration with the GPA and the meeting held on municipal wastewater with the ministers for environment, finance and planning and various municipalities with large populations. He recalled that, at the Intergovernmental Review Meeting, governments had promised to improve the capacities of the regional seas programmes. He suggested that participants take advantage of the presence of the GPA if they had plans to develop a protocol on land-based sources of pollution. The close collaboration between the GPA and the regional seas programmes also helped to find the financing necessary to carry out the national programmes.

32. In response to concerns about lack of technology and funding, the observer from the GPA said that deficient governance, including the lack of awareness of the economic, social and environmental impact of land-based activities, and the lack of political will to address the consequences of the ongoing coastal and marine degradation, combined with the lack of financing and fundable technologies, were the major issues hindering the effective implementation of the GPA. He informed the Meeting of the existence of the GPA clearing-house on the internet (www.gpa.unep.org) to provide practitioners with best practices and said that the GPA was identifying new and innovative ways to find funds at the regional and global level. On the question of political will, the GPA referred to a GEF project which was successful in generating very high-level political support in sub-Saharan Africa and hoped it could be replicated for this region.

33. It was observed that in the region only 15 per cent of municipal wastewater was treated, which affected the health and economy of the region. ROLAC offered to make available some relevant documents for the Meeting. It was noted that there was a need to change the behaviour of the populations regarding the relationship between environment and health, a need to value natural resources and a need to seek funding from international funding agencies such as GEF.

34. The observer from Canada informed the Meeting about the Workshop on Marine Pollution Prevention and Environmental Management in Ports in the Wider Caribbean Region: Jamaica 2002, which would take place in Jamaica from 19 to 23 May 2002. A series of issues related to the Northeast Pacific would be discussed such as the London Dumping Convention, MARPOL and oil spills, and the GPA. He encouraged participants to attend and distributed the draft programme.

(f) REGIONAL ORGANIZATIONS

35. Mr. Illueca pointed to the possible areas of cooperation with the Central American Integration System (SICA) and the Central American Commission on Maritime Transport (COCATRAM). Possible areas of support with COCATRAM included the problems arising from port facilities and wastes from ships.

36. The observer from COCATRAM described its activities in the field of maritime transportation and its efforts in the field of the environment, drawing attention to its environmental agenda, copies of which were distributed to each delegation. COCATRAM's profound involvement in the negotiating process of the Convention was witness to its readiness to cooperate with all the countries involved to help integrate its activities with their efforts under the Plan of Action. In that respect, there was broad scope for a common agenda on training, contingency planning and pollution control. Contingency planning for natural disasters was of particular importance. Stressing the importance of initiating cooperation at an early stage, he pointed to the advantages of cooperation with COCATRAM in implementing the activities under the Plan of Action to the mutual benefit of all involved.

37. Attention was drawn to the need to establish links with the Central American Commission on Environment and Development (CCAD), and to be represented at its next ministerial meeting. The need for cooperation with other regional organizations and agencies was also highlighted, as was the need to create and enhance synergies among them and UNEP.

38. The Meeting considered a conference room paper containing a draft decision on the role of international organizations in the implementation of the Action Plan for the

Northeast Pacific: priorities. The decision was adopted, as amended. The text of the decision is contained in Annex...to the present report.

VI. PROJECT PROPOSAL FOR THE PROTECTION OF THE MARINE ENVIRONMENT AND PUBLIC HEALTH IN THE FRAMEWORK OF THE SUSTAINABLE DEVELOPMENT OF THE NORTHEAST PACIFIC: PRIORITIES FOR ACTION 2002-2005

39. Mr. Jairo Escobar, UNEP consultant, introduced the item, drawing attention to document UNEP(DEC)/NEP/IG.1/4. In the discussion, it was stressed that the none of the proposed activities in the draft project were new, and all were contained in the Plan of Action. The document was a coherent collation of the work of national consultants, who had been asked to identify priorities and to select which of them were common to the countries of the region and which were not. While countries might not agree fully with the priorities identified, it was necessary to make a start with the four priority areas selected, with a view to submitting a bankable proposal for funding to GEF.

40. While some representatives expressed doubt as to the validity of formulating such a project before the Convention had entered into force, it was pointed out that, under several regional seas programmes, projects had been implemented under the plans of action without the parent convention ever having entered into force. There was thus no need to enforce a state of paralysis until the Convention was ratified. Rather, it was necessary to use the period until the legal aspects were finalized as an opportunity to start to make progress. Moreover, the priorities identified in the current proposal were not set in stone, but could be modified as countries saw fit. Some countries that had not signed the Northeast Pacific Convention saw no impediment to initiating a regional cooperation project such as the one proposed.

41. The representative of Honduras requested that the following be incorporated into the report of the Meeting:

"The delegation of Honduras wishes to state that the Plan of Action was adopted at the Conference of Plenipotentiaries that took place on 18 February 2002, and considers that it is a complementary and autonomous, parallel instrument, up until the time of the entry into force of the Convention, at which time the representatives of the Contracting Parties will integrate it into their domestic situations."

42. The representative of El Salvador requested that the following be incorporated into the report of the meeting:

"The Republic of El Salvador, in conformity with Article 26 of the Convention for the Protection and Sustainable Development of the Marine and Coastal Environment of the Northeast Pacific, signed by the plenipotentiaries in La Antigua Guatemala, on 18 February 2002, and in the Final Act of the Conference of Plenipotentiaries of the Regional Seas Programme of the Northeast Pacific, signed in the same location on the same date, makes the following declaration:

"1. The Convention will enter into force sixty days after the deposit of the fourth instrument of ratification, acceptance, approval or accession with the Depositary and, subsequently, will enter into force with respect to each State or regional economic integration organization at the moment when they deposit their respective instruments of ratification, approval, or accession to the Convention.

"2. The Final Act of the Conference, referred to above, states that the Plan of Action of the Convention was adopted at the same place on the same date as the signature of the Convention.

"3. Under those circumstances, the Convention and its Plan of Action are linked to the formal procedure for the entry into force of the Convention, since the Plan of Action is a consequence of the Convention.

"4. Notwithstanding the above, and even though the delegation of El Salvador is mindful that, in conformity with the norms of international law, specifically the obligations under the Vienna Convention on the Law of Treaties, the Republic of El Salvador does not object to the initiation, from this date, of the relevant measures in order to comply with the Plan of Action for the Protection and Sustainable Development of the Northeast Pacific region, whenever such measures meet the conditions and aims of the Convention and the results are of benefit for the High Contracting Parties. "

43. The representatives were requested to submit written proposals for amendments to the draft project to the Secretariat, which would prepare a new draft of the relevant sections, together with a draft decision on the subject.

44. The Meeting considered a conference room paper containing a draft decision on the development of project proposals for the implementation of the Action Plan for the Northeast Pacific: priorities. The decision was adopted, as amended. The text of the decision is contained in Annex...to the present report.

VII. INSTITUTIONAL ARRANGEMENTS

a. ESTABLISHMENT OF THE SECRETARIAT OF THE PLAN OF ACTION

b. PROCEDURES FOR THE SELECTION OF THE GEOGRAPHICAL LOCATION OF THE SECRETARIAT

c. SUPPORT FROM INTERNATIONAL ORGANIZATIONS

45. Introducing the item, and stressing its importance for the work of the Plan of Action, Mr. Illueca drew attention to the report on institutional arrangements prepared by UNEP, as contained in document UNEP(DEC)/NEP/IG.1/5. He explained that, under all the Regional Seas Programmes, work had started on the implementation of the Plan of Action before the Convention entered into force. Thus, the Executive Secretariat of the Plan of Action would be the first foundation, and would become the Secretariat of the Convention once that had been ratified. He stressed that, at the current Meeting, representatives were not being called upon to make decisions on the actual type of institutional arrangements, but just to set out the procedures and the options available to their governments. In the period up to the second Intergovernmental Meeting, governments had the time to consider which of the options to select. He enumerated the three options set out in paragraphs 10 to 12 of UNEP's paper, and described some of their respective advantages and drawbacks. Annex I of the report contained the proposed terms of reference of the Executive Secretariat.

46. On the question of location of the Executive Secretariat for the Plan of Action, he explained that this was clearly related to the type of institutional structure selected. At the current Meeting, representatives were likewise called upon to decide only on the procedure for the selection of the location. UNEP proposed four steps for that process, as set out in paragraphs 21 to 25 of its report, the first of which could be taken at the current Meeting. Pointing to the matrix contained in Annex II of the UNEP report, he explained the process by which offers to host the Executive Secretariat could be objectively assessed. He noted that two countries had already declared an interest in hosting the Executive Secretariat: the Republic of Guatemala, and the Republic of Panama. Again, once the procedures had been established, governments had time to consider the options and could make a decision on the location at the Second Intergovernmental Meeting. The associated questions of funding the institutional arrangements for the Convention and its Plan of Action would be considered under item 8 of the agenda of the current Meeting.

47. On the question of support from international organizations, Mr. Illueca pointed to examples of conventions which had received support in the form of financial resources or personnel from other intergovernmental organizations and donor governments. UNEP sought an open dialogue with those organizations and governments to see whether they could provide such support for the Northeast Pacific Plan of Action.

48. The complexity of the process of selecting the type and location of the institutional structure for the Action Plan was highlighted, as well as the need for detailed and in-depth consideration by governments and caution in making the ultimate choice. In the discussion on further pros and cons of the various options, it was explained that UNEP could bring not only its experience as the secretariat of more than 20 intergovernmental agreements, it could also offer definite financial advantages in the form of funding for activities under the Regional Seas Programme. The funding provided was in proportion to the identified needs of the Regional Seas Programme concerned.

49. It was noted that, where an existing competent regional body was chosen to act as Executive Secretariat, while that might bring certain financial advantages, the interests of the Plan of Action could end up being subordinated to the main sphere of activity of the institution in question. Moreover, experience had shown that institutional arrangements within such bodies were subject to change and restructuring. In addition, their accounting, fund management and reporting procedures were not always in harmony with those of the United Nations, which meant that possible UNEP funding, while available, could not be released to assist them.

50. It was observed that, in the light of the serious financial problems of some of the countries of the region, a cost-benefit analysis needed to be made, to enable the selection of a low-cost and flexible mechanism. In that connection, it was necessary not simply to invite an institution or country to be the secretariat, but to actively solicit tenders, to assess the benefits and to go into a bidding process for the final selection. One view held that the selection procedure used to choose the secretariat of the Convention on Biological Diversity provided a good example of the method to be followed. It was also recalled that the location of the Executive Secretariat was not necessarily something permanent, but could be changed after five years if the Parties so wished.

51. Concerning the institutional options, it was observed that, since the countries of the region were geographically close, and had already set up a large measure of coordination and harmonization, a possible fourth option might be the establishment of a rotating secretariat, whereby each Party to the Convention could host the Executive Secretariat for a period to be determined. In that connection, attention was drawn to the possible problems and disruption that could arise from such an arrangement, and to the negative experience of previous attempts at implementing such a mechanism. It was noted that it might be possible for the countries to host the Intergovernmental Meetings on a rotational basis.

52. The advantages of using the mechanism under CCAD or COCATRAM were outlined, although it was stressed that it was necessary to consider as wide a range of

options as possible. One view held that there was no need to strive for a large institutional structure at the outset. A modest set-up would suffice for the initial period.

53. The observer from COCATRAM pointed to its extensive expertise in a number of areas of relevance to the Plan of Action and to its deep commitment both in the process of negotiating the Convention and its Plan of Action, and in making them a viable and permanent structure. He stressed that the process of lobbying governments to provide financing and institutional support for the Plan of Action would be long and difficult, particularly in a period of financial stringency and hardship. COCATRAM was ready to provide support and assistance during the difficult start-up period, and he extended an offer to put the COCATRAM facilities in Managua at the disposal of the countries for an interim period. Mr. Illueca recalled that, under Article 14 of the Convention, UNEP was designated as the interim secretariat of the Convention until a final decision was taken, but he welcomed the possibility of continuing the close cooperation and joint efforts with COCATRAM for the interim phase.

54. The Meeting agreed that it was necessary for official offers of cooperation and for hosting the Executive Secretariat to be formally submitted in writing for the consideration of governments, and for a timeframe to be set for that process. Meanwhile, it was necessary for countries to initiate steps to ratify the Convention as soon as possible and set the firm legal basis for the operation of the Convention and its Plan of Action.

55. The Meeting considered a conference room paper containing a draft decision on institutional arrangements and the adoption of procedures for the selection of the host country for the Executive Secretariat of the Plan of Action for the Northeast Pacific. The decision was adopted, as amended. The text of the decision is contained in Annex...to the present report.

VIII. FINANCIAL ARRANGEMENTS

a. ESTABLISHMENT OF A TRUST FUND

b. ESTABLISHMENT OF TRUSTS

c. SUPPORT FROM UNEP FOR 2002-2003

56. Introducing the item, Mr. Illueca drew attention to the report prepared by UNEP on financial arrangements for the Convention and Plan of Action of the Northeast Pacific, contained in document UNEP(DEC)/NEP/IG.1/6. That document was a summary of the recommendations contained in a report, commissioned by UNEP, and prepared by a leading expert on the financing of sustainable development, which had

originally been submitted to the Third Global Meeting of Regional Seas Programmes and Action Plans. Subsequently, a small working group had been set up, comprising four heads of Regional Coordinating Units and a UNEP staffer, to prepare a general financial strategy for the Regional Seas Programmes.

57. The report before the current Meeting contained elements to be taken into account in the financing of a regional strategy, with particular focus on the Wider Caribbean and the Northeast Pacific. It considered questions surrounding the national, regional and international mobilization of resources. Mr. Illueca observed that, at the national level, the funding modalities adopted would vary among countries, since they involved sovereign decisions. He stressed the need for countries to prepare national action plans for the implementation of the Northeast Pacific Plan of Action, and said that UNEP had a special office on trade and environment in Geneva, which could provide assistance. At the regional level, there were many factors in common with the Wider Caribbean, and use should be made of the experience of implementing the Plan of Action in that region, as noted in the report. It was also worth remembering that the selection of the type of institution to act as Executive Secretariat was important from a resource mobilization point of view, since an existing regional body would not be likely to exert itself to mobilize funding for the Northeast Pacific Plan of Action, preferring to apply such efforts to its own ends.

58. At the international level, there was a need to work closely with ECLAC, which had already expressed a willingness to cooperate with the countries in the Plan of Action. GEF was also a very important source of funding of projects for Regional Seas Programmes and Action Plans, but that it was often necessary for countries to make a proportionate contribution, often in kind, to the implementation of a GEF-funded project. On the question of trust funds, UNEP would be seeking authorization to investigate the legal and institutional requirements for the initiation of endowments, including the terms of reference of the fund and the establishment of a non-profit foundation to manage them.

59. Mr. Illueca drew attention to the table contained in an informal paper he had prepared on financial arrangements, which listed indicative contributions for the members of the Northeast Pacific Regional Seas Programme for a trust fund to support coordination and operational activities. He underlined the fact that the figures provided were indicative only, and were meant to assist countries in launching their internal dialogue on how to make a realistic financial contribution to implement the Plan of Action. In that way, it was hoped that governments would be prepared and able to hold an informed dialogue on the subject at the Second Intergovernmental Meeting. On the basis of its experience, UNEP judged that at least US\$240,000 annually was needed to set up and run a viable programme. The levels of contributions contained in the draft decision were based on countries' past practice in

the funding of environmental agreements, on the size of their economies, and on their involvement in the marine environment. It had been considered that, for such a small group of countries, a compulsory assessed scale of contributions would not work well.

60. In answer to a question concerning the procedure to be followed to enable countries to negotiate and define the level of the contributions, Mr. Illueca proposed that UNEP should send a letter to governments, through the relevant foreign ministry, informing them of a decision by the Intergovernmental Meeting on the need to start considering the contribution to be paid to the implementation of the Plan of Action. The participants could also follow up on the question with their respective authorities. In addition, UNEP and COCATRAM could send a representative who could also liaise with governments on the subject.

61. One view questioned why the United Nations scale of assessments was not judged to be applicable, and more information was sought on the criteria and the system used in assessing countries' financial contributions to the implementation of the Plan of Action. By way of reply, it was explained that experience had shown that countries were often reluctant to accept an assessed scale of contributions, particularly when that was tied to the budget level of the work programme. The UNEP Fund Management Office at Nairobi would be in a position to provide participants with further detailed information on the question.

62. Mr. Nelson Andrade Colmenares described the extensive experience of the implementation of the Plan of Action for the Wider Caribbean. He outlined its financing mechanism, based on a voluntary set contributions, and stressed the crucial role of the Regional Coordinator in the constant search for other sources of funding. The Wider Caribbean Action Plan was supplemented by extraordinary contributions from members, earmarked for specific areas of activity, donations from external government sources for particular projects of concern to them, and contributions from the host Government. He underlined the importance of selecting the most cost-effective form of institutional structure for the secretariat of a regional seas programme and of negotiating the best possible headquarters agreement with the host government. In that way, the very high fixed costs in terms of rental of premises, personnel, administration and utilities could be offset for a fixed period which, incidentally, should ideally be at least five years. In addition, the secretariat should have a realistic staffing level and payroll and an achievable work programme.

63. Other possible sources of funding for the region included the private sector, particularly the tourism and cruise industries. The possibility of tourism taxes, arrival and departure taxes, national park levies, voluntary contributions from cruise and airline companies, and "green" hotel schemes should all be investigated. In addition,

the oil and chemical industries, as users of the environment, should be viewed as potential partners and should be invited to collaborate in the implementation of the Plan of Action, particularly as concerned pollution prevention, clean-up, and contingency planning. Moreover, since two G-8 countries had expressed an interest in the work of the Northeast Pacific Plan of Action, the secretariat would be in a position to approach them with an environment plan and to ask for assistance, for example in carrying out activities which required costly international technical expertise. In addition, although the procedures for application could be cumbersome, projects under GEF represented a highly important source of funding. Member States should also consider establishing an endowment with one-time contributions of US\$250,000 each. The income generated would provide sustainable support to the operation of the Plan of Action.

64. Mr. Jairo Escobar, UNEP consultant, outlining the experience of implementing the Southeast Pacific Plan of Action and the methods used to assess contributions, stressed that the sole reliance on UNEP and on members' contributions for funding had proved a serious weakness in the plan. It was vital to seek out other sources and to establish a dialogue with the private sector. He also pointed to the possibility of setting up an endowment fund as a means of generating income to cover running costs and to fund project activities. In the start-up period, he considered that it was important for the members of the Northeast Pacific Plan of Action to set up a bank of projects for financing.

65. The representative of Colombia wished the following statement to be incorporated into the report of the Meeting:

"In conformity with what has been set down in the Final Act of the Conference of Plenipotentiaries of the Northeast Pacific Regional Seas Programme, Colombia will at a later time declare the modality to be applied to permit internal consultations to formulate the appropriate declarations on the initiatives submitted concerning the establishment of the Executive Secretariat and the financial arrangements for the Convention and the Plan of Action of the Northeast Pacific."

66. The Meeting considered a conference room paper containing a draft decision on financial arrangements for the implementation of the Plan of Action for the Northeast Pacific. The decision was adopted, as amended. The text of the decision is contained in Annex...to the present report.

IX. OTHER MATTERS

69. Mr. Illueca explained that, due to need to allow five months to elapse to allow the preparation and submission of offers to host the Executive Secretariat, and in order to

allow sufficient time for the processing of documentation, it would be possible to convene the Second Intergovernmental Meeting some time in October 2002, on dates to be fixed with the host of that Meeting. He invited countries that were interested in hosting that Meeting to contact UNEP.

X. ADOPTION OF THE REPORT OF THE MEETING

70. The present report was adopted on 22 February 2002, on the basis of the draft report contained in document UNEP(DEC)/NEP/IG.1/L.1.

XI. CLOSURE OF THE MEETING

71. After the customary exchange of courtesies, the Meeting rose at 11 a.m. on Friday, 22 February 2002.

Annex.....

Decision I/1. The role of International Organizations in the Implementation of the Plan of Action for the Northeast Pacific

The First Intergovernmental Meeting of the Plan of Action for the Protection and Sustainable Development of the Marine and Coastal Environment of the Northeast Pacific,

Bearing in mind Resolution 2 on international organizations of the Second Session of High-Level Government-Designated Experts for the Proposed Northeast Pacific Regional Seas Programme,

Acknowledging that it is necessary to make efficient use of both the national and international resources provided to the Convention,

Welcoming the offer of COCATRAM to cooperate with UNEP in the implementation of the Plan of Action,

Decides

1. To undertake all necessary efforts to identify the synergies in the implementation of the Plan Of Action and to elaborate fast-acting and expeditious coordination mechanisms between the United Nations system, the Central American Integration System, and other organizations or intergovernmental agencies;
2. To task UNEP, as the interim secretariat of the Plan of Action, with:
 - a) The preparation, jointly with IMO, of an initial programme of work to tackle the problems of pollution from accidental spills of oil and other dangerous substances,

- and to assist governments in the formulation of the respective contingency plans;
- b) The preparation, in coordination with IOC, of an environmental assessment programme for the Plan of Action;
 - c) The formulation, with ECLAC, of economic instruments and the identification of environmental indicators for use by the Plan of Action, and;
 - d) The formulation, with PAHO/WHO, of a programme to address the environmental problems related to marine pollution from municipal wastewaters in the Northeast Pacific;
3. To accept and welcome the offer of the Coordinator of the Cartagena Convention for the Wider Caribbean and its Caribbean Environment Programme to represent the Northeast Pacific Plan of Action at the Seventh Intergovernmental Session of the IOC Sub-commission for the Caribbean and Adjacent Regions (SC-IOCARIBE-VII) in Veracruz, Mexico from 25 to 28 February 2002 with a view to exploring opportunities for cooperation between IOC/UNESCO and the Northeast Pacific Plan of Action;
 4. To agree that a representative of the Plan of Action report on developments regarding the adoption of the Convention for the Northeast Pacific and the implementation of its Action Plan at the next Meeting of the Ministers of the Environment of the Central American Commission on Environment and Development (CCAD);
 5. To recommend that joint programmes of work be developed in areas of common concern between the Northeast Pacific Action Plan and the Caribbean Environment Programme;
 6. To request UNEP, in its capacity as interim secretariat, to report on the development of collaborative activities with other international organizations in support of the implementation of the Northeast Pacific Plan of Action at the Second Intergovernmental Meeting;
 7. To also request UNEP to provide support for the initial implementation of the Plan, in particular concerning the organization of the First and Second Intergovernmental Meetings, environmental assessment activities, resource mobilization, as well as activities related to the monitoring of marine pollution from land-based activities;
 8. To invite UNEP to collaborate with COCATRAM in the implementation of plans and actions in order to prevent and mitigate the effects of marine pollution from shipping, including waste reception and management in port installations, environmental emergency response, and the effects of natural phenomena in vulnerable areas.

Decision I/2. The Development of Project Proposals for the implementation of the Plan of Action for the Northeast Pacific: Priorities

The First Intergovernmental Meeting of the Plan of Action for the Protection and Sustainable Development of the Marine and Coastal Environment of the Northeast Pacific,

Taking into account the project proposal prepared by UNEP for the consideration of this meeting entitled "The protection of the marine environment and public health in the framework of the sustainable development of the Northeast Pacific: priorities for action 2002-2005",

Bearing in mind the priority issues selected by the member States to be addressed in the programme of work for the Northeast Pacific on marine pollution from land-based activities for the period 2001 to 2006 contained in Annex 1 of the Plan of Action,

Aware of the Global Programme of Action for the Protection of the Marine Environment from Land-based Activities and, in particular, the Strategic Action Plan on Municipal Waste Water,

Welcoming the offer of UNEP to assist in the formulation of projects in support of the Plan of Action,

Decides

1. That the above-mentioned project proposal, with the modifications introduced by the meeting, serve as a basis for the development of concrete project proposals related to the Northeast Pacific programme of work on marine pollution from land-based activities 2001-2006 for presentation to multilateral and bilateral bodies, including the Global Environment Facility (GEF), the World Bank and the Interamerican Development Bank (IDB), for financing. Priority issues to be addressed include integrated information management, the development of an inventory of marine pollution, the development and implementation of programmes for addressing marine pollution from municipal wastewaters, the development of national action plans for addressing marine pollution from land-based sources and activities, and the development of pilot demonstration projects on the management of municipal wastewaters;

2. To emphasize the need for developing project proposals in other areas, bearing in mind that the member States of the Northeast Pacific have identified the following as the priority problems facing the region, which are listed in order of importance:

- a) The effects on human health and the environment from discharges of municipal wastewaters;

- b) The physical alteration and destruction of coastal ecosystems and habitats;
 - c) The overexploitation of fishing resources; and
 - d) The effects of eutrophication on ecosystems;
3. Requests UNEP to report on progress in the development, submission and approval of project proposals to the Second Intergovernmental Meeting of the Plan of Action.

Decision I/3. Institutional arrangements and the adoption of procedures for the selection of the host country for the Executive Secretariat of the Plan of Action for the Northeast Pacific

The First Intergovernmental Meeting of the Plan of Action for the Protection and Sustainable Development of the Marine and Coastal Environment of the Northeast Pacific,

Taking into account document UNEP (DEC)/NEP/IG.1/5 entitled "Institutional Arrangements for the Convention and the Plan of Action of the Northeast Pacific", and recalling that the honourable Governments of Guatemala and Panama have expressed a desire to host the Executive Secretariat,

Decides

1. To urge the member States to consider, in the period preceding the Second Intergovernmental Meeting, which arrangement they wish to adopt for the Executive Secretariat;
2. To consider document UNEP (DEC)/NEP/IG.1/5, as a working tool to assist countries in the decision to select a host for the Executive Secretariat; interested countries must present their offers to the UNEP Division of Environmental Conventions by 21 July 2002 at the latest;
3. To request UNEP to offer to provide, in collaboration with COCATRAM, the services of the interim secretariat;
4. To task UNEP with the preparation of the programme of work of the interim secretariat of the Plan of Action for the period between the First and Second Intergovernmental Meetings;
5. To request that governments designate their national focal points that will link up with the Executive Secretariat for the implementation of the Plan of Action, and identify the thematic focal points.

Decision I/4. Financial arrangements for the Convention and Plan of Action of the Northeast Pacific

The First Intergovernmental Meeting of the Plan of Action for the Protection and Sustainable Development of the Marine and Coastal Environment of the Northeast Pacific,

Taking into account document UNEP (DEC)/NEP/IG.1/6 entitled "Financial Arrangements for the Convention and the Plan of Action of the Northeast Pacific",

Taking note of the establishment by UNEP of a working group of directors of Regional Seas Programmes to consider the development of a financial strategy for Regional Seas Programmes, including the Northeast Pacific and the Wider Caribbean,

Taking note of the indicative scale of contributions proposed by UNEP for the establishment of a Northeast Pacific Trust Fund in support of the Convention and the Action Plan:

1. Requests UNEP, bearing in mind the views expressed by member States at the First Intergovernmental Meeting, to further develop the draft of a financial strategy for the implementation of the Convention and the Plan of Action for the Northeast Pacific, for the consideration of member States;
2. Invites UNEP in collaboration with the Economic Commission for Latin America and the Caribbean (ECLAC), as a part of this financial strategy, to identify and recommend the application of economic instruments in support of the implementation of the Plan of Action, particularly for activities to be undertaken at the national level;
3. Urges the member States to consult internally on the indicative contributions of their governments for further consideration at the Second Intergovernmental Meeting;
4. Requests UNEP to study the institutional and legal requirements for establishing endowments, supported by the private sector, for the implementation of the Plan of Action;
5. Asks UNEP to report on progress in the implementation of this decision at the Second Intergovernmental Meeting.