

Guidance on the scope of the Global Framework on Chemicals Fund

for the first round of applications (2024)

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1. Introduction

In 2023, the fifth International Conference on Chemicals Management requested the Executive Director of UNEP to establish a time-limited voluntary trust fund, the Global Framework on Chemicals Fund, that will provide resources to support the objectives and strategic priorities of the Global Framework on Chemicals.

The Terms of Reference of the Fund were adopted as an Annex to Resolution V/3 on Financial Considerations. The fund will be open to receive voluntary contributions for five years from the date on which it is established by the Executive Director. Funds may be disbursed for a maximum of seven years from that date.

The fund seeks to complement existing financial mechanisms, such as the Special Programme¹, the SIP² and the GEF³ and funds that support biodiversity and climate change, amongst others⁴, to build on national projects or activities and generate sustainable project outputs nationally, regionally, and globally. The purpose is to achieve **substantial and visible impacts** that promote the safe and sustainable management of chemicals and waste with measurable results.

This guidance is designed to assist applicants in understanding the scope of the Global Framework on Chemicals Fund and identify projects that will be prioritised for funding in support of the strategic objectives and targets of the Global Framework on Chemicals.

2. What is the Global Framework on Chemicals Fund?

Strengthening the safe and sustainable management of chemicals and waste in the long term is essential for sustainable development. The 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals were adopted by the General Assembly of the United Nations in September 2015. The integration of sound management of chemicals and waste⁵ into the 2030 Agenda for Sustainable Development was a major achievement.

The objective of the Global Framework on Chemicals Fund is to support implementation activities in developing countries, least developed countries, small island developing States and countries with economies in transition. This will be achieved by financing projects and programmes that will support transformative change to prevent, or where prevention is not

¹ Special Programme on Institutional Strengthening

² Specific International Programme under the Minamata Convention

³ Global Environment Facility

⁴ <u>SAICM</u>: Assessment on linkages with other clusters related to chemicals and waste management and options to coordinate and cooperate on areas of common interest (July 2022)

⁵ Here understood as hazardous waste. Nuclear waste, biological waste, sanitation waste and other such types of waste are not included.

feasible, minimize harm from chemicals and waste to protect the environment and human health, including vulnerable groups and workers. All funded activities will have clear, defined, and measurable impact.

The expected outcome of the initiatives financed through the Global Framework on Chemicals Fund is to create programmes, alliances, and various innovative approaches that implement the vision of the Global Framework on Chemicals by achieving its strategic objectives and targets.

3. Strategic Priorities for the Fund

Strategically the fund will finance and prioritise those proposals that:

- i. Strengthen national and regional capacities for the implementation of the Global Framework on Chemicals by promoting the development, implementation and enforcement of enhanced national policies, strategies and regulatory frameworks that significantly improve the capacities for managing chemicals and waste at the national level.
- ii. Implement programmes that promote the safe and sustainable management of chemicals and waste in economic and industrial sectors along value chains.
- iii. Promote policies that enable countries to unlock and secure funding for managing chemicals and waste, for example, fiscal policies and/or fee-based mechanisms, to ensure the sustainability of the institutions and systems established. This may include approaches that leverage private finance and promote innovative and blended finance schemes.
- iv. Integrating sound chemicals and waste management in sustainable development decision-making processes, supporting approaches that enhance cooperation and coordination among those responsible for implementing international instruments or programmes, including those that do not primarily focus on chemicals and waste management but where chemicals and waste management may be essential to achieve beneficial health and environmental outcomes.
- v. Address issues of concern as well as cross-cutting themes.

4. What is a Global Framework on Chemicals Fund project?

The following table sets out minimum and other criteria that could be used to prioritise projects.

Minimum criteria:

The project:

- Is aligned and supports the vision, strategic objectives, and targets of the Global Framework on Chemicals, with particular attention to the strategic priorities that have been set out above.
- Builds long-term capacity in the management of chemicals and waste nationally, regionally, or internationally.
- Has a sustainable financing mechanism or a plan for ensuring long-term sustainability beyond the life of the Global Framework on Chemicals funding.
- Should try to achieve at least 25% co-financing which could include in-kind contributions such as staff time, accommodation, office space or operating costs.
- Creates synergies with other related initiatives in the country, regionally and/or globally.
- Does not duplicate existing projects and programmes funded under other bilateral or multilateral funding mechanisms.
- Has a gender mainstreaming component and promotes UNEP safeguard standards⁶.
- Involves sectors and stakeholders, in particular other ministries and authorities, relevant to implementing the specific projects.

Desirable criteria:

The project:

• Supports the implementation of ICCM 5 resolutions, taking into account priorities for implementation as mentioned in para 9 of resolution V/8.

⁶ Gender mainstreaming in the context of the safe and sustainable management of chemicals and waste is an overarching issue that involves assessing and planning for how the harmful impacts of pollution from chemicals and waste affect women, children, and men differently.

UNEP's Environmental and Social Sustainability Framework sets out seven safeguard standards, several of which are of relevance to Global Framework on Chemicals Fund projects. Safeguard standard 3 on pollution prevention and resource efficiency is of particular relevance as it aims to, among other things: avoid or minimize generation of hazardous or non-hazardous waste and promote a human rights-based approach to the environmentally sound management and disposal of hazardous substances and wastes.

See also: Report of the Special Rapporteur on the implications for human rights of the environmentally sound management and disposal of hazardous substances and wastes

- Builds on or complements previous initiatives and projects to ensure the sustainability of the outcomes and draws on lessons learned.
- Implements large-scale projects possibly through established structures such as regional centres, health networks etc.
- Has the potential to be scaled up from national to regional or global level.
- Prioritises the involvement of major economic and industry sectors.
- Engages with civil society, non-economic sectors, the private sector and/or other relevant stakeholders.
- Explores or demonstrates links with investment and development banks for investment opportunity, particularly for higher-value projects.
- Supports the private and finance sector, especially small businesses, to incorporate strategies and policies that ensure the safe and sustainable management of chemicals in their financial approaches and encourages them to adopt and apply internationally recognized reporting standards.

5. Who can apply for funding from the Fund?

Paragraph 12 of Resolution V/ 3 on financial considerations states that "the objective of the Global Framework on Chemicals Fund is to support implementation activities in developing countries, least developed countries, small island developing states, and countries with economies in transition."

There are two possible types of applicants under the Fund:

a) Governments: Eligible Governments include those listed as developing economies, least developed countries, small island developing States or countries with economies in transition in the annexes to the United Nations World Economic Situation and Prospects Report⁷, that have endorsed or given other appropriate formal recognition of and support for the Global Framework on Chemicals. The Board is likely to exclude countries listed by the World Bank as high-income countries. The official Global Framework on Chemicals focal point is required to support the application on behalf of the Government through the provision of a letter accompanying the submission of the application. To foster cross-sectoral impact, supporting letters from other authorities and stakeholders relevant for implementing the project or its outcomes should be annexed.

⁷ See United Nations World Economic Situation and Prospects Report available at https://www.un.org/development/desa/dpad/wp-content/uploads/sites/45/WESP 2024 Web.pdf

b) On an exceptional basis, and with regard to the resources and administrative capacity available, representatives of civil society networks may apply to the Global Framework on Chemicals Fund subject to the agreement of the countries hosting the projects or programmes. For the purposes of the Fund, such agreement should be provided by the designated national focal point in the country concerned through an accompanying letter with the application.

It is expected that the applicant will play a key role in implementing the project. Where appropriate, the applicant may consider nominating a delivery organization to implement the project⁸.

6. Does the Fund accept regional/multi-country projects?

The Fund will accept applications for regional/multi-country projects that propose efficient implementation arrangements in a project that demonstrates visible and substantial impact to implement the Global Framework on Chemicals in the countries/region concerned.

Several governments together with relevant stakeholders may jointly submit a sub-regional, regional or inter-regional (i.e., multi-country) project. This may be an optimal approach for implementation issues affecting a wide range of stakeholders, which are best addressed in a coordinated manner. For administrative purposes, an entity involved in the project should be designated as the single point of contact with the secretariat and coordinate on behalf of the project/programme.

The application and budget forms used for the submission of regional/multi-country projects are the same as those that are used for the submission of individual country projects.

7. What amount of support is available?

The Global Framework on Chemicals Fund may provide finance from US\$300,000 to a maximum of US\$800,000 per individual project proposal. The proposed budget should aim to include a maximum of 5% for project management/administrative costs but for multicountry or regional projects this may be slightly higher. These costs should include provisions for monitoring and evaluation as well as audit.

8. What is the maximum duration of a project?

Projects should ideally be fully completed within three years from the receipt of the letter of agreement unless agreed otherwise by the Executive Board.

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⁸ In compliance with UN financial rules, profitmaking companies cannot serve as project delivery organizations.

9. What are the requirements for monitoring and evaluation?

In line with UNEP policies, an approved project will be required to set up a monitoring plan to track progress against the project's logical framework and budget. Terminal evaluation will also be required to be undertaken along with an audit.

This is in line with UNEP's implementation of Results Based Management which aims to improve project management throughout its life cycle: from initiation (analysis, project planning and design) to implementation (results-based monitoring, adjustments, and reporting), and closure (final evaluations and reports, and integrating lessons learned into future programming). Disbursements of funds under a project agreement are tied to periodic reporting, including expenditure reports and the demonstration of results. These will be reported back to the Executive Board.

10. Where do I find the application forms?

The complete set of application forms can be downloaded from the Fund's website: https://www.unep.org/global-framework-chemicals/gfc-fund

A complete application package consists of the following documents:

- Form A Project Application Form
- Form B Project Budget

In addition, the following documents should also be included with the application package:

- Letters of support from the national focal point and supporting letters from relevant ministries and authorities in particular
- Proof of co-funding from beneficiary country and other sponsors and donors
- Other supporting documents

Complete application packages should be sent electronically in **Word** <u>and</u> **PDF** versions (with scanned or electronic signatures), to: <u>unep-gfc.fund@un.org</u> by the deadline set by the Executive Board.

11. In what language should I submit my application?

While the application Guidance is available in 3 official UN languages, the Executive Board of the Global Framework on Chemicals Fund works in English and all project applications must therefore be submitted in English.

12. What is the application deadline?

Rounds of applications will take place on an annual basis with a deadline set by the Executive Board. Information on the current application cycle can be found on the website: https://www.unep.org/global-framework-chemicals/gfc-fund

Applicants are encouraged to submit their application packages as early as possible in advance of the deadline for the Secretariat to review them for completeness and eligibility and provide guidance.

13. Can I seek assistance in the preparation of my application?

The Secretariat is available to provide assistance upon request from applicants during the preparation of their application. Applicants are encouraged to reach out to the Secretariat as early as possible and at least 6 weeks before the application deadline to secure assistance, if required. The Secretariat will not be able to support late requests. Kindly send all requests to unep-gfc.fund@un.org

In addition, intergovernmental organizations, including regional bodies and the participating organizations of the Inter-Organization Programme for the Sound Management of Chemicals (IOMC) may provide technical assistance in the development of project proposals when requested by project proponents.

14. What happens next?

The Secretariat will acknowledge receipt of the application package, no later than one week after receipt.

Step 1: Screening by the Global Framework on Chemicals Fund Secretariat

The Secretariat screens the applications to ensure they are complete and eligible.

During the screening process the Secretariat may request additional information or clarifications from the applicant to facilitate the eligibility and completeness process.

It is imperative that applications reach the Secretariat before the deadline so that if there are any missing/additional items required, the Secretariat can alert the applicant of missing items for submittal before the deadline. *Incomplete applications cannot be considered for funding by the Executive Board.*

Step 2: Initial review by the Secretariat

The Secretariat conducts a high-level review and prepares a summary of the applications for consideration by the Executive Board.

Step 3: Appraisal and Approval by the Executive Board

The Executive Board will appraise all the complete and eligible project proposals, taking into account the high-level review undertaken by the Secretariat, at its annual meeting.

Projects applications will be discussed, decided on and approved by the Executive Board, subject to the availability of funds.

If an applicant is represented by a member of the Executive Board that is due to take a decision on the application, that Board member will recuse themselves from the deliberations of, and decision-making on, the application.

Step 4: Notification of applicants

The Secretariat will notify the applicants in writing of the decision of the Executive Board within two weeks of the relevant Executive Board meeting.

Step 5: Implementation arrangements

Activities financed by the Global Framework on Chemicals Fund will be implemented in accordance with the project management arrangements approved by the Executive Board. Project management arrangements will include the conversion of applications into relevant legal instruments, which would form the basis of a signed funding agreement between the project proponent and UNEP as the Fund administrator. Financial and reporting arrangements will be set up with the project manager. The schedule of disbursements will be set out in the project agreement, subject to the acceptance by UNEP of periodic progress and expenditure reports submitted by the implementing partner under the project agreement.

Addendum: Terms of reference of the Global Framework on Chemicals Fund for the Global Framework on Chemicals – For a Planet Free of Harm from Chemicals and Waste

A. Administering organization

1. The Executive Director of the United Nations Environment Programme is invited to establish and manage a trust fund to support the Global Framework on Chemicals – For a Planet Free of Harm from Chemicals and Waste. The Framework secretariat will provide administrative support to the trust fund. This trust fund to support the Global Framework for Chemicals – For a Planet Free of Harm from Chemicals and Waste shall be separate from the existing trust fund used for the expenses of the Framework secretariat and the intergovernmental process.

B. Objective

2. The trust fund will provide resources to support the objective and strategic priorities of the Global Framework on Chemicals – For a Planet Free of Harm from Chemicals and Waste.

C. Time limit

The trust fund will be open to receive voluntary contributions for five years from the date on which it is established by the Executive Director. Funds may be disbursed for a maximum of seven years from that date.

D. Strategic priorities

4. The Global Framework on Chemicals Fund should mobilize resources for national priority activities in keeping with the work areas set out in the strategic objectives and targets of the Global Framework on Chemicals – For a Planet Free of Harm from Chemicals and Waste.

E. Sources of financing

5. Contributions shall be encouraged from Governments, regional economic integration organizations, the private sector, including industry, foundations, other non-governmental organizations and other stakeholders.

F. Eligibility rules

- 6. Developing countries and countries with economies in transition will be eligible for support.

 Approval of projects meeting the objectives outlined in the Global Framework on Chemicals –

 For a Planet Free of Harm from Chemicals and Waste will take into account considerations related to geographic and sectoral balance and will pay particular attention to urgent needs and the requirements of least developed countries and small island developing States.
- 7. Project proposals may be presented by those Governments participating in the Global Framework on Chemicals For a Planet Free of Harm from Chemicals and Waste that have endorsed or given other appropriate formal recognition of and support for the Framework, through the relevant Governments. Project proposals must contain full justification for the amount sought.

8. On an exceptional basis and with regard to the resources and administrative capacity available, representatives of civil society networks participating in the Global Framework on Chemicals – For a Planet Free of Harm from Chemicals and Waste shall also be eligible to present project proposals, subject to endorsement by the countries hosting the projects.

G. Project assessment and approval

- 9. The participating organizations of the Inter-Organization Programme for the Sound Management of Chemicals may provide technical assistance in the development of project proposals when requested to do so by project proponents.
- 10. Project proposals will be country-driven and will be submitted to the Framework secretariat and screened for completeness and eligibility.
- 11. Screened projects will be submitted by the secretariat of the Global Framework on Chemicals

 For a Planet Free of Harm from Chemicals and Waste to the Executive Board of the Fund for appraisal and approval.
- 12. Independent monitoring and evaluation and reporting on project implementation to the Global Framework on Chemicals Fund Executive Board will be the responsibility of project proponents.

H. Guidance by the Executive Board

- 13. The Global Framework on Chemicals Fund Executive Board will review reports on project implementation, as well as from the Executive Director of the United Nations Environment Programme on the financial resources and administration of the trust fund, and provide guidance and take decisions thereon.
- 14. The Global Framework on Chemicals Fund Executive Board will report to the Conference at its regular sessions on the operations of the Fund.

I. Accounts and audit

15. The accounts and financial management of the Global Framework on Chemicals Fund shall be subject to the internal and external audit process of the United Nations. Accounts for the trust fund shall be presented to the Executive Board as soon as possible after the financial period is closed and shall also be considered by the Conference.