

**EU/MS comments on
Resource Mobilization
UNEP CPR ASC-4**

Background documents:

- *Note on the UN Environment funding strategy*
- *UNEP Funding strategy (2014)*

Comments:

- The EU+MS welcome the opportunity to discuss resource mobilization, which is fundamental to ensuring the full implementation of the POWs that we adopt at UNEAs.
- We strongly support the UNEA 2 request to prepare a new Resource Mobilisation Strategy and encouraged the ED to start work on a draft in close cooperation with the CPR.
- However, we are somewhat disappointed that 9 months after that call, the response is to provide this 4th Annual Sub-Committee with a copy of the document which emerged following a lot of questions at ASC 1 in 2013 on an earlier draft.
- The EU+MS left ASC 1 hoping that the first UNEA, held the following summer, would do a better job on agreeing an ambitious operational Funding Strategy. However, the Strategy was not discussed by the UNEA and the PoWB decision 1/15 does not refer to it. As far as we know, little has been done about the Strategy since. Perhaps that is why we simply have a copy of the Strategy document and not an implementation report.
- Indeed we had more information at UNEA-1 on the resources available to UNEP than we do now.
- Then, we were provided with a very useful table on all the contributions to the Environment Fund over the 40 years since its creation. That showed the faithful contributors and those who provided resources in accordance with the VISC
- We would have liked an update of that table especially as the information available on the website seems to have become less detailed. Information used to appear on the web on Environment Fund contributions for more than one year. There was also information on earmarked contributions. So one had a better picture of overall funding.
- We believe that providing such information and thus showing greater transparency would be very useful to actual contributors but also new ones to persuade their own governments/institutions to do more. The communication of UNEP's results, including its progress to implement UMOJA and remove relevant barriers for implementation to speed up project implementation and disbursement of funds will also impact the attractiveness for contributors to provide funding.
- Turning to substance the EU+MS, as major donors to UNEP through both the Environment Fund and earmarked contributions would like to recall the importance of broadening the number of contributors to UNEP. This would reflect the universal membership of UNEA and promote full ownership by all Members of the Programme of Work .
- We also hope that more countries will accept the need to match contributions to their growing ability to pay. As Members, we all have a responsibility to contribute to give UNEP the means to implement what we have collectively asked them to do. The EU MS would especially like to emphasize the importance of increasing core funding for UNEPs work and thus broadening the number and size of contributions to the Environment Fund. The un-earmarked resources of the Environment Fund facilitate quicker delivery of the Programme and ensure that resources are

directed to the priorities we all agreed collectively in deciding on the content of the Programme of Work.

- While additional earmarked resources will always be welcome there remains the danger that they respond to the priorities of individual donors and not to the collective decisions of UNEA.
- Hence the new resource mobilisation strategy that UNEA-2 asked UNEP to prepare, should ensure complementarity of earmarked funding to the Environment Fund, in order to achieve the Programme of Work in a balanced manner. The EU+MS believe that it should be a priority for UNEP and hope to have a first draft as soon as possible. We would also be grateful for more details about the process and timetable for revising the Funding Strategy.
- At this stage, we would like to recall the importance to have an inclusive approach, which includes MS and traditional donors but also other partners such as the private sector, foundations, etc.
- In that regards, the EU+MS welcomes the increased focus on cooperation with the private sector, as a key actors in reaching a sustainable development, as long as it is in line with UNEPs mandate and work outlined in resolutions, MTS, PoW, resolutions etc.
- The EU+MS also believe that it would be very useful that UNEP, in preparation for the Strategy, consults with what is done by other UN agencies, including the financing dialogue¹ of the WHO.
- The strategy should also try to identify what actions could be made or are necessary to encourage more contributions to the Environment Fund, which remain too low. We believe that UNEP in its communication could give a stronger emphasis on its preference to have an increase in un-earmarked funding, while acknowledging the value of earmarked fundings. Indeed in the 2016 annual report UNEP mentions “However, with earmarked funding at levels so much higher than our non-earmarked biennial funds (Environment Fund, Regular Budget of the UN, and Programme Support Account), the emphasis of UN Environment’s work risks moving out of alignment with the multilaterally-agreed priorities.” But in UNEP campaigns for specific initiatives, we often can have the impression that the call is more for earmarked funding rather than unearmarked.
- Furthermore, we strongly encourage UNEP and Member States to continue to use the Voluntary Indicative Scale of Contributions (VISC) for the Environment Fund contributions. The VISC should be updated on a regular basis to reflect Member States’ financial capacities, according to the UN scale of contributions.

¹ http://www.who.int/about/resources_planning/financing_dialogue/en/