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**International environmental policy and governance
issues: chemicals and waste**

**Report on the implementation of the integrated approach to
financing the sound management of chemicals and waste**

Note by the secretariat

Summary

The present note responds to United Nations Environment Programme Governing Council decision 27/12 VIII on the consultative process on financing options for chemicals and wastes. It also provides information to supplement and support the information contained in the report of the Executive Director of the United Nations Environment Programme on resolution 1/5 on chemicals and waste of the United Nations Environment Assembly at its second session (UNEP/EA.2/4).

* UNEP/EA.2/1.

I. Introduction

1. The integrated approach to financing the sound management of chemicals and wastes is the result of a country-led consultative process on financing options for chemicals and wastes. The process leading to the elaboration of the integrated approach was first announced by the Executive Director of the United Nations Environment Programme (UNEP) at the fourth meeting of the Conference of the Parties of the Stockholm Convention on Persistent Organic Pollutants, held in May 2009, in recognition of the need for sustainable, predictable, adequate and accessible financing for the sound management of chemicals and wastes at all levels. A short summary of key milestones and relevant discussions of governing bodies related to the integrated approach is provided in the annex to the present note.
2. The integrated approach contains three components that are mutually reinforcing and are all important for the financing of the sound management of chemicals and wastes:
 - (a) Mainstreaming of the sound management of chemicals and wastes into development planning;
 - (b) Industry involvement;
 - (c) Dedicated external financing, including an integrated chemicals and focal area under the Global Environment Facility as well as a Special Programme to support institutional strengthening at the national level for implementation of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal, the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, the Stockholm Convention on Persistent Organic Pollutants, the Minamata Convention on Mercury and the Strategic Approach to International Chemicals Management.
3. The present note describes activities and initial lessons learned in implementing the three components of the integrated approach; institutional cooperation and partnerships to implement the integrated approach; and issues for future consideration.

II. Activities carried out and initial lessons learned

4. Since the adoption of Governing Council decision 27/12 in 2013, UNEP has worked on raising awareness of the integrated approach and carried out activities related to the three mutually reinforcing components of the integrated approach, working closely with countries and stakeholders.

A. Mainstreaming

1. Introduction

5. Mainstreaming, according to resolution 1/4 on the Quick Start Programme adopted by the International Conference on Chemicals Management at its first session, is defined as “integrating the sound management of chemicals in national strategies, and thereby informing development assistance cooperation priorities”. Its overarching objective is to align regulations, economic instruments and other policy instruments with a view to correcting market failures and ensuring that the costs of environmental degradation are covered according to the “polluter pays” principle.

6. Mainstreaming the sound management of chemicals and wastes into national development plans and budgets in developing countries and into the international development assistance priorities of developed countries is expected to reduce environmental externalities, support poverty alleviation and advance sustainable development. At the same time, mainstreaming seeks to scale up national, international and industry financing for the sound management of chemicals as a contribution to achieving the target of the World Summit on Sustainable Development envisioning that, by 2020, chemicals will be produced and used in ways that minimize significant adverse impacts on the environment and human health, as well as the 2030 Agenda for Sustainable Development.

2. Activities

7. In 2007, UNEP and the United Nations Development Programme (UNDP) established a partnership initiative on the integration of the sound management of chemicals into development planning processes as a follow-up to the adoption of the Strategic Approach to International Chemicals

Management in Dubai, United Arab Emirates, in February 2006. The objective of the partnership is to support countries in achieving the 2020 goal on chemicals management.¹

8. To date, the partnership has worked with 16 countries² to mainstream national chemicals management priorities into national development plans, sector strategies, local government development plans and other development programmes.

9. The mainstreaming approach used and tested by UNEP and UNDP in the pilot countries consisted of the following steps:

- (a) Initial project mobilization phase;
- (b) Baseline analysis;
- (c) Diagnostics and needs assessment;
- (d) Identification of national priorities on the sound management of chemicals;
- (e) Economic analysis of the costs of inaction and the benefits of action;
- (f) Targeted policy instruments to achieve the sound management of chemicals;
- (g) Integration of sound management priorities into development policies.

10. The pilot projects were executed through the UNDP country offices with technical support from the headquarters offices of UNEP and UNDP. UNDP country offices used additional international experts in order to implement country activities, as in a number of the countries the expertise for economic analysis was limited.

11. The secretariat of the Basel, Rotterdam and Stockholm conventions has provided support to developing-country parties and parties with economies in transition in advancing synergies between the three conventions at the regional and national levels as a contribution to mainstreaming chemicals and wastes issues at the regional and national levels. Activities were focused on issues linked to the obligations of the parties under the conventions – for example, reporting, monitoring, phasing out chemicals, managing waste streams covered under the conventions, and introducing alternatives to listed chemicals. The secretariat worked with the regional centres of the Basel and Stockholm conventions to build and strengthen regional expertise.

3. Initial lessons learned

12. An analysis of the initial outcomes of national mainstreaming projects was carried out in 2015³ and provided an overview of activities, experiences and lessons learned from the 15 projects. It will facilitate the design of future sound chemicals management mainstreaming activities and projects on the basis of the challenges and opportunities encountered.

13. The analysis shows variations in the implementation and results of the projects. In a number of countries, the approach was successful in introducing the sound management of chemicals into development planning processes. In other countries, although awareness of the need for sound chemicals management increased, it did not lead to the incorporation of such an approach into national development policies.

14. A number of countries participating in the partnership initiative were able to:

- (a) Identify sound management of chemicals priorities in the context of their development priorities instead of from an exclusively environmental perspective;
- (b) Enhance the economic content of policy recommendations;
- (c) Engage with new stakeholders, including in economic development sectors, finance and development planning.

15. In reviewing the mainstreaming activities carried out, it is important, first and foremost, to acknowledge the new nature of the sound chemicals management mainstreaming concept for most countries. Prior to the adoption of the Strategic Approach, project support focused mainly on discrete technical chemicals-related projects that were predominantly funded by external donors. The

¹ Financial contributions and technical support has been received from the Strategic Approach Quick Start Programme Trust Fund (QSP TF) and from the Governments of Norway and Sweden.

² Belize, Burkina Faso, Ecuador, Honduras, Kazakhstan, Kyrgyzstan, Liberia, Mauritania, Mauritius, Moldova, Nigeria, Suriname, the former Yugoslav Republic of Macedonia, Uganda, Viet Nam, Zambia.

³ Funded by a grant from the Danish Government.

mainstreaming approach contained new and often unfamiliar angles for a chemicals management project and therefore involved learning for all the partners engaged in the projects.

16. The review identified some crucial elements for the success of the approach. First, it is necessary to align the chemicals mainstreaming activities with the policy cycle for national development planning processes. Second, a high-level buy-in by government departments should be ensured at the outset of the activities. Third, the integration of the sound management of chemicals into chemicals-intensive sector plans ensures acceptance by the sector. Fourth, advice and guidance on economic analysis should be made available, given that there is limited capacity for such analysis in most developing countries.

17. The outcomes of the analysis were presented to the International Conference on Chemicals Management at its fourth session, in September 2015 (SAICM/ICCM.4/INF/12).

B. Industry involvement

1. Introduction

18. According to *Global Chemicals Outlook: Towards Sound Management of Chemicals*, the value of the global chemical industry's economic output has increased steadily over the past several decades, from \$171 billion in 1970 to \$4.12 trillion in 2010. The *OECD Environmental Outlook to 2050: The Consequences of Inaction*, predicts that global chemicals sales will grow by about 3 per cent per year to 2050.

19. Industries therefore play a critical role in supporting the sound management of chemicals and wastes at key stages of their life cycle, such as in production (including for organic chemicals, petrochemicals, inorganic chemicals and fertilizers), in processing and blending, in commercial and consumer use and in disposal and recycling operations.

20. While the chemicals industry and its businesses are governed directly and indirectly by standards or obligations established in national legislation, involving industry in the sound management of chemicals and wastes at the international level is not directly governed by the multilateral environmental agreements and their financial mechanisms.

21. At the same time, industry is influenced by standards and policies established and promoted globally through multilateral agreements, the implementation of which can foster the mobilization of resources for the sound management of chemicals and wastes by the chemicals and waste industry.

22. The integrated approach recognizes that the effective and cost-efficient involvement of industry requires clarity and coherence in the allocation of mandates and responsibilities between public bodies and industry. Hence, there is a need to identify the mandate of public bodies involved in any related activities at every stage of a chemical's life cycle in order to ensure the appropriate allocation of responsibilities between national administrations and industry.

2. Activities

23. Industry is involved in a number of activities under the UNEP subprogramme on chemicals and waste, including the Strategic Approach.⁴ At the same time, industry has been a major stakeholder in the development of the *Global Chemicals Outlook* report (UNEP 2012) and the *Costs of Inaction on the Sound Management of Chemicals* report (UNEP 2013).

24. In order to support cost recovery and related industry involvement, UNEP has developed guidance on the development of legislation, administrative infrastructure and recovery of administrative costs for the sound management of chemicals. The guidance aims at providing practical, step-by-step support to policymakers for strengthening national legislation and institutional set-ups to achieve the sound management of chemicals, including proposals on measures for financing necessary administrative activities. The guidance includes proposals concerning the division of responsibilities between government and industry and the use of cost-recovery measures to support national administrations in the implementation and enforcement of chemicals legislation.

25. In order to facilitate dialogue concerning industry involvement in countries in the African and Asia-Pacific regions, UNEP organized two regional workshops in 2014 to raise the awareness of industry and Governments about the benefits and the necessity of involving industry in the sound management of chemicals and wastes in the context of the integrated approach and identifying opportunities for industry to contribute to national long-term financing.

⁴ For example, work on waste relating to mercury, lead in paint, chemicals in products, accident prevention, and sustainable production and consumption.

26. From 2010 to 2014, a memorandum of understanding between UNEP and the International Council of Chemical Associations (ICCA) provided a framework of cooperation and understanding. A new memorandum of understanding is under development and is expected to be signed in the second quarter of 2016. The memorandum of understanding is based on a letter of intent to strengthen the partnership to support the sound management of chemicals up to and beyond the 2020 goal for the sound management of chemicals, which was signed by the Executive Director of UNEP and the President of ICCA at the fourth session of the International Conference on Chemicals Management.

27. The memorandum of understanding will focus on: (a) voluntary and legal systems to improve sound chemicals management in the global chemical industry supply chain; (b) the secretariat of the Strategic Approach, governance and implementation; and (c) the sound management of chemicals beyond 2020. Under the memorandum of understanding, UNEP and ICCA will organize different activities and events to further the sound management of chemicals up to and beyond 2020.

28. The secretariat of the Basel, Rotterdam and Stockholm conventions has supported the work of two partnerships related to e-waste, namely the Mobile Phone Partnership Initiative and the Partnership for Action on Computing Equipment, with the active involvement of the producing and recycling industries. Both partnerships were spearheaded by the parties to the Basel Convention. Industries were involved from the beginning in the set-up and implementation of the partnership activities. The partnerships benefited from technical and financial support from countries and the private sector, which enabled pilot projects to be implemented on time.

29. Other partnerships, such as the PCBs Elimination Network and the Global Alliance for alternatives to DDT, were initiated by parties to the Stockholm Convention as information exchange networks. The partnerships received funding from donors during the start-up phase and mostly in-kind contributions from the private sector. Given the lack of sustained funding, there was limited scope for extending the work programmes to undertake studies and pilot projects.

3. Initial lessons learned

30. The various activities undertaken reiterated the relevance of the integrated approach in ensuring the successful implementation of the sound management of chemicals and recognized sound chemicals management as critical to achieving the Sustainable Development Goals and the 2020 goal. The outcomes of the work undertaken also showed that countries are generally aware that the sound management of chemicals can only be achieved through the full participation and engagement of all stakeholders at each stage of the life cycle of a chemical or product containing chemicals. Such involvement is required to ensure appropriate manufacture, handling, transportation, use and disposal of chemicals and other products.

31. Chemical producers have an important role in facilitating the engagement of other industrial and commercial sectors, small and medium-sized enterprises in particular. However, it is equally important to ensure that other actors involved in the value chain recognize their responsibilities and act accordingly. Trade unions, for example, can raise awareness among workers and consumer organizations, while civil society organizations are well positioned to reach out to the general public. Strengthening the involvement of industry at all levels can also be achieved by either strengthening existing economic instruments or developing new and innovative ones to support the sound management of chemicals and waste. This can include, for example, the use of environmental performance bonds in conjunction with environmental assessment approvals or industrial permitting processes.

32. Another important finding is the recognition of the need to link chemicals and waste management to broader macroeconomic analysis and policy reforms that seek to achieve the implementation of the Sustainable Development Goals and the Green Economy agenda. In order to advance these objectives, the involvement and engagement of various sectors of industry and other stakeholders, as well as a collaborative framework between sectors and the public authorities, are needed.

33. The outcomes of the analysis were presented as an information document to the International Conference on Chemicals Management at its fourth session, in September 2015 (SAICM/ICCM.4/INF/13).

C. Dedicated external financing

1. Introduction

34. The dedicated external financing component of the integrated approach contains the following two elements:

(a) The Global Environment Facility; and

(b) The Special Programme to support institutional strengthening at the national level for the implementation of the Basel, Rotterdam and Stockholm conventions, the Minamata Convention and the Strategic Approach.

2. Activities

35. At its first session, in 2014, the United Nations Environment Assembly adopted in its resolution 1/5 the terms of reference for a special programme, to be funded by voluntary contributions, to support institutional strengthening at the national level to enhance the implementation of the Basel, Rotterdam and Stockholm conventions, the Minamata Convention and the Strategic Approach.

36. The secretariat of the Special Programme is hosted within the Chemicals and Waste Branch of the UNEP Division of Technology, Industry and Economics. It became operational in 2015 with the appointment of a Programme Officer to the secretariat. The Trust Fund for the Special Programme was established at United Nations Headquarters and is open for receiving funds. Significant contributions have been pledged to the Special Programme, including, as at February 2016, €11 million from the European Union, €200,000 from the Government of Finland, €180,000 from the Government of Germany, \$180,000 from the Government of Sweden and \$750,000 from the Government of the United States of America.

37. The Executive Board of the Special Programme has been established. The representatives of recipient countries on the Executive Board are as follows: Kenya representing Africa, Brazil representing Latin America and the Caribbean, the former Yugoslav Republic of Macedonia representing Central and Eastern Europe, and Yemen representing least developed countries and small island developing States. The country that will represent Asia and the Pacific is still to be decided. The donor representatives on the Executive Board are the European Union, Finland, Germany, Sweden and the United States.

38. At the invitation of UNEP, the secretariat of the Basel, Rotterdam and Stockholm conventions, the interim secretariat of the Minamata Convention and the secretariat of the Strategic Approach are members of an internal task team of the Special Programme. The task team brings together internal expertise and experience in the administration of similar programmes, identifies lessons learned and best practices, and supports the implementation of the Special Programme.

39. The secretariat of the Basel, Rotterdam and Stockholm conventions reported back to the conferences of the parties in 2015 on its efforts to implement the dedicated external financing component.⁵ Pursuant to the decisions on the implementation of the integrated approach adopted by the conferences of the parties,⁶ the Executive Secretary participated as an observer in the meetings of the Executive Board of the Special Programme. As was mentioned above, the secretariat has also continued to cooperate, as appropriate, with the secretariat of the Special Programme. On a related matter, during its 2015 meeting, the Conference of the Parties to the Basel Convention also mandated the Committee administering the Mechanism for Promoting Implementation and Compliance to undertake a further review of the implementation fund in the light of the experience of the Committee and other developments, including with respect to the Special Programme. The outcome of the review will be submitted to the Conference of the Parties at its thirteenth meeting in May 2017.

40. The first meeting of the Executive Board of the Special Programme was held in Geneva on 2 and 3 February 2016. The Executive Board approved ad interim its rules of procedure and the application guidelines and forms. The final approval of these documents took place on 4 March 2016, in accordance with the procedures agreed upon during the meeting, so as to accommodate the election of the Executive Board member from Asia and the Pacific. The Board agreed that the first call for applications, which would be a pilot phase, would be initiated on 5 April 2016 and remain open for a three-month period, with a deadline of 4 July 2016.

3. Initial lessons learned

41. The operational arrangements for the Special Programme have benefited from lessons learned and best practices identified by similar initiatives, such as the Multilateral Fund for the Implementation of the Montreal Protocol and the Quick Start Programme of the Strategic Approach.

42. Significant fundraising efforts have taken place since the first session of the Environment Assembly and during the implementation of the Special Programme, providing a sound basis for the

⁵ See document UNEP/CHW.12/20/Rev.1-UNEP/FAO/RC/COP.7/14/Rev.1-UNEP/POPS/COP.7/26/Rev.1.

⁶ See decisions BC-12/18, RC-7/8 and SC-7/22.

implementation of the Special Programme once the operational arrangements are approved by its Executive Board.

43. It should be recognized that adequate time was required to enable nominations to the Executive Board to be made through an inclusive and transparent process. Further guidance with regard to future nominations to the Executive Board of the Special Programme – for example, through regional coordination – would be valuable.

III. Institutional cooperation and partnerships

44. Given the cross-sectoral nature of chemicals management and its multi-stakeholder dimension, the implementation of the integrated approach requires coordination and cooperation between all stakeholders, in particular Governments, industry, civil society, academia and intergovernmental organizations.

45. UNEP has established an internal task team jointly with the secretariat of the Basel, Rotterdam and Stockholm conventions, the interim secretariat of the Minamata Convention and the secretariat of the Strategic Approach to draw upon internal expertise and experience from similar programmes with a view to supporting the implementation of the Special Programme.

46. With UNDP, UNEP has developed and implemented a partnership approach to the integration (mainstreaming) of the sound management of chemicals into national development policies in a number of countries. The results of this partnership approach are described in more detail under the section on mainstreaming, below.

47. With WHO, UNEP has initiated cooperation in the African region in the context of the Libreville Declaration on Health and Environment in Africa. The Declaration fostered an African programme to reduce the risks posed by chemicals to human health and ecosystems through the development of nationally integrated health and environment observatories for mainstreaming the sound management of chemicals. The programme is intended to stimulate investments for major management and remediation interventions supported by coordinated health and environment interventions and linked to the broader economic development framework.

48. UNEP collaborative activities with other intergovernmental bodies are mainly undertaken through the Inter-Organization Programme for the Sound Management of Chemicals (IOMC), which was established in 1995 to strengthen cooperation and increase coordination among intergovernmental organizations in the field of chemicals management. The integrated approach and, in particular, the Special Programme are regularly discussed at the biennial meetings of IOMC.

49. UNEP has cooperated with a number of developing countries in developing and implementing mainstreaming projects, with funding from the Quick Start Programme of the Strategic Approach and bilateral donors such as the Governments of Norway and Sweden. The results of this partnership are described in the discussion on mainstreaming, below (para. 55).

50. UNEP and ICCA have signed a letter of intent to strengthen their collaboration and are preparing a memorandum of understanding that will include activities relevant for industry involvement under the integrated approach to financing the sound management of chemicals and waste.

51. The implementation of Strategic Approach activities concerning the emerging issues of lead in paint and chemicals in products includes close cooperation with private-sector and civil society actors that are relevant for industry involvement.

IV. Issues for consideration

52. The first phase of activities and lessons learned has identified a range of issues that require further consideration in order to strengthen the implementation of the integrated approach to financing the sound management of chemicals and waste in the years to come.

A. Mainstreaming

53. Opportunities for consideration and further action in the area of mainstreaming include, for example:

(a) Using the implementation of the Sustainable Development Goals as an entry point to support the mainstreaming of sound chemicals and waste management into national sustainable development strategies, including possible support of pilot projects upon request. This will also

address the issue of mainstreaming data collection for the indicators as well as monitoring and evaluation;

- (b) Developing guidance and sharing good practices concerning:
 - (i) The development of economic instruments and the division of responsibilities between Governments and industry;
 - (ii) The use of economic analysis to assess the benefits of action on chemicals in order to internalize the external cost related to chemicals;
- (c) Strengthening advisory and support services to promote the sound management of chemicals at the national level, including its mainstreaming into national policies and programmes, and instruments concerning the production, use, trade and release of chemicals;
- (d) Implementation of pilot projects to support the development and adoption of economic incentives and cost-recovery schemes for the sound management of chemicals, upon request;
- (e) Analysis to determine how the Special Programme and other financial mechanisms in the chemicals and waste cluster can most effectively support mainstreaming activities as part of institutional strengthening and coordination of implementation of the chemicals and wastes conventions and the Strategic Approach.

B. Industry involvement

54. Opportunities for consideration and further action in the area of industry involvement include:

- (a) Implementation of and scaling-up action under the memorandum of understanding with ICCA on a strengthened partnership for the sound management of chemicals;
- (b) Development of partnerships with multinational companies and small and medium-sized enterprises to design and implement results-based chemicals management capacity development initiatives at the regional and national levels;
- (c) Development of guidance for:
 - (i) The integration of chemicals and waste management in all stages of the chemicals value chain;
 - (ii) The development of national plans to ensure the involvement of industry through different legal and voluntary means;
- (d) Consideration of new innovative financial instruments, mechanisms and advisory services to scale up investments and technology transfer for the sound management of chemicals and wastes;
- (e) Collaboration with industry and other relevant stakeholders to advance sustainable chemistry.

C. Dedicated external financing

55. Opportunities for consideration and further action in the area of dedicated external financing include, for example:

- (a) Ensuring sustainable funding for the Special Programme by encouraging multi-year donor contributions;
- (b) Exploring opportunities and leveraging co-funding for institutional capacity development at the national level through funding sources other than the Special Programme;
- (c) Creating linkages with opportunities arising from the implementation of the 2015 Addis Ababa Action Agenda of the Third International Conference on Financing for Development;
- (d) Exploring linkages with the Global Environment Facility (GEF), including the integrated approach pilots, such as the one on sustainable cities.

Annex

Key milestones in the development of the integrated approach to financing the sound management of chemicals and waste

1. **2010, UNEP Governing Council decision SS.XI/8.** The development of the integrated approach was initiated by the Executive Director of UNEP through the establishment of a consultative process on financing options for chemicals and wastes.¹ In 2010, in its decision SS.XI/8, the UNEP Governing Council welcomed the establishment of the consultative process and the work carried out by UNEP in this regard. In addition, the Governing Council requested the Executive Director to continue leading the consultative process and suggested drawing more on the experience of the multilateral environmental agreements and the work of the International Conference on Chemicals Management, GEF, UNDP, the World Bank and other relevant organizations.
2. It also requested the Executive Director, in preparing documents for the next stage of the consultative process, to ensure that the comments and the contributions of Governments, in particular participating invited parties and stakeholders at the second meeting of the consultative process on financing options for chemicals and wastes, held in 2009 in Bangkok, were incorporated into a revised version of the note by the Executive Director on financing the chemicals and wastes agenda² and into the action-oriented summary of policy options for financing chemicals and wastes.³ The Executive Director was furthermore requested to report on the progress made and the direction of the consultative process on financing options for chemicals and wastes to relevant intergovernmental processes, with the aim of providing a final report for consideration by the Governing Council/Global Ministerial Environment Forum at its twelfth special session, in 2012, and of achieving possible decisions at the third session of the International Conference on Chemicals Management, in 2012, and at the twenty-seventh session of the Governing Council/Global Ministerial Environment Forum, in 2013.
3. **2010, United Nations General Assembly resolution 65/162.** In December 2010, in its resolution 65/162, the General Assembly of the United Nations welcomed the consultative process on financing options for chemicals and wastes and expressed support for further efforts through UNEP to continue those discussions, and in that regard encouraged cooperation and coordination among the secretariats of the Basel, Rotterdam and Stockholm conventions and support for Governments in their efforts to implement, comply with and enforce those multilateral environmental agreements.
4. **2011, UNEP Governing Council decision 26/7.** In February 2011, in its decision 26/7, the Governing Council of UNEP requested UNEP to continue to provide support for the consultative process. It also requested the Executive Director of UNEP to submit a final report to the Governing Council/Global Ministerial Environment Forum at its twelfth special session on the implementation of decision SS.XI/8 and of decision 26/7.
5. **2011, decision SC-5/26 of the Conference of the Parties to the Stockholm Convention.** In April 2011, in its decision SC-5/26, the Conference of the Parties to the Stockholm Convention requested the Executive Secretary to take into account the outcomes of the consultative process on financing options on chemicals and wastes referred to in paragraph 5 of the decision, that recalled the consultative process, in his consultations on ways and means to improve the efficiency of the work of the Conference of the Parties with regard to financial resources and mechanisms.
6. **2012, UNEP Governing Council decision SS.XII/4.** In February 2012, in its decision SS.XII/4, the Governing Council requested the Executive Director to continue to provide support to the consultative process, subject to the availability of extrabudgetary resources, with a view to elaborating further a final outcome based on the integrated approach to financing the sound management of chemicals and wastes. In the same decision, it also requested the Executive Director, taking into consideration the outcome document of the consultative process and his final report, to prepare a draft proposal, and to seek advice thereon through a consultative process, for consideration and possible decision at the third session of the International Conference on Chemicals Management, in 2012, and at the twenty-seventh session of the Governing Council/Global Ministerial Environment

¹ A consultative process was proposed by the Executive Director of UNEP in response to an impasse in the discussions on financial issues at the fourth meeting of the Conference of the Parties to the Stockholm Convention on Persistent Organic Pollutants and similar impasses in discussions in other forums on financing for chemical and wastes management. (UNEP/POPS/COP.4/38, para. 193).

² UNEP/GCSS.XI/INF/8.

³ UNEP/GCSS.XI/INF/8/Add.1.

Forum, in 2013. It further requested the Executive Director, in collaboration with relevant partners, to continue to raise awareness of the importance of the sound management of chemicals and wastes and to report on progress in the implementation of the decision to the participants in relevant intergovernmental processes and meetings.

7. **2012, resolution III/1 of the International Conference on Chemicals Management.** In September 2012, in its resolution III/1, the International Conference on Chemicals Management welcomed that the proposal on an integrated approach to financing the sound management of chemicals and wastes being developed by the Executive Director of UNEP covered the Strategic Approach. In the same resolution, the Conference acknowledged that long-term financing of the Strategic Approach should be based on the concept of an integrated approach that, as reflected in the outcome document of the consultative process on financing options for chemicals and wastes, included mainstreaming, industry involvement and external financing, all of which needed further clarification in order to become operational. It requested that the Strategic Approach be part of any integrated approach for long-term financing of the chemicals and waste cluster.

8. In the same resolution, the Conference invited the Executive Director in the finalization of his proposal on an integrated approach to the financing of the sound management of chemicals and wastes and the Governing Council of UNEP in its deliberations on the proposal to take into consideration the need to strengthen the implementation of the financial consideration as discussed in paragraph 19 of the Overarching Policy Strategy in the context of the existing chemicals and waste cluster, taking into account the rich debate held during the third session of the Conference as reflected in the report of that session.

9. **2013, UNEP Governing Council decision 27/12 VIII.** In February 2013, in its decision 27/12, the Governing Council of UNEP welcomed an integrated approach to address the financing of the sound management of chemicals and wastes and underscored that the three components of an integrated approach, mainstreaming, industry involvement and dedicated external finance, were mutually reinforcing and were all important for the financing of the sound management of chemicals and wastes.

10. In the same decision, the Governing Council also invited Governments to consider establishing, through an existing institution, a special programme, funded by voluntary contributions, to support institutional strengthening at the national level for implementation of the Basel, Rotterdam and Stockholm conventions, the future Minamata Convention and the Strategic Approach, noting that each respective governing body would have to determine the participation of its entity in the special programme.

11. It also requested the Executive Director to facilitate and support a country-led meeting of Governments and regional economic integration organizations, open to interested stakeholders, including potential donors, the private sector, civil society, UNEP, GEF, other relevant intergovernmental organizations and international financial institutions, and the secretariats of the Basel, Rotterdam and Stockholm conventions and the Strategic Approach, to further develop terms of reference for such a special programme, including:

- (a) A definition of institutional strengthening;
- (b) The duration of the Special Programme;
- (c) Clear parameters and eligibility criteria;
- (d) Practical arrangements necessary to make the Special Programme operational.

12. In the same decision, the Governing Council also requested the Executive Director to submit to the governing body of UNEP within three years a report on the implementation of the integrated approach.

13. **2014, resolution 1/5 of the United Nations Environment Assembly of UNEP.** In June 2014, in its resolution 1/5, the United Nations Environment Assembly adopted the terms of reference for a special programme, to be funded by voluntary contributions, to support institutional strengthening at the national level to enhance the implementation of the Basel, Rotterdam and Stockholm conventions, the Minamata Convention and the Strategic Approach.

14. **2015, decision SC-7/22 of the Conference of the Parties to the Stockholm Convention.** In May 2015, in its decision SC-7/22, the Conference of the Parties to the Stockholm Convention joined the United Nations Environment Assembly of UNEP in welcoming an integrated approach to addressing the financing of the sound management of chemicals and wastes, underscoring that the three components of an integrated approach, mainstreaming, industry involvement and dedicated

external finance, were mutually reinforcing and were all important for the financing of the sound management of chemicals and waste at all levels and emphasizing the importance of implementing the three components, as agreed in decision UNEP Governing Council decision 27/12. It requested the secretariat to assist parties in that respect, subject to the availability of resources, and recognized the importance of the joint programme of work to that end.

15. In the same decision, the Conference of the Parties welcomed United Nations Environment Assembly resolution 1/5, including the agreement to establish the Special Programme to support institutional strengthening at the national level for the implementation of the Basel Convention, the Rotterdam Convention, the Stockholm Convention, the Minamata Convention and the Strategic Approach, and looked forward to the early start of the Special Programme's operations.

16. In the same decision, it welcomed that according to the terms of reference of the Special Programme the Executive Secretary may participate as an observer in the meetings of the executive board of the Special Programme, requested him to attend such meetings and requested the secretariat to cooperate, as appropriate, with the secretariat of the Special Programme. It also requested the Executive Secretary to continue to ensure that the activities of the secretariat and its support to parties under the Basel, Rotterdam and Stockholm conventions took as reference the integrated approach and the programmes of work of the three conventions.

17. **2015, resolution IV/1 of the International Conference on Chemicals Management.** In October 2015, in its resolution IV/1, the International Conference on Chemicals Management welcomed the integrated approach to financing the sound management of chemicals and wastes developed by UNEP, which was applicable to the Strategic Approach and underscored that the three components of an integrated approach, namely mainstreaming, industry involvement and dedicated external financing, were mutually reinforcing and were all important for the financing of the sound management of chemicals and waste at all levels.

18. In the same decision, the Conference welcomed the Special Programme as one of the elements of dedicated external financing under the integrated approach agreed by the United Nations Environment Assembly.
