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**Open-ended Working Group of the International Conference
on Chemicals Management**

First meeting

Belgrade, 15–18 November 2011

Item 5 (b) of the provisional agenda*

**Implementation of the Strategic Approach:
financial and technical resources for implementation**

Update on the Quick Start Programme

Note by the Secretariat

I. Background

1. The International Conference on Chemicals Management, by its resolution I/4, established the Quick Start Programme to support activities to enable initial capacity-building and implementation in developing countries, least developed countries, small island developing States and countries with economies in transition. In that resolution, the Conference also called for the Quick Start Programme to include a trust fund, administered by the United Nations Environment Programme (UNEP), and multilateral, bilateral and other forms of cooperation. It further invited Governments in a position to do so, regional economic integration organizations, intergovernmental organizations, the private sector, including industry, foundations, non-governmental organizations and other stakeholders, to contribute to the Programme.

2. The Conference is the main governing body of the Quick Start Programme. By resolution I/4, the Conference also established the Quick Start Programme Executive Board, consisting of two government representatives of each of the United Nations regions and representatives of all bilateral and multilateral donors and other contributors to the Programme. The Conference also invited the participating organizations of the Inter-Organization Programme on the Sound Management of Chemicals and the United Nations Development Programme to form the Quick Start Programme Trust Fund Implementation Committee. The Board reviews progress under the Quick Start Programme on the basis of reports from the Trust Fund Implementation Committee and other Quick Start Programme participants, and provides operational guidance on the implementation of the Programme's strategic priorities. As provided for in appendix II to resolution I/4, the Trust Fund Implementation Committee reviews and appraises proposals for projects to be financed by the Quick Start Programme Trust Fund.

II. Midterm review of the Quick Start Programme

3. By its resolution II/3 on financial and technical resources for implementation, the Conference requested the Quick Start Programme Executive Board to evaluate the Programme, report on its effectiveness and the efficiency of its implementation and make recommendations in the light of its findings for the consideration of the Conference at its third session.

* SAICM/OEWG.1/1/Rev.1.

4. Detailed terms of reference for the development of a midterm review were approved by the Executive Board at its fifth meeting, on 29 and 30 June 2010. The Strategic Approach secretariat was tasked with engaging two¹ consultants to conduct the review and coordinating the review according to the terms of reference. The review consisted of a desk study, interviews and a survey of stakeholders. Site visits were not considered as a result of funding and time constraints.

5. Two international experts were engaged to conduct the review. It proved difficult to identify an expert from a developing country owing to time and administrative constraints; to compensate for the lack of representation from developing countries, the secretariat convened an ad hoc advisory group of chemical experts to provide input into the review, thereby ensuring broad representation of developing and developed countries in the review process. The resulting reports from the two experts were combined in a single report following the proposed outline provided in the terms of reference and incorporating the recommendations of the ad hoc advisory group of chemicals experts while respecting the authors' original opinions and comments. Minor editorial changes and specific attributions of comments were made where appropriate.

6. The Quick Start Programme Executive Board examined the midterm review at its sixth meeting, held in Geneva on 13 and 14 September 2011. It found the overall analysis and recommendations presented in the review to be disappointing, mainly as a result of a lack of input from stakeholders. It said that the drawing of firm conclusions from the review had been hampered by a lack of information from national-level implementers, who had not been sufficiently consulted. It acknowledged that, while the report contained much useful information and data on Quick Start Programme projects that were of value and could be used in an evaluation, it did not reflect the reality of project outcomes, notably in its executive summary and recommendations.

7. Taking into consideration its mandate pursuant to resolution II/3, in particular to develop recommendations in the light of the findings of the review for consideration at the third session of the Conference, the Board decided that it needed more information before developing such recommendations. It therefore agreed upon a procedure by which the review would be revised to fill existing gaps, add stakeholder input and tackle issues of governance more fully.

8. According to that procedure, the secretariat is to engage a new consultant to revise the review of the Programme, taking advantage of the Open-ended Working Group meeting to gather information from project implementers and other Strategic Approach stakeholders present at the meeting. The revised review is to be ready for consideration by the Executive Board at its seventh meeting, in April 2012, and provide conclusions to facilitate the development of recommendations by the Executive Board for consideration by the Conference at its third session, in 2012.

9. The report of the midterm review of the Quick Start Programme (SAICM/EB.6/7/Rev.1) can be found on the Strategic Approach website at www.saicm.org.

III. Status of the Quick Start Programme

A. Revisions to the operational guidelines for the implementation of the Quick Start Programme

10. At its sixth meeting, held in Geneva on 13 and 14 September 2011, the Quick Start Programme Executive Board endorsed amendments to the funding application guidelines in line with its mandate to provide overall guidance for the implementation of the Programme. The changes include a request for enhanced information on the justification for the projects through the provision of a clear picture of the chemicals management situation at the country level; and enhanced information on the budget, including in particular detailed information on the project budget's travel line, such as a detailed description of each of the project personnel who would be permitted to travel. Pursuant to these new arrangements, travel of staff members from intergovernmental organizations supported by Quick Start Programme funds should be restricted to those providing substantive technical support to a project.

¹ Section VI of the terms of reference sets out the criteria for hiring the two international evaluators as follows: one from a developed country and the other from a developing country; they should not have been associated with the Quick Start Programme or projects funded by the Quick Start Programme trust fund; should be international environmental experts specializing in chemicals management; and should have experience with management, implementation and evaluation of projects.

11. In addition, the Board noted with concern that a significant number of projects had failed to provide progress and/or final reports to the secretariat. It therefore requested that the funding application guidelines should be amended to specify that countries would not qualify for funding unless they had submitted all relevant reports to the secretariat in connection with any earlier projects for which they had received funding from the Programme.

12. The Board noted that participants at the fourth African regional meeting had expressed concern that projects funded in rounds 12, 13 and 14 would have to be completed in 18, 12 and 6 months, respectively. Those participants had said that those timelines were unrealistic given that significant stakeholder coordination was necessary in the types of projects being supported and would render it difficult to implement projects with a duration of less than 24 months.

13. Following consideration of that issue the Board noted that the terms of reference for the Quick Start Programme set out in appendix II to resolution I/4 limited the secretariat's ability to disburse funds beyond November 2013 and requested the secretariat to prepare a draft recommendation, for consideration at the third session of the Conference, that would amend resolutions I/4 and II/3 to enable project funds to be committed until the end of 2013 and disbursed beyond the end of 2013.

B. Status of implementation of the Quick Start Programme

14. Detailed information on the implementation of the Quick Start Programme, including on the status of projects and implementation of the business plan, can be found in document SAICM/OEWG.1/INF/12, from which the highlights below have been extracted.

15. Since its establishment, the Programme has mobilized a total of \$39.5 million, including additional in kind contributions from funded projects (\$7 million) and contributions by donors to the Trust Fund (\$32.5 million).² In addition, non-Trust Fund contributions declared using the official reporting form have demonstrated the Programme's potential to attract funds in support of chemicals management activities globally. Between 2006 and July 2011 non-Trust Fund contributions totalling \$76.4 million have been declared.³

16. The voluntary, time-bound Trust Fund was established to support activities to enable initial capacity-building and implementation in developing countries, least developed countries, small island developing States and countries with economies in transition consistent with their national priorities for the implementation of the Strategic Approach. The total Quick Start Programme portfolio includes 139 projects approved over 10 rounds of applications held between May 2006 and February 2011, with total funding of \$29,432,444. These projects are being implemented by 100 Governments and 15 civil society organizations and involve activities in 103 countries, including 53 least developed countries and small island developing States. Of 133 countries that are eligible to receive funds from the Trust Fund, 30 have yet to do so.

17. The business plan⁴ targets and strategies for fund-raising were set by the Executive Board at its second meeting, in April 2007. The Programme has demonstrated progress in attaining most targets and strategies and has achieved two: first, leveraged co-financing of at least 30 per cent of Trust Fund seed money and, second, repeat contributions before the second session of the Conference by at least 60 per cent of donors. Two targets regarding the enlargement of the donor base have not been reached, however, indicating the challenges faced by the Programme in attracting new donors. The outreach and equitable delivery strategies and targets, which were established to ensure the participation of underrepresented regions and least developed countries and small island developing States, have all been achieved or have progressed satisfactorily.

2 Figures as at July 2011.

3 Although impressive, this number may be an overestimation given that, under the reporting requirements for the non-Trust Fund element of the Programme, contributors are not required to disclose details on the programmes supported under this category. The Executive Board acknowledged that, in some instances, there might be some duplication of figures (see document SAICM/EB.6/8).

4 The Executive Board of the Quick Start Programme developed a business plan in 2007 and has been updating it at each of its meetings as required.

18. The overall fund-raising target established under the business plan,⁵ to be attained by the conclusion of the Programme, is \$44,811,477. As at July 2011, total contributions and pledges received by UNEP stood at \$32,407,358. To meet its target the Trust Fund must therefore receive \$12,404,119, an amount that would enable it to support at least another 50 projects; in accordance with resolution II/3 that amount must be received by the third session of the Conference. Considering that 30 eligible countries have yet to receive funding support, the receipt of these contributions is essential to meeting demonstrated unmet needs, with demand remaining high.

19. Its early successes in attracting funds notwithstanding, the financial situation of the Trust Fund has deteriorated significantly over the past year. This is particularly critical at the current juncture in the implementation of the Strategic Approach, given that the Trust Fund will remain open to receive contributions only until the third session of the Conference, in 2012. As at July 2011, funds available to be awarded to support projects amounted to \$1,155,125. With this amount, the Quick Start Programme Implementation Committee would be able to approve at the most 5 of the 23 eligible projects for which proposals were received during the eleventh round of applications,⁶ which is the lowest number of proposals approved to date. Considering that in each round between 45 and 50 per cent of proposed projects have been funded, for an average total amount awarded of between \$2 million and \$3 million, it would appear that demand for Quick Start Programme funds remains high given that approximately half the amount of projects proposed go unfunded.

C. Status of Quick Start Programme Trust Fund portfolio projects

20. As at July 2011 the total Quick Start Programme project portfolio consisted of 143 projects. The summary below highlights information on the current status of those projects, classified in the following five categories: completed, under way, suspended, approved pending signature of the project agreement, and pending confirmation of approval.

1. Completed projects

21. Activities under a total of 34 projects from application rounds 1–6 have been completed. Of those, 24 are considered “duly completed” given that all the required deliverables have been submitted, and final reports are being submitted for the remaining 10 projects. For most of the 34 completed projects, activities and main key outcomes were aimed at:

- (a) Developing national chemicals profiles;
- (b) Developing national capacity assessments;
- (c) Setting priorities for activities for the implementation of the Strategic Approach;
- (d) Developing risk assessment methodologies;
- (e) Mainstreaming issues pertaining to the sound management of chemicals into the national development plans of the participating countries;
- (f) Improving cohesion and implementation of existing international agreements;
- (g) Developing national awareness-raising campaigns on sound chemicals management.

22. Specific interventions as part of integrated regional campaigns to minimize domestic sources of mercury, including actions in the community to protect children and women’s health, have also taken place. These activities have benefited from the active participation of civil society organizations.

2. Projects under way

23. There are 71 projects from the first to the ninth application rounds under way. Of those, 35 from application rounds 2–9 are demonstrating progress according to their workplans, 12 are at an early stage of implementation (including preparatory activities to initiate implementation activities), 21 are implementing some of the main activities in their work plans and 2 are at the final stage of implementation.

⁵ During regional meetings held in late 2006, the Strategic Approach secretariat suggested that a business plan should be developed for the Quick Start Programme. The plan was drafted from February to April 2007 through a consultative process and was finalized by the Quick Start Programme Executive Board at its second meeting, on 23 and 24 April 2007.

⁶ Applications will be considered for approval by the Quick Start Programme Trust Fund Implementation Committee at its twelfth meeting, scheduled to take place on 22 and 23 November 2011 in Paris.

24. Another 31 projects from application rounds 1–8 are progressing but face delays, and their proponents have therefore requested extensions or intend to do so. The delays mainly stem from the slow start-up of the projects, extended consultations with a view to concluding agreements between executing agencies and Governments, problems at the national level with project organization and coordination and delays in the recruitment or replacement of staff and consultants, in addition to the transfer of funds at national level. The remaining five projects have been beset by serious problems, such as the failure to submit reports or to complete activities 36 months after the signature of the agreement.

3. Suspended projects

25. Four projects from application rounds 1–3 and 7 have been suspended for failing to demonstrate progress (one project), for failing to finalize agreement at the national level within the time limit of one year (two projects) or for failing to meet conditions after initial conditional approval by the Trust Fund Implementation Committee (one project). In one, funds were disbursed to the implementer and have been returned unspent to the Trust Fund.

4. Approved projects pending signature of agreement

26. As at July 2011, agreements for six projects approved during the ninth application round had been drafted and were pending clearance and signature by UNEP. Another eight agreements for projects from the tenth application round had been drafted and were being discussed with implementers. Transfer of funds for implementation of these projects would take place once the project agreements were in place.

5. Projects pending confirmation of approval

27. The Quick Start Programme Implementation Committee conditionally approved 17 projects from the tenth round of applications⁷. The proponents of those projects were requested to address the conditions within three months. The deadline for submitting the revised applications was set at August 2011. At the time of preparation of the present note, all 17 projects had met the conditions and agreements were being drafted for consultation with project implementers, following which the process of signature will be initiated.

D. Secretariat support for the Quick Start Programme

28. The secretariat has provided support for the Quick Start Programme and its Trust Fund as mandated by resolution I/4. The support includes facilitating meetings of the Trust Fund Implementation Committee (11 meetings to date) and the Quick Start Programme Executive Board (six meetings to date); providing administrative support for the Quick Start Programme Trust Fund; and screening trust fund project proposals for completeness and eligibility.

29. The secretariat has completed 108 agreements, in addition to processing requests for project extensions and disbursements of funds. In 10 rounds of applications to the Quick Start Programme Trust Fund, the secretariat screened 326 project proposals for completeness and eligibility, of which 271 applications were appraised by the Quick Start Programme Trust Fund Implementation Committee. UNEP levies a 5 per cent fee on contributions received to cover the cost of providing its trustee functions, with the exception of earmarked funds from the European Commission for projects related to multilateral environmental agreements in African, Caribbean and Pacific countries, on which 3 per cent is levied. The secretariat's Quick Start Programme functions are funded separately through voluntary contributions from the European Commission and other donors.

IV. Possible actions by the Open-ended Working Group

30. The Open-ended Working Group may wish:

(a) To take note of the information provided in the present note and in document SAICM/OEWG.1/INF/12 on the status of the Quick Start Programme;

(b) To commend the Executive Board on its efforts to provide an evaluation of the Programme that is accurate and conforms to the highest standards of quality;

(c) To recommend that the Conference adopt a new resolution to amend the requirements of resolutions I/4 and II/3 to ensure that financial commitments for Quick Start Programme Trust Fund projects are permitted until November 2013 and that disbursements of funds may continue until activities under all projects in the portfolio are completed.

⁷ At the eleventh meeting, held on 13 and 14 April 2011

31. As mentioned above, the Quick Start Programme Trust Fund is at present permitted to receive contributions from donors until the third session of the International Conference on Chemicals Management and the target funding established by the Quick Start Programme Executive Board is \$12,404,119. Taking into consideration that the demand for funding remains high and that there are 30 countries that have never received support from the Quick Start Programme Trust Fund, the Open-ended Working Group may wish:

(a) To urge Governments, regional economic integration organizations, intergovernmental organizations and non-governmental organizations to make contributions to the Trust Fund;

(b) To invite Strategic Approach stakeholders, in particular Governments and regional economic integration organizations that are in a position to do so, to make new and additional contributions to the Trust Fund to ensure that the target of \$44.8 million is reached, thus allowing support for approximately 180 projects throughout the lifespan of the Quick Start Programme.
